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**Yidu Tech Inc.**  
**醫渡科技有限公司**

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

**(Stock Code: 2158)**

## **GRANT OF SHARE OPTIONS AND AWARDS**

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules.

### **GRANT OF SHARE OPTIONS UNDER THE POST-IPO SHARE OPTION SCHEME**

The Board announces that on July 3, 2023, a total of 6,058,500 Options to subscribe for Shares were granted to 7 Option Grantees under the Post-IPO Share Option Scheme subject to acceptance of the Option Grantees. The following are the details of the Options granted:

Date of Option Grant:	July 3, 2023
Number of Grantees:	7
Number of Options granted:	6,058,500
Exercise price of the Options granted:	Each Option shall entitle the holder to subscribe for one Share upon exercise of such Option at an exercise price of HK\$5.91 per Share (being the higher of (a) the closing market price of the Shares on the Stock Exchange as stated in the daily quotations sheet of the Stock Exchange (the “ <b>Closing Price</b> ”) on July 3, 2023, being HK\$5.46; and (b) the average Closing Price for the five business days immediately preceding the date of grant, being HK\$5.91 per Share)
Closing price of the Shares on the date of grant:	HK\$5.46 per Share, based on the closing price as quoted on the Stock Exchange on the date of grant

Exercise period of the Options:	Until the last day of the 10-year period after the date of grant of the Options
Vesting period:	<p data-bbox="587 210 1527 295">The Options granted to the Option Grantees shall vest in the Option Grantees as follows:</p> <ul data-bbox="587 327 1527 631" style="list-style-type: none"> <li data-bbox="587 327 1527 367">● 25% shall vest from July 3, 2023 to March 31, 2024;</li> <li data-bbox="587 398 1527 439">● 25% shall vest from April 1, 2024 to March 31, 2025;</li> <li data-bbox="587 470 1527 555">● 25% shall vest from April 1, 2025 to March 31, 2026; and</li> <li data-bbox="587 586 1527 631">● 25% shall vest from April 1, 2026 to March 31, 2027.</li> </ul>
Performance targets:	<p data-bbox="587 1249 1527 2047">The exercise of the Option is subject to the Option Grantee(s) meeting the performance targets to be determined by the Company from time to time. The Company has established an appraisal mechanism to assess the fulfilment of performance targets by its Directors, chief executive and employees, which are linked to the Company's strategic goals and values. The appraisal mechanism uses a scoring system based on a matrix of qualitative and quantitative indicators that vary according to the roles and responsibilities of the relevant Directors, chief executive and employees. The indicators include, but are not limited to, measures of work quality, efficiency, collaboration, management and strategy. The scoring system evaluates the Directors, chief executive and employees' regular duties and the strategic objectives or tasks assigned for the appraisal period. The Company intends to make reference to this appraisal mechanism to set and review the performance targets of the Option Grantees periodically.</p>

Clawback mechanism: The grants of Options are subject to clawback mechanism for the Company to recover in the event that the Option Grantee's employment or engagement with the Company terminates for cause. If the Option Grantee's employee or engagement with the Company terminates for cause, any portion of the Options granted that is outstanding on such termination date shall terminate immediately and be of no further force and effect.

### **The Option Grantees**

Among the 6,058,500 Options granted, 4,368,900 Options were granted to the employees of the Company and 1,689,600 Options were granted to the following two executive Directors of the Company:

<b>Name of Grantees</b>	<b>Role</b>	<b>Number of Options granted</b>
Dr. Yan Jun	Executive Director	1,090,500
Ms. Feng Xiaoying	Executive Director	599,100

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Options to the Directors of the Company had been approved by the independent non-executive Directors of the Company. Except as set forth above, the other Option Grantees are employees and officers of the Company and do not fall under any of the following categories: (a) a Director, chief executive, or substantial shareholder of the Company, or an associate of any of them; (b) 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 (c) 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 issued Shares.

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

None of the grant of the Options will be subject to approval by the Shareholders.

The Post-IPO Share Option Scheme was adopted before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 to the extent required by the transitional arrangements for the existing share schemes.

### **Reason for and Benefits of the Option**

The purpose of the Post-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage the selected participants to work towards enhancing the value of the Company and its Shares

for the benefit of the Company and Shareholders as a whole. The Post-IPO Share Option Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

### **Number of shares available for future grant of options under the Post-IPO Share Option Scheme**

The grant of options will be satisfied by issuance of new shares within the scheme mandate limit of the post-IPO Share Option Scheme.

After the above grant of Options, a total of 68,285,339 Shares will be available for future grant of options under the scheme mandate limit of the Post-IPO Share Option Scheme. Service provider sublimit is not specified under the Post-IPO Share Option Scheme.

### **GRANT OF SHARE AWARDS UNDER SHARE AWARD SCHEME**

On July 3, 2023, the Company granted a total of 3,184,506 Award Shares to 9 Award Grantees under the Post-IPO Share Award Scheme by issuing new Shares, subject to acceptance of the Award Grantees.

