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**遠東宏信有限公司**  
**FAR EAST HORIZON LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3360)**

## **GRANT OF SHARE OPTIONS**

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

The board (the “**Board**”) of directors (the “**Directors**”) of Far East Horizon Limited (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) announces that on 10 August 2023, the Company has resolved to make an offer (“**Offer**”) to grant share options (“**Options**”) to certain qualified participants (the “**Grantees**”) under the share option scheme of the Company adopted on 5 June 2019 (the “**Share Option Scheme**”) to subscribe for a total of 33,847,930 ordinary shares (the “**Share(s)**”), representing approximately 0.78% of the total shares in issue as at the date of this announcement, in the capital of the Company under the Share Option Scheme, subject to the acceptance of such Offer by the Grantees. Details of such Offer are set out as follows:

Date of Offer (being the date of grant) of Options:	10 August 2023
Subscription price for each underlying Share, the subject of each Option:	HK\$5.58
Number of Options granted:	Up to 33,847,930 Options, subject to full acceptance of the Offer by all of the Grantees
Closing price of the Shares on the date of grant:	HK\$5.39 per Share

Vesting Period of Options: Subject to the rules of the Share Option Scheme, the Options granted will be vested equally to the Grantees at the first, second and third anniversary of the date of grant:

<b>Vesting date</b>	<b>Shares to be vested</b>
The first anniversary of the date of grant	One-third (rounded to the nearest whole Share)
The second anniversary of the date of grant	One-third (rounded to the nearest whole Share)
The third anniversary of the date of grant	The remaining Shares(rounded to the nearest whole Share)

Validity period of the Options: within 10 years from the date of grant

Consideration of the grant: HK\$1.00 to be paid by each grantee upon acceptance of the grant

The performance targets attached to the Options granted: Subject to the rules of the Share Option Scheme, the Board or the administration committee of the Company (the “**Administration Committee**”, which is authorised by the Board to operate, manage and administer the Share Option Scheme) is entitled to, at any time, grant Options to a Grantee who is selected under its absolute discretion within the validity period of the Share Option Scheme.

Options are granted to the Grantees based on the Grantees’ contribution to the Company and their performance in their positions, as well as whether they can meet their individual performance indicators. In particular, the individual performance indicators measure each Grantee’s regular duties and/or assigned tasks during the appraisal period in terms of, among other things, quality, efficiency, progress and timeliness of completion and/or team management. The performance indicators for different employees also vary in view of the unique characteristics of their different positions.

Clawback mechanism:

Subject to the rules of the Share Option Scheme, their Options granted but not vested shall not be vested and shall lapse forthwith on the vesting date if the Grantees:

- (i) have been terminated by the Group for cause, such as (a) dishonesty or gross misconduct (whether or not in connection with their employment), wilful failure to observe or comply with the terms of their employment, agency or consultancy contract with the Group, or any lawful direction or instruction given by the Group; (b) in the final opinion of the Group, incompetency or negligence in the performance of their duties; (c) engagement in any conduct which, in the final opinion of the Group, adversely affects their ability to properly perform their duties or causes damage to the Company or the Group; or (d) disclosure of any trade secret or confidential information of the Group;
- (ii) are summarily dismissed by the Group or tender their resignation on the part of the employee, is subject to non-renewal of the employment agreement upon its expiry, or termination of the employment agreement by mutual agreement prior to expiry;
- (iii) commit any criminal offense involving integrity or honesty;
- (iv) become bankrupt or fail to pay their debts within a reasonable time after they become due, or have entered into any scheme of arrangement or composition with their creditors to pay its debts; or
- (v) are charged with, convicted of or held liable for an offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations in force from time to time.

Subject to the rules of the Share Option Scheme, the Company has the absolute discretion to determine the adjustment to the number of the Options to be vested in the future in relation to their Options granted but not vested if the Grantees:

- (i) have achieved grade C or below in the performance appraisal for the previous year;
- (ii) are reduced in rank for cause within the Group;
- (iii) are subject to internal disciplinary action by the Group for cause; or
- (iv) there are other circumstances in which the Company finds it necessary to consider whether or not to make adjustments to the number of Shares in respect of the Options granted.

In the event of any of the above situations, the Company will notify the Grantee of its decision on whether or not to make any adjustment in writing as soon as possible prior to the relevant vesting date.

Arrangement for provision of financial assistance to assist Grantees to buy Shares: Nil

Among the Options granted above, the Options entitling the holders thereof to subscribe for an aggregate of 8,812,596 Shares were granted to three executive Directors and the remaining Options entitling the holders to subscribe for an aggregate of 25,035,334 Shares were granted to 89 Grantees under the Share Option Scheme, to whom they are employees eligible for grant under the Share Option Scheme.

Details of the Options granted to the Grantees who are Directors are as follows:

<b>Name of the Grantee</b>	<b>Capacity</b>	<b>Number of underlying Shares</b>
KONG Fanxing	Chairman, Chief Executive Officer and Executive Director	4,317,610
WANG Mingzhe	Chief Financial Officer and Executive Director	2,247,493
CAO Jian	Senior Vice President and Executive Director	2,247,493

The grant of the 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. The grant of the Options to the above Grantees has been approved by the Administration Committee and the independent non-executive Directors.

Save as disclosed above, none of the Grantees is (i) a Director, chief executive or substantial shareholder of the Company, or any of their respective associate(s) (as defined in the Listing Rules); (ii) a participant with the options granted and to be granted exceeding the 1% individual limit under the Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider with the shares in respect of the options granted and to be granted in any 12-month period exceeding 0.1% of the shares in issue.

The maximum number of Options may be granted under the Share Option Scheme is 158,167,904 Options, representing approximately 4% of the total Shares in issue of the Company as at the date of approval of the Share Option Scheme at the general meeting of the Company (being 5 June 2019). The number of Options may be granted under the Share Option Scheme is 0 Options immediately after the completion of the grant.

*Note: The Subscription Price is not less than the higher of (i) the closing price of HK\$5.39 per Share on the Stock Exchange as stated in the Stock Exchange's daily quotations sheet on 10 August 2023 (that is the Offer date) and (ii) the average closing price of HK\$5.58 per Share on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding 10 August 2023. The Share does not carry nominal value.*

By Order of the Board

**Far East Horizon Limited**

**KONG Fanxing**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 10 August 2023

*As at the date of this announcement, the executive directors of the Company are Mr. KONG Fanxing (Chairman), Mr. WANG Mingzhe and Mr. CAO Jian, the non-executive directors of the Company are Mr. CHEN Shumin, Ms. WEI Mengmeng, Mr. LIU Haifeng David, Mr. KUO MingJian and Mr. John LAW, and the independent non-executive directors of the Company are Mr. HAN Xiaojing, Mr. LIU Jialin, Mr. YIP Wai Ming and Mr. WONG Ka Fai Jimmy.*