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Cheshi Technology Inc.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1490)

VOLUNTARY ANNOUNCEMENT ADOPTION OF POST-IPO RSU SCHEME

The Board is pleased to announce that on September 30, 2021, the Company has adopted the Post-IPO RSU Scheme, pursuant to which the New Scheme Custodian will purchase Shares out of the Contributed Amount and such Shares will be held on trust for the relevant RSU Selected Participants until such Shares are vested with the relevant RSU Selected Participants in accordance with the term of the Post-IPO RSU Scheme. The purpose of the Post-IPO RSU Scheme is to drive performance within the Group by focusing on core key performance indicators that align with the Group's overall performance, to engage, attract and retain skilled and experienced personnel, and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. The Board is of the view that the current trading price of Shares of the Company is unable to reflect the intrinsic value of Shares of the Company and business prospects of the Group. Hence, the purchase of shares from the market under the new scheme can also enable RSU Selected Participants to share the results of continuous development of the Group.

The Board may from time to time cause to pay a Contributed Amount to the 2021 Trust by way of settlement or otherwise contributed by the Company or any subsidiary of the Company as directed by the Board which shall constitute part of the 2021 Trust Fund, for the purchase of Shares and other purposes set out in the Post-IPO RSU Scheme Rules and the 2021 Trust Deed. The Company will direct and procure the New Scheme Custodian to receive existing Shares from Shareholders or purchase existing Shares (either on-market or off-market) at market price to satisfy grants that are made under the Post-IPO RSU Scheme. RSUs to be granted under the Post-IPO RSU Scheme will not cause any dilution of shareholding of the Shareholders.

The Post-IPO RSU Scheme forms part of the Group's incentive plans and it does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules.

ADOPTION OF POST-IPO RSU SCHEME

The Board is pleased to announce that on September 30, 2021, the Company has adopted the Post-IPO RSU Scheme, pursuant to which the New Scheme Custodian will purchase Shares out of the Contributed Amount and such Shares will be held on trust for the relevant RSU Selected Participants until such Shares are vested with the relevant RSU Selected Participants in accordance with the term of the Post-IPO RSU Scheme. The Post-IPO RSU Scheme shall be subject to the administration of the Board and the New Scheme Custodian in accordance with the Post-IPO RSU Scheme Rules and the 2021 Trust Deed.

The Board may from time to time cause to pay a Contributed Amount to the 2021 Trust by way of settlement or otherwise contributed by the Company or any subsidiary of the Company as directed by the Board which shall constitute part of the 2021 Trust Fund, for the purchase of Shares and other purposes set out in the Post-IPO RSU Scheme Rules and the 2021 Trust Deed. The Company will direct and procure the New Scheme Custodian to receive existing Shares from Shareholders or purchase existing Shares (either on-market or off-market) at market price to satisfy grants that are made under the Post-IPO RSU Scheme. RSUs to be granted under the Post-IPO RSU Scheme will not cause any dilution of shareholding of the Shareholders.

The Post-IPO RSU Scheme forms part of the Group's employee incentive plans and is established in addition to the currently in-place pre-IPO RSU Scheme and SA Scheme.

A summary of the principal terms of the Post-IPO RSU Scheme Rules is set out below:

Purpose of the Post-IPO RSU Scheme

The purpose of the Post-IPO RSU Scheme is to drive performance within the Group by focusing on core key performance indicators that align with the Group's overall performance, to engage, attract and retain skilled and experienced personnel, and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

RSUs

A RSU under the Post-IPO RSU Scheme gives a person who is eligible to participate in the Post-IPO RSU Scheme and selected by the Board a conditional right when the RSU vests to obtain Shares, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion. Each RSU represents one underlying Share. A RSU may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares.

Participants in the Post-IPO RSU Scheme

Persons eligible to receive RSUs under the Post-IPO RSU Scheme are existing employees, Directors (whether executive or non-executive), officers, consultants and service providers of the Company or any member of the Group (the "**RSU Eligible Persons**"). The Board selects the RSU Eligible Persons to receive RSUs under the Post-IPO RSU Scheme on the basis of their contribution to the development and growth of the Group or such other factors as the Board may deem appropriate at its discretion.

