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## **ANGELALIGN TECHNOLOGY INC.**

**時代天使科技有限公司**

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

**(Stock code: 6699)**

### **GRANT OF RESTRICTED SHARE UNITS UNDER THE POST-IPO RSU SCHEME**

**AND**

### **NON-EXEMPT CONNECTED TRANSACTION – PROPOSED GRANT OF RESTRICTED SHARE UNITS TO THE CONNECTED GRANTEE**

#### **GRANT OF RESTRICTED SHARE UNITS UNDER THE POST-IPO RSU SCHEME AND NON-EXEMPT CONNECTED TRANSACTION – PROPOSED GRANT OF RESTRICTED SHARE UNITS TO THE CONNECTED GRANTEE**

Reference is made to the Prospectus of the Company for its initial public offering dated as of June 3, 2021 in relation to the principal terms of the Post-IPO RSU Scheme adopted by the Company on May 20, 2021.

The Board announces that on March 25, 2022, it has resolved to grant RSUs to 134 Grantees with rights to subscribe for an aggregate of 429,109 Shares in accordance with the terms of the Post-IPO RSU Scheme, subject to acceptance, of which (i) 403,467 RSUs are granted to 133 employees of the Company (who are not connected persons of the Company); and (ii) 25,642 RSUs are proposed to be granted to Ms. LI Huamin, an executive Director and the chief executive officer of the Company (who is a connected person of the Company), being the Connected Grantee, upon approval by the Independent Shareholders. Each of the RSUs represents a right to receive one Share upon vesting of the RSU.

In this connection, the Board has resolved on March 25, 2022 to allot and issue 429,109 new Shares under the Proposed RSU Grants to the Trustee, representing approximately 0.255% of the Company's issued share capital as at the date of this announcement, among which, the allotment and issue of 25,642 new Shares underlying the Proposed RSU Grants to Connected Grantee is further subject to the Independent Shareholders' approval at the AGM. The new Shares to be issued under the Proposed RSU Grants will be issued under the Specific Mandate to the Trustee which will hold for and on behalf of the Grantees under the Proposed RSU Grants, and the relevant expenses will be financed by the Company's own funds. As such, no fund will be raised by the Company as a result of the issue and allotment of the new Shares.

The Stock Exchange has previously granted its approval for the listing of, and permission to deal in, new Shares that may be issued pursuant to the Post-IPO RSU Scheme.

## **LISTING RULES IMPLICATIONS**

Ms. Li, the Connected Grantee, being an executive Director and the chief executive officer of the Company, is a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules. Therefore, the Proposed RSU Grants to Connected Grantee (including the allotment and issue of any new Shares thereunder) shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to the reporting, announcement, circular and the Independent Shareholders' approval under the Listing Rules.

A circular containing, among others, (i) further details of the Proposed RSU Grants to Connected Grantee; (ii) a letter from Gram Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) a letter from the Independent Board Committee to the Independent Shareholders, containing its advice to the Independent Shareholders; and (iv) a notice of the AGM, will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.angelalign.com](http://www.angelalign.com)) and will be dispatched by the Company to the Shareholders in due course. As additional time is required to finalise certain information contained in the circular, the Company expects to dispatch the circular on or around April 21, 2022.

Except for the above, none of the Proposed RSU Grants will be subject to approval by the Independent Shareholders as required under the Listing Rules.

Reference is made to the Prospectus of Angelalign Technology Inc. (the “**Company**”) for its initial public offering dated as of June 3, 2021 in relation to the principal terms of the Post-IPO RSU Scheme adopted by the Company on May 20, 2021.

The Board announces that on March 25, 2022, it has resolved to grant RSUs to 134 Grantees with rights to subscribe for an aggregate of 429,109 Shares in accordance with the terms of the Post-IPO RSU Scheme, subject to acceptance, of which (i) 403,467 RSUs are granted to 133 employees of the Company (who are not connected persons of the Company); and (ii) 25,642 RSUs are proposed to be granted to Ms. Li, an executive Director and the chief executive officer of the Company (who is a connected person of the Company), being the Connected Grantee, upon approval by the Independent Shareholders. Each of the RSUs represents a right to receive one Share upon vesting of the RSU.

