

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Fenbi Ltd.

粉筆有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2469)

GRANT OF RESTRICTED SHARE UNITS UNDER THE 2023 RSU SCHEME

GRANT OF RESTRICTED SHARE UNITS UNDER THE 2023 RSU SCHEME

Pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules, the Board announces that on 4 September 2023, the Company granted a total of 894,000 RSUs, representing an aggregate of 894,000 Shares, to 363 Grantees pursuant to the 2023 RSU Scheme, subject to the acceptance by the Grantees.

A summary of the aforesaid grant is set out below:

Grant Date:	4 September 2023
Number of Grantees:	363 (all being employees of the Group)
Total number of RSUs to be granted:	894,000 RSUs
Purchase price for the RSUs:	Nil
Closing price of the Shares on the Grant Date:	HK\$4.67 per Share
Vesting period of the RSUs:	774,000 RSUs granted (the “ 1st Batch ”) to 362 grantees shall vest as follows: <ul style="list-style-type: none">• 25% shall vest on the Grant Date;• 25% shall vest on the first anniversary of the Grant Date;

- 25% shall vest on the second anniversary of the Grant Date; and
- 25% shall vest on the third anniversary of the Grant Date.

The vesting period for part of RSUs in the 1st Batch is shorter than 12 months as it has a mixed vesting schedule such that the RSUs will be vested evenly over a period of three years, which are specific circumstances permitted by the rules of the 2023 RSU Scheme.

120,000 RSUs granted to a grantee shall vest as follows:

- 25% shall vest on the first anniversary of the Grant Date;
- 25% shall vest on the second anniversary of the Grant Date;
- 25% shall vest on the third anniversary of the Grant Date; and
- 25% shall vest on the fourth anniversary of the Grant Date.

Performance target:

There is no performance target attached to RSUs. The purpose of the 2023 RSU Scheme are to, amongst others, encourage and retain such individuals for the continual operation and development of the Group and motivate the Grantees to maximize the value of the Company for the benefits of both the Grantees and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Grantees directly to the shareholders of the Company through ownership of Shares. Having considered that (i) the Grantees are employees of the Group who will contribute directly to the overall business performance and sustainable development of the Group; (ii) the Grant of RSUs can bring about immediate incentivization effect to the Grantee; (iii) the Grant of RSUs to the Grantees is a recognition for their past contributions to the Group; and (iv) the RSUs are subject to certain vesting conditions and terms of the 2023 RSU Scheme, which the vesting of the RSUs is subject to the Grantees remaining at all times after the Grant Date and on the vesting date an eligible participant under the 2023 RSU Scheme, the remuneration committee of the Company and the Board believe that without additional performance target, the grant of the RSUs could align the interests of the Grantees with that of the Company and the Shareholders, provide incentive to the Grantees to devote to the future continuous competitiveness, results of operation and growth of the Company, and reinforce their commitment to long term services of the Company, which is in line with the purpose of the 2023 RSU Scheme.

Clawback mechanism:

The Grant of RSUs to the Grantees are subject to the clawback mechanism under the 2023 RSU Scheme in the event that the Board determines a grantee ceasing to be an eligible person by the reason of acts including without limitation:

- (i) the grantee's service or employment with the Group has been terminated by any member of the Group for cause. For the purposes of this paragraph, "cause" means: dishonesty or serious misconduct, whether or not in connection with his employment, appointment or engagement; willful disobedience or non-compliance with the terms of his employment, appointment or engagement, agency or consultancy contract with any member of the Group or any lawful orders or instructions given by any member of the Group as the case may be; incompetence or negligence in the performance of his duties; or doing anything in the conclusive opinion of the Board adversely affects his ability to perform his duties properly or bring the Company or the Group into disrepute;
- (ii) being summarily dismissed by any member of the Group;
- (iii) being convicted of any criminal offence involving his integrity or honesty;
- (iv) being charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations in force from time to time; and
- (v) retiring by agreement with a member of the Group at any time prior to or on the vesting date.

Arrangement for the Group to provide financial assistance to a grantee to facilitate the purchase of Shares:

There are no arrangements for the Company or any of its subsidiaries to provide financial assistance to any Grantees to facilitate the purchase of RSUs under the 2023 RSU Scheme.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the Grantees is (i) a Director, nor a chief executive, or a substantial shareholder of the Company, or an associate of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares. None of the Grant will be subject to approval by the Shareholders.

Number of Shares Available for Future Grant

As at the date of this announcement, after the Grant of RSUs above, an aggregate of 224,471,773 Shares will be available for further grant under the scheme mandate limit of the 2023 RSU Scheme, together with all other share option and/or award scheme adopted by the Company (excluding the Pre-IPO Share Option Scheme), and 22,536,577 Shares will be available for future grants under the service provider sublimit of the 2023 RSU Scheme, together with all other share option and/or award scheme adopted by the Company (excluding the Pre-IPO Share Option Scheme).

Reasons for and Benefits of the Grant of RSUs

The grant of RSUs is to encourage and retain such individuals for the continual operation and development of the Group and motivate the Grantees to maximize the value of the Company for the benefits of both the Grantees and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Grantees directly to the shareholders of the Company through ownership of Shares.

OTHER SHARE SCHEMES OF THE COMPANY

As of the date of this announcement, the Company has two other share schemes in addition to the 2023 RSU Scheme, namely the Pre-IPO Share Option Scheme and the 2023 Share Option Scheme. The Pre-IPO Share Option Scheme was adopted by the Company on 31 December 2020, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules. As disclosed in the prospectus of the Company dated 23 December 2022, the maximum aggregate number of shares which may be issued for all the options pursuant to the Pre-IPO Share Option Scheme is 218,792,500 shares, and options representing 218,537,500 Shares were granted to 1,091 grantees, including Directors and senior management of the Company and other employees of the Group. The 2023 Share Option Scheme was adopted by the Company on 14 June 2023, the terms of which are subject to the provisions of Chapter 17 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“2023 RSU Scheme”	the restricted share unit scheme adopted by the Company on 14 June 2023;
“2023 Share Option Scheme”	the share option scheme adopted by the Company on 14 June 2023;
“associate(s)”	has the meaning as defined under the Listing Rules;
“Board”	the board of Directors;
“chief executive(s)”	has the meaning as defined under the Listing Rules;
“Company”	Fenbi Ltd. (粉筆有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2469);
“Director(s)”	director(s) of the Company;
“Grantee(s)”	the grantees who are granted with an aggregate of 894,000 RSUs under the 2023 RSU Scheme
“Grant Date”	4 September 2023;
“Grant of RSUs”	the grant of an aggregate of 894,000 RSUs to 363 Grantees in accordance with the terms of the 2023 RSU Scheme;
“Group”	the Company, its subsidiaries and consolidated affiliated entities from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Pre-IPO Share Option Scheme”	the share option scheme adopted by the Company on 31 December 2020 (i.e., 2020 Share Option Plan);
“RSU(s)”	restricted share unit(s) granted under the 2023 RSU Scheme;
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00001 each;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning as defined under the Listing Rules;
“US\$”	United States dollars, the lawful currency of the United States;
“%”	per cent.

By order of the Board
Fenbi Ltd.
ZHANG Xiaolong
Chairman

Hong Kong, 4 September 2023

As at the date of this announcement, the Board comprises Mr. ZHANG Xiaolong and Mr. WEI Liang as executive Directors; Mr. LI Yong and Mr. LI Xin as non-executive Directors; Mr. QIU Dongxiao Larry, Mr. YUEN Kai Yiu Kelvin and Ms. YUAN Jia as independent non-executive Directors.