Term of the Post-IPO RSU Scheme

The Post-IPO RSU Scheme will be valid and effective for a period of ten (10) years, commencing from its adoption Date, being September 30, 2021 (the “**Adoption Date**”) (unless it is terminated earlier in accordance with its terms) (the “**Post-IPO RSU Scheme Period**”).

Grant and Acceptance

(a) Making an offer

An offer to grant a RSU will be made to a RSU Selected Participant by a letter, in such form as the Board may determine (the “**RSU Grant Letter**”). The RSU Grant Letter will specify the RSU Selected Participant’s name, the manner of acceptance of the RSU, the number of RSUs granted and the number of underlying Shares represented by the RSUs, the vesting criteria and conditions, the vesting schedule, the grant price and/or the exercise price of the RSUs (where applicable) and such other details as the Board considers necessary and are not inconsistent with the Post-IPO RSU Scheme Rules, and will require the RSU Selected Participant to undertake to hold the RSU on the terms on which it is granted and to be bound by the provisions of the Post-IPO RSU Scheme.

(b) Acceptance of an offer

A RSU Selected Participant may accept an offer of the grant of RSUs in such manner as set out in the RSU Grant Letter. Once accepted, the RSUs are deemed granted from the date of the RSU Grant Letter.

(c) Restrictions on grants

The Board may not grant any RSUs to any RSU Selected Participant in any of the following circumstances:

- (i) the requisite approvals for such grant from any applicable regulatory authorities (including in particular foreign exchange registration requirements) have not been obtained;
- (ii) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the RSUs or in respect of the Post-IPO RSU Scheme, unless the Board determines otherwise;
- (iii) where granting the RSUs would result in a breach by the Company, any member of the Group or any of their directors of any applicable laws, rules or regulations; or
- (iv) where such grant of any RSUs would result in a breach of the limits of the Post-IPO RSU Scheme (as set out in paragraph headed “Maximum number of Shares that may be granted under the Post-IPO RSU Scheme” below).

Maximum number of Shares that may be granted under the Post-IPO RSU Scheme

The total number of Shares underlying the Post-IPO RSU Scheme shall not in aggregate exceed 10% of the issued share capital of the Company as of the Adoption Date. The total number of Shares subject to the Post-IPO RSU Scheme may be adjusted upon the occurrence of any alteration in the capital structure of the Company.

The Board shall regularly review the maximum limit of the Post-IPO RSU Scheme and may resolve, as it sees fit, to increase the maximum limit. Any increase of the maximum limit of the Post-IPO RSU Scheme will be promptly announced by the Company.

The maximum number of RSUs (including Shares granted, vested, exercised or cancelled) which may be granted to any one RSU Selected Participant under the Post-IPO RSU Scheme during the twelve months from the grant date (inclusive) may not exceed 1% of the issued share capital of the Company as of the relevant grant date, unless otherwise approved by the Board.

Rights attached to RSUs

Save as described in the Post-IPO RSU Scheme Rules, a RSU Selected Participant does not have any contingent interest in any Shares underlying the RSUs unless and until such Shares are actually transferred to the RSU Selected Participant. Further, a RSU Selected Participant may not exercise voting rights in respect of the Shares underlying the RSUs until they are transferred to him/her and, unless otherwise specified by the Board in its entire discretion in the RSU Grant Letter to the RSU Selected Participant, nor does he/she have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying the RSUs.

Rights attached to Shares

The New Scheme Custodian shall not, as the holder of the Shares underlying the RSUs before their transfer to the relevant RSU grantee(s), exercise the voting rights of such Shares.

Any Shares transferred to a RSU Selected Participant in respect of any RSUs will be subject to all the provisions of the Articles of Association. Subject to the preceding paragraph and if so specified in the RSU Grant Letter, the New Scheme Custodian shall hold for the RSU Selected Participants' benefit the dividends and other distributions generated from such Shares before they are transferred to the RSU Selected Participant. Such Shares will rank pari passu with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, and accordingly will entitle the holders to participate in all dividends and other distributions paid or made on or after the date of transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

Assignment of RSUs

The RSUs granted pursuant to the Post-IPO RSU Scheme are personal to each RSU Selected Participant, and are not assignable. RSU Selected Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favor of any other person over or in relation to any property held by the New Scheme Custodian on trust for the Post-IPO RSU Scheme, the RSUs, or any interest or benefits therein.