## **PARTICULARS OF THE PROPOSED RSU GRANTS (INCLUDING THE PROPOSED RSU GRANTS TO CONNECTED GRANTEE)**

The underlying Shares of the RSUs to be issued by the Company pursuant to the Proposed RSU Grants are approximately 429,109 Shares in total, representing approximately 0.255% of the Company's issued share capital as at the date of this announcement and approximately 0.254% of the Company's enlarged issued share capital assuming full vesting of all of the RSUs granted to the Grantees (assuming there is no change in the number of issued Shares of the Company from the date of this announcement up to the issuance date of such new Shares).

The details of the RSUs granted to the Grantees (including the Connected Grantee) are as follows:

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| <b>Grant Date:</b>  | March 25, 2022, subject to the acceptance of the Grantees. In particular, the grant to the Connected Grantee will be subject to the approval by the Independent Shareholders at the AGM.  |
| <b>Number of Grantees:</b>  | (1) 133 Grantees, who are not connected persons of the Company;<br><br>(2) one Connected Grantee, being Ms. Li, an executive Director and the chief executive officer of the Company  |
| <b>Total number of RSUs granted:</b>  | (1) 403,467 RSUs to grantees who are not connected persons of the Company;<br><br>(2) 25,642 RSUs to the Connected Grantee<br><br>Each of the RSUs represents a right to receive one Share upon vesting of the RSU.   |
| <b>Total number of new Shares to be issued underlying the RSUs granted:</b> | (1) 403,467 Shares to grantees who are not connected persons of the Company, representing approximately 0.240% of the Company's issued share capital as at the date of this announcement and approximately 0.239% of the Company's enlarged issued share capital assuming full vesting of all of the RSUs granted to the Grantees (assuming there is no change in the number of issued Shares of the Company from the date of this announcement up to the issuance date of the new Shares);<br><br>(2) 25,642 Shares to the Connected Grantee representing approximately 0.015% of the Company's issued share capital as at the date of this announcement and approximately 0.015% of the Company's enlarged issued share capital assuming full vesting of all of the RSUs granted to the Grantees (assuming there is no change in the number of issued Shares of the Company from the date of this announcement up to the issuance date of the new Shares) |
| <b>Market value of the Shares underlying the Grant:</b>                     | (1) HK\$58.793 million for Shares underlying the RSUs to grantees who are not connected persons of the Company;<br><br>(2) HK\$3.737 million for Shares underlying the RSUs to the Connected Grantee  |

*Note:*

The aforementioned market value is calculated based on the market price of HK\$145.72 per Share, being the average closing price of the Shares for the five consecutive trading days immediately preceding the date of this announcement as quoted on the Stock Exchange

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| <b>Consideration for the Proposed RSU Grants:</b> | Nil |
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**Vesting period and criteria:** 68,833 RSUs granted to the Grantees shall vest as follows:

- 50% shall vest on the second anniversary of the employment date of each Grantee;
- 25% shall vest on the third anniversary of the employment date of each Grantee; and
- 25% shall vest on the fourth anniversary of the employment date of each Grantee.

360,276 RSUs granted to the Grantees (including the RSUs granted to Ms. Li) shall vest as follows:

- 30% shall vest on the date of September 30 of the same year of the Grant Date;
- 30% shall vest on the date of September 30 of the second year of the Grant Date;
- 20% shall vest on the date of September 30 of the third year of the Grant Date; and
- 20% shall vest on the date of September 30 of the fourth year of the Grant Date.

The Grantees shall continue to be employed by the Company at the time of vesting.

The Board determined the number of RSUs and relevant conditions granted to the Grantees (including the Connected Grantee) with reference to, among other things, their respective contribution, responsibilities, years of services, work experience, remuneration packages and prevailing compensation of similar positions in the market.

The Proposed RSU Grants, including the Proposed RSUs Grants to the Connected Grantee, has been approved by the Board (including the independent non-executive Directors) on March 25, 2022, being the date of grant, subject to the acceptance of the Grantees and other conditions as may be determined by the Board. The Proposed RSU Grants to Connected Grantee is additionally subject to the Independent Shareholders' approval at the AGM.

Ms. Li is abstained from voting on the Board resolution approving the Proposed Grants to the Connected Grantee. No other Director is considered to be interested in this grant and therefore none of the other Directors is abstained from voting on the relevant Board resolution.

