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PENTAMASTER INTERNATIONAL LIMITED
檳傑科達國際有限公司
(Incorporated in the Cayman Island with limited liability)
(Stock code: 1665)

GRANT OF AWARDS
PURSUANT TO SHARE AWARD SCHEME

Pursuant to Rule 17.06A of the Listing Rules, the Board announces that on 7 August 2024, the Company granted Awards involving 6,035,000 Awarded Shares to Selected Employees in accordance with the terms of the Share Award Scheme, representing approximately 0.25% of the total Shares in issue as at the date of this announcement.

Details of Grant of Awards

The details of the Awards granted to the Selected Employees are as follows:

Date of grant: 7 August 2024

Selected Employees and number of Awarded Shares under the Awards granted: 6,035,000 Awarded Shares were granted to the Selected Employees. In respect of the Selected Employees, one of which is Connected Grantee. Among the total of 6,035,000 Awarded Shares, 60,000 Awarded Shares were granted to the following Director:

Name: Gan Pei Joo

Role: Executive Director

Number of Awarded Shares: 60,000

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Awards to the Connected Grantee had been approved by the Board (including the independent non-executive Directors) and the above Director had abstained from voting on the resolution relating to the Award Shares granted to herself. The grant to the Connected Grantee forms part of the remuneration package under her respective service contract with the Company. Accordingly, such grant is exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

Except as set forth above, the other Selected Employees are employees and officers of the Company and do not fall under any of the following categories: (a) a Director, chief executive, or substantial shareholder of the Company, or an associate of any of them; (b) a participant with Awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; or (c) a related entity participant or service provider with Awards granted and to be granted in any 12-month period exceeding 0.1% of the issued Shares.

There are no arrangements for the Company or any of its subsidiaries to provide financial assistance to any of the Selected Employees to facilitate the purchase of Shares under the Share Award Scheme. None of the grant of the Awards will be subject to approval by the Shareholders. The Share Award Scheme was adopted before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 to the extent required by the transitional arrangements for the existing share schemes.

Purchase price of Awarded Shares:

Not applicable

Closing price of the Shares on the date of grant:

HK\$0.65 per Share

Vesting period:

The Awards granted to all Selected Employees (including the Connected Grantee) shall vest as follows:

- 1/3 shall vest on 7 August 2024;
- 1/3 shall vest on 7 August 2025; and
- 1/3 shall vest on 7 August 2026.

As the Awards granted to the Selected Employees (including the Connected Grantee) are based on the fulfillment of the prior year's performance targets, the first tranche (being 1/3) of the Awards is vested on the date of grant to incentivise the Selected Employees for their past contributions. The first tranche of the Awards is subject to a vesting period of less than 12 months. The Company considers that since the other two tranches have a 12-month vesting period, the grant of Awards could effectively incentivise the Selected Employees to contribute to the long-term development and growth of the Company. The Remuneration Committee is of the view that the grants of Awards with a shorter vesting period for the first tranche aligns with the purpose of the Share Award Scheme.

Pursuant to the Listing Rules and rules of the Share Award Scheme, no Awards can be granted when the Company is in possession of inside information (as defined under Part XIVA of the Securities and Futures Ordinance).

Performance targets:

Awards granted under the Share Award Scheme are subject to the Selected Employees meeting the performance targets to be determined by the Group from time to time. The Group has established an appraisal mechanism which involves the setting of certain objective key results (“OKR”) which are linked to the Group’s goals and targets. The OKR system embarks on a scoring platform based on a matrix of qualitative and quantitative indicators that vary according to the roles and responsibilities of the Selected Employees. The Selected Employees are evaluated regularly based on their duties and the strategic objectives or tasks assigned for the appraisal period.

The Awards are subject to certain vesting conditions and terms of the Share Award Scheme, which cover situations where the Awards will lapse in the event that the Selected Employees cease to be employees of the Group.

Clawback/lapse mechanism:

Where a Selected Employee’s service or employment with the Group has been terminated by the Group by reason of, among others, dishonesty or serious misconduct, incompetence or negligence in the performance of his/her duties or the Selected Employee having been convicted of any criminal offence involving his/her integrity or honesty, the Selected Employee will cease to be an eligible person and the Awards granted shall be clawed back and lapse accordingly.

Number of Shares Available for Future Grants

The grant of Awards will be satisfied by the purchase of Shares on the open market by the Trustee out of cash arranged to be paid by the Company to the Trustee within the scheme mandate limit under the Share Award Scheme. Subsequent to the grant of Awards, the number of Shares available for future grants under the Share Award Scheme is 62,735,000 as at the date of this announcement.

Reasons for Grant of Awards

The grant of Awards is to recognise the contributions by certain employees and to incentivise them to achieve the Group’s long-term business goals and objectives. The grant of Awards also serves as part of the Group’s employee retention program in retaining its existing employees and to attract suitable personnel for further development of the Group.

DEFINITION

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

Term	Definition
“Awarded Shares”	in respect of a Selected Employee, the number of Shares determined by the Board purchased by the Trustee out of cash paid by the Company
“Awards”	awards of Shares to Selected Employee(s) pursuant to the Share Award Scheme
“Board”	the board of Directors, such committee or sub-committee or person(s) delegated with the power and authority by the board of Directors to administer the Share Award Scheme
“Company”	Pentamaster International Limited, a limited liability company incorporated under the laws of the Cayman Islands and the shares of which are listed on the Stock Exchange
“Connected Grantee”	Grantee who is a connected person of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and 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
“Remuneration Committee”	the remuneration committee of the Company
“Selected Employee(s)”	employee(s) selected either by the Board and employee(s) selected by the Trustee after having taken into consideration recommendations of the Board for participation in the Share Award Scheme

“Service Provider(s)”		any person who, or entity which, provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group or which will contribute significantly to the growth of the Group’s financial or business performance, including independent contractors, consultants, agents, advisers and suppliers engaged to provide services in relation to research and development, engineering or technical contribution, the design or development or distribution of products/services provided by the Group, product commercialisation, marketing, innovation upgrading, strategic/commercial planning on corporate image and investor relations in investment environment of the Group, as determined by the Board in its sole and absolute discretion, provided that any (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions; and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity should not be Service Providers
“Share Award Scheme”	Award	the share award scheme adopted by the Company on 1 April 2020, constituted by the rules thereof, in its present form or as amended from time to time in accordance with the provisions thereof
“Share(s)”		ordinary shares in the capital of the Company and “Share” means any one of them
“Stock Exchange”		The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”		a company which is for the time being and from time to time a subsidiary of the Company, whether incorporated in Malaysia or elsewhere
“Trustee”		The trustee to be appointed by the Board for the administration of the Share Award Scheme
“%”		per cent

By order of the Board
Pentamaster International Limited
Chuah Choon Bin
Chairman and Executive Director

Hong Kong, 7 August 2024

As at the date of this announcement, the Board comprises Mr. Chuah Choon Bin and Ms. Gan Pei Joo as executive Directors; Mr. Leng Kean Yong as non-executive Director; and Ms. Chan May May, Dr. Chuah Jin Chong and Mr. Sim Seng Loong @ Tai Seng as independent non-executive Directors.