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Inke Limited
映客互娱有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3700)

ADOPTION OF THE 2022 RSU SCHEME

The Board is pleased to announce that on May 12, 2022, it has approved the adoption of the 2022 RSU Scheme to incentivize Eligible Persons for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company.

The 2022 RSU Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and no Shareholders' approval is required to adopt the 2022 RSU Scheme.

ADOPTION OF THE 2022 RSU SCHEME

The Board is pleased to announce that on May 12, 2022, it has approved the adoption of the 2022 RSU Scheme. The 2022 RSU Scheme will be in parallel with other share incentive schemes which have been or may be adopted by the Company.

Pursuant to the 2022 RSU Scheme, the Company may direct and procure the Trustee to receive existing Shares from any Shareholder or purchase existing Shares (either on-market or off-market) to satisfy the RSUs granted to any Selected Persons (regardless of whether such Selected Persons are connected or non-connected persons) upon exercise. The Company shall procure that sufficient funds are provided to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration of the 2022 RSU Scheme.

SUMMARY OF THE 2022 RSU SCHEME

The following is a summary of the principal terms of the 2022 RSU Scheme:

Purpose

The purpose of the 2022 RSU Scheme is to incentivize Eligible Persons for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company.

Term

Subject to any early termination as may be determined by the Board, the 2022 RSU Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period no further RSUs shall be granted or accepted, but the provisions of the 2022 RSU Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of RSUs granted and accepted prior to the Scheme Period.

Administration

The Board has the power to administer the 2022 RSU Scheme, including the power to construe and interpret the Rules and the terms of the RSUs granted under it. The Board may delegate the authority to administer the 2022 RSU Scheme to such committee of the Board or such person(s) in such manner as the Board thinks fit. The Board may also appoint one or more independent third party contractors (including the Trustee) to assist in the administration of the 2022 RSU Scheme and delegate such powers and/or functions relating to the administration of the 2022 RSU Scheme as the Board thinks fit. The Board's determinations under the 2022 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 Participant, he/she may, notwithstanding his/her own interest and subject to the Articles, vote on any Board resolution concerning the 2022 RSU Scheme (other than in respect of his/her own participation in it), and may retain RSUs under it. Each 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 2022 RSU Scheme.

Basis of eligibility for RSUs

Eligible Persons include existing Directors (whether executive or non-executive, but excluding independent non-executive Directors), senior management or officers of the Company or any subsidiaries of the Company.

The Board may select any Eligible Person for participation in the 2022 RSU Scheme as a Selected Person. Unless so selected, no Eligible Person shall be entitled to participate in the 2022 RSU Scheme. The basis of eligibility of any Selected Person for the grant of RSUs shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group or such other factors as the Board may deem appropriate.

Offer of grant of RSUs

Subject to the limitations and conditions of the 2022 RSU Scheme, the Board may, at its absolute discretion, grant RSUs to any Selected Person on such terms and conditions as the Board thinks fit, provided that:

- (a) no RSUs shall be granted after the expiry of the Scheme Period; and
- (b) RSUs that have lapsed in accordance with the Rules or for any other reasons can be re-granted by the Board.

Restrictions on grant of RSUs

Subject to the restrictions on any grant of RSUs to Directors and connected persons, the Board may not grant any RSUs to any Selected Persons in any of the following circumstances:

- (a) the applicable securities laws, rules 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 2022 RSU Scheme, unless the Board determines otherwise; or
- (b) where the granting of the RSUs would result in a breach by the Company, its subsidiaries or any of their directors of any applicable securities laws, rules or regulations; or
- (c) after inside information has come to the knowledge of the Company, or a price sensitive event in relation to the Shares has occurred, or a price sensitive matter in relation to the Shares has been the subject of a decision, or any Director has been in possession of unpublished price sensitive information in relation to the Company, until such inside information or price sensitive information has been announced as required under the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

- (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement; or

- (d) where such grant of RSUs would result in a breach of the limits of the 2022 RSU Scheme (as set out in the paragraph headed “Maximum number of RSUs under the 2022 RSU Scheme” below); or
- (e) the requisite consents or approvals for that grant from any applicable regulatory authorities have not been granted.

