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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)**

**PROPOSED ADOPTION OF THE 2024 H SHARE OPTION SCHEME  
AND PROPOSED AUTHORIZATION TO THE REMUNERATION AND  
APPRAISAL COMMITTEE AS THE DELEGATEE  
TO HANDLE MATTERS IN RELATION  
TO THE 2024 H SHARE OPTION SCHEME**

The Board is pleased to announce that, on September 20, 2024, the Board has resolved to propose the adoption of the 2024 H Share Option Scheme and the grant of authorization to the Remuneration and Appraisal Committee as the Delegatee to handle matters in relation to the 2024 H Share Option Scheme. The 2024 H Share Option Scheme will constitute a share scheme involving the issue of new H Shares under Chapter 17 of the Listing Rules. Details of the terms of the 2024 H Share Option Scheme will be set out in a circular to be despatched to the Shareholders in due course.

A summary of the principal terms of the 2024 H Share Option Scheme is set out below:

- Purposes** :
- The purpose of the 2024 H Share Option Scheme is to enable the Company to grant Options to the Eligible Participants as a reward or recognition for their contribution or potential contribution to the Group, and to provide the Eligible Participants with the opportunity to acquire proprietary interests in the Company in order to achieve the following objectives:
    - (a) to recognize and acknowledge the contributions that the Eligible Participants have or may have made or may make to the Group and to encourage the Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole;
    - (b) to enhance the Eligible Participants' motivation and loyalty and to encourage and retain the Eligible Participants and attract talents to make contributions to the long-term development goals of the Group; and
    - (c) to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to the Eligible Participants.

- Conditions** : The 2024 H Share Option Scheme will take effect upon satisfaction of the following conditions:
- (a) passing of the relevant resolution(s) by the Shareholders in the EGM; and
  - (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the H Shares which may fall to be allotted and issued upon exercise of the Options that may be granted under the 2024 H Share Option Scheme.
- Duration** : Subject to any early termination as determined by the Board or at the general meeting in accordance with the Scheme Rules, the 2024 H Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which no further Option shall be granted under the 2024 H Share Option Scheme, but the provisions of the 2024 H Share Option Scheme shall remain in full force and effect in all other respects. In particular, all Options granted during the term of the 2024 H Share Option Scheme shall continue to be valid and exercisable subject to and in accordance with the 2024 H Share Option Scheme.
- Eligible Participants** : Eligible Participants as determined by the Board or the Delegatee from time to time shall be eligible to participate under the 2024 H Share Option Scheme and shall comprise three categories:
- (a) employee participants, being directors and employees of the Company and its subsidiaries (including any person who is granted Options under the 2024 H Share Option Scheme as an inducement to enter into employment contracts with any member of the Group) (the “**Employee Participants**”);
  - (b) related entity participants, being directors and employees of any holding companies, fellow subsidiaries or associated companies of the Company (the “**Related Entity Participants**”); and
  - (c) service providers, being any person (natural person or corporate entity) who provides services to the Group on a continuing and recurring basis in the ordinary and usual course of business of the Group which are in the interests of the long-term growth of the Group (excluding any placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity) (the “**Service Providers**”).

**Scheme Mandate Limit and Service Provider Sublimit** : The maximum number of H Shares which may be issued upon exercise of Option(s) under the 2024 H Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules) (the “**Scheme Mandate Limit**”) shall be such number of H Shares which represent 10% of the total number of H Shares in issue (excluding Treasury Shares) as at the Adoption Date. Assuming that there is no change in the total number of Shares in issue between the period from the date of this announcement up to the Adoption Date, the maximum number of H Shares which may be issued upon exercise of all Options which may be granted pursuant to the 2024 H Share Option Scheme and any other share schemes of the Company will be 18,026,633 H Shares, representing approximately 3.2% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date. Within the Scheme Mandate Limit, the maximum number of H Shares which may be issued to Service Providers upon exercise of Option(s) under the 2024 H Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules) (the “**Service Provider Sublimit**”) shall be such number of H Shares which represent 5% of the total number of H Shares in issue (excluding Treasury Shares) as at the Adoption Date. Assuming that there is no change in the total number of Shares in issue between the period from the date of this announcement up to the Adoption Date, the maximum number of H Shares which may be issued upon exercise of all Options which may be granted to the Service Providers pursuant to the 2024 H Share Option Scheme and any other share schemes of the Company will be 9,013,316 H Shares, representing approximately 1.6% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date.

**Individual Limit** : Grant of Options to each individual is subject to the thresholds as set out in Chapter 17 of the Listing Rules. Grants to individuals that exceed the thresholds will be subject to additional approval requirements as required under Chapter 17 of the Listing Rules.

**Vesting Period** : The Board or the Delegatee may subject to all applicable laws, rules and regulations determine vesting periods for vesting of the Options in its sole and absolute discretion. The vesting period of the Options shall not be less than twelve (12) months, save and except that Options to be granted to an Employee Participant may be subject to a vesting period of less than twelve (12) months in the following circumstances:

- (a) grants of “make-whole” Options to a new joiner to replace the share awards or options which he/she forfeited when leaving his/her previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;

- (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons. They may include Options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which the Options would have been granted;
- (e) grants with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months; and
- (f) grants of Options with a total vesting and holding period of more than 12 months.

