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Huitongda Network Co., Ltd.

匯通達網絡股份有限公司

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

(Stock Code: 9878)

VOLUNTARY ANNOUNCEMENT GRANT OF RESTRICTED SHARE UNITS

This announcement is made by Huitongda Network Co., Ltd. (the “**Company**”) on a voluntary basis.

References are made to (i) the announcement of the Company dated October 11, 2022 and the circular of the Company dated November 11, 2022 (the “**Circular**”), and (ii) the poll results announcement of the Company dated November 28, 2022, in relation to the proposed adoption and adoption of the RSU Scheme, respectively. Unless the context otherwise specified, capitalized terms used in this announcement shall have the same meanings as defined in the Circular.

GRANT OF RESTRICTED SHARE UNITS

The Board is pleased to announce that on April 6, 2023 (after trading hours), the Remuneration and Appraisal Committee resolved and approved the grant of 4,842,500 RSUs to 494 Selected Participants (the “**Selected Participants**”) under the RSU Scheme (the “**Grant**”), subject to acceptance by the Selected Participants.

On April 6, 2023 (the “**Date of Grant**”), a total of 4,842,500 RSUs representing 4,842,500 H Shares were granted to the Selected Participants, which accounted for approximately 0.86% of the total number of issued Shares as at the date of this announcement and approximately 2.69% of the number of H Shares as at the date of this announcement.

The Company will not issue or allot additional new Shares in respect of the Grant, and accordingly, the Grant will not result in any dilution effect on the shareholdings of existing shareholders of the Company.

Details of the Grant are set out as follows:

Date of Grant	April 6, 2023
Grantees	A total of 494 Selected Participants including the Connected Grantees as defined and set out below.
Number of H Shares underlying RSUs granted	4,842,500

Market price of the H Shares underlying RSUs on the Date of Grant	HK\$30.15 ^{(Note (1))}
Vesting Period of the Shares underlying RSUs	<i>For Selected Participants who are employees of the Company, the business units companies^{(Note (2))} and divisions</i>

Among the Grant, 4,372,000 RSUs were granted to the employees of the Company, the business units companies and divisions, which shall be vested within the periods as follows:

- (i) as to 10% of the RSUs in November 2024;
- (ii) as to 20% of the RSUs in November 2025;
- (iii) as to 20% of the RSUs in November 2026;
- (iv) as to 20% of the RSUs in November 2027; and
- (v) as to 30% of the RSUs in November 2028.

For Selected Participants who are employees of other subsidiaries of the Company

Among the Grant, 470,500 RSUs were granted to the employees of other subsidiaries of the Company, which shall be vested in April 2026.

Performance targets	<i>For Selected Participants who are employees of the Company, the business units companies and divisions</i>
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The vesting of the RSUs is subject to the corresponding performance targets and other requirements set out in the respective Award Letters, and specific vesting conditions (“**Tier One Conditions**”) are as follows:

- (1) no less than 30% increase in net profits attributable to equity shareholders of the Company as compared with the corresponding figure in the preceding year;
- (2) accomplishment of profit targets for the corresponding preceding year by the business unit in which the such participant serves; and
- (3) achievement of individual performance indicators.

For Selected Participants who are employees of other subsidiaries of the Company

The vesting of the RSUs is subject to the corresponding performance targets and other requirements set out in the respective Award Letters, and specific vesting conditions are as follows:

- (1) no less than 30% year-on-year increase in the net profits attributable to equity shareholders of the Company for three consecutive years of 2023, 2024 and 2025; and
- (2) no less than 10% year-on-year increase in profits before tax of other subsidiaries for the three consecutive years of 2023, 2024 and 2025.

Clawback mechanism If the Selected Participant fails to fulfil the vesting conditions applicable to the relevant Awards, or any circumstances specified in the respective Award Letters arise, any RSUs granted but not yet vested to such Selected Participant shall be automatically forfeited and lapsed.

