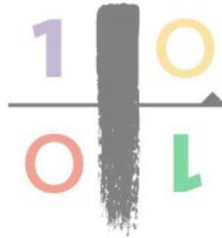


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**1010 PRINTING GROUP LIMITED**

**匯星印刷集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock code: 1127)

**ADOPTION OF SHARE AWARD SCHEME**

On 30 December 2013, the board of Directors adopted the Share Award Scheme which has taken effect immediately pursuant to which Shares will be acquired by the Trustee at the cost of the Company or new Shares may be allotted and issued to the Trustee or Connected Persons under general mandates granted by the Shareholders at general meetings from time to time and be held in trust, subject to the Scheme Rules, for the Selected Persons until the end of each vesting period.

**THE SHARE AWARD SCHEME**

On 30 December 2013, the board of Directors adopted the Share Award Scheme which has taken effect immediately. The following is a summary of the principal terms and conditions of the Share Award Scheme:

**Purpose and objectives**

The purposes and objectives of the Share Award Scheme are to recognise and motivate the contribution of certain Employees and Agents and to incentivise them to further the operation and development of the Group and to attract suitable personnel for the Group.

**Duration**

Subject to the occurrence of the following terminating events, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date:

- (i) the board of Directors gives prior notice to the Trustee and all Selected Persons to terminate the Share Award Scheme;
- (ii) all Awarded Shares granted by the Board and held by the Trustee are vested and transferred to the Selected Persons in accordance with the Scheme; or

- (iii) 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).

### **Administration**

The Share Award Scheme shall be subject to the administration of the Board and the Trustee pursuant to the Scheme Rules and terms of the Trust Deed.

### **Operation**

The Board may select any Eligible Person for participation in the Share Award Scheme and determine the number of Awarded Shares to be awarded to each Selected Person.

The Board is entitled to impose any condition (including a period of continued service within the Group after the Reference Date), as it deems appropriate with respect to the entitlement of the Selected Person to the Awarded Shares.

### **Procurement of Awarded Shares**

The Board shall, as soon as practicable after the Reference Date, cause to be paid the Reference Amount from the Company's resources into the Account for the purchase and/or subscription of the Awarded Shares.

Within 20 Trading Days after receiving the Reference Amount (or such longer period as the Trustee and the Board may agree from time to time having regard to the circumstances of the purchase concerned), the Trustee shall apply the Reference Amount towards the acquisition of Awarded Shares at the prevailing market price and/or subscription of Awarded Shares at par.

If the Reference Amount is not sufficient to purchase and/or subscribe for all the necessary Shares to cover the Awarded Shares so specified, the Trustee shall purchase and/or subscribe for the maximum number of Shares possible from the Reference Amount and (a) apply the Returned Shares and Further Shares if so instructed by the Board or (b) seek further sums from the Board, until all Awarded Shares are purchased and/or subscribed. The Trustee shall return any excess Reference Amount to the Company forthwith after the completion of the purchase and/or subscription.

In case of allotting and issuing new Shares as the Awarded Shares, the Company shall comply with the relevant applicable provision of the Listing Rules. The Company intends to use the general mandate available at the time of granting the Awarded Shares for the allotment of new Awarded Shares. Applications for the listing of and permissions to deal in the new Awarded Shares will be made to the Stock Exchange when the Award is granted.

### **Lapse of Award**

The Award granted to a Selected Person shall automatically lapse immediately in whole

or in part (as the case may be pursuant to the Scheme Rules) if any of the following event occurs on or before the relevant Vesting Date:

- (i) the Selected Person ceases to be an Eligible Person (excluding cessation caused by death of the Selected Person);
- (ii) 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);
- (iii) the Selected Person is found to be an Excluded Person;
- (iv) the Selected Person fails to satisfy any condition as set out in the grant letter in respect of the relevant part of Award;
- (v) the Selected Person sells, transfers, charges, mortgages, encumbers or creates any interest in favour of any other person over such Awarded Shares in respect of the relevant part of the Award; or
- (vi) the Selected Person fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares within the stipulated period.

