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## IMPORTANT

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**If you are in doubt** about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in AAC Technologies Holdings Inc. (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**瑞聲科技控股有限公司**  
**AAC Technologies Holdings Inc.**

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code : 2018)

**(I) GENERAL MANDATES TO**  
**(a) ISSUE SHARES AND/OR RESELL TREASURY SHARES AND**  
**(b) REPURCHASE SHARES,**  
**(II) EXTENSION OF GENERAL MANDATE TO ISSUE SHARES**  
**AND/OR RESELL TREASURY SHARES,**  
**(III) RE-ELECTION OF RETIRING DIRECTORS,**  
**(IV) PROPOSED AMENDMENTS TO THE 2023 SHARE AWARD SCHEME**  
**AND**  
**(V) NOTICE OF ANNUAL GENERAL MEETING**

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Resolutions will be proposed at the annual general meeting of the Company to be held at 2:30 p.m. on Thursday, 22 May 2025 (the “2025 AGM”) at Victoria & Edinburgh Room, 2/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong to approve the matters referred to in this circular. A notice convening the 2025 AGM is set out on pages 37 to 41 of this circular.

Whether or not you are able to attend the 2025 AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2025 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the 2025 AGM or any adjournment thereof should you so wish. For the avoidance of doubt and for the purpose of the Listing Rules, holders of Treasury Shares, if any, shall abstain from voting at the Company’s general meeting in connection with such Treasury Shares.

Hong Kong, 29 April 2025

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	4
2. General Mandate to Issue Shares and/or Resell Treasury Shares .....	5
3. General Mandate to Repurchase Shares .....	6
4. Extension of General Mandate to Issue Shares and/or Resell Treasury Shares .....	6
5. Re-election of Retiring Directors .....	7
6. Proposed Amendments to the 2023 Share Award Scheme .....	8
7. Annual General Meeting .....	9
8. Listing Rules Requirement .....	10
9. Recommendation .....	10
10. Arrangements under Adverse Weather Conditions .....	11
11. Responsibility Statement .....	11
12. Documents on Display .....	11
<b>Appendix I – Explanatory Statement of the Share Repurchase Mandate</b> .....	12
<b>Appendix II – Details of the Retiring Directors</b> .....	18
<b>Appendix III – Summary of the Proposed Amendments and the Principal Terms                     of the 2023 Share Award Scheme</b> .....	22
<b>Notice of Annual General Meeting</b> .....	37

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meaning:*

“2016 Share Award Scheme”	the share award scheme adopted by the Company on 23 March 2016;
“2023 Share Award Scheme”	the share award scheme adopted by the Company on 17 April 2023;
“2024 AGM”	the last annual general meeting of the Company held on 23 May 2024;
“2025 AGM”	the annual general meeting of the Company to be held at 2:30 p.m. on Thursday, 22 May 2025 at Victoria & Edinburgh Room, 2/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong, to consider and, if appropriate, to approve the resolutions as set out in the notice of the 2025 AGM;
“Articles of Association”	the memorandum and articles of association of the Company, as amended from time to time;
“Audit and Risk Committee”	the audit and risk committee of the Board;
“Award”	an award of Awarded Shares and/or an award of cash award of income or distributions declared by the Company or derived from such Awarded Shares, as the case may be, by the Board pursuant to the 2023 Share Award Scheme to a Selected Employee;
“Awarded Share(s)”	in respect of a Selected Employee, such number of Shares (including additional Shares and/or cash award) as awarded by the Board;
“Board”	the board of Directors of the Company, and if the context so permits, it shall include such committee or sub-committee or person(s) as from time to time delegated with the power and authority by the board of directors of the Company to administer the 2023 Share Award Scheme;
“Company”	AAC Technologies Holdings Inc., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the People’s Republic of China;

