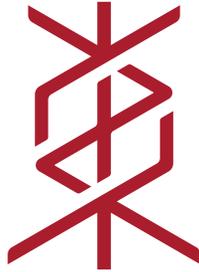


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東京中央拍賣控股有限公司
TOKYO CHUO AUCTION HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 1939)

GRANT OF SHARE OPTIONS

This announcement is made by Tokyo Chuo Auction Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A, Rule 17.06B and Rule 17.06C 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 announces that on 24 April 2023 (the “**Date of Grant**”), the Company offered to grant 48,000,000 share options (the “**Share Option(s)**”) under the share option scheme adopted by the Company on 13 September 2018 (the “**Share Option Scheme**”) to certain Directors, senior management and employees of the Group (collectively, the “**Grantees**”), to subscribe for an aggregate of 48,000,000 shares in the capital of the Company (the “**Share(s)**”), subject to the acceptance of the Grantees and the payment of HK\$1.00 by the Grantees upon acceptance of the Share Options (the “**Grant**”). The Share Options represent, upon full exercise, 9.6% of the total number of issued Shares as at the date of this announcement.

A summary of the terms of the Share Options granted are as follows:

Date of Grant:	24 April 2023 (the “ Date of Grant ”)
Number of Share Options granted:	An aggregate of 48,000,000 Share Options. Each Share Option shall entitle the holder thereof to subscribe for one Share.
Exercise Price of the Share Options:	HK\$0.80 per Share, which is not less than the highest of: <ul style="list-style-type: none">(i) the closing price of HK\$0.76 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant; and(ii) the average closing price of HK\$0.77 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant
Closing price of the Shares on the Date of Grant:	HK\$0.76
Validity period of the Share Options:	The Share Options shall be valid for a period of six years from the Date of Grant. Any Share Options not exercised by 23 April 2029 shall lapse.
Vesting period and exercise period:	<ul style="list-style-type: none">(i) no Share Option shall be vested or exercisable within the first 12-month period from the Date of Grant;(ii) 30% of the Share Options granted shall be vested on, and exercisable from, the first anniversary of the Date of Grant (i.e. 24 April 2024);(iii) 30% of the Share Options granted shall be vested on, and exercisable from, the second anniversary of the Date of Grant (i.e. 24 April 2025); and(iv) the remaining 40% of the Share Options granted shall be vested on, and exercisable from, the third anniversary of the Date of Grant (i.e. 24 April 2026).

Exercise restrictions of the Share Options:

If as a result of the exercise of the Share Options, the public float as required under the Listing Rules cannot be maintained, then the Share Options may only be exercised by the Grantee to the extent allowable under the Listing Rules so that after exercise of such Share Options, the public float requirements will not be violated.

Performance target of the Share Options:

There is no performance target attached to the Options.

Having considered that (i) each of the Grantees is a middle to senior level management who has been working for the Group for over four years and have contributed directly to the overall business performance, sustainable development and/or good corporate governance of the Group, and (ii) the Options are subject to the terms of the Share Option Scheme, which already covers situations where the Share Options will lapse in the event that the Grantees cease to be employees of the Group, the remuneration committee of the Company and the Board believe that without additional performance target, the grant of the Share Options aligns the interests of the Grantees with that of the Company and the shareholders of the Company, provides incentive to the Grantees to devote to the future continuous competitiveness, results of operation and growth of the Company, and reinforce their commitment to long term services of the Company, which is in line with the purpose of the Share Option Scheme.

Clawback mechanism:

If any Grantee ceases to be a Director or an employee of the Group for any reason other than death, ill-health or retirement in accordance with his/her contract of employment, any Share Options granted (to the extent not already exercised) shall lapse on the date of cessation or termination of employment.

Financial assistance:

The Group has not provided any financial assistance to the Grantees to facilitate the purchase of Shares under the Share Option Scheme.

Among the total of 48,000,000 Share Options granted, 5,000,000 Share Options, representing approximately 1.0% of the total number of Shares in issue as at the date of this announcement, were granted to Mr. Katsu Bunkai, an executive Director. The grant of Share Options to Mr. Katsu Bunkai has been approved by all independent non-executive Directors pursuant to Rule 17.04(1) of the Listing Rules.

The remaining 43,000,000 Share Options, representing approximately 8.6% of the total number of Shares in issue as at the date of this announcement, were granted to nine employees of the Group. All of the Grantees are middle to senior level management of the Group, which directly involved in the strategy making and daily operations of the Group. The Board believes that the grant of the Share Options to those key employees not only can provide incentive or reward to staff so as to encourage them to make continuing effort and contribution to the Group, it also encourages those junior staff and/or new employees to contribute more to the Group as there is a chance to share results of the development of the Company no matter which departments they are working for.

Besides, as at the date of this announcement, all of the Grantees had joined the Group for at least four years, some of them even worked for the Group for more than 10 years. They should be considered as long-serving and key employees. The grant of the Share Options aims to increase market competitiveness of the remuneration package of the Group and to motivate and stabilise those key employees of the Group, so as to strive for successful and future development of the Group as well as achieving overall strategic goals of the Group.

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.

Subsequent to the grant of Share Options, the number of Shares available for future grant under the scheme limit of the Share Options Scheme is 2,000,000 Shares.

By order of the Board
Tokyo Chuo Auction Holdings Limited
東京中央拍賣控股有限公司
Ando Shokei
Chairman

Hong Kong, 24 April 2023

As at the date of this announcement, the executive Directors are Mr. Ando Shokei, Mrs. Ando Eri, Mr. Katsu Bunkai and Mr. Sun Hongyue; and the independent non-executive Directors are Mr. Chung Kwok Mo John, Ms. Lam Suk Ling Shirley and Mr. Chun Chi Man.