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## NETJOY HOLDINGS LIMITED

云想科技控股有限公司

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

**(Stock Code: 2131)**

### GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Netjoy Holdings Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, collectively referred to as the “**Group**”) hereby announces that on July 17, 2023 (after trading hours), the Company granted share options (the “**Share Options**”) under the post-IPO share option scheme adopted by the Company on November 17, 2020 (the “**Share Option Scheme**”) to a total of twenty-two (22) eligible participants (the “**Grantees**”) to subscribe for an aggregate of 63,514,812 ordinary shares of US\$0.00005 each in the Company (the “**Share(s)**”), representing approximately 7.9827% of the total issued Shares as of the date of this announcement, subject to acceptance by the Grantees (the “**Grant**”). For the avoidance of doubt, the Share Options granted shall be vested in accordance with the timetable below and no Shares under the Share Options granted will be issued before the initial Vesting Date (as defined below), i.e. July 31, 2024.

After the grant of Share Options, the number of Shares to be issued in respect of the Share Options available for future grant under the Share Option Scheme is nil.

Details of Share Options granted are as follows:

Date of Grant:	July 17, 2023
Number of Share Options granted:	An aggregate of 63,514,812 Share Options (each Share Option entitles the holder thereof to subscribe for one (1) Share).

Exercise price of Share Options granted:	HK\$0.8160 per Share, which is not less than the highest of: <ul style="list-style-type: none"> <li>i. the closing price of HK\$0.8100 per Share as stated in the daily quotation sheets issued by the Stock Exchange on July 14, 2023, being the business day immediately before the date of grant of the Share Options;</li> <li>ii. the average closing price of HK\$0.8160 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of grant of the Share Options; and</li> <li>iii. the nominal value of US\$0.00005 per Share.</li> </ul>
Closing price of Shares on the business day immediately before the date of grant:	HK\$0.8100 per Share
Consideration for the Share Options granted:	HK\$1.00 to be paid by each of the Grantees on the acceptance of the offer for the grant of respective Share Options
Vesting period of the Share Options granted:	The Share Options granted shall be vested in accordance with the timetable below (for this purpose, the date or each such date on which the Share Options are vested being hereinafter referred to as a “ <b>Vesting Date</b> ”):

<b>Vesting Date</b>	<b>Percentage of Share Options to vest</b>
July 31, 2024	Approximately one-third of the total number of Share Options granted
July 31, 2025	Approximately one-third of the total number of Share Options granted
July 31, 2026	Approximately one-third of the total number of Share Options granted

The Board may, at its discretion, accelerate the above vesting schedule of the Share Options when there is change of control of the Company, provided that in any event, the Board will make sure that (i) the minimum vesting period of the Share Options granted will be more than 12 months, which is in compliance with the requirements under Rule 17.03F of the Listing Rules; and (ii) the acceleration is in line with the purpose of the Share Option Scheme and the interests of the Company and its shareholders (the “**Shareholders**”) as a whole. As the above adjustment would not be of a material nature, the shareholders’ approval would not be required accordingly.

Validity period of the Share Options granted:

The Share Options granted shall be valid for a period of ten (10) years from the date of grant.

Performance target:

The vesting of the Share Options granted to the Grantees is not subject to any performance targets for the Group or each of the Grantees.

The purpose of the Grant is to motivate and retain the Grantees by allowing them to share the results achieved by the Group as a result of their efforts and contributions and encourage them to work towards achieving the long-term development of the Group, having considered that: (a) the Grantees' experiences in the Group's business, length of service to the Group and contribution and dedication to the promotion of the Group's business; (b) their contributes to the overall business performance, sustainable development and/or good corporate governance of the Group; and (c) that the Share Options will be vested to them in tranches over a period of three years from the date of grant, where the value of the Share Options will be linked to future prices of the Shares which in turn will depend upon the performance of the Company.

