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TECHCOMP (HOLDINGS) LIMITED

天美(控股)有限公司*

(incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1298)

(Singapore Stock Code: T43)

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that on 11 January 2017, it has approved the adoption of the Share Award Scheme. The purposes of the Share Award Scheme are (i) to recognise the contributions by certain Selected Grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and (ii) to attract suitable personnel for further development of the Group. In connection with the Share Award Scheme, the Company and the Trustee (an Independent Third Party) entered into the Trust Deed on 11 January 2017 for the purpose of administering the Share Award Scheme.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No shareholders' approval is required for the adoption of the Share Award Scheme.

ADOPTION OF THE SHARE AWARD SCHEME

The Board is pleased to announce that on 11 January 2017, it has approved the adoption of the Share Award Scheme, pursuant to which the Company may grant Awarded Shares to the Selected Grantees.

A summary of the scheme rules is set out below.

Purposes

The purposes of the Share Award Scheme are:

- (i) to recognise the contributions by certain Selected Grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group; and
- (ii) to attract suitable personnel for further development of the Group

Duration

Subject to any early termination as may be determined by the Board (more details below), the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date provided that no further Award shall be made on or after the 10th anniversary date of the Adoption Date.

Administration

The Share Award Scheme shall be subject to the administration of the Board in accordance with the terms stated therein.

The Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the Trust Deed.

Scheme limit

The Board shall not make any further Award which will result in the aggregate number of the Shares awarded under the Share Award Scheme in excess of 10% of the issued share capital of the Company from time to time. As at the Adoption Date and the date of this announcement, the issued share capital of the Company comprises 275,437,000 Shares.

Operation of the Share Award Scheme

Under the Share Award Scheme, the Board may choose to purchase the existing Shares from the market or issue new Shares for the Scheme. Those Shares will be held by the Trustee for the relevant Selected Grantees until such Shares are vested with the relevant Selected Grantees in accordance with the provisions of the Scheme.

The Board may, from time to time, after considering the proposal from the Remuneration Committee and at its absolute discretion, select any Eligible Person after taking into account various factors as it deems appropriate for participation in the Scheme as a Selected Grantee and determine the number of Shares to be awarded. However, until so selected, no Eligible Person shall be entitled to participate in the Scheme.

The Board shall, either before or after identification of the Selected Grantee(s), cause to be paid (by way of a gift from the Company's funds) such amount as may be required for the purchase of the existing Shares from the market or the subscription of the new Shares by the Trustee and the related purchase or subscription expenses (including for the time being, the brokerage fee, stamp duty, transaction levy, trading fee and investor compensation levy and such other necessary expenses required for the completion of the purchase or subscription of all the Awarded Shares).

Vesting and lapse

The Awarded Shares and Related Income held by the Trustee upon the Trust and which are referable to a Selected Grantee shall vest in that Selected Grantee in accordance with a vesting schedule determined at the discretion of the Board as stipulated in the Grant Letter, provided that the Selected Grantee remains at all times after the allocation date (i.e. the date on which the Trustee is informed of the final approval by the Board of the proposed total number of Shares to be awarded to a Selected Grantee) and on each relevant vesting date(s) an Eligible Person (for this purpose, the date or each such date on which the Awarded Shares and the Related Income are to vest being hereinafter referred to as a “**Vesting Date**”). The Board may also, after considering the proposal from the Remuneration Committee and/or in its absolute discretion, determine the performance, operating and financial targets, lock-up and other criteria, if any, to be satisfied by the Selected Grantee before the Awarded Shares can vest (the “**Vesting Conditions**”).

Save as provided in the Share Award Scheme, unless otherwise determined by the Board at its discretion, in the event (a) a Selected Grantee fails to remain as an Eligible Person; or (b) the subsidiary by which a Selected Grantee is employed ceases to be a subsidiary of the Company (or of a member of the Group); or (c) 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 Award shall automatically lapse forthwith and all the Awarded Shares and Related Income of such Award shall not vest in the Selected Grantee on the relevant Vesting Date but shall become Excess Shares for the purposes of the Scheme, in which case the Selected Grantee shall have no claims against the Company or any member of the Group, the Board or the Trustee.

In the event (a) a Selected Grantee is found not to be an Eligible Person; or (b) a Selected Grantee fails to satisfy any of the Vesting Conditions as set out in the Grant Letter; or (c) a Selected Grantee fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares and the Related Income within the stipulated period (each of these, an event of “**Partial Lapse**”), the relevant part of an Award made to such Selected Grantee shall, unless the Board otherwise agrees at its sole discretion, automatically lapse forthwith and the relevant Awarded Shares and Related Income shall not vest in the Selected Grantee on the relevant Vesting Date but shall become Excess Shares for the purposes of the Scheme, in which case the Selected Grantee shall have no claims against the Company or any member of the Group, the Board or the Trustee.

If there occurs an event of change in control (as specified in The Codes on Takeovers and Mergers and Share Buy-backs from time to time) of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares and the Related Income shall immediately vest on the date when such change in control event becomes or is declared unconditional and such date shall be deemed the Vesting Date.

Termination

The Share Award Scheme shall terminate on the earlier of (i) on the 10th anniversary date of the Adoption Date, or (ii) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Grantee.

Upon termination, (i) all the Awarded Shares and the Related Income shall become vested in the Selected Grantee(s) so referable on such date of termination save in respect of a Total Lapse, (ii) all Excess Shares and non-cash income remaining in the Trust Fund shall be sold by the Trustee, and (iii) all the Residual Cash, net proceeds of sale referred in (ii) above and such other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale.