Upon the total or partial lapse of the Award, the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purpose of the Scheme.

### **Vesting of the Award**

Unless the Scheme Rules provides otherwise, the Trustee shall transfer the relevant Awarded Shares to the relevant Selected Person as soon as practicable after the Vesting Date if no event of lapse occurs on or before the Vesting Date.

In case a Selected Person dies before any Awarded Share is vested in him, all such Awarded Shares shall be deemed to be vested in the Selected Person immediately before his death.

### **Award to Connected Person**

Any grant of the Awarded Shares to the directors or senior management of the Company must first be approved by the Remuneration Committee. Any member of the Board who himself has interest in a proposed Award shall abstain from voting on any resolution by which the Award is proposed.

As respects any grant of the Awarded Shares to any Connected Person, the Company and that Connected Person shall comply with all applicable laws, rules and regulations, including the Listing Rules. In the event that the Awarded Shares granted to a Connected Person are new Shares to be issued by the Company, the Company has to obtain the approval from independent Shareholders for the grant whenever necessary

under the Listing Rules.

### **Nature of the Award**

Subject to the Scheme Rules, any Award made under this Scheme shall be personal to the Selected Person to whom it is made and shall not be assignable.

A Selected Person shall only have a contingent interest in the Awarded Shares and the related income referable to him subject to the vesting of such Shares. The Selected Person shall have no rights in the Residual Cash or any of the Returned Shares.

The Trustee shall not exercise the voting rights in respect of any Share held by it as nominee or under the Trust (if any) (including but not limited to the Awarded Shares, the Returned Shares and any bonus Shares and scrip Shares derived from such Share).

### **Scheme Limit**

The Board shall not make any further award of Awarded Shares which will result in:

- (i) the aggregate number of the Shares awarded by the Board under the Scheme exceeding 10% of the issued share capital of the Company as at the Adoption Date; and
- (ii) the aggregate number of the Shares held by public shareholders of the Company falls below the minimum percentage as prescribed under the Listing Rules.

The maximum number of Shares which may be awarded to a Selected Person under the Scheme shall not exceed 1% of the issued share capital of the Company as at the Adoption Date.

Based on the 770,000,000 Shares in issue as at the Adoption Date, the maximum numbers of Awarded Shares which may be granted under the Share Award Scheme and to an individual Selected Person are 77,000,000 Shares and 7,700,000 Shares respectively.

### **Termination**

The Share Award Scheme shall terminate on the earlier of (i) the expiry of 10 years after the Adoption Date and (ii) the date on which the event of early termination as referred to in the paragraph "**Duration**" above occurs. The termination shall not affect any subsisting rights of any Selected Person under the Scheme.

Upon termination, no further Award shall be granted but in all other respects the provisions of the Share Award Scheme shall remain in full force and effect. The Awarded Shares granted and subsisting prior to the termination shall continue to be in full force and effect.

### **DEFINITIONS**

In this announcement, unless the context requires otherwise, the following expressions

have the meanings set out below:

"Account"	the bank account opened in the name of the Company to be operated solely for the purposes of operating the Share Award Scheme and the funds of the Share Award Scheme to be held on trust by the Company for the Selected Persons
"Adoption Date"	30 December 2013, being the date on which the Share Award Scheme is adopted by the board of Directors
"Agent"	the person who render his service exclusively for any Group Company in relation to sale of products or service of the Group
"Award"	an award of Shares by the Board to a Selected Person
"Awarded Shares"	in respect of a Selected Person, <ul style="list-style-type: none"><li>(a) such number of Shares determined by the Board and<ul style="list-style-type: none"><li>(i) issued by the Company at par for the relevant Selected Person</li><li>(ii) purchased by the Trustee on the market, in either case out of cash paid by the Company by way of settlement to the Trustee pursuant to the Scheme Rules or</li></ul></li><li>(b) such number of Returned Shares or Further Shares awarded under the Share Award Scheme</li></ul>
"Board"	the board of Directors, such committee or such sub-committee or person(s) delegated with the power and authority by the board of Directors to administer the Share Award Scheme
"Company"	1010 Printing Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"Connected Person"	any connected person of the Company who are selected for participation in the Share Award Scheme as a Selected Person
"Director(s)"	the director(s) of the Company
"Eligible Persons"	Employees and Agents (other than the Excluded Persons) who may be eligible for being selected to be a Selected