Grants to Directors

Where any RSU is proposed to be granted to a Director, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

- (a) 60 days immediately preceding the publication date of the annual results of the Company or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (b) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results of the Company or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

Grants to Connected Persons

With respect to any grant of RSUs that is proposed to be made to any Participant who is a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them, all of the independent non-executive Directors must approve the grant before it is made, and such grant shall be made in compliance with any applicable laws, regulations and rules including, but not limited to, the requirement of Chapter 14A of the Listing Rules.

Vesting of RSUs

The Board may 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 Grant Letter.

Within a reasonable time after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, the Board shall send the Vesting Notice to each of the relevant 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.

Rights attached to RSUs

A Participant does not have any contingent interest in any Shares underlying the RSUs unless and until such Shares are actually transferred to the Participant. Further, a Participant may not exercise voting rights in respect of the Shares underlying the RSUs prior to the transfer of the underlying Shares to the Participant upon exercise of the RSUs and, unless otherwise specified by the Board in its entire discretion in the Grant Letter to the Participant, nor do they 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

Any Shares transferred to a Participant in respect of any RSUs will be subject to all the provisions of the Articles and 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 or 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.

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, but is not obliged to, make such equitable adjustments, designed to protect the 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.

Lapse of RSUs

Any unvested RSUs will automatically lapse immediately where:

- (a) such Participant's employment or service terminates for any reason, except (i) the employment or service is terminated by reason of death, retirement or disability, (ii) where the employment is terminated involuntarily without Cause (as defined below), (iii) where the company employing the Participant ceases to be one of the subsidiaries of the Company, or (iv) any other incident occurs as the Board may at its discretion specify; or
- (b) the Participant makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favour of any other person over or in relation to any RSUs or any interests or benefits pursuant to the RSUs.

Upon the occurrence of any of the following events, the relevant Participant's unvested RSUs shall be dealt with in such manner (including but not limited to, whether and to what extent the unvested RSUs will become vested (and if so, in what manner such unvested RSUs will become vested) or lapse, or whether there is a deemed exercise regarding the vested RSUs under the Rules) as the Board shall determine in its discretion:

- (a) the Participant's employment or service is terminated because of the Participant's death, retirement or disability;
- (b) the Participant's employment or service is terminated involuntarily without Cause (as defined below);
- (c) the company with which the Participant is employed ceases to be one of the subsidiaries of the Company; or
- (d) any other incident occurs as the Board may at its discretion specify.

If at any time:

- (a) a Participant's employment or service with or to the Group is terminated for Cause. "Cause" means the Participant is in breach of his contract of employment or service with or any other obligation to the Group (including without limitation the restrictive covenants set out in the Rules);
- (b) a Participant fails, during the course of his employment or service with or to the Group, to devote the whole of his time and attention to the business of the Group or to use his best endeavours to develop the business and interests of the Group;

- (c) a Participant is concerned during the course of his employment or service with or to the Group (without the prior written consent of the Company) with any (competitive or other) business other than that of the Group; and/or
- (d) a Participant is in breach of his contract of employment or service with or any other obligation to the Group (including without limitation the restrictive covenants set out in the Rules),

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

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 relevant subsidiary of the Company pays to the 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 of the Company or an independent financial adviser appointed by the Board;
- (b) the Company or the relevant subsidiary of the Company provides to the 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 Participant may agree in order to compensate him/her for the cancellation of the RSUs.

Assignment of RSUs

The RSUs granted pursuant to the 2022 RSU Scheme are personal to each Participant, and are not assignable. 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 Trustee on trust for the Participants, the RSUs or any interest or benefits therein.

Maximum number of RSUs under the 2022 RSU Scheme

The maximum number of RSUs that may be granted under the 2022 RSU Scheme in aggregate (excluding RSUs that have lapsed or been cancelled in accordance with the Rules) must not exceed 96,872,100 Shares, representing 5% of the total number of Shares in issue as at the Adoption Date, subject to an annual limit of 3% of the total number of issued Shares at the relevant time.

The Board may with the approval of the Shareholders in general meeting “refresh” the 5% limit under the Rules (and may further “refresh” such limit once refreshed in accordance with the Rules) provided that the total number of Shares underlying the RSUs to be granted under the 2022 RSU Scheme under the limit as “refreshed” shall not exceed 5% of the Shares in issue as at the date on which Shareholders approve the “refreshed” limit. RSUs previously granted under the 2022 RSU Scheme (excluding RSUs that have lapsed or been cancelled in accordance with these Rules) prior to such new approval date will not be counted for the purpose of calculating the limit as “refreshed”.

