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INNOCARE

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InnoCare Pharma Limited

諾誠健華醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9969)

GRANT OF RESTRICTED SHARE UNITS PURSUANT TO 2023 SHARE AWARD SCHEME

Pursuant to Rule 17.06A of the Listing Rules, the Board announces that on 29 December 2023, the Company granted 3,050,000 RSUs to seven Grantees under the 2023 Share Award Scheme, representing approximately 0.17% of the total Shares of the Company in issue as at the date of this announcement.

Details of Grant of RSUs

The details of the RSUs granted to the Grantees are as follows:

Grant Date:	29 December 2023
Grantee(s) and number of RSUs granted:	3,050,000 RSUs were granted to seven employee participants. None of the Grantees needs to be disclosed on an individual basis.
Purchase price:	US\$0.178 (approximately HK\$1.39) per Hong Kong Share
Closing price of the Shares on the date of grant:	(i) HK\$6.89 per Hong Kong Share; and (ii) RMB11.50 (approximately HK\$12.69) per RMB Share.
Vesting period:	(i) 2,550,000 RSUs granted to the Grantees shall vest in four equal tranches over one to four years from the Grant Date; and (ii) in accordance with the terms of the 2023 Share Award Scheme, the other 500,000 RSUs were granted with performance-based vesting conditions such that these RSUs shall vest based on the specific level of attaining performance targets specified in the relevant grant letters, and the vesting period of these 500,000 RSUs shall be at least 12 months.

Performance target: The vesting of the relevant number of the RSUs as described above shall be subject to performance targets, to be satisfied by the Company at corporate level and by the Grantees' individual level, as determined by the Board from time to time:

- (i) at the corporate level, through attaining certain thresholds of operating revenue and number of clinical trials to reflect the Company's commercialization achievement and R&D progress; and
- (ii) at the individual level, through accurate and comprehensive evaluation of the Grantees' individual work performance based on the nature of work tasks they are assigned with, and the functions/departments they belong to, which may vary between the Grantees.

Clawback mechanism Upon the occurrence of certain events in relation to a grantee, no further Awards may be granted to such grantee and the Awards granted to such Eligible Person shall be clawed back and such Awards shall lapse accordingly on the date as determined by the Board (if such Awards are unvested). In addition, where an Award (or any part thereof) granted to a grantee has already been vested at the time when the grantee's Awards are clawed back, the grantee shall return, by the Board's determination at its sole and absolute discretion, either (i) the exact number of the relevant vested and clawed back underlying Shares in respect of such Awards, or (ii) the monetary amount equivalent to the value of the relevant underlying Share(s) of the Awards on the grant date, on the date of vesting of the relevant Awards, or on the date of such clawback.

In addition, in the event that a grantee ceases to be an eligible participant under the 2023 Share Award Scheme by reason of retirement, resignation or expiration of the employment or service agreement, any unvested Awards in respect of such grantee will automatically lapse with effect from the date on which the grantee's employment or service is terminated.

Arrangement to facilitate the purchase of RSUs 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 Share Award 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

After the Grant of RSUs, an aggregate of 47,781,607 Shares will be available for further grant pursuant to the 2023 Share Award Scheme, of which 1,764,321 Shares will be available for further grant to service providers pursuant to the 2023 Share Award Scheme.

Reasons for the Grant of RSUs

The reasons for the Grant of RSUs are to recognise the contributions by Grantees with an opportunity to acquire a proprietary interest in the Company, encourage and retain such individuals for the continual operation and development of the Group, provide additional incentives for them to achieve performance goals, attract suitable personnel for further development of the Group, and motivate the Grantees to maximise 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.

Definitions

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

“2023 Share Award Scheme”	the share award scheme adopted by the Company on 31 August 2023, the details of which are set out in the circular of the Company dated 16 August 2023
“Awards”	awards of RSUs to grantees pursuant to the 2023 Share Award Scheme
“Board”	the board of Directors
“Company”	InnoCare Pharma Limited, a limited liability company organised and existing under the laws of the Cayman Islands and the shares of which are listed on the Stock Exchange (Stock Code: 9969) and the Science and Technology Innovation Board of the Shanghai Stock Exchange (Stock Code: 688428)
“Eligible Person(s)”	eligible person(s) under the 2023 Share Award Scheme, particulars of which are set out in the circular of the Company dated 16 August 2023
“employee participant(s)”	shall have the same meaning as set out in Rule 17.03A of the Listing Rules
“Grant Date”	29 December 2023
“Grantee(s)”	the grantee(s) of the Grant of RSUs
“Grant of RSUs”	the grant of an aggregate of 3,050,000 RSUs to seven Grantees on 29 December 2023

“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Share(s)”	the ordinary Shares listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB Share(s)”	the ordinary Shares listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange and traded in RMB
“RSU(s)”	restricted share unit(s)
“service provider(s)”	shall have the same meaning as set out in Rule 17.03A of the Listing Rules
“Share(s)”	ordinary share(s) of HK\$0.00002 each in the share capital of the Company, comprising Hong Kong Shares and RMB Shares
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	shall have the same meaning as set out in the Listing Rules
“Subsidiaries”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent

By Order of the Board
InnoCare Pharma Limited
Dr. Jisong Cui
Chairperson and Executive Director

Hong Kong, 29 December 2023

As at the date of this announcement, the Board of Directors comprises Dr. Jisong Cui as Chairperson and executive Director, Dr. Renbin Zhao as executive Director, Dr. Yigong Shi, Mr. Ronggang Xie, and Mr. Ming Jin as non-executive Directors, and Ms. Lan Hu, Dr. Kaixian Chen, and Dr. Dandan Dong as independent non-executive Directors.