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天立国际控股有限公司  
Tianli International Holdings Limited

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1773)

## GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME

This announcement is made by Tianli International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that pursuant to its share option scheme adopted on 24 June 2018 (the “**Share Option Scheme**”), the Company granted an aggregate of 61,000,000 share options (the “**Share Options**”) to eligible participants (the “**Grantees**”) on 10 March 2023 to subscribe for ordinary shares (the “**Shares**”) of HK\$0.01 each in the share capital of the Company, subject to acceptance of the Share Options by the Grantees.

A summary of the Share Options granted is set out below:

Date of Grant	:	10 March 2023
Number of Share Options Granted	:	61,000,000 Share Options (each Share Option shall entitle the Grantee to subscribe for one Share)
Exercise Price of Share Options Granted	:	HK\$2.48 per Share  (no less than the highest of (i) the average closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange for the five business days (as defined in the Listing Rules) immediately preceding the date of grant, being HK\$2.48; (ii) the closing price of the Shares to be issued by the Stock Exchange on the date of grant, being HK\$2.28; and (iii) the nominal value of the Shares)
Closing Price of Shares on Date of Grant	:	HK\$2.28 per Share
Exercise Period of Share Options	:	The Share Options shall be valid for 10 years from the date of grant and lapse at the expiry of such period.
Vesting Period of Share Options	:	40% of the Share Options granted shall be vested after the first anniversary of the date of grant; another 30% of the Share Options granted shall be vested after the second anniversary of the date of grant; and the remaining 30% of the Share Options granted shall be vested after the third anniversary of the date of grant.

Performance Target : The Share Options shall not be subject to any performance target.

In relation to the grant of Share Options to Directors of the Company and employees of the Group, the purpose of the Share Option Scheme is to motivate and retain the Grantees by allowing them to share the results achieved by the Group as a result of their efforts and contributions. Having considered that: (a) each Grantee's experiences in the Group's business, length of service to the Group and contribution and dedication to the promotion of the Group's business; (b) the Grantees are Directors or employees of the Group who will directly contribute to the overall business performance, sustainable development and/or good corporate governance of the Group; and (c) the Share Options will be vested in tranches over a period of three years from the date of grant. The Remuneration Committee of the Company considers that the grant of Share Options will align the interests of the Grantees with those of the Company and the shareholders of the Company (the "**Shareholders**"), motivate the Grantees to commit themselves to the Company's continued competitiveness, operating results and growth in the future and reinforce their commitment to the long-term service of the Company, and is therefore consistent with the objectives of the Share Option Scheme.

Clawback Mechanism : (Applicable to Directors and employees) except for termination of employment with the relevant member(s) of the Group by reason of death, permanent disability, retirement at a relevant time under a retirement scheme applicable to the Group or transfer to an affiliate or by reason of resignation or constitution of an offence, a Share Option (to the extent not already exercised) shall lapse on the date of cessation of the employment if the Grantee ceases to be an executive officer for any reason (including that the company in which he/she is employed ceases to be a member of the Group) and shall not be exercisable unless the Board otherwise determines that such Share Option (or the remainder thereof) shall be exercisable for such period after the relevant date of the cessation as the Board may determine in its absolute discretion. For the avoidance of doubt, if a Grantee resigns after the vesting period, the portion of Share Options vested to him or her continues to be valid after the date of termination of his/her employment (until the end of the exercisable period).

(Applicable to service providers) a Share Option (to the extent not already exercised and vested) shall lapse on the date of cessation of service if the Grantee ceases to provide services to the Group for any reason and shall not be exercisable.

If there is any judgment, decree or award which has not been implemented against the Grantee or the Board has reason to believe that the Grantee is insolvent or cannot reasonably be expected to pay its debts in the future, such Share Option (to the extent not already exercised) shall automatically lapse and become unexercisable.

The Board shall be entitled to cancel any Share Option, in whole or in part, by giving a notice in writing to the Grantee stating that the relevant Share Option shall be cancelled with effect from the date specified in such notice for the following reasons:

- the Grantee breaches, permits a breach, attempts to breach or attempts to permit a breach of the transferability restrictions of the Share Options or any term or condition attached to the grant of the Share Options; or
- if, in the opinion of the Board, the Grantee has acted in any way that is harmful or detrimental to the interests of the Company and its subsidiaries.

