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Number of Restricted A Shares granted:	675,400 Restricted A Shares granted under the Incentive Scheme
Closing price of A Shares on the Date of Grant:	RMB96.88 per A Share
Validity Period:	The Validity Period of the Incentive Scheme shall commence from the completion date of registration of the grant of the Restricted Shares and end on the date on which all the Restricted Shares granted to the Participants are unlocked or repurchased and cancelled, and shall not exceed 48 months.
Source of Restricted Shares to be Granted:	The source of the target Shares to be granted under the Incentive Scheme shall be ordinary A Shares to be issued to the Participants through directed offering by the Company.

II. PARTICIPANTS AND THE DISTRIBUTION OF RESTRICTED A SHARES

Name	Title	Number of Restricted A Shares granted	Percentage to the total number of Restricted A Shares granted (%)	Percentage to the Company's total share capital as at the Date of Grant (%)
Key technical (business) personnel (505 persons)		675,400	100	0.18
Total (505 persons)		675,400	100	0.18

The Grant under the Incentive Scheme does not involve the grant of Restricted Shares to connected persons of the Company (or any of its subsidiaries) and therefore is not subject to the notification, announcement and shareholder approval requirements under Chapter 14A of the Listing Rules. The full text of the Incentive Scheme and Assessment Administrative Measures on the Implementation of the 2021 Restricted A Share Incentive Scheme are set out in the Circular.

III. SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER THE GRANT AND EFFECTS ON THE CONTROLLING SHAREHOLDER OF THE COMPANY BEFORE AND AFTER THE GRANT AND ISSUANCE OF RESTRICTED A SHARES

The shareholding structure of the Company, before and after all the Restricted A Shares granted to the Participants under the Incentive Scheme have been issued and unlocked, is as follows:

	Shareholding immediately before the grant and issuance of Restricted A Shares		Shareholding immediately after the grant and issuance of Restricted A Shares	
	Number of Shares held	Percentage of shareholding (%)	Number of Shares held including the Restricted Shares)	Percentage of shareholding (%)
Total Number of A Shares	<u>320,534,652</u>	<u>100.00</u>	<u>321,210,052</u>	<u>100.00</u>
Total Number of H Shares	<u>60,711,840</u>	<u>100.00</u>	<u>60,711,840</u>	<u>100.00</u>
Total	<u>381,246,492</u>		<u>381,921,892</u>	

IV. PLAN ON THE USE OF PROCEEDS

The proceeds raised by the Company from issuance of the Restricted A Shares under the Grant, i.e., RMB56,713,338, being the total Grant Price which will be paid by the Participants to subscribe for the 675,400 Restricted A Shares under the Incentive Scheme will be fully used to supply the working capital of the Group.

V. IMPACT OF THE GRANT OF RESTRICTED A SHARES ON THE FINANCIAL POSITION OF THE COMPANY

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payment, at each balance sheet date within the lock-up Period, the Company shall revise the number of the Restricted A Shares which are expected to be unlocked according to the change in the latest available number of persons eligible to unlock the restricted shares, completion of the performance targets and other subsequent information, and recognize the services acquired during such period in relevant costs or expenses and capital reserve at the fair value of the Restricted A Shares on the grant date.

The Company has determined the fair value of the Restricted A Shares on the date of grant in accordance with the relevant provisions of the accounting standards and ultimately recognized the share-based payment expense under the Incentive Scheme, which will be recognized in installments in the course of the implementation of the Incentive Scheme in proportion to the release of the Restricted A Shares. The incentive costs arising from the Incentive Scheme will be charged to recurring profit or loss. The Board has determined the date of grant of the Incentive Scheme is January 28, 2022. The total incentive cost of the Restricted A Shares is estimated to be RMB8.719414 million, and the amortization of the cost of Restricted A Shares from 2022 to 2025 is shown in the table below.

Unit: RMB'0,000

Number of the Restricted Shares	Total expenses to be amortized				
		2022	2023	2024	2025
675,400	871.9414	519.5318	247.0501	98.0934	7.2662

Notes:

- The Shareholders shall pay attention to the possible dilutive effect of the above-mentioned share-based payments;
- The final impact of the above amortization costs projections on the Company's operating results is subject to the audit report issued by the accountant.

The Company evaluated on current conditions that, without considering the stimulus effects of the Incentive Scheme on the operation performance of the Company, the amortization of the costs of the Incentive Scheme shall have not substantial, effect on the net profit of each year during the Validity Period. Taking into consideration the positive impact of the Incentive Scheme on the development of the Company, such as motivating the key technical (business) personnel, increasing the operating efficiency and reducing the costs of agents, the benefits generated from the improvement in the Company's operation performance due to the Incentive Scheme shall far exceed the increase of costs incurred by the Incentive Scheme.

By Order of the Board
JOINN Laboratories (China) Co., Ltd.
Feng Yuxia
 Director

Hong Kong, January 28, 2022

A 董事會主席 楊玉霞 謹啟
 B 董事會副主席 楊玉霞 謹啟
 C 董事會秘書 楊玉霞 謹啟
 D 董事會成員 楊玉霞 謹啟
 E 董事會成員 楊玉霞 謹啟
 F 董事會成員 楊玉霞 謹啟
 G 董事會成員 楊玉霞 謹啟
 H 董事會成員 楊玉霞 謹啟
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 X 董事會成員 楊玉霞 謹啟
 Y 董事會成員 楊玉霞 謹啟
 Z 董事會成員 楊玉霞 謹啟