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King's Stone Holdings Group Limited

金石控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1943)

GRANTS OF SHARE OPTIONS AND SHARE AWARDS

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of King's Stone Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that options (the “**Share Options**”) to subscribe for a total of 27,000,000 new ordinary shares of HK\$0.01 each of the Company (the “**Shares**”) were granted on 17 October 2025 under the Company's share scheme adopted on 26 September 2025 (the “**Share Scheme**”) and that awards (the “**Share Awards**”) to subscribe for a total of 3,000,000 new Shares were granted on 17 October 2025 under the Share Scheme.

The Share Options and the Share Awards are subject to acceptance by the grantees thereof.

Grant of Share Options

The following are details of the Share Options granted:

Date of grant : 17 October 2025

Number of the Share : 27,000,000
Options granted

Exercise price of the Share : HK\$0.92 per Share, representing the higher of:
Options granted

- (i) the closing price of HK\$0.8 per Share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

- (ii) the average closing price of HK\$0.92 per Share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

Closing price of the Shares : HK\$0.8 per Share
on the date of grant

Validity and exercise : The Share Options granted are valid for a period of 10
period of the Share years commencing on 17 October 2025 and expiring on
Options granted 16 October 2035, and are exercisable during the periods
set out below:

- (a) Share Options to subscribe for 6,750,000 Shares granted shall be exercisable from 17 November 2025 to 16 October 2035 (the “**First Batch Share Options**”);
- (b) Share Options to subscribe for 6,750,000 Shares granted shall be exercisable from 17 February 2026 to 16 October 2035 (the “**Second Batch Share Options**”);
- (c) Share Options to subscribe for 6,750,000 Shares granted shall be exercisable from 17 May 2026 to 16 October 2035 (the “**Third Batch Share Options**”); and
- (d) Share Options to subscribe for 6,750,000 Shares granted shall be exercisable from 17 October 2026 to 16 October 2035 (the “**Fourth Batch Share Options**”).

Vesting period of the Share : (a) Vesting period of the First Batch Share Options is
Options granted 1 month from the date of grant.

(b) Vesting period of the Second Batch Share Options is 4 months from the date of grant.

(c) Vesting period of the Third Batch Share Options is 7 months from the date of grant.

(d) Vesting period of the Fourth Batch Share Options is 12 months from the date of grant.

Under the Share Scheme, the Board may, in its sole discretion, determine that the vesting period of the Share Options granted to the employee participants (including directors and employees of any member of the Group) (the “**Employee Participants**”) can be less than 12 months under certain circumstances, including circumstances where the Share Options are granted with a mixed or accelerated vesting schedule. Certain of the Share Options granted above have vesting periods shorter than 12 months due to the Board’s decision to adopt a mixed vesting schedule for the Share Options granted to relevant Employee Participants, which is permitted under the Share Scheme.

The Company’s remuneration committee (the “**Remuneration Committee**”) noted that the net proceeds received from the recent share placement were significantly lower than originally anticipated, representing only approximately 20% of the planned amount, and such proceeds are expected to be fully utilised by March 2026. Additional funding will therefore be required not only to support the Group’s daily operations but also to further develop and expand the Group’s business. In this context, the exercise price of the Share Options is set at a level more than 40% higher than the placing price of the recent share placement, reflecting management’s confidence in the Group’s future prospects and their commitment to the Company. If all Share Options are exercised in full, the Company will receive additional proceeds of approximately HK\$25 million, which is more than the proceeds from the recent share placement and will provide important supplementary funding to support the Group’s operations and business development.

The Remuneration Committee is of the view that the grant of Share Options and Share Awards (i) acts as a recognition of the past contribution of the relevant grantees to the Group's business, which can motivate and incentivise the relevant grantees to continuously contribute to the operation, development and long-term growth of the Group; and (ii) is in line with the overall purpose of attracting, motivating and retaining core talents of the Group. Accordingly, the grant of Share Options to the grantees with a mixed or accelerated vesting schedule aligns with the purpose of the Share Scheme. The accelerated or mixed vesting schedule for the grants is also considered appropriate in light of the Company's immediate operational needs, the demonstrated commitment of the Directors, and the necessity to ensure timely motivation and retention of key management during this critical period for the Group.

Performance targets : No performance target is stipulated in the Share Scheme.

The Remuneration Committee is of the view that performance targets are not necessary for the following reasons: (i) the Share Options were granted as part of the bonus earned; (ii) the value of the Share Options will be linked to the future price of the Shares, which in turn depends upon the performance of the Company; and (iii) the minimum vesting period stated above will ensure that the grantees' and the Company's long term interests are aligned and the grantees will be motivated to contribute towards the Company's development.

Clawback mechanism : No clawback mechanism is stipulated in the Share Scheme.