In view of the above, especially the minimum vesting period, the Remuneration Committee considers that the Grant without performance targets is (i) in line with the purpose of the Share Option Scheme; and (ii) fair and reasonable to the Company and Shareholders as a whole for the following reasons:

- (a) The economic benefits of the Share Options depend upon the increase in share price of the Company to be driven by improving performance of the Group, therefore the grant of the Share Options can effectively incentivise the Grantees to devote themselves, to increase profitability of the Group, thereby raising share price and share value for the Company, which will then benefit the Shareholders as a whole;
- (b) The Grant, forms part of the remuneration package for the Grantees, which is commensurate with their promotion and progression within the Group. The portion of time-based incentives in employees' compensation, such as the Grant which will be vested in three years with a minimum vesting period of more than 12 months would encourage the Grantees to focus on long-term Company performance and better aligns their interests with that of Shareholders while promoting retention; and

- (c) The Share Options to the Grantees are subject to clawback mechanism which provides for circumstances under which the Share Options shall lapse in the event such as the grantees cease to be employees of the Company or fail to meet the annual assessment standards of the Company. Notwithstanding the absence of the performance target, the Grant could retain the Grantees and incentivize them to strive for the future development of the Company, which is in line with the purpose of the Share Option Scheme.

As such, the Grant will align their long-term interests with those of the Company and the Shareholders, motivate them to commit themselves to the Company's continued competitiveness, operating results and growth in the future and reinforce their commitment to the long-term service of the Company, and is therefore consistent with the objectives of the Share Option Scheme.

Clawback mechanism:

If a participant ceases to be eligible to participate in the Share Option Scheme due to the occurrence of any of the following circumstances, the Board may decide that Share Options that have not yet been exercised (regardless of whether they have been vested or have been granted but not yet vested) shall lapse unless the Board otherwise determines that such Share Options shall be exercisable:

- i. termination of the labor contracts with the Company due to voluntary resignation, dismissal by the Company, retirement, or other reasons;
- ii. loss of labor or civil capacity;
- iii. natural death or being declared presumption of death;
- iv. committing criminal offenses or being held criminally responsible in accordance with the law, or committing other significant violations of Company's regulations or laws and regulations;
- v. being declared bankrupt or insolvent, or entering into any debt repayment arrangement with his/her creditors due to the aforementioned circumstances;
- vi. damaging the interests of the Company intentionally;

- vii. wrongful performance of duties results in significant losses to the Company's interests, including but not limited to overdue accounts, bad debts, and other official negligence;
- viii. major professional ethics issues such as corruption, bribery, receiving improper benefits, and disclosing major confidential information of the Company; and
- ix. failure to meet the annual assessment standards of the Company, or being recognised by the Company as directly responsible for the decline or loss of the Company's performance.

During the exercise period of the Share Option, if the participant is unable to effectively perform duties due to various reasons and failure to work for more than 66 consecutive working days in any six calendar months of a year, the exercise of such Share Option will be deferred for one year. If this situation aforementioned occurs for two consecutive years, the unexercised Share Options of such participant will lapse.

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

The Group has not provided any financial assistance to the Grantees.

Among the abovementioned Share Options granted and out of twenty-two (22) Grantees, Share Options carrying rights to subscribe for a total of maximum of 45,897,538 Shares were granted to the following five (5) Grantees who are (i) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them, or (ii) a participant with options granted and to be granted in any 12-month period exceeding the 1% of the relevant class of shares in issue (“**Grantee to be Granted Exceeding the 1% Individual Limit**”). Details of the Grantees are set out below:

Name	Position(s)/Relationship	Maximum number to Shares to be issued upon exercise of the Share Options granted
<i>Grantees to be Granted Exceeding the 1% Individual Limit</i>		
Ms. Zha Lijun (查麗君)	An executive Director and a senior vice president of the Company	10,879,814
Ms. Zha Junling (查俊玲)	The vice president of finance of the Company	10,511,187

<b>Name</b>	<b>Position(s)/Relationship</b>	<b>Maximum number to Shares to be issued upon exercise of the Share Options granted</b>
Mr. Xu Songdao (徐頌道)	The head of marketing center of the Company	9,895,547
Ms. Peng Ting (彭婷)	The senior vice president and a joint company secretary of the Company, and the spouse of Mr. Dai Liqun, our non-executive Director	9,544,064
<b>Director<sup>(note)</sup></b>		
Mr. Lin Qian (林芊)	An executive Director and a chief financial officer of the Company	5,066,926
<b>Others</b>		
Other employees		17,617,274
<b>Total</b>		<b>63,514,812</b>

*Note:* Ms. Zha Lijun, is also a Grantee who is an executive Director, please refer to the category “Grantees to be Granted Exceeding the 1% Individual Limit” above for her information.