The following are the details of the Awards granted:

Date of Grant:	July 3, 2023
Number of Award Grantees:	9
Number of Awards granted	3,184,506
Purchase Price of the Awards Shares:	Nil
Closing price of the Shares on the date of grant:	HK\$5.46 per Share, based on the closing price as quoted on the Stock Exchange on the date of grant
Validity period of the Awards:	Until the last day of the 10-year period after the date of grant of the Awards
Vesting period:	The Awards granted to the Award Grantees shall vest in the Award Grantees as follows: <ul style="list-style-type: none"><li>● 25% shall vest from July 3, 2023 to March 31, 2024;</li><li>● 25% shall vest from April 1, 2024 to March 31, 2025;</li><li>● 25% shall vest from April 1, 2025 to March 31, 2026; and</li><li>● 25% shall vest from April 1, 2026 to March 1, 2027.</li></ul>

The first tranche (being 25%) of the Awards is subject to a vesting period of less than 12 months due to grants that are made in batches during a year for administrative reasons. The Company considers that since the other three tranches have a 12-month vesting period, the Award Grant could effectively incentivize the Award Grantees to contribute to the long-term development and growth of the Company. In this regard, the Post-IPO Share Award Scheme does not provide any restriction with respect to the vesting period of the Awards. The Remuneration Committee is of the view that the grants of Awards to the Award Grantees with a shorter vesting period for the first tranche aligns with the purpose of the Post-IPO Awards Scheme.

Performance targets:

The vesting of the Awards is subject to the Award Grantee(s) meeting the performance targets to be determined by the Company from time to time. The Company has established an appraisal mechanism to assess the fulfilment of performance targets by its Directors, chief executive and employees, which are linked to the Company's strategic goals and values. The appraisal mechanism uses a scoring system based on a matrix of qualitative and quantitative indicators that vary according to the roles and responsibilities of the relevant Directors, chief executive and employees. The indicators include, but are not limited to, measures of work quality, efficiency, collaboration, management and strategy. The scoring system evaluates the Directors, chief executive and employees' regular duties and the strategic objectives or tasks assigned for the appraisal period. The Company intends to make reference to this appraisal mechanism to set and review the performance targets of the Award Grantees periodically.

Clawback mechanism:

The grants of Awards are subject to clawback mechanism for the Company to recover in the event that the Award Grantee's employment or engagement with the Company terminates for cause. If the Award Grantee's employee or engagement with the Company terminates for cause, any portion of the Awards granted that is outstanding on such termination date shall terminate immediately and be of no further force and effect.

## **The Award Grantees**

Among 3,184,506 Awards granted, 1,499,146 Awards were granted to the employees of the Company and 1,685,360 Awards were granted to the following three executive Directors and chief executive of the Company:

<b>Name of Grantees</b>	<b>Role</b>	<b>Number of Awards granted</b>
Mr. Xu Jiming	Executive Director and Chief Executive Officer	1,000,000
Dr. Yan Jun	Executive Director	219,560
Ms. Feng Xiaoying	Executive Director	465,800

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Awards to the Directors and chief executive of the Company had been approved by the independent non-executive Directors of the Company. Except as set forth above, the other Award Grantees are employees and officers of the Company and do not fall under any of the following categories: (a) a Director, chief executive, or substantial shareholder of the Company, or an associate of any of them; (b) 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 (c) 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 issued Shares.

There are no arrangements for the Company or any of its subsidiaries to provide financial assistance to any of the Award Grantees to facilitate the purchase of Shares under the Post-IPO Share Award Scheme.

None of the grant of the Awards will be subject to approval by the Shareholders.

The Post-IPO Share Award Scheme was adopted before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 to the extent required by the transitional arrangements for the existing share schemes.

## **Reason for and Benefits of the Awards**

The purpose of the Post-IPO Share Award Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage the selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole. The Post-IPO Share Award Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

## **Number of shares available for future grant of awards under the Post-IPO Share Award Scheme**

The grant of Awards will be satisfied by issuance of new shares within the scheme mandate limit of the Post-IPO Share Award Scheme.

After the above grant of Awards, a total of 17,413,014 Shares will be available for future grant of awards under the scheme mandate limit of the Post-IPO Share Award Scheme. Service provider sublimit is not specified under the Post-IPO Share Award Scheme.

## **DEFINITIONS**

“Award”	award of Shares granted pursuant to the Post-IPO Share Award Scheme to selected participant(s)
“Award Grantee(s)”	participants selected and entitled to be offered and granted Awards
“Award Share(s)”	the Shares granted to a selected participant in an Award
“Board”	the board of Directors
“Company”	Yidu Tech Inc. (醫渡科技有限公司), a company with limited liability incorporated in the Cayman Islands on December 9, 2014, the Shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 2158)
“Director(s)”	the director(s) of the Company
“Grantee(s)”	the Award Grantees and the Option Grantees
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	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 of Hong Kong Limited
“Option(s)”	option(s) to subscribe for Shares granted under the Post-IPO Share Option Scheme
“Option Grantee(s)”	participants selected and entitled to be offered and granted Options
“Post-IPO Share Award Scheme”	the post-IPO share award scheme adopted by the Company on December 28, 2020
“Post-IPO Share Option Scheme”	the post-IPO share option scheme adopted by the Company on December 28, 2020

“Remuneration Committee”	the remuneration committee of the Company
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Yidu Tech Inc.**  
**Gong Yingying**  
*Executive Director and Chairlady*

Hong Kong, July 3, 2023

*As at the date of this announcement, the executive Directors are Ms. Gong Yingying, Mr. Xu Jiming, Dr. Yan Jun and Ms. Feng Xiaoying; the non-executive Director is Mr. Zeng Ming; and the independent non-executive Directors are Dr. Ma Wei-Ying, Ms. Pan Rongrong and Prof. Zhang Linqi.*