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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)

VOLUNTARY ANNOUNCEMENT
GRANT OF SHARE OPTIONS PURSUANT TO THE 2023 SHARE INCENTIVE PLAN

The Board is pleased to announce that, on 24 March 2026, the Company granted 32,551,518 share options in total to 2 Employee Participants under the 2023 Share Incentive Plan (the "**Option Grant**").

The Shares underlying the Option Grant are Existing Shares which have been, or, will be purchased, as appropriate, on the Stock Exchange by the Trustee at the cost of the Company and these Shares are, or, will be held by the Trustee on trust for the Option Grantees under the 2023 Share Incentive Plan until vesting.

Details of the Option Grant are set out below.

Date of grant:	24 March 2026
Option Grantees:	2 Employee Participants, namely: Mr. Buzhen ZHANG ("**Mr Zhang**"), an executive Director, Chairman of the Board and the Chief Executive Officer of our Company; and Mr. Fei CHEN ("**Mr Chen**", together with Mr Zhang, the "**Option Grantees**"), an executive Director, Chief Financial Officer and a joint company secretary of our Company.

Number of share options granted and total number of Shares to be issued upon exercise of the Share Options in full:

26,041,213 share options are granted to Mr. Zhang, representing approximately 3.8% of the total issued Shares as at the date of this announcement (the "**Zhang Options**").

6,510,305 share options are granted to Mr. Chen, representing approximately 0.95% of the total issued Shares as at the date of this announcement (the "**Chen Options**", together with the Zhang Options, the "**Share Options**").

Exercise price of the Share Options:

HK$4.608 per Share, which represents the highest of:

(i) the closing price of HK$4.460 per Share as stated in the daily quotations sheet of the Stock Exchange on 24 March 2026, being the date of grant of the Share Options;

(ii) the average closing price of HK$4.608 per Share as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and

(iii) the nominal value of the Share of US$0.0000025 each.

For the calculations of the number of Share Options and the exercise price, in the event of a corporate activity such as capitalization issue, rights issue, sub-division, consolidation of Shares, reduction of capital or a transaction with price-dilutive element, a proportionate adjustment shall be made to the number of Share Options and/or the exercise price so that the Option Grantees receive an equivalent value of awards as intended under the Option Grant.

Exercise period of the Share Options:

Subject to the vesting period as set out below, the exercise period of the Share Options shall be not more than 10 years from the date of grant, following which the Share Options unexercised shall lapse at the expiry of the exercise period.

Vesting period and vesting mechanism:

The Share Options will vest no earlier than 12 months and no later than 10 years from the date of grant and having satisfied certain performance/market capitalisation targets as described below.

For Mr. Zhang, the Zhang Options will vest upon the first achievement of each of the following tiered targets, and each tier may be skipped for cumulative vesting:

- Tier 1 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$12,000,000,000, the share options representing approximately 0.6% of the total issued Shares as of the date of grant (i.e. 4,111,771 share options) shall vest;

- Tier 2 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$20,000,000,000, the share options representing approximately 1.2% of the total issued Shares as of the date of grant (i.e. 8,223,541 share options) shall vest;

- Tier 3 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$30,000,000,000, the share options representing approximately 2% of the total issued Shares as of the date of grant (i.e. 13,705,901 share options) shall vest.

For Mr. Chen, the Chen Options will vest upon the first achievement of each of the following tiered targets, and each tier may be skipped for cumulative vesting:

- Tier 1 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$12,000,000,000, the share options representing approximately 0.2% of the total issued Shares as of the date of grant (i.e. 1,370,591 share options) shall vest;

- Tier 2 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$20,000,000,000, the share options representing approximately 0.3% of the total issued Shares as of the date of grant (i.e. 2,055,886 share options) shall vest;

- Tier 3 – in the event that the average market capitalisation of the Group for any 10 consecutive Business Days on the Stock Exchange first reaches or exceeds HK$30,000,000,000, the share options representing approximately 0.45% of the total issued Shares as of the date of grant (i.e. 3,083,828 share options) shall vest.

For the calculations of the market capitalisation targets:

- the average market capitalisation of the Group for any 10 consecutive Business Days shall be calculated by dividing the sum of the daily market capitalisation of the Company for those 10 Business Days by 10; and

- the market capitalisation of the Group for a Business Day shall be calculated by multiplying the closing price of the Shares and the number of issued Shares (excluding treasury Shares, if any) on that day.

For the avoidance of doubt:

- If a higher-tier target is achieved for the first time without the lower-tier target having been achieved previously, the Share Options corresponding to both the lower and higher tiers will vest in a single installment; if the lower-tier target has been previously achieved and the corresponding Share Options have been vested, only the Share Options corresponding to the current proportion of the higher-tier target will vest upon its achievement, without any duplicate vesting. On the date of achieving the target, the Option Grantee must still be in service and shall not have triggered the clawback mechanism set out below.

- If any or all of the performance targets are achieved on or before the first anniversary of the date of grant, the corresponding share options shall vest on the first anniversary of the date of grant.