## **REASON FOR AND BENEFITS OF THE PROPOSED RSU GRANTS**

The Board and the remuneration committee of the Board consider that the purpose of the Proposed RSU Grants, including the Proposed RSU Grants to Connected Grantee, is to (i) recognize the contributions made to the Group by the Grantees; (ii) encourage, motivate and retain the Grantees, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) closely align the interests and benefits of and risk sharing among the Shareholders, the Company and the Grantees in order to maximize the motivation of the Directors, senior management and employees. The grant recognizes their past contributions to the Group's business performance and aims to secure their long-term support and commitment to the Group which are vital to the future development of the Group. As the Group's business is undergoing rapid expansion, the Company believes that the Proposed RSU Grants serves as an important incentive to motivate them to bring a higher return to the Company.

The Directors (including the independent non-executive Directors) and the remuneration committee of the Board consider that the terms and conditions of the Proposed RSU Grants, including the Proposed RSU Grants to Connected Grantee, are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **SPECIFIC MANDATE TO ISSUE NEW SHARES**

The Board has resolved on March 25, 2022 to allot and issue 429,109 new Shares under the Proposed RSU Grants to the Trustee, representing approximately 0.255% of the Company's issued share capital as at the date of this announcement, among which, the allotment and issue of 25,642 new Shares underlying the Proposed RSU Grants to Connected Grantee is further subject to the Independent Shareholders' approval at the AGM. The new Shares to be issued under the Proposed RSU Grants will be issued under the Specific Mandate to the Trustee which will hold for and on behalf of the Grantees under the Proposed RSU Grants, and the relevant expenses will be financed by the Company's own funds. As such, no fund will be raised by the Company as a result of the issue and allotment of the new Shares.

The Stock Exchange has previously granted its approval for the listing of, and permission to deal in, new Shares that may be issued pursuant to the Post-IPO RSU Scheme.

## **RANKING OF THE SHARES UNDERLYING THE RSUS**

Any Shares to be issued under the Proposed RSU Grants will be subject to all the provisions of the articles of association of the Company and will rank *pari passu* with the fully paid Shares in issue.

## **INFORMATION OF THE GRANTEES**

Ms. Li is the founder, an executive Director and chief executive officer of the Company. Details of the professional expertise, experience, business network and contributions of Ms. Li to the Group are set forth in "Directors and Senior Management" section in the Prospectus and the 2021 interim report of the Company. All the other grantees are existing employees of the Company, none of whom is a connected person (as defined in the Listing Rules) of the Company.

## **DILUTION EFFECT**

As a result of the issue and allotment of the aggregate of 429,109 Shares that may be issued for the Proposed RSU Grants, and assuming no change in the issued share capital of the Company after the date of this announcement, the shareholding interests of existing public Shareholders will be diluted to approximately 99.75% of the total issued share capital of the Company as at the date of this announcement.

## **LISTING RULES IMPLICATIONS**

Ms. Li, the Connected Grantee, an executive Director and the chief executive officer of the Company, and therefore is a connected person of the Company. The Proposed Grants to the Connected Grantee and transactions contemplated therein constitute non-exempt connected transactions of the Company under Chapter 14A of the Listing Rules and are subject to reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, Ms. Li and her associates is required to abstain from voting on the resolutions at the AGM to approve the Proposed Grants to the Connected Grantee and transactions contemplated therein. As at the date of this announcement, Ms. Li, through her controlled trust and entity, controlled 23,657,300 Shares, representing approximately 14.1% of the issued share capital of the Company. To the best of the Directors' knowledge, no other Shareholders having any material interest in the Proposed RSU Grants to Connected Grantee and transactions contemplated therein and thus are required under the Listing Rules to abstain from voting at the AGM on such resolution.

The Company has established the Independent Board Committee to advise the Independent Shareholders in respect of the Proposed Grants to the Connected Grantee and any transactions contemplated thereunder, which comprises all the three independent non-executive Directors. The Independent Board Committee will advise the Independent Shareholders on voting at the AGM on the resolutions in respect of the Proposed Grants to the Connected Grantee and any transactions contemplated thereunder, after taking into account the recommendations of the Independent Financial Adviser.

The Company has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Grants to the Connected Grantee and any transactions contemplated thereunder.

Ordinary resolutions will be proposed at the AGM to approve the Proposed RSU Grants to Connected Grantee and any transactions contemplated thereunder (including the allotment and issue of any new Shares thereunder).

