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LION ROCK GROUP LIMITED

獅子山集團有限公司*

*(Incorporated in Bermuda with limited liability)
(Stock code: 1127)*

GRANT OF SHARE AWARDS

GRANT OF AWARD SHARES

On 20 December 2023, based on the recommendation of the remuneration committee (the “Remuneration Committee”) of the board (the “Board”) of directors (the “Directors”) of Lion Rock Group Limited (the “Company”, together with its subsidiaries, the “Group”), the Board resolved to grant (the “Grants”) 400,000 award shares (the “Awarded Shares”) pursuant to the Company’s share award scheme adopted on 30 December 2013 (the “Scheme”), details of which are as follows:

Date of grant	:	20 December 2023
Total number of Awarded Shares	:	400,000
Grantees and number of Awarded Shares granted	:	(i) Prof. Lee Hau Leung (“Prof. Lee”) – 200,000 Awarded Shares (ii) Mr. Ho Tai Wai, David (“Mr. Ho”) – 200,000 Awarded Shares
		Both Prof. Lee and Mr. Ho (each a “Grantee”) are independent non-executive directors of the Company
Purchase price of the Awarded Shares payable by each Grantee	:	Nil
Closing price of the shares of the Company (the “Shares”) on the date of grant	:	HK\$1.1
Vesting date	:	Subject to the terms of the Scheme, the Awarded Shares shall vest in full on 20 December 2025
Performance targets	:	None

Clawback mechanism : All Awarded Shares not already vested shall automatically lapse forthwith, unless otherwise determined by the Board, in the event:

- (i) a Grantee ceases to be a independent non-executive director of the Group for whatever reason; or
- (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company.

The 400,000 Awarded Shares granted to the Grantees represent approximately 0.05% of the issued share capital of the Company as at the date of this announcement. The 400,000 Awarded Shares represent the value of approximately HK\$440,000, taking into account of the closing price of HK\$1.1 per Share as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the date of grant.

REASONS FOR AND BENEFIT OF THE GRANT OF THE AWARDED SHARES

The objectives of the Scheme are to recognise the contributions by certain eligible participants and to give incentives thereto in order to motivate and retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group and to provide certain eligible participants with a direct economic interest in attaining a long-term relationship between the Group and certain eligible participants. The Directors (including all independent non-executive Directors, save and except for the relevant Director who is a Grantee whom has abstained from voting in relation to the grant of Awarded Shares to himself) are of the view that the grant of the Awarded Shares to the Grantees, the respective terms and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

PERFORMANCE TARGETS

The Board and the Remuneration Committee have determined that the Grants are not subject to performance targets, having considered the following factors:

- (a) the Grants have been determined based on the Grantees’ position, years of service, performance and future long-term contribution to the Group;
- (b) the Grants will effectively align the interests of the Grantees directly with those of the shareholders of the Company through ownership of the Shares;
- (c) the Grants will provide incentive to motivate and retain the Grantees for the continual operation and development of the Group; and
- (d) the Grants can generally serve and align with the purposes of the Scheme.

Based on the above, both the Board and the Remuneration Committee are of the view that is not necessary to set performance target for the Grants.

NUMBER OF SHARES AVAILABLE FOR FUTURE GRANT

As at the date of this announcement, 70,910 underlying Awarded Shares have been acquired by the trustee of the Scheme (the “Trustee”) from the open market and a further 329,090 Shares will be acquired by the Trustee from the open market. The acquisition was/will be funded by utilising the Company’s internal resources. No new Share is required to be issued by the Company for the Grants. Accordingly, the Grants will not result in any dilution effect to the number of total issued Shares upon vesting thereof. After the Grants, a total of 36,728,000 Shares will be available for future grant pursuant to the Scheme.

LISTING RULES IMPLICATIONS

The Grants have been approved by the Remuneration Committee and the Board (including all independent non-executive Directors, save and except for the relevant Director who is a Grantee whom has abstained from voting in relation to the grant of Awarded Shares to himself).

The relevant Grant to the Grantees also forms part of their remuneration packages under their respective service contracts with the Company, and is therefore exempt from the reporting, announcement and independent shareholders’ approval requirements under Rule 14A.73(6) and Rule 14A.95 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

Since each of Prof. Lee and Mr. Ho is a connected person of the Company, the grant of Awarded Shares to each of them constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As all of the applicable percentage ratios are below 0.1% and the grant of Awarded Shares is on normal commercial terms, such grant of Awarded Shares to each of the Grantees is fully exempt from reporting, announcement and shareholders’ approval under Rule 14A.76(1) of the Listing Rules.

The Scheme was adopted before the effective date (being 1 January 2023) of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangement provided for the existing share schemes.

By order of the Board
Lion Rock Group Limited
Lau Chuk Kin
Chairman

Hong Kong, 20 December 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Lau Chuk Kin, Ms. Lam Mei Lan and Mr. Chu Chun Wan as executive directors; Mr. Li Hoi David and Mr. Guo Junsheng as non-executive directors; Prof. Lee Hau Leung, Dr. Ng Lai Man, Carmen and Mr. Ho Tai Wai, David as independent non-executive directors.

** For identification purpose only*