**Performance Targets** : The Board or the Delegatee may, at its sole and absolute discretion, determine the performance targets or impose other conditions, restrictions or limitations in respect of the vesting of the Options on a case-by-case basis. Unless otherwise determined by the Board or the Delegatee and specified in the letter of offer, there is no requirement of performance target which needs to be achieved before the Options can be vested.

**Exercise Period** : The Board or the Delegatee may in its sole and absolute discretion determine the Exercise Period of the Options, but in all circumstances the Exercise Period shall not be more than ten (10) years from the Offer Date.

**Exercise Price:** : The Exercise Price of the Options shall be no less than the highest of: (a) the closing price of the H Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date; (b) the average closing prices of the H Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the Offer Date; and (c) the nominal value of the H Shares.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the H Shares to be issued pursuant to the exercise of the Options to be granted under the 2024 H Share Option Scheme.

## **PROPOSED AUTHORIZATION TO THE REMUNERATION AND APPRAISAL COMMITTEE AS THE DELEGATEE TO HANDLE MATTERS IN RELATION TO THE 2024 H SHARE OPTION SCHEME**

In order to ensure the successful implementation of the 2024 H Share Option Scheme, the Board proposes that, subject to the approval of the 2024 H Share Option Scheme by the Shareholders at the EGM, the Shareholders also grant an authorization to the Remuneration and Appraisal Committee as the Delegatee to handle matters in relation to the 2024 H Share Option Scheme with full authority, including but not limited to:

- (a) construe and interpret the Scheme Rules and the terms of the Options granted under the 2024 H Share Option Scheme;
- (b) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the 2024 H Share Option Scheme, provided that they are not inconsistent with the Scheme Rules;
- (c) grant Options to the Eligible Participants whom it shall select from time to time;
- (d) determine the number of Options to be granted;
- (e) determine the terms and conditions of the Options and make any such appropriate adjustments to the terms of the Options granted as it deems necessary or appropriate;
- (f) determine whether and to what extent, and circumstances pursuant to which an Option may be lapsed, cancelled, forfeited and/or surrendered;
- (g) where applicable, establish and administer performance targets in respect of the 2024 H Share Option Scheme;
- (h) approve the form of an Offer Letter;
- (i) decide any other matters that need to be determined in connection with an offer and make any other determination and take any other actions as it deems necessary or desirable for the administration of the 2024 H Share Option Scheme;
- (j) take such other steps or actions to give effect to the terms and intent of the Scheme Rules and/or the Options; and
- (k) on behalf of the Company, approve, execute, refine, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or implement all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Company's articles of association in that case.

A circular containing, among other things, the notice of the Company's EGM and details of the proposed adoption of the 2024 H Share Option Scheme and proposed authorization to the Remuneration and Appraisal Committee as the Delegatee to handle matters in relation to the 2024 H Share Option Scheme will be dispatched to the Shareholders (if requested) and published on the Company's website (www.htd.cn) and the website of the Stock Exchange (www.hkexnews.hk) in accordance with the Listing Rules in due course.

**The adoption of the 2024 H Share Option Scheme is subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

“2024 H Share Option Scheme” or “Scheme”	the 2024 H Share Option Scheme proposed to be approved by the Shareholders at the Company's EGM
“Adoption Date”	being the date on which the 2024 H Share Option Scheme is conditionally adopted by the Shareholders
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Business Day(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Huitongda Network Co., Ltd. (匯通達網絡股份有限公司), a joint stock company with limited liabilities established under the laws of the PRC on December 6, 2010, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 9878)
“Delegatee”	the Remuneration and Appraisal Committee, or any other person(s), or board committee(s) to which the Board has delegated its authority
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which is (are) subscribed for or credited as paid in Renminbi
“EGM”	an extraordinary general meeting of the Company or any adjournment thereof to approve the adoption of the 2024 H Share Option Scheme and the grant of authorization to the Remuneration and Appraisal Committee as the Delegatee to handle matters in relation to the 2024 H Share Option Scheme
“Eligible Participant(s)”	Employee Participants, Related Entity Participants or Service Providers as determined by the Board or the Delegatee from time to time as eligible to participate in the 2024 H Share Option Scheme
“Exercise Period”	the period during which an Option is exercisable by a Grantee

“Exercise Price”	the price per H Share at which a Grantee may subscribe for the H Shares upon exercise of an Option pursuant to the Scheme Rules and Offer Letter
“Grantee”	any Eligible Participant approved for participation in the 2024 H Share Option Scheme and who has been granted any Option in accordance with the Scheme Rules
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which is (are) subscribed for and traded in HK dollars and listed on the Stock Exchange
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Offer Date”	the date on which an Option is granted to an Eligible Participant, which shall be a Business Day
“Offer Letter”	the offer letter issued by the Company in respect of the grant of Option(s)
“Option(s)”	option(s) granted to a Grantee to subscribe for H Share(s) pursuant to the Scheme Rules
“PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB” or “Renminbi”	the lawful currency of the PRC
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Scheme Rules”	the rules relating to the 2024 H Share Option Scheme, as amended from time to time

“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Treasury Share(s)”	has the meaning ascribed to it under the Listing Rules

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

Nanjing, the People’s Republic of China  
September 20, 2024

*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. Diao Yang.*