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CStone Pharmaceuticals
基石藥業
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2616)

GRANT OF SHARE OPTIONS AND RESTRICTED SHARE UNITS

GRANT OF SHARE OPTIONS UNDER THE POST-IPO ESOP

On January 23, 2026, the Board resolved to grant an aggregate of 15,715,500 Share Options to 96 Share Option Grantees pursuant to the terms of the Post-IPO ESOP.

Among the aggregate of 15,715,500 Share Options granted to the Share Option Grantees, 7,000,000 Share Options were granted to a Director and 8,715,500 Share Options were granted to employees of the Company (including members of senior management).

GRANT OF RSU UNDER THE POST-IPO RSU SCHEME

On January 23, 2026, the Board resolved to grant an aggregate of 8,055,000 RSUs to 88 RSU Grantees pursuant to the terms of the Post-IPO RSU Scheme.

Among the aggregate of 8,055,000 RSUs granted to the RSU Grantees, 4,270,000 RSUs were granted to a Director and 3,785,000 RSUs were granted to employees of the Company (including members of senior management).

IMPLICATIONS UNDER THE LISTING RULES

Since the Grant of Share Options and the Grant of RSUs to Dr. Jianxin Yang would result in the Shares issued and to be issued in respect of all options and RSUs granted to Dr. Jianxin Yang (excluding any options and RSUs lapsed in accordance with the terms of the applicable scheme) in the 12-month period up to and including the Grant Date representing in aggregate over 1% of the issued Shares (excluding treasury Shares), the Grant of Share Options and the Grant of RSUs to Dr. Jianxin Yang are conditional upon approval by the Shareholders (with Dr. Jianxin Yang and his associates abstaining) at the AGM in accordance with Rule 17.03D(1) of the Listing Rules (as applicable).

AGM

The Board announces that the resolutions for the purposes of approving, inter alia, (i) the Grant of Share Options to Dr. Jianxin Yang under the Post-IPO ESOP and (ii) the Grant of RSUs to Dr. Jianxin Yang under the Post-IPO RSU Scheme, will be considered at the Company's upcoming AGM, and a circular containing, inter alia, further details of the aforesaid matters, together with a notice of the AGM, will be provided to the Shareholders in accordance with the requirements of the Listing Rules in due course.

As of the date of this announcement, the Grant of Share Options and the Grant of RSUs to Dr. Jianxin Yang remain subject to the approval of the Shareholders. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules. The Board hereby announces that on January 23, 2026, the Company granted (i) a total of 15,715,500 Share Options to subscribe for an aggregate of 15,715,500 Shares to 96 Share Option Grantees under the Post-IPO ESOP; and (ii) a total of 8,055,000 RSUs to 88 RSU Grantees under the Post-IPO RSU Scheme, subject to the acceptance by the Grantees.

I. GRANT OF SHARE OPTIONS UNDER THE POST-IPO ESOP

On January 23, 2026, the Company granted a total of 15,715,500 Share Options to 96 Share Option Grantees to subscribe for a total of 15,715,500 Shares pursuant to the Post-IPO ESOP.

A summary of the aforesaid grant is set out below:

Grant Date:	January 23, 2026
Number of Share Option Grantees:	96 (being 1 Director, 95 employees of the Company (including members of senior management))
Total number of new Shares to be subscribed upon exercise of the Options granted:	15,715,500 Share Options, including 7,000,000 Share Options granted to a Director and 8,715,500 Share Options granted to employees of the Company (including members of senior management)
Consideration for the Grant of Share Options:	Nil
Closing price of the Shares on the Grant Date:	HK$5.65 per Share
Average closing price of the Shares for the five consecutive business days prior to Grant Date:	HK$5.634 per Share

