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LUNG KEE GROUP HOLDINGS LIMITED

龍記集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 255)

Website: <http://www.irasia.com/listco/hk/lkm>

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of Lung Kee Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) announces that the Company has granted 2,130,000 share options (the “**Share Options**”) to certain grantees (the “**Grantee(s)**”) carrying rights to subscribe a total of 2,130,000 new ordinary shares in the nominal value of HK\$0.10 each in the share capital of the Company (the “**Share(s)**”), under the share option scheme adopted by the Company on 30 May 2022 (“**Share Option Scheme**”), subject to the acceptance by the Grantees, details of which are set out as below (the “**Grant**”):

Date of Grant:	27 September 2024
Number of Share Options granted:	2,130,000 Share Options (each Share Option shall entitle the Grantees to subscribe for one Share)
Exercise price of Share Options granted:	HK\$1.18 per Share, representing the highest of (i) the closing price of HK\$1.18 per Share as stated in the Stock Exchange’s daily quotations sheet on the Date of Grant; (ii) the average closing price of HK\$1.146 per Share as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Date of Grant; and (iii) HK\$0.10, being the nominal value of a Share.
Closing price of the Shares on the Date of Grant:	HK\$1.18 per Share
Exercise period of the Share Options:	27 September 2025 to 26 September 2028 (both days inclusive)

Vesting period of the Share Options:

No Share Options can be exercised within one year from the Date of Grant.

All Share Options will vest on the first anniversary of the Date of Grant (i.e. 27 September 2025)

Performance target:

There is no performance target attached to the Share Options.

The purpose of the Share Option Scheme is to retain and motivate the Grantees by allowing them to enjoy the results of the Group attained through their efforts and contributions to the Group.

The Board is of the view that performance targets are not necessary as (i) the value of the Share Options is subject to the future market price of the Shares, which in turn depends on the business performance of the Group, to which the Grantees would directly contribute; and (ii) the Share Options are subject to the vesting period, which could ensure that the Grantees would be motivated to contribute to the Group's development.

As such, the Board believes that without the performance target, the grant of the Share Options could align the interests of the Grantees with that of the Company and the shareholders of the Company and provide incentive to the Grantees to strive for future developments and expansion of the Group, which is in line with the purpose of the Share Option Scheme.

Clawback mechanism:

The Share Options under the Grant will be subject to the clawback mechanism as set out under the Share Option Scheme rules, including, among others, any granted and unexercised Share Option will lapse automatically where the relevant Grantee's employment with the Company or its subsidiaries is terminated on the grounds that he/she has been guilty of misconduct or has been convicted of any criminal offence involving his/her integrity or honesty.

Financial assistance:

The Group has not provided any financial assistance to the Grantees to facilitate the purchase of Shares under the Share Option Scheme.

Category of Grantees:	Number of Share Options
Employees of the Group	2,130,000

To the best knowledge of the Board, all the Grantees are employees of the Group and are not directors, chief executives or substantial shareholders of the Company or an associate (as defined in the Listing Rules) of any of them.

The above Grant would not result in the Shares issued and to be issued in respect of all Share Options and share awards granted to each Grantee in the 12-month period up to and including the Date of Grant in aggregate to be over 1% of the Shares in issue.

Subsequent to the grant of Share Options, the number of Shares available for future grants pursuant to the Share Option Scheme is 58,607,730.

By Order of the Board
Lung Kee Group Holdings Limited
Wai Lung Shing
Director and Company Secretary

Hong Kong, China, 27 September 2024

As at the date of this announcement, the executive directors of the Company are Mr. Siu Tit Lung (Chairman), Mr. Siu Yuk Lung, Mr. Wai Lung Shing, Mr. Ting Chung Ho, Mr. Siu Yuk Tung, Ivan and Mr. Siu Yu Hang, Leo; and the independent non-executive directors of the Company are Dr. Lee Tat Yee, Mr. Lee Joo Hai, Mr. Wong Hak Kun and Ms. He Lamei.