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MS GROUP HOLDINGS LIMITED

萬成集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1451)

GRANT OF SHARE OPTIONS

This announcement is made by MS Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 (the “**Board**”) of directors (the “**Director(s)**”) of the Company hereby announces that on 27 May 2024 (the “**Date of Grant**”), the Company granted 10,000,000 share options (the “**Share Options**”) to the Directors and certain employees of the Group (collectively, the “**Grantee(s)**”) to subscribe for an aggregate of 10,000,000 ordinary shares with nominal value of HK\$0.10 each in the capital of the Company (the “**Share(s)**”) under the share option scheme adopted by the Company on 15 May 2018 (the “**Scheme**”), subject to acceptances of the Grantees.

Details of the Share Options granted are as follows:

Date of Grant : 27 May 2024

Number of Share Options granted : 10,000,000

Exercise price of the Share Options : HK\$1.02 per Share, representing the highest of

(i) the closing price of HK\$1.02 per Share as quoted by the Stock Exchange on the Date of Grant;

(ii) the average closing price of approximately HK\$1.01 per Share as quoted by the Stock Exchange 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\$1.02 per Share as quoted by the Stock Exchange.

- Validity period of the Share Options : 10 years, from 27 May 2024 to 26 May 2034 (both dates inclusive) (the “**Option Period**”).
- Vesting period of the Share Options : (i) Up to the first 40% of the Share Options shall be vested and exercisable at any time from the date falling on the first anniversary of the Date of Grant until the end of the Option Period;
- (ii) Up to a further 30% of the Share Options shall be vested and exercisable at any time from the date falling on the second anniversary of the Date of Grant until the end of the Option Period; and
- (iii) the remaining 30% of the Share Options shall be vested and exercisable at any time from the date falling on the third anniversary of the Date of Grant until the end of the Option Period.
- Clawback mechanism : The Share Options are not subject to any clawback mechanism but shall lapse and/or be cancelled (to an extent not already exercised) under various scenarios provided under the Scheme including, but not limited to, that the Grantee ceases to be an eligible participant of the Group by reason of the termination of his/her employment on the grounds that he/she has been guilty of serious misconduct or has been convicted of any criminal offence involving his/her integrity or honesty.

For further details, please refer to the principal terms of the Scheme summarised in the paragraphs headed “Statutory and general information — (D) Share Option Scheme” in Appendix IV to the prospectus of the Company dated 21 May 2018.

The Board and the remuneration committee of the Company (the “**Remuneration Committee**”) therefore consider that a specific clawback mechanism is not necessary, having considered that the lapse and/or cancellation of the Share Options upon a Grantee ceases to be an eligible participant under the Scheme as mentioned above, which is in line with the purpose of the Scheme and in the interests of the Company.

Transferability of the Share Options : A Share Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Share Option.

Performance target(s) : The Share Options are not subject to any performance target.

In relation to the grant of Share Options to the Directors and employees of the Group, the purpose of the Scheme is to motivate and retain the Grantees by allowing them to share the results achieved by the Group as a result of their efforts and contributions.

Having considered that: (a) each Grantee's experiences in the Group's business, length of service to the Group and contribution and dedication to the promotion of the Group's business; (b) the Grantees are Directors or employees of the Group who will directly contribute to the overall business performance, sustainable development and/or good corporate governance of the Group; and (c) the Share Options will be vested in tranches over a period of three years from the date of grant, the Remuneration Committee considers that the grant of Share Options will align the interests of the Grantees with those of the Company and the shareholders of the Company, motivate the Grantees to commit themselves to the Company's continued competitiveness, operating results and growth in the future and reinforce their commitment to the long-term service of the Company, and is therefore consistent with the objectives of the Scheme.

Further, given that certain Share Options were granted to the independent non-executive Directors, the Board is of the view that the absence of performance targets attaching to the Share Options would avoid compromising the objectivity and independence of the independent non-executive Directors.

Financial Assistance : The Group has not provided any financial assistance to the Grantees to facilitate their purchase of the Shares under the Scheme.

Number of Shares available for future grant : After the grant of the Share Options as disclosed in this announcement, the number of Shares available for future grant(s) under the scheme mandate limit of the Scheme is 4,000,000.

Among the total 10,000,000 Share Options granted, 4,120,000 Share Options were granted to the following Directors:

Name of Grantees	Position	Number of Share Options granted
Mr. Chung Kwok Keung Peter	Executive Director, Chief Executive Officer and a substantial shareholder	200,000
Mr. Chau Ching	Executive Director, Chairman and a substantial shareholder	200,000
Mr. Chung Leonard Shing Chun	Executive Director	1,560,000
Mr. Chau Wai	Executive Director	1,560,000
Mr. Yu Hon To David	Independent Non-Executive Director	200,000
Mr. Seto John Gin Chung	Independent Non-Executive Director	200,000
Mr. Asvaintra Bhanusak	Independent Non-Executive Director	<u>200,000</u>
		4,120,000
Other employees		<u>5,880,000</u>
Total		<u><u>10,000,000</u></u>

The grant of Share Options to each of the above Directors has been approved by the independent non-executive Directors (save in relation to the grant of Share Options to individual independent non-executive Director, approved by the remaining independent non-executive Directors) in accordance with Rule 17.04(1).

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, none of the Grantees is (i) a Director, chief executive or substantial shareholder of the Company, or their respective associates (as defined in the Listing Rules); (ii) a participant with options and awards granted and to be granted exceeding 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 and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares. None of the Grant will be subject to approval by the shareholders of the Company.

The Company believes the grant of Share Options to the Grantees can provide incentive or reward to management and staff so as to encourage them to make continuing effort and contribution to the Company. It also enables them to share results of the development of the Company and is in the best interests of the Company as a whole.

By Order of the Board
MS Group Holdings Limited
Chau Ching
Chairman

Hong Kong, 27 May 2024

As of the date of this announcement, the executive Directors are Mr. Chau Ching, Mr. Chung Kwok Keung Peter, Mr. Chung Leonard Shing Chun and Mr. Chau Wai; and the independent non-executive Directors are Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak.