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newborntown

NEWBORN TOWN INC.

赤子城 科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9911)

GRANT OF RESTRICTED SHARE UNITS

Reference is made to the announcement of Newborn Town Inc. (the “**Company**”) dated 9 June 2022 in relation to the adoption of the RSU Award Scheme (the “**Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Grant of Restricted Share Units

The Board is pleased to announce that on 23 March 2023, the Board resolved and approved the grant of 2,441,170 RSUs to 4 grantees pursuant to the Employee RSU Scheme (the “**Grant**”), subject to acceptance by the grantees.

Number of Grant and Date of Grant

On 23 March 2023 (the “**Date of Grant**”), the total of 2,441,170 RSUs granted to the grantees represent 2,441,170 underlying Shares, which amounts to approximately 0.20% of the issued share capital of the Company as at the date of this announcement. The Company will not issue or allot additional new Shares in respect of the Grant, and accordingly, the Grant of RSUs will not result in any dilution effect on the shareholdings of existing shareholders of the Company. The grantees of RSUs are not required to make any payment in respect of any RSUs granted under the RSU Schemes or the exercise of RSUs.

The Shares underlying RSUs of the Grant are issued to and held by the Employee RSU Trustee in accordance with the RSU Schemes until the end of each vesting period, and will be transferred to the grantees upon satisfaction of the relevant vesting conditions as specified by the Board at the time of Grant. Immediately following the Grant of RSUs representing 2,441,170 Shares as mentioned in this announcement, RSUs representing a total of 6,419,333 Shares have been granted and are outstanding and held by Bridge Partners Limited, a wholly-owned subsidiary of the Management RSU Trustee, and 7,953,212 Shares are held by Bridge Partners Limited in the pool, which are available for future grant of RSUs. RSUs representing a total of 8,838,075 Shares have been granted and are outstanding and held by Three D Partners Limited, a wholly-owned subsidiary of the Employee RSU Trustee, and 12,709,177 Shares are held by Three D Partners Limited in the pool, which are available for future grant of RSUs.

Any Shares transferred to the grantees in respect of any RSUs will be subject to all the provisions of the Articles of Association and will rank *pari passu* with the fully paid Shares in issue on the date of the transfer. The grantees of RSUs may not have voting rights in respect of the Shares underlying the RSUs prior to their exercise, and all of the cash or non-cash income, dividends or distributions and/or the sale proceeds of the non-cash and non-scrip distributions of the Shares underlying the RSUs will be transferred to the grantees upon vesting. For details, please refer to the Announcement.

Grantees

To the best of knowledge of the Directors, as at 23 March 2023 none of the grantees of RSUs is a connected person of the Company under Chapter 14A of the Listing Rules.

Market Price

The 2,441,170 RSUs granted represent a market value of approximately HK\$3.7 million, based on the average closing price of HK\$1.52 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Date of Grant; or approximately HK\$3.7 million, based on the closing price of HK\$1.67 per Share as quoted on the Stock Exchange on the Date of Grant.

Vesting Schedule

The RSUs granted shall normally vest in the grantees within three and a half years from the Date of Grant. The RSUs held by the Employee RSU Trustee shall, in accordance with the vesting schedule determined by the Board, be vested to the grantees upon fulfilment of all vesting conditions specified by the Board.

Taking into account the purposes and objectives of the RSU Schemes, the Board is of the view that the Grant is fair and reasonable and in the interests of the Company and its shareholders as a whole.

By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

Beijing, 24 March 2023

As at the date of this announcement, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian and Mr. SU Jian; and the independent non-executive Directors of the Company are Mr. GAO Ming, Mr. CHI Shujin and Mr. HUANG Sichen.