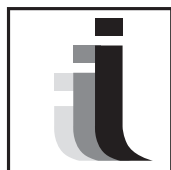


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## **TOPSEARCH INTERNATIONAL (HOLDINGS) LIMITED**

**至卓國際(控股)有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2323)**

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

On 17 May 2016, the Board adopted the Share Award Scheme with immediate effect for the purposes of (i) providing the Beneficiaries with an opportunity to acquire a proprietary interest in the Company; (ii) encouraging and retaining the Beneficiaries to work with the Company; and (iii) providing additional incentive for the Beneficiaries to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Beneficiaries directly to the shareholders of the Company through ownership of Shares.

### **THE SHARE AWARD SCHEME**

On 17 May 2016, the Board adopted the Share Award Scheme which has taken effect immediately. The Share Award Scheme is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

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

#### **1. PURPOSE**

The purposes of the Share Award Scheme are (i) to provide the Beneficiaries with an opportunity to acquire a proprietary interest in the Company (ii) to encourage and retain such individuals to work with the Company; and (iii) to provide additional incentive for them to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Beneficiaries directly to the shareholders of the Company through ownership of Shares.

\* *For identification purpose only*

## **2. DETERMINATION OF PROPOSED BENEFICIARIES**

The Board may propose or determine which Employees and Third Party Service Providers shall be entitled to receive grants of Shares under the Share Award Scheme, together with the number of Shares to which each such Employee and Third Party Service Provider shall be entitled, and make the relevant grant of Shares to the Beneficiaries under the Share Award Scheme subject to such conditions as the Board may deem appropriate at its discretion.

With regard to any proposed grant of Shares under the Share Award Scheme to any Employee, a proposal from the Remuneration Committee shall be sent to the Board. Upon receipt of such proposal, the Board shall:

- (a) consider whether to accept the proposal from the Remuneration Committee (with or without amendments); and
- (b) if the proposal is accepted (with or without amendments), select from among the proposed Employees those persons who will be entitled to receive Shares under the Share Award Scheme and determine the number of Shares that each Proposed Beneficiary will be entitled to be granted.

The selection of Proposed Beneficiaries and determination of the number of Award Shares to which each Proposed Beneficiary will be entitled will be made pursuant to a resolution of the Remuneration Committee.

## **3. GRANT OF AWARD SHARES**

The Company will notify each relevant Proposed Beneficiary of its entitlement to Award Shares by way of a Notice of Award. The Notice of Award will specify the terms and conditions of the grant and the Share Award Scheme such as the number of Award Shares entitled, the vesting criteria and conditions, the Vesting Date and such other details as the Board may consider necessary.

A Proposed Beneficiary accepting the grant shall, by no later than 30 days after the receipt of the relevant Notice of Award, deliver to the Company a duly completed acknowledgement form, together with relevant payment and provision of documents as may be stipulated in that Notice of Award. By completing and returning the acknowledgment form, the Proposed Beneficiary agrees to the terms and conditions of that Notice of Award and the Share Award Scheme.

Each grant of Shares under the Share Award Scheme to any connected person shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an Award). If any proposed issue of Shares to any connected person in relation to the Company or any of its subsidiaries under the Share Award Scheme would result in the total number of Shares being issued to such

connected person during the 12-month period immediately preceding the date of such proposed issue exceeding 1% of the total issued share capital of the Company as at the date of such proposed issue, then such proposed issue must be approved by the shareholders of the Company in general meeting at which such connected person and his associates shall abstain from voting. The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for any grant and issue of Shares to connected persons of the Company.

#### **4. RESTRICTIONS ON GRANTS AND TIMING OF GRANTS**

No grant of Shares shall be made under the Share Award Scheme where any Director is in possession of unpublished price sensitive information in relation to the Company or any of its subsidiaries or where dealings in Shares have been suspended or dealings in Shares by any Director are prohibited under any code or requirement of the Listing Rules or any applicable legal or regulatory requirement from time to time. Without limiting the generality of the foregoing, no grant of Shares shall be made at any time during the period:

- (a) commencing one month immediately preceding the earlier of:
  - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) ending on the date of the relevant results announcement.

Where the Proposed Beneficiary is a Director, no grant of Shares shall be made on any day on which the financial results of the Company are published and during the period of:

- (a) 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; and
- (b) 30 days immediately preceding the publication date of the quarterly results (if any) and 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.

## **5. MAXIMUM NUMBER OF SHARE GRANTS**

The aggregate number of Shares, whether they are new Shares to be allotted and issued by the Company or existing Shares to be purchased on-market by the Trustee, underlying all grants made pursuant to the Share Award Scheme shall not exceed in total 10% of the Company's issued share capital as at the Adoption Date ("**Scheme Limit**"). No account shall be taken into the calculation of the Scheme Limit of any Shares where the right to acquire such Shares has been released or lapsed in accordance with the Share Award Scheme.