Restrictions

Any Award made under the Share Award Scheme shall be personal to the Selected Grantee to whom it is made and shall not be assignable and no Selected Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares granted to him (either before or after the Vesting Date(s)) pursuant to such Award or the Related Income or any of the Excess Shares under the Scheme.

The Board shall not grant any Award, make any payment to the Trustee or give any instruction to the Trustee to purchase or subscribe for Shares where dealings in Shares by the Directors are prohibited under the Model Code or any code or requirement of the Listing Rules and all applicable laws and regulations from time to time or in any circumstance which is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

Voting rights

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Awarded Shares, the Related Income, the Excess Shares, any bonus Shares and scrip Shares).

None of the Selected Grantees may exercise any voting rights in respect of any Awarded Shares (including the Related Income) that have not yet vested.

TRUST DEED IN CONNECTION WITH THE SHARE AWARD SCHEME

In connection with the Share Award Scheme, the Company and the Trustee entered into the Trust Deed on 11 January 2017 for the purpose of administering the Share Award Scheme.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Trustee and its ultimate beneficial owner are Independent Third Parties.

IMPLICATIONS UNDER THE LISTING RULES

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No shareholders' approval is required for the adoption of the Share Award Scheme.

Under the Share Award Scheme, an Award may be granted to any Selected Grantee including directors of the Company and/or any member of the Group. Where any Award is proposed to be granted to directors of the Group and/or other connected persons of the Company, such Award shall constitute a connected transaction for the Company under Chapter 14A of the Listing Rules in which case the Company will comply with the relevant requirements under the Listing Rules.

In the event where an Award involves issue of new Shares, it is the current intention of the Board that such new Shares will be issued pursuant to the general mandate granted by the Shareholders at the annual general meeting of the Company from time to time. If the Board later on decides to seek specific mandate from the Shareholders to issue such new Shares instead, the Company will make further announcement(s) and comply with other requirements under the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Adoption Date”	11 January 2017, being the date on which the Share Award Scheme is approved and adopted by the Board
“Award”	an award of Shares (together with any Related Income) by the Board pursuant to the Share Award Scheme and the Trust Deed, to a Selected Grantee
“Awarded Share(s)”	in respect of a Selected Grantee, such number of existing and/or new Shares determined by the Board as should be purchased or subscribed for by the Trustee
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company from time to time
“Company”	Techcomp (Holdings) Limited, a company incorporated in Bermuda with limited liability, the Shares of which are primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Main Board of The Singapore Exchange Securities Trading Limited
“connected person(s)”	has the meaning as ascribed to this term under the Listing Rules

“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any employee (whether full time or part time) or director (including, without limitation, any executive, non-executive or independent non-executive directors) of any member of the Group; however, no person 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, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such person, shall be entitled to participate in the Share Award Scheme and such person shall therefore be excluded from the term “Eligible Person”
“Excess Share(s)”	such Share(s) which is/are not awarded and/or not vested and/or forfeited in accordance with the terms of the Share Award Scheme (whether as a result of a Total Lapse or a Partial Lapse or otherwise)
“Grant Letter”	the letter to be sent by the Company to the Selected Grantee whereby the Selected Grantee is informed of the number of the Awarded Shares to be granted to him, the Vesting Dates, the Vesting Conditions and the lock-up of the Awarded Shares (if any)
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“Partial Lapse”	has the meaning as ascribed to this term under the paragraph headed “Vesting and lapse” in this announcement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Related Income”	all income or distribution derived from a Share (net of all expenses or charges incurred in relation to the receipt or payment of such income or distribution) held upon the Trust in the form of Shares (including but not limited to, any bonus Shares or scrip Shares received in respect of the Share) or in money, and for the avoidance of doubt, excluding any nil paid right, bonus warrant, or Residual Cash
“Remuneration Committee”	the remuneration committee of the Company
“Residual Cash”	the cash remaining in the Trust Fund (including interest income derived from deposits maintained with licensed banks in Hong Kong which have not been applied in the acquisition of Shares)
“Selected Grantee(s)”	Eligible Person(s) selected by the Board for participation in the Share Award Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share Award Scheme” or “Scheme”	the share award scheme adopted by the Company on the Adoption Date, as amended from time to time
“Share(s)”	ordinary share(s) of US\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Lapse”	has the meaning as ascribed to this term under the paragraph headed “Vesting and lapse” in this announcement
“Trust”	the trusts constituted by the Trust Deed
“Trust Deed”	the trust deed in relation to the Share Award Scheme entered into between the Company and the Trustee on 11 January 2017, as restated, supplemented and amended from time to time
“Trust Fund”	all the assets for the time being and from time to time held or deemed to be held by the Trustee upon the terms of the Trust Deed, including all cash income derived from the Excess Shares held on Trust for the benefit of the Share Award Scheme

“Trustee”	Acheson Limited, a company incorporated under the laws of Hong Kong and an Independent Third Party, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed
“Vesting Conditions”	has the meaning as ascribed to this term under the paragraph headed “Vesting and lapse” in this announcement
“Vesting Date”	has the meaning as ascribed to this term under the paragraph headed “Vesting and lapse” in this announcement
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By Order of the Board of
Techcomp (Holdings) Limited
Lo Yat Keung
President

Hong Kong, 11 January 2017

As at the date of this announcement, the executive Directors are Mr. Lo Yat Keung (President), Mr. Chan Wai Shing and Mr. Christopher James O’Connor; and the independent non-executive Directors are Mr. Seah Kok Khong, Manfred, Mr. Ho Yew Yuen and Mr. Teng Cheong Kwee.

**For identification purposes only*