Financial Assistance : The Group has not provided any financial assistance to the Grantees for the purchase of Shares under the Share Option Scheme.

All the Grantees of the remaining 59,000,000 Share Options (except for 2,000,000 Share Options granted to the service providers of the Group) in aggregate are Directors or employees of the Group as detailed as follows:

<b>Name/class of Grantee</b>	<b>Position</b>	<b>Number of Share Options Granted</b>
Luo Shi (“ <b>Mr. Luo</b> ”)	Executive Director and Chairman	30,000,000
Wang Rui (“ <b>Mr. Wang</b> ”)	Executive Director	7,000,000
Other employees	–	22,000,000
Service providers	–	2,000,000

The Company granted Share Options to the service providers of the Group after considering: (a) the length of service the Grantees has provided to the Group and their profound experience in the service field, and the services provided are beneficial to the Group to establish a sound corporate governance and the long-term development of its business; and (b) the Share Options of the Grantees will be vested in tranches over a period of three years after the grant. The Board believes that the grant of Share Options can align the interests of the Grantees with the interests of the Company and the Shareholders, motivate the Grantees to commit to the Company’s future continued competitiveness, operating results and growth, and strengthen their long-term service commitment to the Company, and therefore serves the purposes of the Share Option Scheme.

The grant of Share Options to the above Directors has been approved by the independent non-executive Directors pursuant to Rule 17.04(1) of the Listing Rules. Each of the above Directors has abstained from voting in respect of the grant of Share Options to him.

## General Meeting

Pursuant to Rule 17.03D of the Listing Rules and the terms of the Share Option Scheme, if the grant of Share Options to a Grantee would result in the Shares in issue and to be issued under all Share Options and awards granted to such Grantee by the Company during the 12-month period up to and including the date of grant (excluding any Share Options and awards which have lapsed under the terms of the Share Option Scheme) in excess of 1% of the relevant class of Shares of the Company in issue (the “**1% Individual Limit**”), then the Company must convene a separate general meeting to seek Shareholders’ approval (at which the Grantee and its close associates or, in the case of the Grantee who is a connected person, its associates must abstain from voting). In addition, pursuant to Rule 17.04(3) of the Listing Rules, if the grant of Share Options to a substantial Shareholder of the Company or any of its associates would result in the total number of Shares of the Company in issue and to be issued under all Share Options granted (excluding Share Options or awards lapsed under the terms of the Share Option Scheme) during the 12-month period up to the date of grant of Share Options to such person exceeding in aggregate 0.1% of the Shares of the relevant class in issue (the “**0.1% Limit**”), then such proposed grant of Share Options shall be approved by the Shareholders in a general meeting in the manner described in Rule 17.04(4).

As the total number of Shares to be issued upon exercise of the above Share Options proposed to be granted to Mr. Luo exceeds the 1% Individual Limit and the total number of Shares to be issued upon exercise of the above Share Options granted to Mr. Luo, a substantial Shareholder of the Company, exceeds the 0.1% Limit, the grant of the above Share Options to Mr. Luo must be subject to approval by the Shareholders at a general meeting pursuant to Rules 17.03D and 17.04(3) of the Listing Rules.

A circular containing, among other things, (i) further details of the grant of the Share Options to Mr. Luo; and (ii) a notice of the general meeting will be despatched to the Shareholders under the Listing Rules in due course.

Save as disclosed above, as at the date of this announcement, none of the Grantees is (i) a Director, chief executive or substantial Shareholder of the Company or an associate (as defined in the Listing Rules) of any of the abovementioned; (ii) a participant whose Share Options granted and to be granted under Rule 17.03D of the Listing Rules exceed the 1% Individual Limit; or (iii) a participant, being a related entity, or a service provider and the Shares under the Share Options granted or to be granted to him/her is in excess of 0.1% of the issued Shares within any 12-month period.

The number of Shares available for grant in the future under the Share Option Scheme upon the grant of the Share Options is 139,000,000.

By order of the Board  
**Tianli International Holdings Limited**  
**Luo Shi**  
*Chairman, Executive Director and Chief Executive Officer*

The PRC, 10 March 2023

*As at the date of this announcement, the Board comprises Mr. Luo Shi as chairman and executive Director and Mr. Wang Rui as executive Director and Mr. Liu Kai Yu Kenneth, Mr. Yang Dong and Mr. Cheng Yiqun as independent non-executive Directors.*