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Kingsoft Corporation Limited

金山軟件有限公司

(Continued into the Cayman Islands with limited liability)

(Stock Code: 03888)

AMENDMENTS TO THE SHARE AWARD SCHEME AND GRANT OF AWARDED SHARES

AMENDMENTS TO THE SCHEME

References are made to the announcements of the Company dated 1 April 2008 and 1 December 2010 in respect of the Scheme. As approved by the Board from time to time, the term of the Scheme has been extended to 30 March 2022.

In order to provide more flexibility for the Company to award the Selected Employees, on 5 July 2021, the Board has resolved to amend certain provisions of the Scheme to, among others, (i) allow the Company to allot and issue new Shares as the Awarded Shares (as defined below), and (ii) extend the termination date of the Scheme to 30 March 2027. Pursuant to the Amended Scheme, the Awarded Shares will be comprised of (i) new Shares to be allotted and issued by the Company to the Selected Employees under the general mandate granted or to be granted by the Shareholders at general meetings from time to time; or (ii) existing Shares to be purchased on the market. The Board considered that the above amendments would not affect adversely in any material respect any subsisting right of any Selected Employee under the Scheme.

GRANT OF AWARDED SHARES

On 5 July 2021, the Board also resolved to grant 600 Awarded Shares which will be vested upon certain period to each of no more than 8,000 Grantees in accordance with the terms of the Amended Scheme, subject to acceptance, in total amounting to no more than 4,800,000 Awarded Shares.

In relation to some of the Awarded Shares granted to the Non-connected Grantees, new Shares that rank *pari passu* in all respects among themselves and with all the Shares in issue from time to time shall be issued to them upon vesting. The Company will not allot and issue any new Shares to connected persons of the Company as the Awarded Shares. In relation to the remaining Awarded Shares granted to the Non-connected Grantees and the Connected Grantees, the Company shall procure the Trustee to purchase existing Shares from the market out of cash contribution by the Company to be held on trust for the Grantees pursuant to the Amended Scheme until such Awarded Shares are vested with the Grantees. The Trustee and its ultimate beneficial owners, if any, are not connected persons of the Company.

The Company intends to use the general mandate to issue the new Shares under the Amended Scheme. The Company shall comply with the relevant Listing Rules when issuing the new Shares and an application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in such Shares to be issued. The Company will make further announcement(s) in respect of the exact number of the Awarded Shares once finalized.

REASONS FOR AND BENEFITS OF THE GRANTS

The purpose of the aforesaid grant of the Awarded Shares is to (i) recognize our existing employees' contribution to the success and development of the Group, and (ii) generally incentivize and motivate our employees to remain with, and to strive for the future development and expansion of, the Group.

DEFINITION

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

“Amended Scheme”	the amended share award scheme adopted by the Board pursuant to the amended and restated rules relating to the share award scheme dated 5 July 2021
“Board”	the board of directors of the Company or such committee or such sub-committee or person(s) delegated with the power and authority by the board of directors of the Company to administer the share award schemes

“Company”	Kingsoft Corporation Limited, an exempted limited liability company incorporated in the British Virgin Islands on 20 March 1998 and discontinued in the British Virgin Islands and continued into the Cayman Islands on 15 November 2005, with its shares listed on the Stock Exchange
“Connected Grantees”	the Grantees who are connected persons of the Company
“connected person”	has the meaning as ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Grantee(s)”	the Selected Employees who were granted the Awarded Shares in accordance with the Amended Scheme as approved by the Board
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	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)
“Non-connected Grantees”	the Grantees who are not connected persons of the Company
“Scheme”	the share award scheme adopted by the Board pursuant to rules relating to the share award scheme dated 31 March 2008
“Selected Employee(s)”	the employee(s) of the Company and its subsidiaries or associates selected by the Board and employee(s) of the Company and its subsidiaries or associates selected by the Trustee after having taken into consideration recommendations of the Remuneration Committee pursuant to the Amended Scheme for participation in the Amended Scheme
“Shareholder(s)”	the shareholder(s) of the Company
“Share(s)”	the ordinary share(s) of US\$0.0005 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto in the Listing Rules

“Trustee”

the trustee of the Amended Scheme appointed by the Company

“%”

percent

By order of the Board
Kingsoft Corporation Limited
Jun LEI
Chairman

Hong Kong, 5 July 2021

As at the date of this announcement, the Executive Directors are Messrs. Tao ZOU and Yuk Keung NG; the Non-executive Directors are Messrs. Jun LEI, Pak Kwan KAU and Chi Ping LAU; the Independent Non-executive Directors are Messrs. Shun Tak WONG, David Yuen Kwan TANG, and Ms. Wenjie WU.