

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GALAXY ENTERTAINMENT GROUP LIMITED

銀河娛樂集團有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 27)

GRANT OF SHARE OPTIONS AND SHARE AWARDS AND GRANT OF SHARE OPTIONS IN REPLACEMENT OF PREVIOUSLY GRANTED SHARE OPTIONS

The Board announces that:

- (1) 7 October 2022, GEG has granted (i) share options to subscribe for a total of 11,452,270 Shares pursuant to the Share Option Scheme 2021; and (ii) share awards in respect of a total of 5,174,060 Shares pursuant to the Share Award Scheme 2021;
- (2) the Previously Granted Share Options will be cancelled; and
- (3) subject to the Previously Granted Share Options being cancelled, the Replacement Share Options will be granted to the grantees in replacement of the Previously Granted Share Options held by them respectively.

GRANT OF SHARE OPTIONS AND SHARE AWARDS

The Board of Directors (“Board”) of Galaxy Entertainment Group Limited (“GEG”) hereby announces that GEG has granted (i) share options to subscribe for a total of 11,452,270 shares in the capital of GEG (“Shares”) pursuant to the share option scheme adopted by GEG on 13 May 2021 (the “Share Option Scheme 2021”); and (ii) share awards in respect of a total of 5,174,060 Shares pursuant to the share award scheme adopted by GEG on 13 May 2021 (the “Share Award Scheme 2021”).

Details of the granted are as follows:

(i) Share Options

Date of grant : 7 October 2022

Exercise price of share options granted : HK\$48.65 to subscribe for one Share

Number of share options granted : 11,452,270 share options (each share option shall entitle the holder of the share option to subscribe for one Share)

Closing price of the Shares on the date of grant : HK\$48.65 per Share

Validity period of the share options : Six years, from 7 October 2022 to 6 October 2028. 11,452,270 share options granted will be subject to vesting as follows:

7 October 2023: 3,817,283

7 October 2024: 3,817,283

7 October 2025: 3,817,704

(ii) Share Awards

Date of Grant : 7 October 2022

Number of Shares involved : 5,174,060

Vesting date : 7 October 2023: 1,409,154

7 October 2024: 1,724,555

7 October 2025: 2,040,351

Among the 11,452,270 share options and 5,174,060 share awards granted, 4,021,270 share options and 935,430 share awards were granted to the executive directors of GEG, and 383,000 share options and 195,380 share awards were granted to associates (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) of directors of GEG with details as follows. The share awards to these connected persons of GEG will be satisfied by the purchase of existing Shares by the trustee of the Share Award Scheme 2021 in the market.

<u>Name of Executive Directors</u>	<u>Number of Share Options Granted</u>	<u>Number of Share Awards Granted</u>
Dr. Lui Che Woo	1,843,000	244,900
Mr. Francis Lui Yiu Tung	1,860,270	577,900
Mr. Joseph Chee Ying Keung	221,000	99,730
Mrs. Paddy Tang Lui Wai Yu	97,000	12,900
Total:	<u>4,021,270</u>	<u>935,430</u>

<u>Name of Associates of Directors</u>	<u>Number of Share Options Granted</u>	<u>Number of Share Awards Granted</u>
Ms. Eileen Lui Wai Ling	377,000	194,580
Mr. Andrew Nicholas Lui	6,000	800
Total:	<u>383,000</u>	<u>195,380</u>

CANCELLATION OF PREVIOUSLY GRANTED SHARE OPTIONS AND GRANT OF REPLACEMENT SHARE OPTIONS

The Board hereby announces that it has resolved to effect the following on 7 October 2022:

- (a) to cancel the outstanding share options to subscribe for a total of 20,927,863 Shares (the “Previously Granted Share Options”) which were granted to executive directors of GEG, associates (as defined under Listing Rules) of directors of GEG, employees and others (“Grantees”) on 27 December 2017 and 30 December 2019 under the share option scheme adopted by GEG on 22 June 2011, and 17 June 2021 under the Share Option Scheme 2021, subject to the written consent of the Grantees to cancel their respective Previously Granted Share Options being given;
- (b) To replace the Previously Granted Share Options by granting to the Grantees new share options (the “Replacement Share Options”) to subscribe for a total of 9,469,810 Shares under the Share Option Scheme 2021 subject to the Previously Granted Share Options being cancelled.