The Scheme Limit may be refreshed from time to time subject to obtaining of prior approval from the Board (the "**New Approval**") but in any event the aggregate number of Shares administered under the Share Award Scheme shall not exceed 10% of the issued share capital of the Company as at the date of the New Approval.

## **6. RIGHTS ATTACHED TO THE SHARES**

Any Award Shares transferred to a Beneficiary pursuant to the Share Award Scheme will be subject to all the provisions of the Articles and will form a single class with the fully paid Shares in issue on the relevant date.

## **7. ISSUE OF SHARES TO THE TRUSTEE AND RESTRICTIONS ON PURCHASES BY TRUSTEE**

The Company shall, as soon as reasonably practicable and no later than 60 Business Days before the Vesting Date, for the purposes of satisfying the grant of Award, issue and allot Shares to the Trustee and/or transfer to the Trust the necessary funds and instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price. The Company shall instruct the Trustee whether or not to apply any Returned Shares to satisfy any grant of Award made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Award granted, the Company shall, as soon as reasonably practicable and no later than 60 Business Days before the Vesting Date, for purposes of satisfying the Award granted, issue and allot further Shares to the Trustee and/or transfer to the Trust the necessary funds and instruct the Trustee to acquire further Shares through on-market transactions at the prevailing market price.

Where the Trustee has received instructions from the Company to acquire shares through on-market transactions, the Trustee shall acquire such number of Shares as instructed by the Company on-market at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.

For the avoidance of doubt, the Company shall not issue or allot Shares in excess of the amount permitted in the mandate approved by the Shareholders.

The Trustee shall only be obliged to transfer Award Shares to the Beneficiary on vesting to the extent that Award Shares are comprised in the Trust.

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 SFO or other applicable laws from time to time. Where such a prohibition causes the prescribed timing imposed by the rules of the Share Award Scheme 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.

The Trustee shall not purchase Shares from the market under the Share Award Scheme during the period in which no grant of Shares under the Share Award Scheme may be made.

## **8. ISSUE OF SHARES AND/OR TRANSFER OF FUNDS TO THE TRUSTEE**

The Award Shares may be satisfied by (i) existing Shares to be acquired by the Trustee from the market or (ii) new Shares to be allotted and issued to the Trustee by the Company under the mandate sought from the shareholders of the Company in its general meeting, in both case the costs of which will be borne by the Company.

The Company shall cause sufficient funds to be made available to the Trustee for the proper administration and operation of the Share Award Scheme in accordance with the terms of the Share Award Scheme and the Trustee shall upon receipt of written instruction from the Company purchase Shares in the open market at the prevailing market price reasonably obtainable by it and deposit the same into CCASS for credit to the CCASS participant account of, or designated by, the Trustee.

The Trustee shall hold all Shares acquired by it for the benefit of the Beneficiaries and deal with such Shares pursuant to the terms of the Share Award Scheme. When the Beneficiary has satisfied all vesting conditions specified by the Board at the time of granting the Award Shares and become entitled to the Award Shares, the Trustee shall transfer the relevant Award Shares to that Beneficiary.

The Company shall comply with the relevant Listing Rules when issuing new Award Shares and application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the new Award Shares to be issued.

## **9. VESTING**

For the purposes of vesting of the Award, the Board or the committee of the Board or person(s) to which the Board delegated its authority may either: (a) direct and procure the Trustee to release from the Trust the Award Shares to the Beneficiaries by transferring the number of Award Shares to the Beneficiaries in such manner as determined by them from time to time; or

(b) to the extent that, at the determination of the Board or its delegate(s), it is not practicable for the Beneficiaries to receive the Award Shares in Shares solely due to legal or regulatory restrictions with respect to the Beneficiary's ability to receive the Award Shares in Shares or the Trustee's ability to give effect to any such transfer to the Beneficiary, 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 Beneficiary and pay the Beneficiary the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares as set out in the Vesting Notice.

In respect of a Beneficiary who died or retired at his normal retirement date or earlier by agreement with the Company or any of its subsidiaries at any time prior to the relevant Vesting Date(s), all the Award Shares outstanding and unvested to which he is entitled shall be deemed to be vested on the day immediately prior to his death or retirement at his normal retirement date or at an earlier date by agreement with the Company or any of its subsidiaries.