Vesting of RSUs

The Board can determine the vesting criteria, conditions and the time schedule when the RSUs will vest and such criteria, conditions and time schedule shall be stated in the RSU Grant Letter.

Within a reasonable time after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, the Board will send a vesting notice (the “**Vesting Notice**”) to each of the relevant RSU Selected Participants. The Vesting Notice will confirm the extent to which the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, and the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) involved.

Appointment of the New Scheme Custodian

The Board has appointed the New Scheme Custodian as the trustee to assist with, among others, the administration and vesting of RSUs granted pursuant to of the Post-IPO RSU Scheme. The Board may direct and procure the New Scheme Custodian to receive existing Shares from any Shareholder or purchase existing Shares (either on-market or off-market) to satisfy the Shares underlying the RSUs upon exercise. The New Scheme Custodian shall timely inform the Board on the Shares and funds (if any) held by it, and the Board shall procure that sufficient Shares and/or funds are provided to the New Scheme Custodian by whatever means as the Board may in its absolute discretion determine to enable the New Scheme Custodian to satisfy its obligations in connection with the administration of the Post-IPO RSU Scheme. All the Shares underlying the RSUs granted and to be granted under the Post-IPO RSU Scheme will be transferred, allotted or issued to the New Scheme Custodian.

Exercise of RSUs

RSUs held by a RSU Selected Participant that are vested as evidenced by the Vesting Notice may be exercised (in whole or in part) by the RSU Selected Participant serving an exercise notice in writing (the “**Exercise Notice**”) on the New Scheme Custodian and copied to the Company. Any exercise of RSUs must be in respect of board lots of 4,000 Shares each or an integral multiple thereof (except where the number of RSUs which remains unexercised is less than one board lot).

In the Exercise Notice, the RSU Selected Participant shall request the New Scheme Custodian to, and the Board shall direct and procure the New Scheme Custodian to, within five Business Days, transfer the Shares underlying the RSUs exercised (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the RSU Selected Participant which the Company has allotted and issued to the New Scheme Custodian as fully paid up Shares or which the New Scheme Custodian has either acquired by purchasing existing Shares or by receiving existing Shares from any Shareholder, subject to the RSU Selected Participant paying the grant price (unless already fully paid) or the exercise price (where applicable) and all tax, stamp duty, levies and charges applicable to such transfer to the New Scheme Custodian or as the New Scheme Custodian directs.

At the sole discretion of the Board, the Board may direct the New Scheme Custodian to pay market value of the Shares in lieu of the transfer of the Shares (together with, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) but less all tax, stamp duty, levies and charges applicable to such payment as may be reasonably determined by the Board.

Lapse of RSUs

(a) Full lapse of RSU

Any unvested RSU will automatically lapse immediately where:

- (i) the RSU Selected Participant's employment or service terminates for any reason; or
- (ii) the RSU Selected Participant makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favor of any other person over or in relation to any RSUs or any interests or benefits pursuant to the RSUs.

(b) If at any time, a RSU Selected Participant:

- (i) ceases to be an employee of the Company or any member of the Group;
- (ii) fails, during the course of his/her employment, to devote the whole of his/her time and attention to the business of the Group or to use his/her best endeavors to develop the business and interests of the Group;
- (iii) is concerned during the course of his/her employment with the Group (without the prior written consent of the Company) with any business other than that of the Group;

- (iv) is in breach of his/her contract of employment with or any other obligation to the Group and any restrictive covenants; and/or undertakings set out in the Post-IPO RSU Scheme; and/or
- (v) has become insolvent or has been adjudged to be a bankrupt, or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offense involving his/her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his/her employment at law or pursuant to any applicable laws or under the RSU Selected Participant's service contract with the Company or the relevant member of the Group,

then all vested and unvested RSUs shall automatically lapse and such RSU Selected Participant shall have no claim whatsoever in respect of the RSUs or the underlying Shares.

