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**Shanghai Conant Optical Co., Ltd.**  
**上海康耐特光學科技集團股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2276)**

**VOLUNTARY ANNOUNCEMENT –**  
**PLAN OF PROPOSED GRANT OF SHARE AWARDS PURSUANT TO**  
**THE RESTRICTED SHARE UNIT SCHEME**

**PLAN OF PROPOSED GRANT OF SHARE AWARDS**

Reference is made to the circular (the “**Circular**”) of the Company dated 1 December 2023 in relation, among others, the adoption of the restricted share unit scheme by the Company. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Circular.

The Board is pleased to announce that, on 24 November 2024, the Company has resolved to propose a plan in granting 11,926,000 RSU(s) involving 11,926,000 Shares representing approximately 2.8% of the total issued Shares as at the date of this announcement, to the intended Selected Participants, under the Scheme (the “**RSU Grant(s)**”).

Details of the proposed Grants are set out below:

**Expected Grant Date:** a designated date in January 2025 to be determined

**Proposed purchase price of the RSU(s) to be granted:** HK\$4.58 per Share

**Vesting period of the RSU(s):** The RSU(s) under the Scheme shall have the following vesting period:

- (i) 33% of the RSU(s) shall vest on 30 April 2026 (the “**First Vesting Period**”);
- (ii) 33% of the RSU(s) shall vest on 30 April 2027 (the “**Second Vesting Period**”); and
- (iii) the remaining 34% of the RSU(s) shall vest on 30 April 2028 (the “**Third Vesting Period**”).

All of the above dates are provisional only and are subject to (i) the audited results of the Company for the years ending 31 December 2025, 2026 and 2027 respectively; and (ii) the Company confirming the fulfillment of the performance targets (as disclosed below) by each Selected Participants. Upon vesting, each of the RSU shall automatically be converted into Shares of the Company as a share under the Award.

The remuneration committee of the Board and the Board are of the view that the above vesting period arrangement is appropriate.

**Performance targets of  
the RSU(s):**

Each vesting of the RSU(s) granted to the Selected Participants will be subject to the individual's annual year-end comprehensive performance evaluation, which shall be based on performance targets and evaluation rules set by the Company in line with business development goals. The vesting percentage of the RSU(s) at each vesting date will be adjusted based on the individual's annual evaluation results. The specific details of the performance targets are set out below:

*Performance indicator condition (the “**Performance Indicator Condition**”):*

Under the Performance Indicator Condition, the base indicators to be taken into consideration are the annual net profit attributable to the Group for each of the year ending 31 December 2025, 31 December 2026 and 31 December 2027 respectively, excluding the profit impact from the allocation of costs related to the implementation of RSU (hereinafter referred to as “**Attributable Net Profit**”). The data for the Attributable Net Profit will be published annually after being approved by the auditor of the Company. The details of the benchmark Attributable Net Profit to be met to fulfil the Performance Indicator Condition are as follows:

For the First Vesting Period, the Group shall achieve no less than a 21% increase of the Attributable Net Profit over the year ending 31 December 2025. For the Second Vesting Period, the Group shall achieve no less than a 17% increase of the Attributable Net Profit over the year ending 31 December 2026. For the Third Vesting Period, the Group shall achieve no less than a 15% increase of the Attributable Net Profit over the year ending 31 December 2027. However, if there are material changes in the external economic environment which lead to major changes in the above mentioned indicators, the Board has the discretion to adjust the indicators to align with the actual performance of the Company.

For the avoidance of doubt, the above indicators do not constitute the Company's forecast of its future performance or profitability.

*Service longevity condition (the "Service Longevity Condition"):*

Under the Service Longevity Condition, Selected Participants must have continuously served in the Company between the date of RSU Grant(s) and the vesting period of the RSU(s). If they have departed from the Company, resigned, or are dismissed during this period, they will not be considered to have met the Service Longevity Conditions and thus any RSU(s) granted to such individuals will not be vested.