Exercise price of the Options:	HK$5.65 per Share, being the higher of the closing price of the Shares on the Grant Date and the average closing price of the Shares for the five consecutive business days prior to the Grant Date
Exercise period of the Share Options:	The exercise period of the Share Options shall be subject to the relevant grant letter to the Share Option Grantee (and any vesting periods provided thereunder), which in any event must not be more than ten years from the Grant Date and the Share Options shall lapse at the expiry of such exercise period.
Vesting commencement date of the Share Options granted:	The Share Options granted shall vest as follows: For 4 employees of the Company, the vesting shall commence on January 23, 2026, September 15, 2025, September 29, 2025 and October 24, 2025. • For a Director and 91 employees of the Company (including members of senior management), the vesting shall commence upon achievement of the performance milestones attached to the Share Options (the "**Share Option Vesting Commencement Dates**"). Please see below "Performance target" for details.
Vesting period of the Share Options:	228,000 Share Options granted shall vest as follows: • 25% shall vest on the first anniversary of the Share Options Vesting Commencement Dates (rounding to the nearest whole Share Option); • 25% shall vest on the second anniversary of the Share Options Vesting Commencement Dates (rounding to the nearest whole Share Option); • 25% shall vest on the third anniversary of the Share Options Vesting Commencement Dates (rounding to the nearest whole Share Option); and • 25% shall vest on the fourth anniversary of the Share Options Vesting Commencement Dates (rounding to the nearest whole Share Option).

15,487,500 Share Options granted shall vest as follows:

- 25% shall vest on the first anniversary of the Share Options Vesting Commencement Dates (rounding to the nearest whole Share Option); and

- 75% shall vest monthly in equal instalments over the 36 months (rounding to the nearest whole Share Option) immediately following the first anniversary of the Share Options Vesting Commencement Dates.

The Share Options granted to the Share Option Grantees will vest in several batches, with a total vesting period of more than 12 months. The periods between the Grant Date and the first vesting periods for the Share Options granted to employees of the Company are less than 12 months to reflect the time from which the employees joined the Company and their relevant periods of service, as permitted under specific circumstances as set out in the Post-IPO ESOP.

The Board is of the view that the Grant of Share Options and the relevant vesting periods are appropriate and in line with the market practice and the purposes of the Post-IPO ESOP.

In any event, the Board has the discretion to accelerate the above vesting schedule of the Share Options, subject to compliance of the requirements under Rule 17.03F of the Listing Rules as and when appropriate.

Performance target: Vesting of the Share Options granted to 96 Share Options Grantees (including 1 Director, 95 employees of the Company (including members of senior management) will be subject to fulfilment of their respective performance milestones.

Clawback mechanism: The Grant of Share Options is subject to the clawback mechanism under the Post-IPO ESOP in the event that the Board determines a grantee shall cease to be an employee by reason of acts including without limitation:

(i) grave misconduct, willful default or willful neglect in the discharge of his or her duties with the Group;

(ii) fraudulent activity whether or not in connection with the affairs of the Group;

(iii) being convicted of any offence;

(iv) being proved to take advantages of his/her position to make interest for him/herself or for others;

(v) being proved to appropriate assets of the Group;

(vi) serious violation or persistent breach of any terms of the employment agreement, the confidentiality and intellectual property rights assignment agreement, the non-compete and non-solicitation agreement, the anti-bribery agreement or any other agreements entered into by and between such grantee and any member of the Group;

(vii) repeated drunkenness or use of illegal drugs or being addicted to gambling which adversely interferes with or is reasonably expected to adversely interfere with the performance of such grantee's obligations and duties of employment; and

(viii) any other conduct which, as the Board determines in good faith, would justify the termination of his or her contract.

In such case, any Share Option (whether vested or unvested) held by such Share Option Grantee shall immediately lapse, unless the Board resolves otherwise in its absolute discretion.

If any of the Share Option Grantees ceases to be an eligible person by reason of (i) death; or (ii) serious illness or injury which, in the opinion of the Board, renders him/her unfit to perform the duties of his/her employment and which in the normal course would render such Share Option Grantee unfit to continue performing the duties under his/her contract provided such illness or injury is not self-inflicted or as a result of alcohol or drug abuse, any unvested Share Options will immediately lapse.

Arrangement for the Group to provide financial assistance to a grantee to facilitate the subscription of Share Options:

There are no arrangements for the Company or any of its subsidiaries to provide financial assistance to any Share Option Grantees to facilitate the subscription of Share Options under the Post-IPO ESOP.

Among the 15,715,500 Share Options, 7,000,000 Share Options were granted to a Director with details as follows:

Name	Position held and Relationship with the Group	Number of Share Options
Dr. Jianxin Yang	Chief executive officer and executive Director	7,000,000

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed in this announcement, none of the Share Option Grantees is (i) a Director, a chief executive, a substantial shareholder of the Company, or an associate of any of them; (ii) a participant with options and RSUs 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 RSUs granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares (excluding treasury Shares). Other than the Grant of Share Options to Dr. Jianxin Yang, none of the grant will be subject to approval by the Shareholders.