For the avoidance of doubt, the matters that are set out in (b)(ii) to (v) above are matters to be solely and finally determined by the Board in its sole and absolute discretion.

Cancellation of RSUs

The Board may at its discretion cancel any RSU that has not vested or lapsed, provided that:

- (a) the Company or the subsidiaries pay to the RSU Selected Participant an amount equal to the fair value of the RSU at the date of the cancellation as determined by the Board, after consultation with the auditors or an independent financial advisor appointed by the Board;
- (b) the Company or the relevant subsidiary provides to the RSU Selected Participant a replacement award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the RSUs to be cancelled; or
- (c) the Board makes any arrangement as the RSU Selected Participant may agree in order to compensate him/her for the cancellation of the RSUs.

Reorganization of capital structure

In the event of any capitalization issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company, the Board may make such equitable adjustments, designed to protect the RSU Selected Participants' interests, to the number of Shares underlying the outstanding RSUs or to the amount of the equivalent value, as it may deem appropriate at its absolute discretion.

Amendment of the Post-IPO RSU Scheme

Save as provided in the Post-IPO RSU Scheme Rules, the Board may alter any of the Post-IPO RSU Scheme Rules at any time. Written notice of any amendment to the Post-IPO RSU Scheme Rules shall be given to all RSU Selected Participants.

Any alterations to the Post-IPO RSU Scheme Rules which are of a material nature or any changes to the terms of the RSUs granted which shall operate to affect materially adversely any subsisting rights of any RSU Selected Participant shall be subject to the consent of the RSU Selected Participants amounting to not less than three-fourths in nominal value of all underlying RSUs so held by the RSU Selected Participants on the date of the relevant resolution being passed by the Board in approving the amendment of the Post-IPO RSU Scheme Rules or the terms of the RSUs granted (as the case may be), except where the alterations or changes take effect automatically under the existing terms of the Post-IPO RSU Scheme Rules. The Board's determination as to whether any proposed alteration to the Scheme Rules or the terms of the RSUs granted (as the case may be) is material shall be conclusive.

Termination of the Post-IPO RSU Scheme

The Board may terminate the Post-IPO RSU Scheme at any time before the expiry of the Post-IPO RSU Scheme Period. The provisions of the Post-IPO RSU Scheme shall remain in full force and effect in respect of RSUs which are granted pursuant to the Post-IPO RSU Scheme Rules prior to the termination of the operation of the Post-IPO RSU Scheme. The Company or the relevant subsidiary shall notify the New Scheme Custodian and all RSU Selected Participants of such termination and of how any property held by the New Scheme Custodian on trust for the RSU Selected Participants (including, but not limited to, any Shares held) and the outstanding RSUs shall be dealt with.

Administration of the Post-IPO RSU Scheme

The Board has the power to administer the Post-IPO RSU Scheme, including the power to construe and interpret the rules of the Post-IPO RSU Scheme and the terms of the RSUs granted under it. The Board may delegate the authority to administer the Post-IPO RSU Scheme to a committee of the Board. The Board may also appoint one or more independent third party service providers to assist in the administration of the Post-IPO RSU Scheme and delegate such powers and/or functions relating to the administration of the Post-IPO RSU Scheme as the Board in its absolute discretion thinks fit.

The Board has appointed the New Scheme Custodian to administer the Post-IPO RSU Scheme.

The Board's determinations under the Post-IPO RSU Scheme need not be uniform and may be made by it selectively with respect to persons who are granted, or are eligible to be granted, RSUs under it. If a Director is a RSU Selected Participant he/she may, notwithstanding his/her own interest and subject to the Articles of Association, vote on any Board resolution concerning the Post-IPO RSU Scheme (other than in respect of his/her own participation in it), and may retain RSUs under it.

