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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)

DISCLOSEABLE TRANSACTION
REDEMPTION OF WEALTH MANAGEMENT PRODUCTS

From 28 July 2023 to 9 May 2024, Shanghai Conant, a subsidiary of the Company, successively redeemed the Existing Product from SRCB in the aggregate amount of RMB94 million.

REDEMPTION OF THE SRCB PRODUCTS

The Board announces that on 30 May 2024, Shanghai Conant, a subsidiary of the Company, further redeemed the SRCB Products in the aggregate principal amount of RMB10 million.

IMPLICATIONS OF THE LISTING RULES

As the accumulated highest applicable percentage ratio in relation to the previous redemptions calculated under Chapter 14 of the Listing Rules was less than 5%, the previous redemptions did not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules.

As the Wealth Management Products are of similar nature as each other and are redeemed from the same financial institution within a 12-month period, the principal amount of the previous redemptions of the Wealth Management Products shall be aggregated with that of the current redemption on 30 May 2024 as if they were one transaction with SRCB for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated under Chapter 14 of the Listing Rules, on an aggregate basis, exceeds 5% but is less than 25%, the Redemption constitutes a discloseable transaction of the Company for the purpose of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As disclosed in the announcement of the Company dated 16 May 2023, Shanghai Conant, a subsidiary of the Company, subscribed for the Wealth Management Products from SRCB in the principal amount of RMB165 million with the internal funds of the Group. Subsequently, Shanghai Conant successively redeemed the Wealth Management Products as and when the management of Shanghai Conant considered appropriate, and on 30 May 2024, the Company has made further redemption in the accumulated principal amount of RMB104 million.

As at the date of this announcement, the outstanding redemption amount of the Wealth Management Product is approximately RMB61 million. The return from the disposed Wealth Management Products is approximately RMB3.3 million. Shanghai Conant may continue to redeem the outstanding amount of the Wealth Management Product in the future.

The considerations of the previous redemption and the current redemption are the principal amount of the related Wealth Management Products or their corresponding portions. After the redemption, the principal received and the return generated from investments will be used for the Company's day-to-day operational funding.

REASONS FOR AND BENEFITS OF THE REDEMPTION

Taking into account the performance of the related Wealth Management Products and to lock the return, and to preserve sufficient funds for the Group's liquidity for future's business development, the Directors are of the view that the arrangements of the Redemption are fair and reasonable and are in the interest of the Group and its Shareholders as a whole.

INFORMATION ON THE RELATED PARTIES

The Group and Shanghai Conant

The Group is principally engaged in the manufacture and sale of resin spectacle lenses. Shanghai Conant is a wholly-owned subsidiary of the Company and is also principally engaged in the manufacture and sale of resin spectacle lenses.

SRCB

SRCB is a company established under the laws of the PRC with limited liability. SRCB is principally engaged in commercial banking business which provides services such as accepting deposits, making loans, settlement, comprehensive financial services and other banking services.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, SRCB and its ultimate beneficial owner(s) are Independent Third Parties.

IMPLICATIONS OF THE LISTING RULES

As the accumulated highest applicable percentage ratio in relation to the previous redemptions calculated under Chapter 14 of the Listing Rules was less than 5%, the previous redemptions did not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules.

As the Wealth Management Products are of similar nature as each other and are redeemed from the same financial institution within a 12-month period, the principal amount of the previous redemptions of the Wealth Management Products shall be aggregated with that of the current redemption on 30 May 2024 as if they were one transaction with SRCB for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated under Chapter 14 of the Listing Rules, on an aggregate basis, exceeds 5% but is less than 25%, the Redemption constitutes a discloseable transaction of the Company for the purpose of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	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 PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 2276)
“Director(s)”	the director(s) of the Company
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, does not include Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
“Redemption”	redemption of the related Wealth Management Products by Shanghai Conant from SRCB
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Conant”	Shanghai Conant Optics Co., Ltd.* (上海康耐特光學有限公司), a limited liability company established in the PRC on 13 April 2011 and a wholly-owned subsidiary of the Company

“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“SRCB”	Shanghai Rural Commercial Bank Co., Ltd. (上海農村商業銀行股份有限公司), a company incorporated in the PRC with limited liability
“Wealth Management Product(s)”	collectively, the wealth management products subscribed by the Company as disclosed in the announcement of the Company dated 16 May 2023
“%”	per cent

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, 30 May 2024

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

* *For identification purposes only.*