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ZHONG FA ZHAN HOLDINGS LIMITED
中發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 475)

GRANT OF SHARE OPTIONS

This announcement is made by Zhong Fa Zhan Holdings Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of the Company hereby announces that the Company has granted to the Directors, employees and consultants of the Group (the “**Grantees**”), subject to the acceptance by the Grantees, a total of 32,520,000 share options (the “**Share Options**”) to subscribe for up to a total of 32,520,000 ordinary shares of nominal value of HK\$0.01 each in the share capital of the Company (the “**Share(s)**”) under its share option scheme adopted on 9 September 2016, details of which are set out as below:

Date of grant: 19 October 2018 (the “**Date of Grant**”)

Exercise price of Share Options granted: HK\$0.636 per Share (being the highest of: (i) the closing price of HK\$0.610 per Share as stated in the Stock Exchange’s daily quotations sheets on the Date of Grant; (ii) the average closing price of HK\$0.636 per Share as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share.)

Number of Share Options granted:	32,520,000 Share Options (each Share Option shall entitle the holder of the Share Option to subscribe for one Share of the Company)
Closing price of the Shares on the Date of Grant:	HK\$0.610 per Share
Validity period of the Share Options (the “ Validity Period ”):	From 19 October 2018 to 18 October 2028 (both dates inclusive), subject to acceptance of the Share Options
Vesting period of Share Options:	100% of the Share Options shall be exercisable from 1 January 2019 to 18 October 2028 (both dates inclusive);

Among the 32,520,000 share options granted, 7,920,000 share options were granted to the directors of the Company, details of which are as follows:-

Name of Grantees	Positions held with the Company	Number of Option Shares to be allotted and issued upon exercise in full of the Share Options granted
1. Directors		
(a) Mr. Wu Hao	Chairman and Executive Director	3,300,000
(b) Mr. Hu Yangjun*	Executive Director	330,000
(c) Mr. Chan Wing Yuen, Hubert	Chief Executive and Executive Director	3,300,000
(d) Mr. Li Wei Qi, Jacky	Non-executive Director	330,000
(e) Mr. Wu Chi Keung	Independent Non-executive Director	330,000
(f) Mr. Jin Qingjun	Independent Non-executive Director	330,000
2. Other employees of the Group		22,600,000
3. Consultants of the Group		<u>2,000,000</u>
Total		<u><u>32,520,000</u></u>

* also a substantial shareholder (as defined in the Listing Rules) of the Company.

The grant of share options to all the directors of the Company has been approved by the independent non-executive directors of the Company (“**Independent Non-executive Director**”) and each of the Independent Non-executive Director has abstained from voting on the resolution in respect of the grant of Share Options to himself.

Each of the Grantees has also abstained from voting in the board meeting so far as the resolution for the approval of the grant of Share Options to each of them was concerned.

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, nor an associate (as defined in the Listing Rules) of any of them.

No Share Options will be exercisable after the expiry of the Validity Period.

By order of the Board
ZHONG FA ZHAN HOLDINGS LIMITED
Chow Chi Shing
Company Secretary

Hong Kong, 19 October 2018

As at the date of this announcement, the Board consists of three executive Directors, namely Mr. Wu Hao, Mr. Hu Yangjun and Mr. Chan Wing Yuen, Hubert; a non-executive Director, namely Mr. Li Wei Qi, Jacky; and two independent non-executive Directors, namely Mr. Wu Chi Keung and Mr. Jin Qingjun.