Subject to the written consent of the respective Grantees being given, the Previously Granted Share Options will be cancelled and will cease to have any effect and will be replaced by the Replacement Share Options. If a Grantee does not agree to the cancellation of his/her Previously Granted Share Options, the Previously Granted Share Options held by him/her will not be cancelled and no Replacement Share Options will be granted to him/her.

Details of the Replacement Share Options are as follows:

Date of grant	: 7 October 2022
Exercise price of Replacement Share Options granted	: HK\$48.65 to subscribe for one Share
Number of Replacement Share Options granted	: 9,469,810 Replacement Share Options (each Replacement Share Option shall entitle the holder of the share option to subscribe for one Share)
Closing price of the Shares on the date of grant	: HK\$48.65 per Share
Validity period of the Replacement Share Options	: Six years, from 7 October 2022 to 6 October 2028. 9,469,810 Replacement Share Options will be subject to vesting as follows: 7 October 2023: 4,734,905 7 October 2024: 4,734,905

Among the 9,469,810 Replacement Share Options granted, 4,373,930 Replacement Share Options were granted to the executive directors of GEG, and 353,550 Replacement Share Options were granted to associates (as defined under the Listing Rules) of directors of GEG with details as follows.

<u>Name of Executive Directors</u>	<u>Number of Replacement Share Options Granted</u>
Dr. Lui Che Woo	1,771,760
Mr. Francis Lui Yiu Tung	2,505,730
Mrs. Paddy Tang Lui Wai Yu	96,440
Total:	<u>4,373,930</u>

<u>Name of Associates of Directors</u>	<u>Number of Replacement Share Options Granted</u>
Ms. Eileen Lui Wai Ling	346,360
Mr. Andrew Nicholas Lui	4,420
Ms. Lui Joanna Claudia	2,770
Total:	<u>353,550</u>

Reason for the Replacement

In view of the fact that the exercise prices of the Previously Granted Share Options (being HK\$62.36 per Share, HK\$57.70 per Share and HK\$62.19 per Share for the share options granted on 27 December 2017, 30 December 2019 and 17 June 2021 respectively) are higher than the market price of the Shares for a period of time, the Previously Granted Share Options no longer serve the purpose of providing motivation and incentives to the Grantees. The replacement of the Previously Granted Share Options by the Replacement Share Options (which bring the exercise price to the current trading price level of the Shares) will better serve the objective of the Share Option Scheme 2021 in recognizing the contributions of the Grantees to GEG and its subsidiaries (the “Group”) and in providing the Grantees with incentives for their retention with the Group and contribution towards the continued operation and development of the Group.

Save as disclosed above, none of the Grantees of the share options, share awards and the Replacement Share Options is a director, chief executive or substantial shareholder of GEG, or any of their respective associates (as defined under the Listing Rules) as at the date of this announcement.

By Order of the Board
Galaxy Entertainment Group Limited
Jenifer Sin Li Mei Wah
Company Secretary

Hong Kong, 7 October 2022

As at the date of this announcement, the executive Directors of GEG are Dr. Lui Che Woo (Chairman), Mr. Francis Lui Yiu Tung, Mr. Joseph Chee Ying Keung and Mrs. Paddy Tang Lui Wai Yu; the non-executive Directors of GEG are Dr. Charles Cheung Wai Bun and Mr. Michael Victor Mecca; and the independent non-executive Directors of GEG are Mr. James Ross Ancell, Dr. William Yip Shue Lam and Professor Patrick Wong Lung Tak.

Website: www.galaxyentertainment.com