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HUABAO INTERNATIONAL HOLDINGS LIMITED

華寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00336)

GRANT OF RESTRICTED SHARES BY A SUBSIDIARY UNDER THE SHARE INCENTIVE SCHEME

This announcement is made by Huabao International Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.13 and 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Reference is made to the circular of the Company dated 10 November 2025 (the "**Circular**") and the poll results announcement dated 28 November 2025 in relation to, among other things, the adoption of the restricted share incentive scheme (the "**Share Incentive Scheme**") of Huabao Flavours & Fragrances Co., Ltd. ("**Huabao Flavours**"), a principal subsidiary of the Company under Chapter 17 of the Listing Rules. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

As disclosed in the Circular, the Share Incentive Scheme provides for the grant of up to 19,100,000 Restricted Shares in total (the "**Scheme Mandate Limit**"), assuming all Restricted Shares are vested and deliverable. The Scheme Mandate Limit comprises (i) 18,100,000 Restricted Shares forming the initial batch available for grant under the scheme (the "**Initial Grant**"); and (ii) 1,000,000 Restricted Shares reserved for future grant (the "**Reserved Portion**").

Grant of Restricted Shares by a subsidiary under the Share Incentive Scheme

The Board announces that on 28 November 2025, the Huabao Flavours Board resolved to implement the Initial Grant by granting an aggregate of 18,100,000 Restricted Shares to 135 Incentive Participants (collectively, the "**Grantees**" and each, a "**Grantee**"). The Grantees comprise directors, senior management, core management, technical and business personnel of Huabao Flavours, and other personnel (all of whom are directors or employees of Huabao Flavours and/or its controlled subsidiaries) whom the Huabao Flavours Board considers necessary to incentivise.

Details of the grant of Restricted Shares are set out below:

Item	:	**Details**		
Date of grant	:	28 November 2025 (the "**Date of Initial Grant**")		
Grantees and the number of Restricted Shares granted	:	**Name**	**Position**	**Number of Restricted Shares Granted (10,000 shares)**
		I. Directors and Senior Management		
		YUAN Xiaoqin	Director, President	150
		LI Xiaojun	Director, Vice President	80
		HAN Pengliang	Director, Vice President	80
		HOU Xiaoqin	Vice President and Secretary of the Huabao Flavours' Board	65
		YUN Qiudong	Vice President	80
		REN Yujin	Chief Financial Officer	50
		II. Core management, technical and business personnel of Huabao Flavours (including its controlled subsidiaries) and other personnel deemed necessary by the Huabao Flavours Board (total of 129)		1,305
		III. Total		1,810
Total Number of Restricted Shares granted	:	The grant comprises an aggregate of 18,100,000 Restricted Shares, representing approximately 2.94% of Huabao Flavours' total number of shares in issue as at the Date of Initial Grant.		
Grant price of the Restricted Shares	:	No amount is payable by the Grantees upon application for or acceptance of the grant of the Restricted Shares, and there is no arrangement for any payment, call or loan to be made or repaid in connection with the grant.		

Purchase Price of the Restricted Shares granted	:	The Purchase Price of the Restricted Shares granted is RMB9.57 per share. No financial assistance will be provided by Huabao Flavours to the Grantees to facilitate the purchase of the Restricted Shares.
Closing price of Huabao Flavours' shares on the Date of Initial Grant	:	RMB17.48 per share
Vesting of the Restricted Shares	:	The Restricted Shares granted pursuant to the Initial Grant under the Share Incentive Scheme shall vest in three tranches, in the respective proportion of 30%, 30% and 40%. The vesting period and vesting arrangements for the Initial Grant of Restricted Shares under the Share Incentive Scheme are set out as follows:

Vesting Period	**Vesting Period Description**	**Proportion of Granted Shares to be Vested**
First Vesting Period	Vesting of the first tranche shall commence on the first trading day after the elapse of 12 months from the Date of Initial Grant till the last trading day within 24 months after the Date of Initial Grant	30%
Second Vesting Period	Vesting of the second tranche shall commence on the first trading day after the elapse of 24 months from the Date of Initial Grant till the last trading day within 36 months after the Date of Initial Grant	30%
Third Vesting Period	Vesting of the third tranche shall commence on the first trading day after the elapse of 36 months from the Date of Initial Grant till the last trading day within 48 months after the Date of Initial Grant	40%

Performance Targets attached : Vesting of the Restricted Shares under the Initial Grant will be subject to the fulfillment of the pre-established performance targets, details of which are set out as follows:

Performance Targets at Huabao Flavours' Level

Vesting Period	Corresponding Assessment Year	Performance Target
First Vesting Period	2026	Revenue growth of 10% in 2026 as compared to that of 2025
Second Vesting Period	2027	Revenue growth of 25% in 2027 as compared to that of 2025
Third Vesting Period	2028	Revenue growth of 35% in 2028 as compared to that of 2025

Performance targets at individual level

Pursuant to the Huabao Flavours 2025 Restricted Share Incentive Scheme Implementation and Assessment Measures, the pro rata vesting of Restricted Shares to Grantees shall be contingent upon Huabao Flavours achieving the performance targets for the relevant assessment year, and the actual vesting percentage for each Grantee shall be determined based on his/her individual performance assessment results.

