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**HISENSE HOME APPLIANCES GROUP CO., LTD.**

**海信家電集團股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 00921)*

**RESULTS OF GRANT OF RESTRICTED SHARES  
UNDER THE 2022 RESTRICTED A SHARES INCENTIVE SCHEME**

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

Reference is made to (a) the circular of Hisense Home Appliances Group Co., Ltd. (the “**Company**”) dated 13 February 2023 (the “**Circular**”) in relation to, among other things, (i) the proposed adoption of the Incentive Scheme, including the proposed issue of Restricted Shares under the Specific Mandate; (ii) the proposed adoption of the Administrative Measures for the Appraisal System of the Incentive Scheme; and (iii) the proposed authorization to the Board to deal with matters relating to the Incentive Scheme; and (b) the announcement of the Company dated 28 February 2023 in relation to the date of grant of the Restricted Shares under the Incentive Scheme. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

The Company is pleased to announce that the registration for the grant of the Restricted Shares of the Company was completed at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, details of which are set out as follows:

Date of the Grant:	28 February 2023
Completion date of the registration for the Grant:	23 May 2023
Number of Restricted Shares under the Grant:	25,422,000 A Shares
The Participants:	511 Participants who are mid-level management and key staff of the Company (including its controlled subsidiaries)

Reasons for the difference in quantity between the actual grant and the proposed grant:	In the process of capital contribution after the determination of the date of grant, the number of Participants under the Incentive Scheme was adjusted from 596 to 511 and the number of Restricted Shares granted was adjusted from 29,618,000 Shares to 25,422,000 Shares due to adjustment and change of positions of the proposed Participants, and the renunciation or reduction in subscription of Restricted Shares by the proposed Participants
Grant Price:	RMB6.44 per A Share
Closing price of the A Shares on the completion date of the registration for the Grant:	RMB24.40 per A Share
Validity Period:	The Validity Period of the Incentive Scheme shall commence from the completion date of registration of the grant of the Restricted Shares and end on the date on which all Restricted Shares granted to Participants are unlocked or repurchased, and shall not exceed 48 months
Unlocking arrangement:	The unlocking period, unlocking schedule and ratio of the Restricted Shares under the Incentive Scheme are set out in the table below:

<b>Unlocking arrangement</b>	<b>Unlocking period</b>	<b>Unlocking ratio</b>
First unlocking period	Commencing from the first trading day after the expiry of the 12-month period from the completion date of registration of the grant and ending on the last trading day of the 24-month period from the completion date of registration of the grant	40%
Second unlocking period	Commencing from the first trading day after the expiry of the 24-month period from the completion date of registration of the grant and ending on the last trading day of the 36-month period from the completion date of registration of the grant	30%

Third unlocking period	Commencing from the first trading day after the expiry of the 36-month period from the completion date of registration of the grant and ending on the last trading day of the 48-month period from the completion date of registration of the grant	30%
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The Restricted Shares which are not unlocked since the unlocking conditions are not fulfilled during the periods stipulated above shall not be unlocked or deferred to the next period for unlocking and the Company shall repurchase and cancel the corresponding Restricted Shares of the Participants in accordance with the principles set out in the Incentive Scheme.

#### Performance targets:

The unlocking of the Restricted A Shares under the Incentive Scheme is subject to the performance appraisal requirements of the Company and the individual Participants.

#### *Performance appraisal requirements of the Company*

The appraisal years under the Incentive Scheme are the three accounting years from 2023 to 2025, and the appraisal will be conducted once every accounting year to determine the unlocking ratio of the Restricted Shares at the Company level based on the achievement of the Company's performance appraisal targets. The performance appraisal targets of each year and its corresponding unlocking ratio arrangements are as set out in the table below:

Unlocking period	Appraisal indicator for the appraisal year	Growth rate of net profit (A)	
		Target value (Am)	Trigger value (An)
First unlocking period	Growth rate of net profit for 2023 compared to that of 2021	62%	50%

Second unlocking period	Growth rate of net profit for 2024 compared to that of 2021	86%	69%
Third unlocking period	Growth rate of net profit for 2025 compared to that of 2021	109%	87%

Appraisal indicator	Performance completion level	Unlocking ratio at the Company level (X)
Growth rate of net profit (A)	$A \geq A_m$	X=100%
	$A_n \leq A < A_m$	X=80%
	$A < A_n$	X=0%

*Notes:*

1. The above “net profit” indicators are calculated based on the audited net profit attributable to the Shareholders, excluding the impact of the expenses of share-based payments arising from the implementation of the Incentive Scheme and other share incentive schemes and employee stock ownership plan (if any) for the period.
2. The above performance appraisal targets are not performance undertakings made by the Company to investors.

Where the Company fails to meet the above performance appraisal targets, all the Restricted Shares of the Participants which may be unlocked in the corresponding appraisal year shall not be unlocked, and shall be repurchased at the Grant Price and cancelled by the Company.

*Performance appraisal requirements of the individual Participants*

The appraisal of the individual Participants will be conducted on an annual basis in accordance with the measures for performance appraisal formulated by the Company, and the actual unlocking ratio for the Participants will be determined based on the appraisal results of each year. The performance appraisal results of the Participants are divided into five grades, namely S, A, B, C and D. The details of its corresponding unlocking ratio are set out in the following table:

Appraisal grade	S	A	B	C	D
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<b>Unlocking ratio at the individual level</b>	100%	70%	0%
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The actual unlocking amount of the individual Participants for the relevant year = the planned unlocking amount of the individual for that year x the unlocking ratio at the Company level x the unlocking ratio at individual level.

All Restricted Shares which are planned to be unlocked for the Participants during the relevant period but cannot be unlocked or fully unlocked due to the appraisal shall be repurchased at the Grant Price and cancelled by the Company.

**Clawback mechanism:** If the Participant violates the laws and professional ethics, divulges company secrets, and neglects his/her duty or malfeasance or has other acts that seriously damage the Company's interests or reputation, upon consideration of the Remuneration and Appraisal Committee and approval by the Board, the Company may repurchase and cancel the Restricted Shares of such a Participant which have not been unlocked and demand the Participant to return all gains arising from any unlocked Restricted Shares. If the circumstances are serious, the Company may also seek compensation for the losses incurred in accordance with the provisions of relevant laws.

**Financial assistance:** There are no arrangements for the Group to provide any financial assistance to the Participants to purchase of Restricted Shares under the Incentive Scheme.

To the best knowledge of the Directors, as at the date of this announcement, none of the Participants is (i) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Listing Rules) of any of them; (ii) a participant with awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; and (iii) a related entity participant or service provider with awards granted and to be granted in any 12-month period exceeding 0.1% of the total ordinary A Shares in issue.

Upon granting all of the above Restricted Shares, there are no more Shares available for further grant under the Incentive Scheme, subject to refreshment of the scheme mandate limit.

By order of the Board of  
**Hisense Home Appliances Group Co., Ltd.**  
**Dai Hui Zhong**  
*Chairman*

Foshan City, Guangdong, the PRC, 23 May 2023

*As at the date of this announcement, the Company's executive directors are Mr. Dai Hui Zhong, Mr. Jia Shao Qian, Mr. Yu Zhi Tao, Mr. Hu Jian Yong, Mr. Xia Zhang Zhua and Ms. Gao Yu Ling; and the Company's independent non-executive directors are Mr. Zhong Geng Shen, Mr. Cheung Sai Kit and Mr. Li Zhi Gang.*