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## **CHALLENGER GROUP HOLDINGS LIMITED**

### **挑戰者集團控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code : 8203)

### **GRANT OF SHARE OPTIONS**

The Board of directors (the “**Board**”) of Challenger Group Holdings Limited (the “**Company**”) hereby announces that on 8 January 2009, 19,700,000 share options (the “**Options**”) to subscribe for the ordinary shares of HK\$0.01 each (the “**Shares**”) were granted to three executive directors and one employee of the Company’s subsidiary, subject to acceptance of the grantees (the “**Grantees**”).

The Company operates the Share Option Scheme (the “**Scheme**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants include the full-time and part-time employees, executives, officers, directors, business consultants, agents, legal and financial advisers of the Company and the Company’s subsidiaries. The Scheme became effective on 9 December 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised the options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under the options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of the options in excess of this limit is subject to shareholders’ approval in a general meeting.

The options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company’s shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders’ approval in advance in a general meeting.

\* *For identification purposes only*

The offer of a grant of the options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period of the options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than ten years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) closing price of the Company’s shares on the date of the offer of the options; (ii) the average Stock Exchange closing price of the Company’s shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company’s shares on the date of the offer.

The options do not confer rights on the holder to dividends or to vote at shareholders’ meetings.

If the options remain unexercised after a period of 3 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group before the options vest.

Details of the specific categories of options are as follows:

	<b>Date of Grant</b>	<b>Exercise Period</b>	<b>Number of Option Grant</b>	<b>Exercise Price</b>	<b>Closing Price of Shares immediately before the date of grant</b>
<b>Directors</b>					
Mr. Chan Nap Kee, Joseph	8/1/2009	8/1/2009-7/1/2012	4,925,000	0.394	0.385
Dr. Chow Pok Yu, Augustine	8/1/2009	8/1/2009-7/1/2012	4,925,000	0.394	0.385
Mr. Yang Geyan	8/1/2009	8/1/2009-7/1/2012	<u>4,925,000</u>	0.394	0.385
			14,775,000		
Employee	8/1/2009	8/1/2009-7/1/2012	<u>4,925,000</u>	0.394	0.385
			<u><u>19,700,000</u></u>		

By Order of the Board  
**CHAN Nap Kee, Joseph**  
*Chairman*

Hong Kong, 8 January 2009.

*As at the date of this announcement, the Board of Directors comprises Mr. CHAN Nap Kee, Joseph, Mr. YEAP Soon P, Jonathan, Dr. CHOW Pok Yu, Augustine, Mr. WU Kam Hung and Mr. YANG Geyan as executive Directors, and Mr. LIEW Swee Yean, Mr. SIU Siu Ling, Robert and Dr. WONG Yun Kuen as independent non-executive Directors.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

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