A circular containing, among others, (i) further details of the Proposed RSU Grants to Connected Grantee; (ii) a letter from Gram Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) a letter from the Independent Board Committee to the Independent Shareholders, containing its advice to the Independent Shareholders; and (iv) a notice of the AGM, will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.angelalign.com](http://www.angelalign.com)) and will be dispatched by the Company to the Shareholders in due course. As additional time is required to finalise certain information contained in the circular, the Company expects to dispatch the circular on or around April 21, 2022.

Except for the above, none of the Proposed RSU Grants will be subject to approval by the Independent Shareholders as required under the Listing Rules.

## **DEFINITIONS**

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| “AGM”          | the annual general meeting of the Company to be held on May 26, 2022 or any adjournment thereof, which will be further notified by the Company in relevant circular |
| “associate(s)” | has the meaning ascribed thereto under the Listing Rules  |
| “Board”        | the board of directors of the Company   |
| “Company”      | Angelalign Technology Inc. (時代天使科技有限公司), an exempted company incorporated under the laws of Cayman Islands with limited liability on November 29, 2018              |



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| “connected person”                                | has the meaning ascribed thereto under the Listing Rules  |
| “Connected Grantee” or “Ms. Li”                   | the Grantee under the Post-IPO RSU Scheme who is a connected person of the Company, being Ms. LI Huamin, an executive Director and chief executive officer of the Company   |
| “Director(s)”                                     | the director(s) of the Company  |
| “Grantee(s)”                                      | the grantee(s) that are granted RSUs in the Proposed RSU Grants   |
| “Group”   | the Company and its subsidiaries  |
| “HK\$”  | Hong Kong dollar, the lawful currency of Hong Kong  |
| “Hong Kong”                                       | the Hong Kong Special Administrative Region of the PRC  |
| “Independent Board Committee”                     | an independent committee of the Board comprising all the independent non-executive Directors as established for the purpose of, among others, considering and, if though fit, approving, among others, the Proposed RSU Grants to Connected Grantee   |
| “Independent Financial Adviser” or “Gram Capital” | the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the resolutions proposed to approve the Proposed RSU Grants to Connected Grantee, being Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Independent Shareholders”                        | the Shareholders other than Ms. LI Huamin and her associates  |
| “Listing Rules”                                   | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time  |
| “Post-IPO RSU Scheme”                             | the Post-IPO RSU Scheme as approved and adopted by the Board on May 20, 2021, details of which is set forth in the Prospectus   |
| “PRC” or “China”                                  | the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan solely for the purpose of this announcement   |
| “Proposed RSU Grants”                             | the grant of RSUs as set forth in this announcement, including the Proposed RSU Grants to Connected Grantee   |
| “Proposed RSU Grants to Connected Grantee”        | the resolutions proposed to approve the grants of RSUs to the Connected Grantee at the AGM  |
| “Prospectus”                                      | the prospectus of the Company dated June 3, 2021 in connection with its initial public offering and listing on the main board of the Stock Exchange   |

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| “RMB”              | renminbi, the lawful currency of the PRC  |
| “RSU(s)”           | the restricted share unit(s) that may be granted under the Post-IPO RSU Scheme  |
| “Share(s)”         | ordinary share(s) in the share capital of the Company of US\$0.0001 each  |
| “Shareholder(s)”   | holder(s) of the shares of the Company  |
| “Specific Mandate” | a specific mandate approved by the then Shareholders on May 20, 2021 and granted to the Directors to allot, issue and/or deal with Shares underlying the RSUs granted and to be granted under the Post-IPO RSU Scheme, which shall not exceed 1,658,071 Shares, representing approximately 1% of the number of issued Shares as at June 16, 2021, the listing date of the Shares of the Company on the main board of the Stock Exchange |
| “Stock Exchange”   | The Stock Exchange of Hong Kong Limited   |
| “subsidiary(ies)”  | has the meaning ascribed thereto under the Listing Rules  |
| “Trustee”          | the trustee appointed by the Company for the Post-IPO RSU Scheme, which is an independent third party   |

By Order of the Board  
**Angelalign Technology Inc.**  
**Mr. FENG Dai**  
*Chairman*

Hong Kong, March 25, 2022

*As at the date of this announcement, the Board comprises Ms. LI Huamin and Mr. SONG Xin as executive Directors; Mr. FENG Dai, Mr. HUANG Kun and Mr. HU Jiezhong as non-executive Directors; Mr. HAN Xiaojing, Ms. DONG Li and Mr. SHI Zi as independent non-executive Directors.*