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濱海投資有限公司
BINHAI INVESTMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2886)

GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

This announcement is made by Binhai Investment Company Limited (the “**Company**”) pursuant to Rules 17.06A and 17.06B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

The Company hereby announces that on 24 April 2023, the Board has approved the grant of share options representing an aggregate of 39,833,234 ordinary shares of the Company (“**Shares**”) pursuant to the share option scheme of the Company adopted at the special general meeting of the Company held on 13 January 2021 (the “**Share Option Scheme**”) to 85 eligible participants under the Share Option Scheme (“**Scheme Participants**”). Details of the aforesaid share options granted under the Share Option Scheme (“**Share Options**”) are set out as follows:

Grant Date:	24 April 2023
Closing price of the Shares on the Grant Date:	HK\$1.69 per Share
Exercise Price:	HK\$1.69 per Share, which is the higher of: (i) HK\$1.69, being the closing price of the Shares on the Grant Date; and (ii) HK\$1.68, being the average closing price of the Shares on the five (5) trading days prior to the Grant Date. The exercise price is not lower than the nominal value of the Shares on the Grant Date.
Number of Shares of underlying Share Options granted:	39,833,234 Shares

Vesting Period:

Subject to the satisfaction of the relevant performance targets set out below, the Share Options granted shall be vested in batches as follows:

- (i) From the Grant Date until the second anniversary (24-month) of the Grant Date, 40% of the total number of Share Options granted shall be vested;
- (ii) From the Grant Date until the third anniversary (36-month) of the Grant Date, 30% of the total number of Share Options granted shall be vested (excluding the Share Options which have already been vested); and
- (iii) From the Grant Date until the fourth anniversary (48-month) of the Grant Date, 30% of the total number of Share Options granted shall be vested (excluding the Share Options which have already vested).

Time when Vesting Period ends:

Seven (7) years commencing from the Grant Date

Performance targets:

- (i) Performance targets at the Company level

Each of the three batches of Share Options shall only be vested if the corresponding performance appraisal indicators meet the specified target values for the financial year preceding the vesting of each batch of options. The performance appraisal indicators include (i) the Company's earnings per Share after deduction of non-recurring profit or loss for the relevant target financial year; (ii) the Company's growth rate of the net profit attributable to equity holders after deduction of non-recurring profit or loss for the relevant target financial year compared to the average value for the years of 2019 to 2021; (iii) the compared results of (i) and (ii) with the industry average or the 75th percentile value of the benchmarking enterprises for the relevant target financial year; and (iv) the research and development expenses for the relevant target financial year.

- (ii) Performance targets at the Scheme Participant level

Pursuant to the administrative measures on performance appraisal of the Share Option Scheme, the vesting of the Share Options shall be linked to the individual performance appraisal results of the Scheme Participants for the preceding financial year, and the actual vesting proportions of the Share Options shall be confirmed according to the tiers.

Clawback/lapse mechanism:

If any of the following events occur in relation to a Scheme Participant, his/her Share Options which have not been vested and Share Options which have been vested but not exercised shall lapse:

- (i) that the Scheme Participant resigns before the expiration of his/her contract;
- (ii) demotion due to reasons such as unqualified individual performance, mistakes, or incompetence, which renders the Scheme Participant falling out of the scope of the Share Option Scheme;
- (iii) due to non-objective reasons, the occurrence of circumstances under which the Scheme Participant is prohibited from participating in the Share Option Scheme;
- (iv) if the Scheme Participant commits an act that is detrimental to the interests or reputation of the Company (including its subsidiaries) or causes adverse consequences, such as violating the law, violating professional ethics, disclosing the Company's secrets, negligence or dereliction of duty, failing to perform his/her duties or not performing his/her duties properly, or causing a major safety incident to occur in the Company as a result of his/her responsibility and being disciplined as a result, thereby causing a change in the duties of the Scheme Participant and no longer falling within the scope of the Share Option Scheme, or causing the Company (including its subsidiaries) to terminate the labour relationship with the Scheme Participant for the foregoing reasons;

- (v) any other malpractice, such as audits of economic responsibility and other results indicating failure to perform duties effectively or serious dereliction of duty or malfeasance; violation of relevant national laws and regulations, or provisions of the articles of association of the listed Company; or during the period of employment, any illegal and disciplinary acts such as accepting and demanding bribes, embezzlement and theft, leaking commercial and technical secrets of the Company, carrying out connected transactions to damage the interests and reputation of the Company and having a significant negative impact on the image of the Company, and being disciplined.

If any of the following events occur in relation to a Scheme Participant, his/her Share Options which have not been vested shall lapse, his/her Share Options which have been vested but not exercised can be exercised within six months from the date on which the event occurs, and those portions which have not been exercised after such six months shall lapse:

- (i) that the Scheme Participant retires;
- (ii) that the Scheme Participant passes away;
- (iii) that the Scheme Participant leaves the job position due to injury, loss of working capacity;
- (iv) that the Scheme Participant resigns after the expiration of his/her contract;
- (v) that the Scheme Participant leaves the job position due to layoff by the Company, non-renewal by the Company upon expiration of the employment contract, and other involuntary reasons which does not involve any situations involving unqualified individual performance, mistakes, or violation of laws and regulations;

(vi) that the Scheme Participant holds office as an independent Director, supervisor or is transferred to other positions in the Company, which renders the Scheme Participant falling out of the scope of the Share Option Scheme.

If a Scheme Participant breaches the honesty obligations, or breaches the laws, professional conducts, leaks the secrets of the Company, commits dereliction of duty or malfeasance and the Company's interest and reputation are damaged as a result, the Share Options which have not been vested and not been exercised shall lapse, and in serious cases, the Company has the right to claw back all or part of the gain derived by exercising the Share Options.

Among the Share Options granted, 1,912,301 Share Options are granted to an executive director and the general manager of the Company, Mr. Gao Liang (“**Mr. Gao**”). The grant of these Share Options to Mr. Gao has been approved by all the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules. Save as disclosed in this announcement, none of the grantees of the Share Options is a director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules).

The above grant would not result in the Share Options granted to each Scheme Participant in the 12-month period up to and including the Grant Date in aggregate to exceed 1% of the Shares in issue.

As of the time of the grant of the Share Options, the number of Shares available for future grant under the Share Option Scheme is 72,144,746 Shares.

By order of the Board
BINHAI INVESTMENT COMPANY LIMITED
Gao Liang
Executive Director

Hong Kong, 24 April 2023

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Hu Hao, Mr. Zuo Zhi Min and Mr. Gao Liang, three non-executive Directors, namely, Mr. Wang Gang, Mr. Shen Hong Liang and Mr. Yu Ke Xiang, and three independent non-executive Directors, namely, Mr. Ip Shing Hing, B.B.S., J.P., Mr. Lau Siu Ki, Kevin and Professor Japhet Sebastian Law.