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## DEFINITIONS

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“Issue Mandate”	the proposed mandate to issue Shares and/or resell Treasury Shares to be granted to the Directors as further described in the section headed “General Mandate to Issue Shares and/or Resell Treasury Shares” of this circular;
“Latest Practicable Date”	23 April 2025, being the latest practicable date prior to the publication of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Nomination Committee”	the nomination committee of the Board;
“Proposed Amendments”	the proposed amendments to the 2023 Share Award Scheme. A summary of the principal terms of the 2023 Share Award Scheme incorporating all such amendments is set out in Appendix III to this circular;
“Remuneration Committee”	the remuneration committee of the Board;
“Repurchase Mandate”	the proposed repurchase mandate to be granted to the Directors as further described in the section headed “General Mandate to Repurchase Shares” of this circular;
“Selected Employee(s)”	employee(s) of the Group selected by the Board pursuant to the 2023 Share Award Scheme for participation in the 2023 Share Award Scheme;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	the ordinary share(s) of US\$0.01 each in the share capital of the Company;
“Share Scheme(s)”	share option schemes and/or share award schemes involving the issuance of new Shares and/or resell of treasury Treasury Shares adopted and to be adopted by the Company from time to time, including the 2023 Share Award Scheme, in their respective present form and as amended from time to time in accordance with their respective provisions thereof;
“Shareholder(s)”	the holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time;

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## DEFINITIONS

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“Treasury Share(s)”	Shares repurchased and held by the Company in treasury, as authorised by the laws of its place of incorporation and the Articles of Association;
“Trustee”	BOCI Trustee (Hong Kong) Limited, being the trustee of the 2023 Share Award Scheme;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

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## LETTER FROM THE BOARD

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**瑞聲科技控股有限公司**  
**AAC Technologies Holdings Inc.**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code : 2018)

*Executive Directors:*

Mr. Pan Benjamin Zhengmin (*Chief Executive Officer*)

Mr. Mok Joe Kuen Richard (*Managing Director*)

*Non-executive Director:*

Ms. Wu Ingrid Chun Yuan

*Independent Non-executive Directors:*

Mr. Zhang Hongjiang (*Chairman of the Board*)

Mr. Kwok Lam Kwong Larry

Mr. Peng Zhiyuan

*Registered office in the Cayman Islands:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal place of business in Hong Kong:*

Suite 2601, 26th Floor

One Hennessy

1 Hennessy Road

Wanchai, Hong Kong

Hong Kong, 29 April 2025

*To the Shareholders,*

Dear Sir or Madam,

**(I) GENERAL MANDATES TO**  
**(a) ISSUE SHARES AND/OR RESELL TREASURY SHARES AND**  
**(b) REPURCHASE SHARES,**  
**(II) EXTENSION OF GENERAL MANDATE TO ISSUE SHARES**  
**AND/OR RESELL TREASURY SHARES,**  
**(III) RE-ELECTION OF RETIRING DIRECTORS,**  
**(IV) PROPOSED AMENDMENTS TO THE 2023 SHARE AWARD SCHEME**  
**AND**  
**(V) NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the ordinary resolutions to be proposed at the 2025 AGM for the approval of (a) the Issue Mandate; (b) the Repurchase Mandate; (c) the extension of the Issue Mandate; (d) the re-election of retiring Directors; and (e) the Proposed Amendments to the 2023 Share Award Scheme.

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## LETTER FROM THE BOARD

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### 2. GENERAL MANDATE TO ISSUE SHARES AND/OR RESELL TREASURY SHARES

At the 2024 AGM, an ordinary resolution was passed by the Shareholders granting the existing issue mandate to the Directors to issue Shares and/or resell Treasury Shares of not more than 10% of the total number of issued Shares (excluding Treasury Shares) at the date of passing of such resolution. Such mandate will lapse at the conclusion of the 2025 AGM.

An ordinary resolution will be proposed at the 2025 AGM to grant the Issue Mandate to the Directors, i.e. a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with, otherwise than pursuant to an issue of Shares as scrip dividends pursuant to the Articles of Association, additional Shares and/or resell Treasury Shares with an aggregate number not exceeding 10% of the total number of issued Shares (excluding Treasury Shares) at the date of passing of such resolution. Besides, where Shares are issued and/or Treasury Shares are resold under the Issue Mandate for cash consideration, they shall not be issued or resold at a discount of more than 10% to the benchmarked price of the Shares being the higher of:

- (a) the closing price of the Shares on the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares under the Issue Mandate; and
- (b) the average closing price of the Shares in the 5 trading days immediately prior to the earlier of:
  - (i) the date of announcement of the proposed issue of Shares and/or the proposed resale of Treasury Shares;
  - (ii) the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares; and
  - (iii) the date on which the price of Shares proposed to be issued and/or Treasury Shares proposed to be resold is fixed.