The formula for calculating an individual Grantee's vesting percentage in a given year is as follows:

Actual number of Restricted Shares vested in the year = Standard Factor × Number of Restricted Shares scheduled to vest under the Scheme for the individual in the year

Assessment Result	Standard Factor
Pass or above	1.0
Below Pass	0

Clawback mechanism of the Restricted Shares : If a Grantee violates the law, breaches professional ethics, discloses company secrets, engages in misconduct or malpractice that causes serious harm to the interests or reputation of Huabao Flavours, or breaches any Non-Competition Agreement with Huabao Flavours, Huabao Flavours, may, with the approval of the Huabao Flavours Board, cancel the vesting of any Restricted Shares granted but not yet vested. In serious cases, Huabao Flavours may also seek to recover any losses incurred in connection thereto in accordance with applicable laws.

If Huabao Flavours' disclosure documents are found to contain any false or misleading statement, or material omission, which results in the grant or vesting conditions of the Restricted Shares not being satisfied, the Grantees shall, upon confirmation of such false or misleading statement or material omission in the relevant disclosure documents, return to Huabao Flavours all benefits received under the Share Incentive Scheme, and any Restricted Shares granted but not yet vested shall not vest.

A Grantee who, after leaving Huabao Flavours, breaches the Non-Competition Agreement entered into with Huabao Flavours shall be required to return all benefits derived from the Restricted Shares under the Share Incentive Scheme.

To the best knowledge, information and belief of the directors of the Company (the "**Director(s)**"), having made all reasonable enquiries, as at the date of this announcement, none of the Grantees is a Director, chief executive or substantial shareholder of Company or their respective associates or otherwise a connected person of the Company.

The Company further confirms that the grant of the Restricted Shares to each of the Grantees will not result in:

(i) the shares issued and to be issued in respect of all options and awards granted (excluding any awards lapsed in accordance with the terms of the Relevant Schemes) to any such Grantee in the 12-month period up to and including the Date of Initial Grant representing over 1% of Huabao Flavours' total number of shares in issue (excluding any treasury shares) as at the Date of Initial Grant;

(ii) the aggregate number of shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the Relevant Schemes) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates, in the 12-month period up to and including the Date of Initial Grant representing over 0.1% of Huabao Flavours' total number of shares in issue (excluding any treasury shares) as at the Date of Initial Grant; or

(iii) the aggregate number of shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the Relevant Schemes) to any independent non-executive Director or substantial shareholder of the Company, or any of their associates, in the 12-month period up to and including the Date of Initial Grant representing over 0.1% of Huabao Flavours' total number of shares in issue (excluding any treasury shares) as at the Date of Initial Grant.

Reasons for and benefits of the Initial Grant

The purpose of the Initial Grant is consistent with that of the Share Incentive Scheme, which is to attract and retain outstanding talent and to fully motivate the directors, senior management, core management, technical and business personnel of Huabao Flavours, as well as such other personnel (all of whom are directors or employees of Huabao Flavours and/or its controlled subsidiaries) whom the Huabao Flavours Board deems necessary to incentivise. The Board believes that the implementation of the Initial Grant will facilitate the achievement of the above purposes and support the sustainable long-term development of Huabao Flavours, thereby contributing to the overall growth of the Group.

Number of shares available for future grant

As at the date of this announcement, 1,000,000 Restricted Shares (being the Reserved Portion) remain available for future grant under the Share Incentive Scheme, representing approximately 5.24% of the Scheme Mandate Limit.

By Order of the Board
Huabao International Holdings Limited
POON Chiu Kwok
Executive Director

Hong Kong, 28 November 2025

As at the date of this announcement, the Board comprises six executive directors, namely Ms. CHU Lam Yiu, Messrs. LAM Ka Yu, XIA Liqun, POON Chiu Kwok, Ms. LAM Ka Yan and Ms. CHOY Man Har and three independent non-executive directors, namely Messrs. LEE Luk Shiu, Jonathan Jun YAN and HOU Haitao.

** For identification purposes only*