II. GRANT OF RSUs UNDER THE POST-IPO RSU SCHEME

On January 23, 2026, the Company granted a total of 8,055,000 RSUs, representing an aggregate of 8,055,000 Shares, to 88 RSU Grantees pursuant to the Post-IPO RSU Scheme.

A summary of the aforesaid grant is set out below:

Grant Date:	January 23, 2026
Number of RSU Grantees:	88 (being 1 Director, 87 employees of the Company (including members of senior management)
Total number of RSUs to be granted:	8,055,000 RSUs, including 4,270,000 RSUs granted to a Director and 3,785,000 RSUs granted to employees of the Company (including members of senior management)
Consideration for the Grant of RSUs:	Nil
Closing price of the Shares on the Grant Date:	HK$5.65 per Share

Vesting commencement date of the RSUs granted:	Among the 4,270,000 RSUs granted to a Director, 1,270,000 RSUs shall commence vesting on January 23, 2026 and the remaining 3,000,000 shall commence vesting upon the Director's achievement of the performance milestones attached to the RSUs. The RSUs granted to the 87 employees of the Company (including members of senior management) shall vest as follows: For 4 employees of the Company, the vesting shall commence on January 23, 2026, September 15, 2025, September 29, 2025 and October 24, 2025. • For 83 employees, the vesting will commence upon achievement of the performance milestones attached to their RSUs (the "**RSU Vesting Commencement Dates**"). Please see below "Performance target" for details.
Vesting period of the RSUs:	719,000 RSUs granted shall vest as follows: • 25% shall vest on the first anniversary of the RSU Vesting Commencement Dates (rounding to the nearest whole RSU); • 25% shall vest on the second anniversary of the RSU Vesting Commencement Dates (rounding to the nearest whole RSU); • 25% shall vest on the third anniversary of the RSU Vesting Commencement Dates (rounding to the nearest whole RSU); and • 25% shall vest on the fourth anniversary of the RSU Vesting Commencement Dates (rounding to the nearest whole RSU).

7,336,000 RSUs granted shall vest as follows:

- 25% shall vest on the first anniversary of the RSU Vesting Commencement Dates (rounding to the nearest whole RSU);

- 75% shall vest monthly in equal instalments over the 36 months (rounding to the nearest whole RSU) immediately following the first anniversary of the RSU Vesting Commencement Dates.

The RSUs granted to the RSU Grantees will vest in several batches, with a total vesting period of more than 12 months. The periods between the Grant Date and the first vesting periods for the RSUs granted to the RSU Grantees of the Company are less than 12 months to reflect the time from which the employees joined the Company and their relevant periods of service, as permitted under specific circumstances as set out in the Post-IPO RSU Scheme.

The Board is of the view that the Grant of RSUs and the relevant vesting periods are appropriate and in line with the market practice and the purposes of the Post-IPO RSU Scheme.

Regarding the grant of 1,270,000 RSUs to a Director, having considered that (i) the grant of RSUs is a recognition for his past contributions to the Group; (ii) the grant of RSUs can bring about an immediate incentivization effect for the Director, which is considered a more attractive motivation; and (iii) the first vesting period for the RSUs granted is less than 12 months as permitted under specific circumstances as set out in the Post-IPO RSU Scheme, the Compensation Committee considers that the first vesting period for the grant of the 1,270,000 RSUs to the Director is less than 12 months could align the interests of the Director with incentive to the Director to work towards the continued success of the Group, and reinforce his commitment in providing long-term services to the Group, which is in line with the purpose of the Post-IPO RSU Scheme.

In any event, the Board has the discretion to accelerate the above vesting schedule of the RSUs, subject to compliance of the requirements under Rule 17.03F of the Listing Rules as and when appropriate.

Performance target: Vesting of the RSUs granted to 88 RSU Grantees (including 1 Director, 87 employees of the Company (including members of senior management) will be subject to fulfilment of their respective performance milestones.

Clawback mechanism:	The Grant of RSUs to the RSU Grantees are subject to the clawback mechanism under the Post-IPO RSU Scheme in the event that the Board determines a grantee shall cease to be an eligible person by 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 that in the conclusive opinion of the Board adversely affects his ability to perform his duties properly or brings 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; or (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 RSU Grantees to facilitate the purchase of RSUs under the Post-IPO RSU Scheme.