In the case of a resale of Treasury Shares on the Stock Exchange, they shall not be resold at a discount of more than 10% to the benchmarked price of the Shares being the higher of (a) the closing price on the trading day immediately prior to the resale; and (b) the average closing price in the 5 trading days immediately prior to the resale.

Subject to the passing of the ordinary resolution approving the Issue Mandate, based on 1,176,474,000 Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorized to issue or resell or transfer out of the treasury a maximum of 117,647,400 Shares (being 10% of the Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date) and the Issue Mandate will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company. The Board wishes to state that it has no immediate plan to issue and allot new Shares.

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## LETTER FROM THE BOARD

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### 3. GENERAL MANDATE TO REPURCHASE SHARES

At the 2024 AGM, an ordinary resolution was passed by the Shareholders granting the existing repurchase mandate to the Directors to repurchase Shares of not more than 10% of the total number of issued Shares (excluding Treasury Shares) at the date of passing of such resolution. Such mandate will lapse at the conclusion of the 2025 AGM.

An ordinary resolution will be proposed at the 2025 AGM to grant the Repurchase Mandate to the Directors, i.e. a general and unconditional mandate to exercise all the powers of the Company to repurchase Shares of not more than 10% of the total number of issued Shares (excluding Treasury Shares) at the date of passing of such resolution. The Repurchase Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement containing all the information necessary to enable the Shareholders to make informed decisions on whether to vote for or against the Repurchase Mandate as required by the Listing Rules is set out in Appendix I to this circular.

### 4. EXTENSION OF GENERAL MANDATE TO ISSUE SHARES AND/OR RESELL TREASURY SHARES

At the 2024 AGM, an ordinary resolution was passed by the Shareholders to extend the existing issue mandate granted to the Directors by a number representing the aggregate number of Shares repurchased by the Company pursuant to the existing repurchase mandate.

At the 2025 AGM, an ordinary resolution will be proposed to extend, conditional upon the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, the Issue Mandate by the number representing the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate provided that such extended number shall not exceed 10% of the total number of issued Shares of the Company (excluding Treasury Shares) at the date of passing the resolution for approving the Issue Mandate. Where the Shares so issued and/or the Treasury Shares so resold or transferred pursuant to this extension of the Issue Mandate are for cash consideration, it will also subject to the same restriction on discount of not more than 10% to the benchmarked price of the Shares being the higher of:

- (a) the closing price of the Shares on the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares under the Issue Mandate; and
- (b) the average closing price of the Shares in the 5 trading days immediately prior to the earlier of:
  - (i) the date of announcement of the proposed issue of Shares and/or the proposed resale of Treasury Shares;

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## LETTER FROM THE BOARD

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- (ii) the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares; and
- (iii) the date on which the price of Shares proposed to be issued and/or Treasury Shares proposed to be resold is fixed.

In the case of a resale of Treasury Shares on the Stock Exchange, they shall not be resold at a discount of more than 10% to the benchmarked price of the Shares being the higher of (a) the closing price on the trading day immediately prior to the resale; and (b) the average closing price in the 5 trading days immediately prior to the resale.

### 5. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 84 of the Articles of Association, Mr. Zhang Hongjiang (“Mr. Zhang”) and Mr. Pan Benjamin Zhengmin (“Mr. Pan”), who are Directors longest in office since their last re-election, will retire from office by rotation at the 2025 AGM. Mr. Zhang and Mr. Pan, being eligible, will offer themselves for re-election.

In accordance with the nomination policy of the Company, the Nomination Committee has reviewed the structure, size and diversity of the Board and the biographies of Mr. Zhang and Mr. Pan, who will be subject to retirement and re-election at the 2025 AGM, and taking into consideration their knowledge, experience, capability and various diversity aspects as set out in the board diversity policy of the Company, the Nomination Committee has formed the view that Mr. Zhang and Mr. Pan will be able to continue to contribute to the Board with their respective perspectives, skills and experience, and is satisfied that each of Mr. Zhang and Mr. Pan will continue to contribute to the diversity of the Board appropriate to the requirements of the Group’s business.

Mr. Zhang has made a confirmation of independence as regards each of the factors referred to in Rule 3.13 of the Listing Rules to the Company. Mr. Zhang was appointed as an independent non-executive Director on 1 January 2019. He does not hold any cross-directorships nor has any significant links with other Directors through involvement in other companies or bodies. Taking into consideration of the above, the Nomination Committee had assessed the independence of Mr. Zhang and the Board has formed the view that Mr. Zhang is independent in accordance with the independence guidelines.