*Individual performance assessment conditions (the "Individual Performance Assessment Conditions"):*

Under the Individual Performance Assessment Condition, the Board or its authorised personnel(s) will conduct annual performance assessments for each Selected Participants. Performance assessment results will be categorised as "qualified" or "unqualified." The RSU(s) will only be vested for those with a "qualified" performance assessment result. A Selected Participant will be regarded as "unqualified" if he/she:

1. has committed any acts of fraud, dishonesty, or serious misconduct, or any violations as determined by the Board at their sole discretion;
2. has been adjudicated for any criminal offenses related to integrity or honesty, or being legally liable for any violations under the SFO, or other securities laws, or any other applicable laws, rules, or regulations in Hong Kong or China;

3. has violated professional ethics or non-compete undertakings (if applicable) and leaking confidential information of the Company;
4. being determined by the Board, at their sole discretion, that he/she has harmed the Company's interests or reputation due to negligence or intentional misconducts; or
5. being determined by the Board that he/she has been involved in other situations, including but not limited to serious violations of relevant rules of the Group, employee handbooks, or job responsibilities.

**Clawback mechanism of the Award Shares:**

The key clawback terms are as follows:

Unless otherwise waived by the Board, in the event that the vesting conditions (if any) specified in an Award Letter are not fully satisfied prior to or on the relevant Vesting Date, the award of the RSU shall lapse, such RSU shall not vest on the relevant Vesting Date.

In the event that a Selected Participant ceases to be an Eligible Person on or prior to the relevant Vesting Date in accordance with the Scheme and the Award in respect of the relevant Vesting Date shall lapse or be forfeited pursuant to the Scheme, such Award shall not vest on the relevant Vesting Date.

If a Selected Participant ceases to be an Eligible Person by reason of (i) retirement of the Selected Participant by agreement with a member of the Group; (ii) death of the Selected Participant; or (iii) termination of the Selected Participant's employment or contractual engagement with the Group by reason of his/her permanent physical or mental disablement resulting from work injury as a result of his/her employment with the Group, any outstanding RSUs not yet vested shall be vested on the next available Vesting Date set out in the Award Letter or on such other date as may be determined by the Board or the Delegatee at their sole and absolute discretion.

Details of the intended Selected Participants are set out below:

<b>Proposed Selected Participants</b>	<b>Positions held with the Company</b>	<b>Proposed No. of RSU(s)</b>
Mr. Zheng Yuhong	Executive Director	426,000
Mr. Chen Junhua	Executive Director	426,000
Mr. Xia Guoping	Executive Director	426,000
Mr. Wang Chuanbao	Executive Director	350,000
Mr. Xu Jingming	Supervisor	300,000
Ms. Li Yan	Supervisor	75,000
Mr. Tang Baohua	Supervisor	31,500
Other 148 Employees of the Group	Employees	9,891,500

Further update(s) on the proposed Selected Participates will be announced upon the formal RSU Grant.

#### **REASONS FOR AND BENEFITS OF THE PROPOSED GRANT OF RSU(S)**

The purposes of the RSU(s) Grant are as follows:

- (a) to recognize the contributions made by the Eligible Persons and provide incentives to them in order to retain them for the continuous operation and development of the Group;
- (b) to attract talents for further development of the Group and enhance competitiveness of such talents; and
- (c) to align the interests of Eligible Persons to the Group's values, enabling employees to work towards the Group's long-term development goals.

Based on the above, the Board is of the view that the RSU(s) Grant to the proposed Selected Participants recognises their contributions, aligns with the purpose of the Scheme, and is in the interests of the Company and Shareholders as a whole.

The Company will make further announcement(s) in relation to the grant of RSU(s) as and when appropriate.

By order of the Board  
**Shanghai Conant Optical Co., Ltd.**  
上海康耐特光學科技集團股份有限公司  
**Fei Zhengxiang**  
*Executive Director and Chairman of the Board*

Hong Kong, 25 November 2024

*As at the date of this announcement, the Board comprises Mr. Fei Zhengxiang, Mr. Zheng Yuhong, Mr. Xia Guoping, Mr. Chen Junhua and Mr. Wang Chuanbao as executive Directors; Ms. Zhao Xiaoyun as non-executive Directors; and Dr. Xiao Fei, Mr. Chen Yi and Dr. Wu Ying as independent non-executive Directors.*