Among the 8,055,000 RSUs, 4,270,000 RSUs were granted to the Director with details as follows:

Name	**Position held and Relationship with the Group**	**Number of RSUs**
Dr. Jianxin Yang	Chief executive officer and executive Director	4,270,000

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed in this announcement, none of the RSU 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 RSUs 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 RSUs granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares (excluding treasury Shares). Other than the Grant of RSUs to Dr. Jianxin Yang, none of the grant will be subject to approval by the Shareholders.

REASONS FOR AND BENEFITS OF THE GRANT OF RSU AND THE GRANT OF SHARE OPTIONS

The purposes and the objectives of the Post-IPO RSU Scheme and the Post-IPO ESOP include to: (i) recognize the contributions by the selected participants; (ii) encourage and retain such individuals for the continual operation and development of the Group; (iii) provide additional incentives for them to achieve performance goals; (iv) attract suitable personnel for further development of the Group; and (v) motivate the selected participants to maximize the value of the Group for the benefits of both the selected participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the selected participants directly to the shareholders of the Company through ownership of Shares.

The reasons for the Grant of RSUs and the Grant of Share Options are to provide incentives for the Grantees to exert maximum efforts and reward their continued efforts for the success of the Group, and to provide a means by which the RSU Grantees and the Share Option Grantees may be given an opportunity to benefit from increases in value of the Shares through the Grant of RSUs and the Grant of Share Options. It is considered that the grants under the Post-IPO RSU Scheme and/or the Post-IPO ESOP will provide incentives to the employees of the Group and Service Providers to further contribute to the Group and to align their interests with the best interests of the Company and the Shareholders as a whole. The Grant of RSUs and the Grant of Share Options form part of the remuneration to the RSU Grantees and the Share Option Grantees.

For the above reasons, the Board (including all the independent non-executive Directors but excluding Dr. Jianxin Yang, who has abstained from voting on the resolutions relating to RSUs and Share Options proposed to be granted to himself and has not been counted towards the quorum of the Board meeting in respect of such resolutions) is of the view that the RSUs and the Share Options proposed to be granted to Dr. Jianxin Yang (including the amount of the RSUs and the Share Options) are fair and reasonable and in the interest of the Company and the Shareholders as a whole. In accordance with Rule 17.04(1) of the Listing Rules, the Grant of RSUs and the Grant of Share Options have been approved by all of the independent non-executive Directors and also have been reviewed and approved by the Compensation Committee.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to the note to Rule 17.03D(1) of the Listing Rules, where any grant of share options or RSUs to a grantee would result in the Shares issued and to be issued upon exercise of all share options and RSUs granted to such person (excluding any options and RSUs lapsed in accordance with the terms of the relevant scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the Company in issue (excluding treasury Shares), such grant must be separately approved by the Shareholders in general meeting with such grantee and his/her close associates (or associates if the grantee is a connected person) abstain from voting.

Reference is made to the announcements of the Company dated April 11, 2025 and August 27, 2025 in relation to the grant of 1,134,000 RSUs and 2,646,000 Share Options to Dr. Yang and the grant of 330,000 RSUs and 2,400,000 Share Options to Dr. Yang, respectively. As the proposed grant of 4,270,000 RSUs and 7,000,000 Share Options would result in the Shares issued and to be issued in respect of all Shares Options and RSUs granted to Dr. Jianxin Yang (excluding any Share Options and RSUs lapsed in accordance with the terms of the applicable scheme) in the 12-month period up to and include the Grant Date exceeded 1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, the Grant of RSUs and the Grant of Share Options to Dr. Jianxin Yang shall be subject to the approval by the Shareholders at the AGM pursuant to the Rule 17.03D of the Listing Rules. Dr. Jianxin Yang and his respective associate(s) shall abstain from voting on the resolutions to the Grant of RSUs and the Grant of Share Options to himself at the AGM.

The Grant of RSUs and the Grant of Share Options to Dr. Jianxin Yang are subject to Shareholders' approval. In the event that Shareholders' approval in the AGM is not obtained, the Company shall revoke the Grant of RSUs and the Grant of Share Options to Dr. Jianxin Yang in their entirety and publish further announcements where appropriate.

As at the date of this announcement, after the Grant of Share Options and the Grant of RSUs above, 21,609,669 underlying Shares will be available for future grants under the Scheme Mandate Limit, and 12,663,640 underlying Shares will be available for future grants under the Service Provider Sublimit.

