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首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

VOLUNTARY ANNOUNCEMENT

PROPOSED ADOPTION OF SHARE INCENTIVE PLAN

This announcement is made by Shoucheng Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The Company is considering the adoption (the “**Proposed Adoption**”) of a share incentive plan (the “**Plan**”) to incentivise employees of the Group. Pursuant to the requirement under Notice of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance of the People’s Republic of China on Issuing the Trial Measures for Implementing the Equity Incentive System by the State-Controlled Listed Companies (Overseas) (No.8 [2006]) and other applicable laws and regulations, the Plan will be subject to the approval of the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality and the shareholders of the Company (“**Shareholders**”) at a general meeting.

The core contents of the Plan are as follows:

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|---------------------------|---|---|
| Subject of incentive | : | Share option (the “ Share Option ”) |
| Plan limit | : | Approximately 173 million Share Options (each Share Option shall entitle the holder thereof to purchase one (1) share of the Company (“ Share ”)) |
| Source of Shares | : | Existing Shares purchased from the open market |
| Scope of the participants | : | The initial grant of Share Options will be granted to no more than 50 grantees, which shall include directors, core management, technical and business backbone personnel of the Group. The Plan will also reserve certain amount of Share Options, which shall be granted to other core backbone personnel of the Group to be selected for key positions in the coming year, to better meet the needs of talent recruitment. |

- Validity period of the Share Option : not more than 6 years
- Exercise schedule : Subject to confirmation by the board of directors of the Company (“**Board**”) that the grant conditions on performance are met, the Board shall determine the date of grant. After the Share Options are granted, the Share Options shall become exercisable in three exercise periods in the proportion of 33%, 33% and 34% respectively.
- Exercise price : Not lower than the closing price per Share on the relevant grant date and the average closing price per Share for the five trading days immediately preceding the relevant grant date.
- Exercise conditions : Exercise of Share Options will be subject to satisfaction of, among others, certain performance indicators of the Company.

In order to achieve the performance indicators, the Company shall, after excluding the financial impact of Shougang Fushan Resources Group Limited on the financial statements of the Company, maintain an average annual growth rate of revenue of about 48% and an average annual growth rate of the number of parking spaces being managed of about 45% from the year of devising the grant conditions to the relevant exercise periods; and the research and development expense shall not be less than 3% of the revenue during the exercise periods. The Board will also consider other indicators such as return on equity of the Company when determining the exercise conditions.

The Company will make further announcement(s) in connection with the Proposed Adoption as and when appropriate in compliance with the relevant Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Shareholders and potential investors should note that as at the date of this announcement, the details of the Plan have yet to be finalized. The Proposed Adoption is subject to, among others, further assessment by the management and the Board and approvals from the relevant regulatory authorities. There is no assurance that the Proposed Adoption will proceed or as to when it may take place. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
Shoucheng Holdings Limited
Zhao Tianyang
Chairman

Hong Kong, 29 July 2021

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Xu Liang, Mr. Li Wei (President) and Ms. Zhang Meng as executive directors; Mr. Liu Jingwei, Mr. Ho Gilbert Chi Hang, Mr. Li Hao and Dr. Zhao Xianming as non-executive directors; Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao, Ms. Zhang Quanling and Ms. Zhuge Wenjing as independent non-executive directors.