In relation to the Grant, the Company shall procure China Credit Trust Co., Ltd. (中誠信託有限責任公司), an independent third party independent of the Company and its connected persons (as defined in the Listing Rules) as the Trustee to make on-market purchase of existing H Shares to satisfy the RSUs granted upon vesting. The Company will provide sufficient funds to the Trustee for the acquisition of H Shares underlying the RSUs granted in the secondary market and to satisfy any other obligations in connection with the administration and vesting of the RSUs granted.

Notes: (1) Based on the closing price of HK\$30.15 per H Share as quoted on the Stock Exchange on April 6, 2023.

- (2) Business unit companies refer to management companies for each of our Group's key businesses with strategic importance to the Group's overall operation, and as of the date of this announcement, they refer to Yifantong Network Technology Co., Ltd. (億凡通網絡科技有限責任公司), Jiangsu Yunchang Network Technology Co., Ltd. (江蘇雲昌網絡科技有限公司), Jiangsu Jushixinchuang Network Technology Co., Ltd. (江蘇聚勢心創網絡科技有限公司), Qianyun Information Technology Co., Ltd. (阡耘信息科技有限責任公司), Huitong Datatech Smart Technology Co., Ltd. (匯通數科智能科技有限公司) and Huitongda New Energy Technology Co., Ltd. (匯通達新能源科技有限公司).

CONNECTED GRANTEES

Among the Grant, 918,000 RSUs were granted to 13 connected persons of the Company (the “**Connected Grantee(s)**”), details of which were set out below:

Connected Grantees	Position in the Group	Applicable Vesting Conditions
Xu Xiuxian	Executive Director, the Chief Executive Officer and President of the Company	Tier One Conditions
Zhao Liangsheng	Executive Director, the Chief Financial Officer and the Vice President of the Company	Tier One Conditions
Sun Chao	Executive Director and the Vice President of the Company	Tier One Conditions
Li Wei	Supervisor of the Company	Tier One Conditions
Mao Yijun	Supervisor of the Company	Tier One Conditions
Wang Xinghua	Supervisor of the Company	Tier One Conditions
Seven (7) other Connected Grantees ^(Note)	Employees of the business unit companies	Tier One Conditions

Note: These Connected Grantees are connected persons at the subsidiary level.

The grant of RSUs to the Connected Grantees was conducted on normal commercial terms or better and the applicable percentage ratios in respect of the grant of RSUs to each Connected Grantee are less than 0.1%.

The independent non-executive Directors, namely Ms. Yu Lixin, Mr. Liu Xiangdong and Mr. Cheng Zichuan, have approved the grant of RSUs to Connected Grantees pursuant to Rule 6.3 of the RSU Scheme Rules.

Save as disclosed above, to the best knowledge, information and belief of the Directors, as at the date of this announcement, none of the other grantees of the RSUs is a connected person of the Company.

LISTING RULES IMPLICATIONS

As the RSU Scheme is an employees’ share scheme established for a wide scope of participants and the Connected Grantee’s aggregate interest in the Scheme is less than 30%, the Trustee does not constitute a connected person of the Company under Rule 14A.12(1)(b) of the Listing Rules.

The Connected Grantees are Directors, supervisors, chief executive and substantial Shareholders of the company and directors, supervisors and chief executive of our subsidiaries (other than insignificant subsidiaries), and therefore each of them is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the grant of RSUs to Connected Grantees constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the grant of RSUs to Connected Grantees was conducted on normal commercial terms or better and the applicable percentage ratios in respect of the grant of RSUs to each Connected Grantee are less than 0.1%, such grant of RSUs to the Connected Grantees is fully exempt from the reporting, announcement and independent Shareholders' approval requirements according to Rule 14A.76 of the Listing Rules.

By order of the Board
Huitongda Network Co., Ltd.
Wang Jianguo
Chairman

Nanjing, PRC
April 6, 2023

As at the date of this announcement, the Board comprises the Chairman and non-executive Director, namely Mr. Wang Jianguo; the executive Directors, namely Mr. Xu Xiuxian, Mr. Zhao Liangsheng and Mr. Sun Chao; the non-executive Directors, namely Mr. Cai Zhongqiu and Mr. Wang Ran; and the independent non-executive Directors, namely Ms. Yu Lixin, Mr. Liu Xiangdong and Mr. Cheng Zichuan.