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## **NEW CONCEPTS HOLDINGS LIMITED**

### **創業集團（控股）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2221)**

### **GRANT OF SHARE OPTIONS**

This announcement is made 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 New Concepts Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that the Board had resolved to grant 135,500,000 share options (the “**Options**”) to eligible participants (the “**Grantee(s)**”) including certain Directors, employees of the Group, and 3 service providers of the Group (the “**Services Providers**”), subject to acceptance of the Grantees in accordance with the Company’s share option scheme adopted on 30 May 2023 (the “**Share Option Scheme**”). Details of the Options granted are set out below:

Date of Grant: 17 August 2023

Exercise price of Options granted: HK\$0.65 per share (the “**Share(s)**”) of the Company (representing the highest of (i) the closing price of HK\$0.65 per Share as quoted in the daily quotation sheet of the Stock Exchange on the Date of Grant; (ii) the average closing price of approximately HK\$0.62 per Share as quoted in the Stock Exchange’s daily quotation sheets for the 5 business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.10 per Share)

Market price of the Share on the Date of Grant: HK\$0.65 per Share

Number of Options granted: 135,500,000 Options, each Option will allow the Grantee to subscribe for 1 Share

Vesting period:

**Batch 1**

48,084,000 Options will be vested and become exercisable from the 1st anniversary of the Date of Grant.

**Batch 2**

43,708,000 Options will be vested only if the relevant Grantee has fulfilled his/her performance target. The vesting date of the relevant Batch 2 Options will be the date when the Grantee having fulfilled his/her performance target and in any case not later than 31 December 2024.

**Batch 3**

43,708,000 Options will be vested only if the relevant Grantee has fulfilled his/her performance target. The vesting date of the relevant Batch 3 Options will be the date when the Grantee having fulfilled his/her performance target and in any case not later than 31 December 2025.

Performance targets:

The vesting of each of Batch 2 and Batch 3 Options is subject to fulfillment of the specific performance targets/appraisals as determined by the Board at its absolute discretion.

In each of the aforesaid vesting period(s), the portion of Options to be vested is subject to: (i) fulfillment of various performance targets in relation to the Group within the time periods as determined by the Board; or (ii) performance appraisal of the Grantees, taking into account certain qualitative and quantitative performance indicators.

If (i) a Grantee's performance targets/appraisals result before a vesting period (the "**Performance Grading**") is graded as level A, the portion of Options granted to such Grantee will be fully vested during the relevant vesting period; (ii) the Performance Grading is level B, C or D, a portion of the Options will be vested during the relevant vesting period; and (iii) the Performance Grading is below level D, no Options will be vested during the relevant vesting period.

Clawback mechanism:

There is no clawback mechanism attached to all 3 batches of Options. Without prejudice to the terms of the Share Option Scheme, all or part of the unvested Options granted to a Grantee shall automatically lapse forthwith upon the determination by the Board or the remuneration committee of the Company (the "**Remuneration Committee**") if one or more of the following events have occurred:

- (i) the Grantee fails to meet with his/her corresponding performance targets; or
- (ii) the employment or contractual engagement of the Grantee with the Group has been terminated otherwise than for reason of retirement, death or disability, in which case the vesting shall be determined by the Board or the Remuneration Committee and in accordance with the Share Option Scheme.

Exercise period of the Options: The exercise period for Batch 1 Options is 36 months from the vesting date.

The exercise periods for Batch 2 and Batch 3 is 36 from months from the respective vesting dates.

Financial assistance: There is no arrangement for the Group to provide any financial assistance to any of the Grantees to facilitate the purchase of Shares under the Share Option Scheme.