By accepting any RSUs under the Post-IPO RSU Scheme, each RSU Selected Participant waives any right to contest, amongst other things, the value and number of RSUs or Shares or equivalent value of cash underlying the RSUs or Shares and the Board's administration of the Post-IPO RSU Scheme.

RSUs to be granted

As of the date of this announcement, the Company has not granted any RSUs under the Post-IPO RSU Scheme.

REASONS AND BENEFITS FOR ESTABLISHING THE POST-IPO RSU SCHEME

Since the listing of the Company's Shares in January of this year, the Group has experienced growth in its types of customers and also diversified its business. In order to continue attracting talent to contribute to the Group's development and to reward contribution of the Group's employees, the Directors consider that the adoption of the Post-IPO RSU Scheme will provide the Group with an additional means to incentivize the Group's growing employee population to strive for the continued business development and diversification of the Group. The Board is of the view that the current trading price of Shares of the Company is unable to reflect the intrinsic value of Shares of the Company and business prospects of the Group. Hence, the purchase of shares from the market under the new scheme can also enable RSU Selected Participants to share the results of continuous development of the Group.

LISTING RULES IMPLICATIONS

The Post-IPO RSU Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No shareholders' approval is required to adopt the Scheme, and this announcement is made on a voluntary basis.

Where RSUs are granted to connected persons of the Company, the Company shall comply with all relevant provisions of the Listing Rules, including Chapter 14A, unless exemptions apply.

DEFINITIONS

“2021 Trust”	the trust constituted by the 2021 Trust Deed
“2021 Trust Fund”	the funds and the properties held under the 2021 Trust and managed by the New Scheme Custodian for the benefit of the RSU Eligible Persons
“2021 Trust Deed”	the trust deed entered into between the Company and the New Scheme Custodian
“Board”	the board of Directors

“Business Day”	a day other than a Saturday or Sunday or days on which a tropical cyclone warning number 8 or above or a “black” rain warning signal is hoisted in Hong Kong at any time between 9 am and 5 pm on which Hong Kong Stock Exchange is open for trading and clearing banks in Hong Kong and the PRC are open for transactions of normal banking business
“Company”	Cheshi Technology Inc. (previously known as Cheshi Holdings Limited), an exempted company incorporated in the Cayman Islands on November 22, 2018, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“Contributed Amount”	cash paid or made available to the 2021 Trust Fund by way of settlement or otherwise contributed by the Company and/or its subsidiaries as permitted under the Post-IPO RSU Scheme to the 2021 Trust as determined by the Board from time to time
“Director(s)”	director(s) of the Company
“Group”	the Company, its subsidiaries and its consolidated affiliated entities
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“New Scheme Custodian”	Kastle Limited, a trust company incorporated under the laws of Hong Kong and an independent third party to the Group
“Post-IPO RSU Scheme”	the post-IPO RSU scheme approved and conditionally adopted by the Board on the date of this announcement
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Post-IPO RSU Scheme Rules”	the rules relating to the Post-IPO RSU Scheme, in its present form as may be amended from time to time in accordance with the provisions thereof

“Pre-IPO RSU Scheme”	the pre-IPO RSU scheme approved and conditionally adopted by the Shareholders on June 25, 2019, the principal terms of which are set out in Appendix IV to the Company’s prospectus dated December 31, 2020
“RSU”	restricted share unit
“RSU Selected Participant(s)”	the RSU Eligible Person(s) selected by the Board for participation in the Post-IPO RSU Scheme
“SA Scheme”	the Share Award scheme approved and conditionally adopted by the Shareholders on June 25, 2019, the principal terms of which are set out in Appendix IV to the Company’s prospectus dated December 31, 2020
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal or par value of US\$0.0001 each
“Shareholder(s)”	the holder(s) of the Share(s)

By order of the Board
Cheshi Technology Inc.
Xu Chong
Chairman and Executive Director

Beijing, the PRC, September 30, 2021

As of the date of this announcement, the Board comprises Mr. XU Chong, Mr. LIU Lei, Mr. ZHU Boyang and Mr. LIN Yuqi as executive Directors and Mr. XU Xiangyang, Mr. LI Ming and Mr. NG Jack Ho Wan as independent non-executive Directors.