AGM

The Board announces that the resolutions for the purposes of approving, inter alia, (i) the Grant of Share Options to Dr. Jianxin Yang under the Post-IPO ESOP and (ii) the Grant of RSUs to Dr. Jianxin Yang under the Post-IPO RSU Scheme will be considered at the Company's upcoming AGM, and a circular containing, inter alia, further details of the aforesaid matters, together with a notice of the AGM, will be provided to the Shareholders in accordance with the requirements of the Listing Rules in due course.

As of the date of this announcement, the Grant of Share Options and the Grant of RSUs to Dr. Jianxin Yang remain subject to the approval of the Shareholders. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company to be held for the purpose of considering and, if thought fit, approving, *inter alia*, the Grant of RSUs and the Grant of Share Options to Dr. Jianxin Yang;
"associate(s)"	shall have the meaning ascribed to it under the Listing Rules;
"Board"	the board of Directors;
"Company"	CStone Pharmaceuticals, 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;
"Compensation Committee"	the compensation committee of the Board;
"Director(s)"	the director(s) of the Company;
"Grantee(s)"	the Share Option Grantees and the RSU Grantees;
"Grant Date"	January 23, 2026;
"Grant of RSUs"	the grant of an aggregate of 8,055,000 RSUs to 88 RSU Grantees in accordance with the terms of the Post-IPO RSU Scheme;
"Grant of Share Options"	the grant of an aggregate of 15,715,500 Share Options to 96 Share Option Grantees in accordance with the terms of the Post-IPO ESOP;
"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;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
"Post-IPO ESOP"	the post-IPO share option scheme as adopted on February 26, 2019 and amended on March 7, 2023;
"Post-IPO RSU Scheme"	the post-IPO restricted share units scheme as adopted on March 22, 2019 and amended on December 10, 2019, January 7, 2020 and March 7, 2023;

"RSU(s)"	restricted share unit(s) granted under the Post-IPO RSU Scheme;
"RSU Grantee(s)"	being the 1 Director, 87 employees of the Company (including members of senior management) who are granted with RSUs pursuant to the Post-IPO RSU Scheme;
"Share Option(s)"	a right granted to subscribe for Shares pursuant to the Post-IPO ESOP;
"Share Option Grantee(s)"	being the 1 Director, 95 employees of the Company (including members of senior management) who are granted with the Share Options pursuant to the Post-IPO ESOP;
"Scheme Mandate Limit"	the limit on grants of RSUs and/or share options over new shares of the Company under all share schemes of the Company approved by its shareholders, which must not exceed 10% of the issued shares of the issuer (or the subsidiary) on March 7, 2023, i.e. 128,384,401 (excluding the RSUs and/or share options lapsed in accordance with the terms of the Post-IPO RSU Scheme and the Post-IPO ESOP);
"Service Provider(s)"	any persons (nature person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, including independent contractor, consultant and/or advisors for the R&D, product commercialization, marketing, innovation upgrading, strategic/ commercial planning on corporate image and investor relations in investment environment of the Company (excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisition, and service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity);
"Service Provider Sublimit"	a sublimit under the Scheme Mandate Limit for RSUs and/or share options over new shares of the Company under all share schemes of the Company granted to the Service Providers, which must not exceed 1% of the issued shares of the Company (or the subsidiary) on March 7, 2023, i.e., 12,838,440 (excluding the RSUs and/or share options lapsed in accordance with the terms of the Post-IPO RSU Scheme and the Post-IPO ESOP);
"Share(s)"	ordinary share(s) of par value of US$0.0001 each in the capital of the Company;
"Shareholder(s)"	the holder(s) of the Share(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;

"subsidiary" or "subsidiaries"	shall have the meaning ascribed to it under the Listing Rules;
"treasury Shares"	shall have the meaning ascribed to it under the Listing Rules;
"US$"	United States dollars, the lawful currency of the United States of America; and
"%"	per cent.

By Order of the Board
CStone Pharmaceuticals
Dr. Wei Li
Chairman

Suzhou, the People's Republic of China, January 23, 2026

As at the date of this announcement, the Board comprises Dr. Wei Li as Chairman and non-executive director, Dr. Jianxin Yang as executive director, Mr. Kenneth Walton Hitchner III and Mr. Edward Hu as non-executive directors, and Mr. Kenneth Howard Jarrett, Ms. Fang Xie and Ms. Catherine Yen as independent non-executive directors.