The Nomination Committee had considered and nominated Mr. Zhang and Mr. Pan to the Board for it to propose to the Shareholders for re-election at the 2025 AGM. Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that Mr. Zhang and Mr. Pan stand for re-election as Directors at the 2025 AGM. As a good corporate governance practice, Mr. Zhang and Mr. Pan abstained from voting at the relevant Board meeting on the propositions of their recommendation for re-election by the Shareholders at the 2025 AGM.

Details of the retiring Directors, who offer themselves for re-election, are set out in Appendix II to this circular as required by the Listing Rules.

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## LETTER FROM THE BOARD

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### 6. PROPOSED AMENDMENTS TO THE 2023 SHARE AWARD SCHEME

The 2023 Share Award Scheme was adopted by the Company on 17 April 2023. Details of the existing terms of the 2023 Share Award Scheme are set out in the announcement of the Company dated 17 April 2023. The purposes of the 2023 Share Award Scheme are: (i) to achieve the long-term business objectives of the Group; (ii) to implement the Group's long-term business strategy; (iii) to enhance the value of the Group; (iv) to advance the growth and achieve sustainable development of the Group; and (v) to enable the employees to share the success in the growth of the Group. Subject to any early termination as may be determined by the Board pursuant to the 2023 Share Award Scheme, the 2023 Share Award Scheme shall be valid and effective for a term of ten years commencing on 17 April 2023.

Under the existing terms of the 2023 Share Award Scheme, the maximum number of Shares which may be awarded under the 2023 Share Award Scheme shall not exceed 45,000,000 Shares, representing approximately 3.75% of the issued Shares as at its adoption date on 17 April 2023. The maximum number of Shares which may be awarded to a Selected Employee under the 2023 Share Award Scheme shall not exceed 0.5% of the issued share capital of the Company from time to time (i.e. 5,992,500 Shares as at the Latest Practicable Date). Since the adoption of the 2023 Share Award Scheme and as at the Latest Practicable Date, no Award has been granted thereunder.

Pursuant to the existing terms of the 2023 Share Award Scheme, any Award granted shall be satisfied by Shares acquired by the Trustee on the Stock Exchange from time to time. The rules of the 2023 Share Award Scheme do not provide for any amount which will be payable on acceptance of an Award or period within which payments must be made.

The Board had proposed to seek approval from the Shareholders at the 2025 AGM for the Proposed Amendments to be made to the 2023 Share Award Scheme to, among other things, (i) allow grants of the Awards to be satisfied by the issuance and allotment of new Shares and/or the transfer of Treasury Shares; and (ii) correspondingly, bring it in line with the applicable requirements under Chapter 17 of the Listing Rules. A summary of the Proposed Amendments, the principal terms and key features of the 2023 Share Award Scheme (which incorporated all the Proposed Amendments) are set out in Appendix III to this circular.

The Board believes that the terms of the 2023 Share Award Scheme (after incorporating the Proposed Amendments) including but not limited to granting the Board the discretion to allow for a shorter vesting period and to specify the performance targets, and setting out the circumstances where the Awards shall lapse for cause as further detailed in Appendix III to this circular, gives the Company more flexibility to provide incentives as it sees fit when attracting, retaining and motivating employees that are valuable to the growth and development of the Group as a whole, which is in line with the purposes of the 2023 Share Award Scheme.

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## LETTER FROM THE BOARD

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### **Implications under the Listing Rules**

Pursuant to the requirements under Chapter 17 of the Listing Rules, any alterations to the terms and conditions of a share scheme funded by new shares which are of a material nature shall be approved by the shareholders of the listed issuer.

As the 2023 Share Award Scheme (after incorporating the Proposed Amendments) involves the potential issuance of new Shares and the transfer of Treasury Shares and the Proposed Amendments as summarized under sub-paragraphs (a) to (h) in Appendix III to this circular are of a material nature, resolutions will be proposed at the 2025 AGM for the Shareholders to consider and, if thought fit, approve the Proposed Amendments in accordance with the applicable requirements under Chapter 17 of the Listing Rules.

In the event that the Company has Treasury Shares available, the Company may, after taking into account of relevant circumstances, use Treasury Shares to fund the Awards to be granted under the 2023 Share Award Scheme as provided under the Proposed Amendments.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the new Shares that may be issued pursuant to the vesting of the Awards which may be granted under the 2023 Share Award Scheme, as amended.

