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CHEN HSONG HOLDINGS LIMITED

震雄集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00057)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

The Board announces that on 21 January 2022, the Company has granted the Share Options to the Grantees pursuant to the Share Option Scheme carrying the rights to subscribe for a total of 6,130,000 new Shares, subject to the acceptance of the Grantees.

Details of the Share Options granted are as follows:

Date of Grant of Share Options : 21 January 2022

Exercise price of Share Options : HK\$2.490 per Share, representing the highest of:

- (i) the closing price of HK\$2.490 per Share on the Date of Grant;
- (ii) the average closing price of HK\$2.444 per Share for the five business days immediately preceding the Date of Grant; and
- (iii) the nominal value of the Shares (being HK\$0.10 per Share).

Total number of Share Options granted : 6,130,000

Vesting and exercise period of the Share Options : The Share Options shall vest and are exercisable according to the following schedules:

Category I – Directors and/or substantial shareholder, in respect of each Grantee

- (i) first 50% of the Share Options shall vest on the date falling on the second anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2024) to 20 January 2032 (both days inclusive); and

- (ii) the remainder of the Share Options shall vest on the date falling on the fourth anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2026) to 20 January 2032 (both days inclusive).

Category II – selected employees of the Group, in respect of each Grantee

- (i) first 30% of the Share Options shall vest on the date falling on the second anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2024) to 20 January 2032 (both days inclusive);
- (ii) next 30% of the Share Options shall vest on the date falling on the fourth anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2026) to 20 January 2032 (both days inclusive); and
- (iii) remainder of the Share Options shall vest on the date falling on the sixth anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2028) to 20 January 2032 (both days inclusive).

Category III – selected employees of the Group, in respect of each Grantee

- (i) first 30% of the Share Options shall vest on the date falling on the third anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2025) to 20 January 2032 (both days inclusive);
- (ii) next 30% of the Share Options shall vest on the date falling on the fifth anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2027) to 20 January 2032 (both days inclusive); and
- (iii) remainder of the Share Options shall vest on the date falling on the seventh anniversary of the Date of Grant, and be exercisable for the period commencing from the date of vesting (i.e. 21 January 2029) to 20 January 2032 (both days inclusive).

Vesting of the Share Options in respect of Categories II and III is subject to the consent of the Chairman of the Board.

Consideration of the grant of the Share Options : HK\$1.00 to be paid by each Grantee upon the acceptance of the Share Options granted

Among the Share Options granted, Share Options entitling the holders thereof to subscribe for an aggregate of 2,500,000 Shares were granted to the Directors and/or substantial shareholder of the Company, and the remaining Share Options entitling the holders thereof to subscribe for an aggregate of 3,630,000 Shares were granted to 27 employees of the Group:

Name of Grantee	Position	Number of Share Options granted
Category I		
Directors		
Ms. Lai Yuen CHIANG (<i>Note</i>)	Chairman, Executive Director and Chief Executive Officer	1,900,000
Mr. Stephen Hau Leung CHUNG	Executive Director	600,000
Category II		
Selected employees		1,430,000
Category III		
Selected employees		2,200,000
		<u>6,130,000</u>

Note:

By virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Ms. Lai Yuen CHIANG is also deemed to be interested in the Shares held by Chen Hsong Investments Limited, a company holding 399,641,620 Shares, representing 63.38% of the issued Shares as at the date hereof, as she beneficially owns 100% shares in one of the eligible beneficiaries of a discretionary trust, namely The Chiang Chen Industrial Charity Foundation, where the trustee thereof indirectly holds 100% interest in Chen Hsong Investments Limited.

The grant of the Share Options to each of the above Directors has been reviewed and approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules.

None of the Grantees will, as a result of the grant of the Share Options, be entitled to be issued with such number of Shares representing over 1% of the Company's issued Shares as at the date of grant upon exercise of all Share Options granted to each of the Grantees in the past 12-month period up to and including the date of grant (i.e. 21 January 2022).

Save as disclosed in this announcement, none of the Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules).

The purpose of the grant of Share Options was as rewards or incentive for their contribution or potential contribution to the Group and for achieving the long-term business objectives of the Group. The Board believes that the grant of Share Options to the Grantees is beneficial to the Company and the Shareholders as a whole.

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

“Board”	the board of Directors
“Company”	Chen Hsong Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00057)
“Date of Grant”	21 January 2022, being date of grant of the Share Options
“Director(s)”	director(s) of the Company
“Share Option(s)”	the share option(s) granted to the Grantees under the Share Option Scheme to subscribe for Shares as described in this announcement
“Grantee(s)”	certain selected eligible person(s) under the Share Option Scheme being the grantee(s) of the Share Options
“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, as amended from time to time
“Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Option Scheme”	the share option scheme approved and adopted by the shareholders at the annual general meeting of the Company held on 24 September 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules

By Order of the Board
Chen Hsong Holdings Limited
CHAN Chi Ngai
Company Secretary

Hong Kong, 21 January 2022

As at the date of this announcement, the executive Directors are Ms. Lai Yuen CHIANG and Mr. Stephen Hau Leung CHUNG; and the independent non-executive Directors are Mr. Bernard Charnwut CHAN, Mr. Anish LALVANI, Mr. Michael Tze Hau LEE and Mr. Johnson Chin Kwang TAN.