The Board have passed the resolutions on July 17, 2023 to approve the Grant, and save for (i) Ms. Zha Lijun, being an executive Director and a Grantee to be Granted Exceeding the 1% Individual Limit, who has abstained from voting on the resolution at the Board meeting for considering and approving the granting Share Options to Ms. Zha Lijun; (ii) Mr. Dai Liqun, being a non-executive Director and the spouse of Ms. Peng Ting, a Grantee to be Granted Exceeding the 1% Individual Limit, who has abstained from voting on the resolution at the Board meeting for considering and approving the granting Share Options to Ms. Peng Ting; and (iii) Mr. Lin Qian, being an executive Director and a chief financial officer of the Company, who has abstained from voting on the resolution at the Board meeting for considering and approving the granting Share Options to Mr. Lin Qian, none of the other Directors has a material interest in the Board resolutions approving the Grant. In addition, the Grant to Ms. Zha Lijun, Ms. Peng Ting and Mr. Lin Qian has been approved by the independent non-executive Directors in compliance with Rule 17.04(1) of the Listing Rules.

## Extraordinary General Meeting

Pursuant to Rule 17.03D of the Listing Rules and the terms of the Share Option Scheme, if the grant of Share Options to a Grantee would result in the Shares in issue and to be issued under all Share Options and awards granted to such Grantee by the Company during the 12-month period up to and including the date of grant (excluding any Share Options which have lapsed under the terms of the Share Option Scheme) in aggregate excess of 1% of the relevant class of Shares in issue (the “**1% Individual Limit**”), then the Company must convene a separate general meeting to seek the Shareholders’ approval (at which the grantee and his/her close associates or, in the case of the grantee who is a connected person, his/her associates must abstain from voting).

Thus, the grant of the abovementioned Share Options to each of the Grantees to be Granted Exceeding the 1% Individual Limit must be subject to approval by the Shareholders at a general meeting pursuant to Rule 17.03D of the Listing Rules, where the Grantees to be Granted Exceeding the 1% Individual Limit and their close associates or, in the case of the Grantee to be Granted Exceeding the 1% Individual Limit who is a connected person, his/her associates must abstain from voting on the relevant resolution(s) at the such general meeting pursuant to the Listing Rules.

A circular containing, among other things, (i) further details of the grant of the Share Options to each of the Grantees to be Granted Exceeding the 1% Individual Limit; and (ii) a notice of the extraordinary general meeting will be despatched to the Shareholders under the Listing Rules in due course.

Save as disclosed above, as at the date of this announcement, none of the Grantees is (i) a Director, chief executive or substantial Shareholder of the Company or an associate (as defined in the Listing Rules) of any of the abovementioned; (ii) a participant whose Share Options granted and to be granted under Rule 17.03D of the Listing Rules exceed the 1% Individual Limit; or (iii) a participant, being a related entity, or a service provider and the Shares under the Share Options granted or to be granted to him/her is in excess of 0.1% of the issued Shares within any 12-month period.

By order of the Board  
**Netjoy Holdings Limited**  
**XU Jiaqing**  
*Chairman of the Board*

Shanghai, the PRC, July 17, 2023

*As at the date of this announcement, the Board comprises Mr. XU Jiaqing, Mr. WANG Chen, Mr. LIN Qian and Ms. ZHA Lijun as executive Directors; Mr. DAI Liqun and Mr. WANG Jianshuo as non-executive Directors; and Mr. CHEN Changhua, Dr. RU Liyun and Ms. CUI Wen as independent non-executive Directors.*