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**YSB Inc.**

**藥師幫股份有限公司**

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

**(Stock Code: 9885)**

## **GRANT OF SHARE AWARDS PURSUANT TO THE 2023 SHARE INCENTIVE PLAN**

### **GRANT OF SHARE AWARDS**

Pursuant to Rule 17.06A of the Listing Rules, the Board announces that, on 4 September 2023, the Company granted 3,818,000 Award Shares involving 3,818,000 new Shares representing 0.60% of the total issued Shares as at the date of this announcement, to the Award Grantees, under the 2023 Share Incentive Plan (the “Award Grants”).

Details of the Award Grants are set out below:

Date of grant:	4 September 2023
Number of Award Grantees:	992
Number of Award Shares granted:	3,818,000 Award Shares, representing approximately 0.60% of the total issued Shares of the Company as of the date of this announcement
Purchase price of the Award Shares granted:	Nil
Closing price of the Shares on the date of grant:	HK\$54.35 per Share
Consideration for the Award Shares granted:	Nil

Vesting period of the Award Shares:

The Award Shares granted shall vest in the Award Grantees as follows:

- 627,900 Award Shares shall vest over two years equally on annual basis in arrears from the date of grant or the vesting commencement date as specified in the respective grant letters (as applicable); and
- 3,190,100 Award Shares shall vest over four years equally on annual basis in arrears from the date of grant or the vesting commencement date as specified in the respective grant letters (as applicable).

Performance targets of the Award Shares:

Each vesting of the Award Shares granted to the Award Grantees will be subject to the individual annual performance targets as stipulated in the respective grant letters entered into by each Award Grantee and the Company. These performance targets are set against certain benchmark in which the individual Grantee achieves, including but not limited to annual sales target, and various project milestone achievements, etc. The vesting percentage of the Award Shares will be adjusted based on his/her annual performance evaluation at each vesting.

Clawback mechanism of the Award Shares:

The key clawback terms are as follow:

In the event that an Award Grantee (a) ceases to be an eligible participant by reason of termination for cause or without notice, or the result of being charged/penalised/convicted of an offence involving the grantee's integrity or honesty; (b) commits a serious misconduct or breach, including with respect to a policy or code of or other agreement with our Group, which is considered to be material; (c) he/she, in the reasonable opinion of the Board, has engaged in serious misconduct or breaches the terms of the 2023 Share Incentive Plan in any material respect or (d) the award is no longer determined to be appropriate and aligned with the purpose of the 2023 Share Incentive Plan, then the Board may make a determination at its absolute discretion that: (A) any awards issued to that Award Grantee but not yet exercised shall immediately lapse, regardless of whether such awards have vested or not, (B) with respect to any Shares delivered or Actual Selling Price paid to that Grantee, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares or the Actual Selling Price, or (3) a combination of (1) and (2).

## **Listing Rules implications**

Under the Award Grants, (i) none of the Award Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules); (ii) none of the Award Grantees is a participant with options and share awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D(1) of the Listing Rules; (iii) none of the Award Grantees is a related entity participant or a service provider (as defined under the Listing Rules); and (iv) no financial assistance has been provided by the Group to the Award Grantees for the purchase of Shares under the 2023 Share Incentive Plan. None of the Award Grants will be subject to approval by the Shareholders.

## **Reason for and benefits of the Award Grants**

The reasons for the Award Grants are to provide incentives for the Award Grantees to exert maximum efforts and reward continued efforts for the success of the Company and its affiliates, and to provide a means by which the Award Grantees may be given an opportunity to benefit from increases in value of the Shares through the granting of the Award Shares.

## **Number of Shares available for future grant**

The number of Shares available for future grant after the Award Grants under the (i) Scheme Mandate Limit will be 59,417,005 Shares and (ii) the service provider sublimit of the 2023 Share Incentive Plan will be 1,264,700 Shares.

## **Information about our share incentive schemes**

The Company has two existing share incentive schemes, namely the 2019 Share Incentive Plan and the 2023 Share Incentive Plan.