- Once the above performance target(s) is/are achieved, such performance targets shall be deemed satisfied regardless of whether other vesting conditions have been met at that time or whether performance has changed since all vesting conditions have been met.

- Within 10 years from the date of grant, any Share Options granted that fail to meet the vesting conditions will automatically lapse.

Clawback mechanism of the Share Options:

In the event that an Option Grantee (a) ceases to be an eligible participant by reason of termination of the employment or contractual engagement with the Group for cause or without notice (except where the Group terminates the employment or contractual engagement not in good faith), or by reason of termination of the employment or contractual engagement with the Group as a result of being charged/penalized/convicted of an offence involving the Option 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 under the 2023 Share Incentive Plan; (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 Option Grant 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 share options issued to that Option Grantee but not yet exercised shall immediately lapse, regardless of whether such share options have vested or not, (B) with respect to any share options already exercised, the Option 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 capitalisation of such Shares or the actual selling price, or (3) a combination of (1) and (2).

Reasons for and benefits of the Option Grant

The 2023 Share Incentive Plan aims to align the interests of eligible participants with those of the Company and its Shareholders by providing them the opportunity to acquire a proprietary interest of the Company and thereby become the Shareholders, to encourage eligible participants to contribute to the Company's long-term growth, performance, and profits, and to enhance the value of the Company and its shares for the benefit of the Company and all Shareholders.

Mr. Zhang is the founder and substantial shareholder of the Company, currently serving as an executive Director, Chairman of the Board, and Chief Executive Officer of the Company. He is crucial to and has made significant contributions to the business operations and management of the Group. Since the Company's establishment and its listing, equity incentive arrangements have been in place for the core management, but no equity incentives have yet been provided for the Chief Executive Officer who undertakes the most important development mission. The Option Grant aims to reward Mr. Zhang for his continuous contributions to the Company's business development in the past and to incentivize him to lead the Company towards long-term sustainable growth.

Mr. Chen currently serves as an executive Director, Chief Financial Officer, and a Joint Company Secretary of the Company. He possesses operational decision-making capabilities and financial and capital market insights which are, in the opinion of the Board, crucial for stabilizing our balance sheet, maintaining our rigorous and effective capital allocation, and ensuring sustainable and attractive returns to the Shareholders. The Option Grant aims to incentivize Mr. Chen to continue his dedication to enhancing the Company's value and to consistently perform outstanding work, and contribute his expertise and provide strategic guidance for the overall benefit of the Company and its Shareholders.

Granting equity incentives to core management is a common practice for listed companies and serves an important instrument to achieving the Company's performance targets and realizing its target market capitalisation. By aligning Mr. Zhang's and Mr. Chen's interests with the Company's long-term development and the overall interests of the Shareholders, the Company aims to further consolidate trust and ensures that the Company's decisions reflect the highest fiduciary duties.

Therefore, the Board (with Mr. Zhang and Mr. Chen abstaining from voting on the relevant resolutions regarding the Option Grant) considers that the Option Grant to the Option Grantees is fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

Number of Existing Shares available for future grant

The Existing Shares that may be granted under the 2023 Share Incentive Plan cannot exceed 5% of the Shares in issue on 31 December 2025 (the "**Non-diluting Scheme Mandate Limit**"). The number of Existing Shares available for future grant after the Option Grant under the Non-diluting Scheme Mandate Limit will be 1,508,324 Shares.

Listing Rules Implications

The Option Grant to the Option Grantees constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. As the Option Grant forms part of the Option Grantees' remuneration packages under their respective service contracts with the Company, such grant is therefore exempt from the reporting, announcement and independent Shareholders' approval requirements under Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

The Option Grant is subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, as it does not involve the issue of new Shares as referred to in Chapter 17 of the Listing Rules, the Option Grant will not be subject to Shareholders' approval.

Mr. Zhang and Mr. Chen have abstained from voting on the Board resolution approving the Option Grant. Save as disclosed above, no Director is deemed to have an interest in the Option Grant, and therefore no Director has abstained from voting on the relevant Board resolution approving the Option Grant.

This announcement is made on a voluntary basis.

DEFINITIONS

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

Term	Definition
"2023 Share Incentive Plan"	the share incentive plan approved and adopted by the 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 – 2023 Share Incentive Plan" in Appendix IV to the Prospectus
"Board"	the board of Directors
"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
"Director(s)"	the director(s) of the Company, from time to time
"Employee Participant(s)"	directors and employees of the Group on the date of grant
"Existing Shares"	Shares that have already been allotted and issued by the Company at an earlier date and are already recorded on the register of members of the Company
"Group"	the Company together with its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Prospectus"	the prospectus of the Company dated 15 June 2023
"Share(s)"	ordinary share(s) in the share capital of our Company, currently with a par value of US$0.0000025 each
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trustee"	person who holds Shares for the purpose of implementing and administering the 2023 Share Incentive Plan
"US$"	United States dollars, the lawful currency of the United States
"%"	per cent

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

Hong Kong, 24 March 2026

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