Amendment of the 2022 RSU Scheme

Save as provided in the 2022 RSU Scheme, the Board may alter any of the terms of the 2022 RSU Scheme at any time. Written notice of any amendment to the 2022 RSU Scheme shall be given to all Participants. Any alterations to the terms and conditions of the 2022 RSU Scheme 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 Participant shall be subject to the consent of the Participants amounting to three-fourths in nominal value of all underlying RSUs so held by the Participants on the date of the relevant resolution passed by the Board in approving the amendment of the 2022 RSU Scheme 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 2022 RSU Scheme. The Board’s determination as to whether any proposed alteration to the terms and conditions of the 2022 RSU Scheme or the terms of the RSUs granted (as the case may be) is material shall be conclusive.

Termination of the 2022 RSU Scheme

The Board may terminate the 2022 RSU Scheme at any time before the expiry of the Scheme Period. The provisions of the 2022 RSU Scheme shall remain in full force and effect in respect of RSUs which are granted pursuant to the Rules prior to the termination of the operation of the 2022 RSU Scheme. The Company or relevant subsidiary of the Company shall notify the Trustee and all Participants of such termination and of how any property held by the Trustee on trust for the Participants (including, but not limited to, any Shares held) and the outstanding RSUs shall be dealt with.

LISTING RULES IMPLICATIONS

The 2022 RSU Scheme does not constitute a share option scheme under Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No Shareholders’ approval is required to adopt the 2022 RSU Scheme.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“2022 RSU Scheme”	the restricted share unit scheme adopted by the Company on the Adoption Date, as amended from time to time;
“Adoption Date”	the date of the adoption of the 2022 RSU Scheme by the Board on May 12, 2022;
“Articles”	the articles of association of the Company (as amended from time to time);
“Board”	the board of Directors, and if context so permits, it shall include such committee of the board of Directors or such person(s) as from time to time delegated with the power and authority by the board of Directors to administer the 2022 RSU Scheme;
“Company”	Inke Limited, a company incorporated in the Cayman Islands on 24 November 2017 as an exempted company with limited liability;
“connected person(s)”	shall have the same meaning as defined under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Person(s)”	persons eligible to receive RSUs under the 2022 RSU Scheme, who are existing Directors (whether executive or non-executive, but excluding independent non-executive Directors), senior management or officers of the Company or any subsidiaries of the Company;
“Grant Letter”	the letter pursuant to which RSUs are granted to a Selected Person;
“Group”	the Company and its subsidiaries;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Participant(s)”	a Selected Person who accepts the offer of the grant of RSUs in accordance with the terms of the 2022 RSU Scheme;

“RSUs”	restricted share units, each restricted share unit represents one underlying Share, and represents a conditional right granted to any Selected Person under the 2022 RSU Scheme to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of exercise of the restricted share units, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion;
“Rules”	the rules of the 2022 RSU Scheme, as amended from time to time;
“Scheme Period”	the period of ten (10) years commencing on the Adoption Date or until the 2022 RSU Scheme is terminated, whichever is earlier;
“Selected Person(s)”	Eligible Persons selected by the Board to be granted RSUs under the 2022 RSU Scheme at its discretion;
“Shareholder(s)”	holder(s) of the Shares;
“Shares”	ordinary shares of US\$0.001 each in the Company (or of such other nominal amount as shall result from a sub-division or a consolidation of the share capital of the Company from time to time);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Trustee”	professional trustee appointed by the Board to hold Shares for the purpose of the 2022 RSU Scheme; and
“Vesting Notice”	a notice to be sent by the Company to each of the relevant Participants after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived.

By order of the Board
Inke Limited
FENG Yousheng
Chairman and Executive Director

Hong Kong, May 12, 2022

As at the date of this announcement, the executive Directors are Mr. FENG Yousheng and Mr. HOU Guangling; the non-executive Director is Mr. LIU Xiaosong; and the independent non-executive Directors are Mr. David CUI, Mr. DU Yongbo and Dr. LI Hui.