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FRIENDTIMES
FriendTimes Inc.

友誼時光股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6820)

**GRANT OF AWARD SHARES
UNDER THE SHARE AWARD SCHEME**

Reference is made to the announcements of FriendTimes Inc. (the “**Company**”) dated 14 September 2020 in relation to the adoption of the Share Award Scheme and the share contribution by the controlling shareholder of the Company for the Share Award Scheme (together, the “**Announcements**”). Unless otherwise stated, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcements.

On 28 December 2020, the Board (including all independent non-executive Directors, save and except for the relevant Directors who are Share Award Grantees and have abstained from voting in relation to the grant of Awarded Shares to themselves), based on the recommendation of the remuneration committee, resolved to grant a total of 40,000,000 Awarded Shares, which have been held by the Trustee on behalf of the Selected Participants, at nil consideration to the Share Award Grantees. The grant of Awarded Shares will be effective from 1 January 2021 (the “**Date of Grant**”) and is subject to the acceptances by the Share Award Grantees. The Share Award Grantees will be granted 13,834 shares of Purple Dream Holdings Limited. As Purple Dream Holdings Limited directly holds 100% of the issued shares of Purple Crystal Holdings Limited, which in turn directly holds 144,574,384 Shares in the Company, the 13,834 shares in Purple Dream Holdings Limited

(representing 27.668% of the total issued shares of Purple Dream Holdings Limited) represented the indirect interest in 40,000,000 Shares of the Company. Details of the Share Award Grantees are set out below:

Share Award Grantees	Number of Awarded Shares
Employees of the Group	36,000,000
Directors of the Company	
Mr. Wu Jie	2,000,000
Mr. Sun Bo	<u>2,000,000</u>
Total Awarded Shares	<u><u>40,000,000</u></u>

The grant of the Award Shares will not result in any issue of new Shares or any dilution effect on the existing shareholding of the Company.

Since Mr. Wu Jie and Mr. Sun Bo are executive Directors of the Company, they are connected persons of the Company and the grant of Awarded Shares to them constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. The grant of Awarded Shares to each of Mr. Wu Jie and Mr. Sun Bo will form part of their remuneration under their respective service contracts and is therefore fully exempt from the reporting, announcement and independent shareholders' approval requirements under Rules 14A.73(6) and 14A.95 of the Listing Rules.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the grant of other Awarded Shares to the employees of the Group will not be subject to connected transaction requirements under Chapter 14A of the Listing Rules.

The 40,000,000 Awarded Shares to be granted to the Share Award Grantees represent approximately 1.83% of the issued share capital of the Company as at the date of this announcement. The 40,000,000 Awarded Shares represent the value of approximately HK\$80.0 million, taking into account the closing price of HK\$2.0 per Share as stated in the daily quotation sheet issued by the Stock Exchange on 28 December 2020, the date of the Board approving the grant. The vesting of the Awarded Shares is subject to the conditions as set out in the Scheme Rules and the fulfillment of such conditions, if any, as specified by the Board.

DEFINITIONS

“Awarded Shares” in respect of a Selected Participant, such number of Shares determined by the Board under an award;

“Board” the board of Directors;

“Company”	FriendTimes Inc. (友誼時光股份有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange on 8 October 2019 (Stock Code: 6820);
“Date of Grant”	1 January 2021;
“Director(s)”	the director(s) of the Company;
“Group”	the Company, the subsidiaries and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Scheme Rules”	the rules of the Share Award Scheme, as amended from time to time;
“Selected Participant”	eligible participant(s) selected by the Board pursuant to the Scheme Rules who holds a subsisting Award;
“Share Award Grantees”	the grantees selected by the Board on 28 December 2020, to whom the Awarded Shares are granted on 1 January 2021 by the Board pursuant to the terms of the Share Award Scheme;
“Share Award Scheme”	the share award scheme adopted by the Company on 14 September 2020 (in its present or any amended form);
“Share(s)”	ordinary share(s) of US\$0.00001 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Trustee”	TMF Trust (HK) Limited, the trustee which has been appointed by the Company to manage the Share Award Scheme.

By order of the Board
FriendTimes Inc.
JIANG Xiaohuang
Chairman and Executive Director

Hong Kong, 28 December 2020

As at the date of this announcement, the Board comprises Mr. Jiang Xiaohuang, Mr. Xu Lin, Mr. Wu Jie and Mr. Sun Bo as the executive Directors; and Mr. Zhu Wei, Ms. Tang Haiyan and Mr. Zhang Jinsong as the independent non-executive Directors.