The 2019 Share Incentive Plan is not subject to Chapter 17 of the Listing Rules and will not involve the grant of Awards (including options and share units) by our Company upon and after Listing. A maximum of 47,772,984 Shares may be issued under the 2019 Share Incentive Plan, with each Share represented by two share award or option units (i.e., each unit represents two Shares). For further details of the 2019 Share Incentive Plan, please refer to the section headed “Share Incentive Plans – 2019 Share Incentive Plan” under Appendix IV of the Prospectus.

The 2023 Share Incentive Plan was first adopted by the Board on 12 June 2023 and took effect immediately upon the Listing. Since the Listing, the 2023 Share Incentive Plan is subject to Chapter 17 of the Listing Rules. The 2023 Share Incentive Plan is valid and effective for a period of 10 years commencing from the Listing Date. For further details of the 2023 Share Incentive Plan, please refer to the section headed “Share Incentive Plans – 2023 Share Incentive Plan” under Appendix IV of the Prospectus.

## DEFINITIONS

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

<b>Term</b>	<b>Definition</b>
“2019 Share Incentive Plan”	the share incentive plan approved and adopted by our Company and effective since 1 January 2019 (as amended from time to time), the principal terms of which are set out in “Statutory and general information – Share Incentive Plans” in Appendix IV to the Prospectus
“2023 Share Incentive Plan”	the share incentive plan approved and adopted by our Company and effective upon Listing, which constitutes a share scheme under Chapter 17 of the Listing Rules, the principal terms of which are set out in “Statutory and general information – Share Incentive Plans” in Appendix IV to the Prospectus
“Actual Selling Price”	an amount equal to the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) in the circumstances specified in the 2023 Share Incentive Plan
“Articles”	the articles of association of the Company currently in force
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules
“Award Grant(s)”	the grants of a total of 3,818,000 Award Shares involving 3,818,000 new Shares to selected grantees on 4 September 2023 pursuant to the 2023 Share Incentive Plan
“Award Grantee(s)”	grantee(s) of the Award Grants, who are employees of the Company and are not connected persons of the Company under the Listing Rules
“Award Share(s)”	the Shares underlying an Award Grant, each representing a contingent right to receive 1 Share
“Board”	the board of Directors of the Company
“Company”	YSB Inc. (藥師幫股份有限公司), a business company with limited liability incorporated under the laws of the Cayman Islands on 27 August 2018, the Shares of which are listed on the Main Board of the Stock Exchange

“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company, from time to time
“Group”	the Company together with its subsidiaries from time to time; “member of the Company” means any or a specific one of them, and “Group Company” shall be construed accordingly
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing”	the listing of the Shares on the Main Board
“Listing Date”	28 June 2023, the date on which the Shares are listed and dealings in the Shares are first permitted to take place on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with Growth Enterprise Market of the Stock Exchange
“Prospectus”	the prospectus of the Company dated 15 June 2023
“Scheme Mandate Limit”	The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Incentive Plan and any other share schemes (for the avoidance of doubt, Shares issued or to be issued pursuant to awards made under the 2019 Share Incentive Plan (as defined in the Prospectus) shall not be subject to the Scheme Mandate Limit) of the Company as approved by the Shareholders on 12 June 2023, being 63,235,005 Shares, representing approximately 10% of the Shares in issue on the Listing Date
“SFC”	Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) in the share capital of our Company, currently with a par value of US\$0.0000025 each
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it in the Listing Rules

“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	U.S. dollars, the lawful currency of the United States of America
“%”	per cent

*For the purpose of this announcement, the exchange rate between US\$ and HK\$ is US\$1=HK\$7.8.*

By Order of the Board  
**YSB Inc.**  
**Mr. Buzhen Zhang**  
*Chairman and executive Director*

Hong Kong, 4 September 2023

*As of the date of this announcement, the Board comprises Mr. Buzhen Zhang and Mr. Fei Chen as executive Directors, Mr. Frank Lin and Mr. Ziyang Zhu as non-executive Directors, and Ms. Rong Shao, Mr. Sam Hanhui Sun and Mr. Hongqiang Zhao as independent non-executive Directors.*