The Remuneration Committee is of the view that a clawback mechanism is not necessary for the following reasons: (i) the Share Options were granted as part of the bonus earned; (ii) if the price of the Shares during the exercise period of the Share Options granted is lower than the exercise price therefor, the Share Options granted will be of no value; and (iii) the rules of the Share Scheme provide for the lapse and cancellation of options under various scenarios and therefore adequately protect the Company's interests.

Grant of Share Awards

The following are details of the Share Awards granted:

Date of grant	:	17 October 2025
Number of the Share Awards granted	:	3,000,000
Subscription price of the Share Awards granted	:	Nil
Closing price of the Shares on the date of grant	:	HK\$0.8 per Share
Vesting period of the Share Awards granted	:	<p>(a) Vesting period of Share Awards for subscribing for 750,000 Shares is 1 month from the date of grant.</p> <p>(b) Vesting period of Share Awards for subscribing for 750,000 Shares is 4 months from the date of grant.</p> <p>(c) Vesting period of Share Awards for subscribing for 750,000 Shares is 7 months from the date of grant.</p> <p>(d) Vesting period of Share Awards for subscribing for 750,000 Shares is 12 months from the date of grant.</p>

Under the Share Scheme, the Board may, in its sole discretion, determine that the vesting period of the Share Awards granted to the Employee Participants can be less than 12 months under certain circumstances, including circumstances where the awards are granted with a mixed or accelerated vesting schedule. Certain of the Share Awards granted above have vesting periods shorter than 12 months due to the Board's decision to adopt a mixed vesting schedule for the Share Awards granted to relevant Employee Participants, which is permitted under the Share Scheme.

The Remuneration Committee is of the view that the grant of Share Awards (i) acts as a recognition of the past contribution of the relevant grantees to the Group's business, which can motivate and incentivise the relevant grantees to continuously contribute to the operation, development and long term growth of the Group; and (ii) is in line with the overall purpose of attracting, motivating and retaining core talents of the Group. Accordingly, the grant of Share Awards to the grantees with a mixed or accelerated vesting schedule aligns with the purpose of the Share Scheme. In addition to providing recognition and incentive to core management personnel, the grant of Share Awards is intended to achieve a balance between reward and motivation, reflecting the principle of fairness. In particular, while the management is required to subscribe for Shares under the Share Options at a premium price, the grant of Share Awards serves as a form of reward and encouragement, thereby striking an appropriate balance between incentive and fairness.

Performance targets : No performance target is stipulated in the Share Scheme.

The Remuneration Committee is of the view that performance targets are not necessary for the following reasons: (i) the Share Awards were granted as part of the bonus earned; (ii) the value of the Share Awards will be linked to the future price of the Shares, which in turn depends upon the performance of the Company; and (iii) the minimum vesting period stated above will ensure that the grantees' and the Company's long term interests are aligned and the grantees will be motivated to contribute towards the Company's development.

In addition, the purpose of the Share Scheme is to provide incentive to the Eligible Participants in order to promote the development and success of the business of the Group. Those 3,000,000 Share Awards granted to the grantees are awarded to them based on their work performance, historical and potential contributions and thus no additional performance target is imposed before the Share Awards are vested to the grantees.

In view of the above, the Board and the Remuneration Committee considered the grant of 3,000,000 Share Awards having no performance target attached aligns with the purpose of the Share Scheme.

Clawback mechanism : No clawback mechanism is stipulated in the Share Scheme.

The Remuneration Committee is of the view that a clawback mechanism is not necessary for the following reasons: (i) the Share Awards were granted as part of the bonus earned; and (ii) the rules of the Share Scheme provide for the lapse and cancellation of awards under various scenarios and therefore adequately protect the Company's interests.

All Share Options and Share Awards were granted to the Directors as follows:

Name	Position	Number of Share Options granted	Number of Share Awards granted
He Xin	Chairman, Chief Executive Officer and Executive Director	9,000,000	1,000,000
Zeng Jingwen	Executive Director	9,000,000	1,000,000
Chiu Sui Keung	Vice Chairman and Executive Director	9,000,000	1,000,000
Total		27,000,000	3,000,000

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of the Share Options and the Share Awards to each of the aforementioned Directors has been approved by the independent non-executive Directors.

As of the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, none of the grantees of the Share Options and the Share Awards is (i) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Listing Rules) of any of them; (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; (iii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total number of issued Shares. The grant of the Share Options and the Share Awards is not subject to approval by the independent shareholders of the Company.

As at the date of this announcement, the number of Shares available for future grant under the Scheme Mandate Limit (as defined in the Share Scheme) is 70,000,000.

By Order of the Board
KING'S STONE HOLDINGS GROUP LIMITED
He Xin
*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 17 October 2025

As at the date of this announcement, the Board comprises Mr. He Xin (Chairman and Chief Executive Officer), Ms. Zeng Jingwen, Mr. Chiu Sui Keung (Vice Chairman) and Ms. Cai Ruoxi as executive Directors, and Mr. Lam Williamson, Mr. Li, Sheung Him Michael and Mr. Yu Kuai as independent non-executive Directors.