Details of the Options granted are set out as follows:

	<b>Batch 1</b>	<b>Batch 2</b>	<b>Batch 3</b>	<b>Total</b>
<i>Executive Directors</i>				
Mr. Zhu Yongjun ( <i>Chairman</i> )	500,000	—	—	500,000
Mr. Pan Yimin	1,532,000	1,484,000	1,484,000	4,500,000
Mr. Lee Tsi Fun Nicholas	1,532,000	1,484,000	1,484,000	4,500,000
<i>Non-executive Directors</i>				
Mr. Sui Guangyi ( <i>Honorary Chairman</i> )	500,000	—	—	500,000
Dr. Ge Xiaolin	500,000	—	—	500,000
<i>Independent non-executive Directors</i>				
Mr. Lo Chun Chiu, Adrian	500,000	—	—	500,000
Dr. Tong Ka Lok	500,000	—	—	500,000
Mr. Choy Wai Shek, Raymond, <i>MH, JP</i>	500,000	—	—	500,000
Other employees	38,104,000	36,948,000	36,948,000	112,000,000
Service Providers ( <i>Note</i> )	<u>3,916,000</u>	<u>3,792,000</u>	<u>3,792,000</u>	<u>11,500,000</u>
	<u>48,084,000</u>	<u>43,708,000</u>	<u>43,708,000</u>	<u>135,500,000</u>

*Note:* The Service Providers are business consultants with relevant expertise in fields related to the industry in which the Group operates. Such Service Providers contribute to the long-term growth of the Group by advising or consulting on a set of specialised skills and knowledge in the business activities of the Group and providing insight on areas such as market development, marketing and distribution, technical specifications and regulatory requirements for constructions and operations.

In determining the grant of Options to the Services Providers, the Board has considered factors such as (i) the degree of involvement in and/or cooperation with the Group; (ii) the length of collaborative relationship with the Group; and (iii) their contribution such as knowledge, assistance or advice provided or expected to be provided to the Group in connection with its business development or operations. The grant of Options to the Service Providers aims at incentivising or rewarding them to contribute to long-term success of the Group by aligning the interests with these stakeholders and strengthening their ongoing relationship with the Group, and therefore the Board believes that it can serve the purposes of the Share Option Scheme.

The Remuneration Committee is of the view that the grant of Batch 2 and Batch 3 Options to two of the executive Directors and certain other Grantees of which the respective vesting periods are shorter than 12 months is appropriate because the vesting of the Batch 2 and Batch 3 Options are conditional upon the fulfillment of the corresponding performance targets, and the timely vesting of the Options upon the fulfillment of the performance targets could serve the purpose of reinforcing the Grantees' motivation to optimise their performance efficiency for the benefit of the Group, which is in line with the purpose of the Share Option Scheme.

Apart from Mr. Pan Yimin and Mr. Lee Tsi Fun Nicholas, the other Directors are only granted with Batch 1 Options which are not subject to any performance targets. The Remuneration Committee is of the view that it is not necessary to set the performance targets for the Options granted to the independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence, and is in line with the recommended best practice of the Corporate Governance Code contained in Appendix 14 to the Listing Rules. In addition, the Remuneration Committee is of the view that the vesting period of 12 months for the Batch 1 Options can incentivise the Directors to use their respective expertise and extensive knowledge to contribute to the long-term growth of the Group by aligning their interests with those of the Company and the Shareholders as a whole, and thus it is not necessary to set any performance target for the Options granted to them.

In accordance with the Rule 17.04(1) of the Listing Rules, the grant of Options to each of the above Directors and chief executive of the Group has been approved by the Remuneration Committee and the Board (including all the independent non-executive Directors but excluding the independent non-executive Directors on their respective grant of Options to themselves). The grant of Options to each of the independent non-executive Directors would not result in the Shares issued and to be issued in respect of all options granted to any independent non-executive Director in the 12-month period up to and including the date of such grant representing in aggregate an amount exceeding the 0.1% limit for the purpose of Rule 17.04(3) of the Listing Rules.

Save as disclosed above, none of the Grantees is (i) a Director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) a participant whose Options granted and to be granted exceed the 1% individual limit under Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider (as defined in Listing Rules) with options granted and to be granted in any 12-month period exceeding 0.1% of the issued Shares, as at the date of this announcement.

Subsequent to the grant of Options, the number of Shares available for future grant under the scheme mandate limit and the Service Provider sublimit of the Share Option Scheme is 15,789,413 and 3,628,941 respectively.

By Order of the Board  
**New Concepts Holdings Limited**  
**Zhu Yongjun**  
*Chairman and Executive Director*

Hong Kong, 17 August 2023

*As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun, Mr. Pan Yimin and Mr. Lee Tsi Fun Nicholas; the non-executive Directors are Mr. Sui Guangyi, Dr. Ge Xiaolin and Dr. Zhang Lihui; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.*