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ZJLD Group Inc

珍酒李渡集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6979)

GRANT OF AWARDS PURSUANT TO THE POST-IPO EQUITY INCENTIVE PLAN

This announcement is made by the Company pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules. The Board announces that on October 25, 2023, the Company granted Awards representing 117,292,500 underlying Shares, to 718 Grantees in accordance with the terms of the Post-IPO Equity Incentive Plan, subject to acceptance by the Grantees.

Details of Grant of Awards

Grant Date:	October 25, 2023
Number of Shares granted:	Awards representing 117,292,500 underlying new Shares to be issued and approximately 3.59% of the total number of issued Shares as at the date of this announcement, of which: <ul style="list-style-type: none">(i) Awards representing 9,270,000 Shares were granted to three executive Directors: Awards representing 3,270,000 Shares were granted to Mr. Yan Tao (also our chief executive officer); Awards representing 3,000,000 Shares were granted to Ms. Zhu Lin; and Awards representing 3,000,000 Shares were granted to Mr. Luo Yonghong.(ii) Awards representing 108,022,500 Shares were granted to the other 715 employees of the Group.
Consideration payable upon acceptance of the Awards:	HK\$1
Purchase price payable for the Share(s) under the Awards:	HK\$1 for each Shares

Closing price of the Shares on the Grant Date:	HK\$11.400 per Share
Vesting period of the Awards:	One-third portion for each Awards shall vest on the first anniversary of the Grant Date; one-third portion for each Awards shall vest on the 30th days following the issue of the annual results for the year of 2024 of the Company as set out in the grant letters; and the remaining one-third portion for each Awards shall vest on the 30th days following the issue of the annual results for the year of 2025 of the Company as set out in the grant letter.
Performance targets:	The vesting of Awards is subject to certain performance targets and other criteria as set out in the grant letter to be entered into between the Company and each Grantee, including the Company's annual results (the indicators including revenue, adjusted net profit (non-IFRS measures) and payment collected from customers (回款)) as determined by the Board and the Grantee's individual annual performance.
Clawback mechanisms:	<p>In the event that:</p> <ul style="list-style-type: none"> (i) any Grantee ceases to be an eligible person under the Post-IPO Equity Incentive Plan by reason of the termination of his/her employment or contractual engagement with any member of the Group for cause or without notice or with payment in lieu of notice; (ii) any Grantee has contravened the relevant laws and regulations of the People's Republic of China and/or Hong Kong involving his/her integrity or honesty; (iii) any Grantee has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of any trade or technical secrets, or conducted any connected transactions or other unlawful acts or misconduct which, in the reasonable opinion of the Board (or a committee of the Board), prejudiced the interest of or caused significant negative impact to the Company; (iv) in the reasonable opinion of the Board (or a committee of the Board), any Grantee has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious and adverse consequences to the Company; or

- (v) in the reasonable opinion of the Board (or a committee of the Board), any Grantee has engaged in any serious misconduct or breach of the terms of the Post-IPO Equity Incentive Plan or any terms or conditions attached to the grant of the Award in any material respect,

the Board may, at its absolute discretion, determine such malus and/or clawback provisions to be applied to any Award or an offer of grant in relation to such Grantee, upon the occurrence of the applicable malus and/or clawback event(s) such as serious misconduct, a material misstatement in the Company's financial statements and fraud.

No financial assistance:

There is no arrangement for the Company or any of its subsidiaries to provide any financial assistance to any of the Grantees to facilitate the purchase of Shares under the Post-IPO Equity Incentive Plan.

Reasons for the Grant of Awards

As the first batch of grant under the Post-IPO Equity Incentive Plan after the Company's listing on the Stock Exchange, the grant of Awards is to cover majority of our core employees across all functions so as to widely reward our employees for their performance and contribution to the Group, to align their interests with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or increase in value of Shares, and to further incentivize and retain the Grantees as well as a large number of other employees of our Group to contribute further to the long-term growth and success of the Group.

Listing Rules Implications

Pursuant to the Post-IPO Equity Incentive Plan, the total number of Shares underlying all grants made shall not in aggregate exceed 5% of the relevant class of Shares in issue on the day on which trading of the Shares commences on the Stock Exchange, being 163,566,552 Shares. As at the date of this announcement and after the grant of such Awards, 46,274,052 underlying Shares will be available for future grants under the aforementioned scheme mandate limit of the Post-IPO Equity Incentive Plan. No service provider sublimit has been adopted under the Post-IPO Equity Incentive Plan. The Listing Committee of the Stock Exchange has previously granted its approval for the listing of, and permission to deal in, Shares which may be issued pursuant to the Post-IPO Equity Incentive Plan.

The grant of the Awards to the executive Directors Mr. Yan Tao, Ms. Zhu Lin and Mr. Luo Yonghong, has been approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules. The grant of all Awards was approved by the Board, save that Mr. Yan Tao, Ms. Zhu Lin and Mr. Luo Yonghong abstained on voting on the relevant resolutions relating to the grant of Awards to himself/herself.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, save as disclosed in this announcement, (i) none of the Grantees (other than Mr. Yan Tao, Ms. Zhu Lin and Mr. Luo Yonghong) is a Director, nor a chief executive, or a substantial shareholder of the Company, or an associate of any of them; (ii) none of the Grantees is 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 (iii) none of the Grantees is a related entity participant or service provider (both terms as defined under Rule 17.03A(1) of the Listing Rules) with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares. None of the grant of Awards will be subject to approval by the Shareholders.

While considering the factors in granting of the Awards to the Grantees, the Company is well aware of the minimum public float requirement under the Listing Rules. Given each of Mr. Yan Tao, Ms. Zhu Lin and Mr. Luo Yonghong is an executive Director, and thus a connected person (as defined under the Listing Rules) of the Company, the Shares to be held by Mr. Yan Tao, Ms. Zhu Lin and Mr. Luo Yonghong will not be regarded as being "in public hands". The Group has adopted internal measures in ensuring public float requirement to be fulfilled at all times, including granting of Awards to both connected Grantees and non-connected Grantees at the same time in order to maintain public float requirement. The Group will closely monitor the public float percentage and take appropriate measures as above to ensure maintenance of public float at all times.

Definition

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Award(s)”	any award granted by the Board (or a committee of the Board) to a selected group of eligible participants pursuant to the Post-IPO Equity Incentive Plan;
“Board”	the board of Directors;
“Company”	ZJLD Group Inc (珍酒李渡集團有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 24, 2021;
“Director(s)”	the director(s) of the Company;
“Grant Date”	October 25, 2023;
“Grantee(s)”	the eligible participant(s) of the Post-IPO Equity Incentive Plan who were granted the Awards in accordance with the Post-IPO Equity Incentive Plan on the Grant Date;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Post-IPO Equity Incentive Plan”	the equity incentive plan adopted by the Company on April 11, 2023;
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.000002 each;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to it by the Listing Rules; and
“US\$”	United States dollar(s), the lawful currency of the United States of America.

By order of the Board
ZJLD Group Inc
Mr. Wu Xiangdong
Executive Director and chairman of the Board

Hong Kong, October 25, 2023

As at the date of this announcement, the Board comprises Mr. Wu Xiangdong, Mr. Yan Tao, Ms. Zhu Lin, Mr. Luo Yonghong and Mr. Ng Kwong Chue Paul, as executive Directors; Mr. Sun Zheng as non-executive Director; and Mr. Yung Tse Kwong Steven, Mr. Li Dong and Ms. Yan Jisheng, as independent non-executive Directors.