	Person for the participation in the Share Award Scheme
"Employee"	any employee (whether full-time or part-time) of any member of the Group (including any executive and non-executive director of any member of the Group)
"Excluded Persons"	any Employee or Agent who is resident in a place where the settlement of the Reference Amount and/or the award of the Awarded Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the Scheme Rules is not permitted under the laws and regulations of such place or where in the view of the Board compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Employee or Agent
"Further Shares"	Shares purchased or subscribed by the Trustee out of cash income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon by the Trustee
"Group"	the Company and its subsidiaries (whether incorporated in Hong Kong or elsewhere) from time to time
"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
"Reference Amount"	an amount equal to the sum of: <ul style="list-style-type: none"> <li>(a) the closing price of those Awarded Shares to be purchased by the Trustee as at the Reference Date;</li> <li>(b) the aggregate nominal value of those Awarded Shares to be subscribed by the Trustee as at the Reference Date; and</li> <li>(c) the related purchase and subscription expenses (including for the time being, the brokerage fee, SFC transaction levy, Stock Exchange trading fee, investor compensation levy, listing fee and such other necessary expenses for the completion of purchase and/or subscription of all the Awarded Shares)</li> </ul>
"Reference Date"	the date of final approval by the Board of the total number of Shares to be awarded to the Selected Persons in that single

occasion pursuant to the Share Award Scheme provided that in the event of grant of new Shares to Connected Persons, the date of approval by the Shareholders of the total number of Shares to be awarded to those connected persons in that single occasion pursuant to the Share Award Scheme

"Residual Cash"	in respect of a Selected Person, being cash remaining in the Account or any trust fund set up by the Trustee in respect of his Award (including interest income derived from deposits maintained with licensed banks in Hong Kong), which has not been applied in the acquisition or subscription of his Awarded Shares or Further Shares
"Remuneration Committee"	the remuneration committee of the board of Directors
"Returned Shares"	such Awarded Shares which are referable to a Selected Person and which are not accepted or vested or forfeited in accordance with the Scheme Rules (whether as a result of lapse or otherwise, or such Shares being deemed to be Returned Shares), or such Shares being deemed to be Returned Shares in accordance with the Scheme Rules
"Scheme Rules"	the rules relating to the Share Award Scheme in its present form or any amended form
"Selected Person"	any Eligible Person whom the Board may, from time to time, at its absolute discretion select for participation in the Share Award Scheme
"SFC"	the Securities and Futures Commission of Hong Kong
"Share Award Scheme"	the 1010 Printing Group Limited Share Award Scheme as adopted by the Board on the Adoption Date and as amended from time to time
"Shareholders"	holders of share(s) of the Company
"Share(s)"	ordinary share(s) of HK\$0.01 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trading Day"	a business day on which the trading of the Shares through the Stock Exchange has been neither suspended nor prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time

"Trust Deed"	a 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
"Trustee"	such person(s) who will from time to time be duly appointed to be the trustee(s) of the trusts declared by the Trust Deed
"Vesting Date"	in respect of a Selected Person, the date on which his entitlement to the Awarded Shares is vested in accordance with the conditions as imposed by the Board or is deemed to have vested pursuant to the Scheme Rules
"%"	per cent.

By order of the board of Directors of  
**1010 Printing Group Limited**  
Lau Chuk Kin  
Executive Director

Hong Kong, 30 December 2013

*As at the date of this announcement, the board of the Company comprises Mr. Yang Sze Chen, Peter, Mr. Lau Chuk Kin, Mr. Li Hoi, David and Mr. Lam Wing Yip as executive directors; Mr. Yeung Ka Sing, Prof. Lee Hau Leung, Mr. Tsui King Chung, David and Dr. Ng Lai Man, Carmen as independent non-executive directors.*

\* For identification purpose only