In the event of the death of a Beneficiary, the Trustee shall hold the vested Award Shares and the Related Income relating thereto accrued after vesting (hereinafter referred to as "**Benefits**") on trust and will transfer the same to the legal personal representatives of the Beneficiary and subject as aforesaid and without prejudice to all applicable regulations, ordinances or statutes, the Trustee shall hold the Benefits or so much thereof as shall not be transferred or applied under the foregoing powers within (i) two years of the death of the Beneficiary (or such longer period as the Trustee and the Board shall agree in writing from time to time) or (ii) the trust period as defined in the Trust Deed (whichever is the shorter) whereupon, or if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be deemed and held as Returned Shares for the purposes of the Share Award Scheme.

## **10. VOTING**

Neither the Beneficiary nor the Trustee may exercise the voting rights in respect of any Award Shares that have not yet vested.

Upon the Award Shares being vested and transferred in the relevant Beneficiary, each Beneficiary shall be entitled to exercise all voting rights in respect of such Award Shares.

## **11. RIGHTS PERSONAL AND NO TRANSFERS**

The rights of each Beneficiary under the Notice of Award are personal to such Beneficiary and are not assignable except by succession.

Any attempt by each Beneficiary to sell, transfer, charge, mortgage, grant, encumber or create any interest in favour of any third party over the Award Shares outstanding and unvested to which he is entitled shall be null and void, except in accordance with the Share Award Scheme.

## **12. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND, SCHEME, ETC.**

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all Beneficiaries shall be deemed to have waived all their respective rights and benefits to the Award Shares outstanding and unvested on the date when such change of control event becomes or is declared unconditional.

In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee under the Share Award Scheme, the Trustee shall not subscribe for any new securities. In the event of a rights issue, the Trustee shall use reasonable effort to sell such amount of the nil-paid rights allotted to it as is appropriate in the open market (if any) at the then prevailing market price and the proceeds of sale of such rights (net of all related transaction costs, fees, duty and expenses reasonably incurred by the Trustee) shall be deemed as Residual Cash.

In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Trustee shall not subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall use reasonable effort to sell the bonus warrants created and granted to it in the open market (if any) at the then prevailing market price, the proceeds of sale of such bonus warrants (net of all related transaction costs, fees, duty and expenses reasonably incurred by the Trustee) shall be deemed as Residual Cash.

In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive scrip Shares and such Shares will be held as Returned Shares.

In the event the Company undertakes a consolidation of the Shares, all fractional share arising out of such consolidation in respect of all Award Shares and Related Income relating thereto of a Beneficiary shall be deemed as Returned Shares for the purposes of the Share Award Scheme and shall not be transferred to in the relevant Beneficiary at any time.

In the event of other non-cash and non-scrip distributions made by the Company in respect of any Award Shares comprised in the Trust Fund held upon the Trust, the Trustee shall use reasonable effort to dispose of such distribution and the net sale proceeds thereof shall be deemed as Residual Cash.

For the purpose the above “**control**” shall have the meaning as specified in The Codes on Takeovers and Mergers and Share Repurchases from time to time.

## **13. CESSATION OF A BENEFICIARY**

In the event that a Beneficiary ceases to be an Employee or, where the Beneficiary is a Third Party Service Provider, it ceases to provide services prior to the expiry of the relevant contract between the Beneficiary and the Company or its subsidiary, the Beneficiary shall be deemed to have waived all its rights and benefits to the Award Shares outstanding and unvested. In

addition, where an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) (each of these, an event of “**Total Lapse**”), the Beneficiary shall cease forthwith to be entitled to the Award Shares outstanding and unvested.

#### **14. ALTERATION OF THE SHARE AWARD SCHEME**

The Share Award Scheme may be altered or varied in any respect by a resolution of the Board, provided that no alteration or variation shall be made which will adversely affect any subsisting rights of any Beneficiary (present or future) except with the sanction of an ordinary resolution passed at a meeting of the shareholders of the Company.

#### **15. ADMINISTRATION OF THE SHARE AWARD SCHEME**

The Board shall have the power from time to time to make or vary regulations for the administration and operation of the Share Award Scheme, provided that the same are not inconsistent with the provisions of the Share Award Scheme.

#### **16. DURATION AND TERMINATION**

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date (“**Scheme Period**”).

Upon termination (whether due to early termination or upon expiry of the Scheme Period) of the Share Award Scheme, no further Shares shall be granted. The Company shall notify the Trustee of such termination in writing forthwith.

Upon receipt of the notice of termination from the Company in writing, the Trustee shall within 21 Business Days of receiving such notice of termination, or such longer time as the Trustee and the Board may agree from time to time, vest in the Beneficiaries all Award Shares referable to the date of termination which are not vested by transferring the same held by and in the Trust Fund to the relevant Beneficiaries; and sell all Returned Shares and non-cash income remaining in the Trust, if any, and remit the proceeds of sale of the same together with any residual cash accrued in the Trust, after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed, to the Company forthwith after the sale.



## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company, the consideration receivable under the related scheme or offer
“Adoption Date”	17 May 2016, being the date on which the Share Award Scheme is adopted by the Board
“Articles”	the bye-laws and memorandum of association of the Company
“Award”	an award granted by the Board to a Beneficiary, 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 rules of the Scheme
“Award Shares”	the Shares that each Proposed Beneficiary will be entitled to be granted under the Share Award Scheme
“Beneficiary(ies)”	each Proposed Beneficiary who so returns an acknowledgement form pursuant to the Share Award Scheme
“Board”	the board of directors from time to time of the Company or a duly authorised committee thereof
“Business Day(s)”	any day(s) (excluding Saturday and Sunday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities and the Shares
“CCASS”	the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited
“Company”	Topsearch International (Holdings) Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange (stock code: 2323)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules

“Director(s)”	the director(s) of the Company
“Employee”	any Director or employee of the Company or any of its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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)
“Notice of Award”	notice issued by the Company to notify each relevant Proposed Beneficiary of its entitlement to the Award Shares
“Proposed Beneficiary(ies)”	the proposed person(s) to be entitled to receive Shares under the Share Award Scheme
“Related Distributions”	all distributions in the form other than cash or Shares declared and distributed by the Company in respect of any Share (including nil paid rights, bonus warrants, non-cash and non-scrip distributions) held upon the Trust not sold by the Trustee in accordance with the terms of the Share Award Scheme and remain valid under the terms and conditions attached thereto
“Remuneration Committee”	the remuneration committee of the Company
“Related Income”	all income derived from any Share (including, but not limited to, dividends and other cash distributions, any bonus Shares and scrip Shares received in respect of the Share) held upon the Trust. For the avoidance of doubt, nil paid rights, bonus warrants, non-cash and non-scrip distributions are excluded
“Residual Cash”	cash remaining in the Trust Fund and sale proceeds (including the cash proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of any Shares held upon the Trust)), other than Related Income

“Returned Shares”	such Award Shares and Related Income relating thereto which are forfeited in accordance with the terms of the Scheme (whether as a result of a Total Lapse or otherwise), the Related Distributions of such Award Shares, or such Shares being deemed to be Returned Shares in accordance with the terms of the Scheme and the cash distribution and dividends declared and distributed by the Company in respect of the Returned Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share Award Scheme”	the share award scheme adopted by the Company on 17 May 2016, as amended from time to time
“Share(s)”	ordinary share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning ascribed to it under the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong)) of the Company whether incorporated in Hong Kong or elsewhere
“Third Party Service Provider(s)”	any advisor or consultant to the Company or any of its subsidiaries, provided, however, that (i) such advisor or consultant is a natural person and provides bona fide services to the Company or any of its subsidiaries, (ii) the services provided by such advisor or consultant are not in connection with the offer or sale of securities in a capital-raising transaction of the Company and (iii) such advisor or consultant, or the services provided by him or her, do not directly or indirectly make a market for the Company’s securities
“Trust”	the trusts constituted by the Trust Deed to service the Share Award Scheme
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the appointment of the Trustee for the administration of the Share Award Scheme

“Trust Fund”	means:
	(a) all Shares acquired by the Trustee pursuant to the Share Award Scheme for the purpose of the Trust out of cash paid to the Trustee by way of settlement or otherwise contributed by the Company, and all Residual Cash, Related Income and Related Distributions of, and such other scrip income (including but not limited to bonus Shares and scrip dividends declared by the Company) derived from, the Shares held by the Trust; and
	(b) all other properties from time to time representing (a) above
“Trustee”	the trustee appointed by the Company for the purpose of the Trust which will be an independent third party and not connected with the Company or the Company’s connected persons, and initially, Computershare Hong Kong Trustees Limited
“Vesting Date”	the vesting date of the Award Shares as applicable to the Beneficiary
“%”	per cent.

By order of the Board of  
**Topsearch International (Holdings) Limited**  
**Liu Tingan**  
*Chairman and Chief Executive Officer*

Hong Kong, 17 May 2016

*As at the date of this announcement, the Board comprises Mr. Liu Tingan and Mr. Cheok Ho Fung being executive Directors; and Mr. Wong Wing Kee, Mr. Ng Kee Sin, Mr. Ng Man Kung, Dr. Ngai Wai Fung and Mr. Lau Fai Lawrence being independent non-executive Directors.*