None of the Directors is a trustee of the trust operated under the 2023 Share Award Scheme, or has a direct or indirect interest in such trustee.

### **7. ANNUAL GENERAL MEETING**

The notice of the 2025 AGM is set out on pages 37 to 41 of this circular. At the 2025 AGM, resolutions will be proposed to approve, inter alia, the proposed final dividend for the year ended 31 December 2024, the re-election of retiring Directors, the granting of the Issue Mandate and Repurchase Mandate, the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the Proposed Amendments.

A form of proxy for use at the 2025 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.aactechnologies.com](http://www.aactechnologies.com)). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, not less than 48 hours before the time appointed for holding the 2025 AGM or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the 2025 AGM if so wished.

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## LETTER FROM THE BOARD

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For determining the entitlement to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 16 May 2025.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 28 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 27 May 2025.

### **8. LISTING RULES REQUIREMENT**

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all the resolutions as set out in the notice of the 2025 AGM will be put to the vote at the 2025 AGM by way of poll. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Pursuant to Rule 17.05A of the Listing Rules, the Trustee and Bank of Communications Trustee Limited, being the trustee of the 2016 Share Award Scheme, will abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the relevant beneficial owner's direction and such a direction is given. In addition, holders of Treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings. Save as aforesaid, no Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the 2025 AGM.

### **9. RECOMMENDATION**

The Directors consider that the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-election of retiring Director and the Proposed Amendments are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the 2025 AGM on pages 37 to 41 of this circular.

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## LETTER FROM THE BOARD

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### 10. ARRANGEMENTS UNDER ADVERSE WEATHER CONDITIONS

Shareholders should note that the 2025 AGM will be held as scheduled when amber or red rainstorm warning signal is in force. In the event that typhoon signal no. 8 (or above) or “black” rainstorm warning is hoisted on the day and before the time of the 2025 AGM, Shareholders may call the 2025 AGM hotline (852) 3150 6707 / 3150 6723 for arrangement of holding the 2025 AGM under such adverse weather condition. This 2025 AGM hotline is restricted to be used for the enquiries of adverse weather arrangement only.

Shareholders should make their own decision as to whether they would attend the 2025 AGM under bad weather conditions bearing in mind their own situations and if they should choose to do so, they are advised to exercise care and caution.

### 11. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 12. DOCUMENTS ON DISPLAY

Copy of the 2023 Share Award Scheme with all the Proposed Amendments incorporated and shown in mark-ups will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aactechnologies.com](http://www.aactechnologies.com)) for a period of not less than 14 days before the date of the 2025 AGM and will be made available for inspection at the 2025 AGM.

By order of the Board  
**AAC TECHNOLOGIES HOLDINGS INC.**  
**Zhang Hongjiang**  
*Chairman*

*The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all the Shareholders relating to the resolution to be proposed at the 2025 AGM authorising the Repurchase Mandate.*

### **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprises 1,176,474,000 Shares (excluding Treasury Shares) and 22,026,000 Treasury Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 117,647,400 Shares (being 10% of the Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date) during the period up to the next annual general meeting of the Company in 2026 or the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws of the Cayman Islands or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

### **2. REASONS FOR REPURCHASE**

The Directors consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchases when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings per Share. The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and its Shareholders as a whole.

As disclosed in the announcement of the Company dated 9 April 2025, the Board authorized a new round of repurchases of Shares in the open market with a maximum aggregate amount of up to HK\$1.2 billion (the “**Proposed Share Repurchase**”). The Board believes that the Proposed Share Repurchase reflects the Company’s confidence in its long-term business prospects and would benefit the Shareholders as a whole, and the grant of the Repurchase Mandate will allow the Company to implement the Proposed Share Repurchase.

### **3. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION**

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2024, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed share repurchases were to be carried out in full during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

**4. FUNDING OF REPURCHASE**

The Directors recognized that the repurchase of Shares must be made by funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Companies Act of the Cayman Islands as amended from time to time (the “Laws”) provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if so authorised by the Articles of Association and subject to the provisions of the Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally to be purchased must be provided for out of profits of the Company or out of the Company’s share premium account or, if so authorised by the Articles of Association and subject to the provisions of the Laws, out of capital.

**5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the powers of the Company to make repurchases of Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and the regulations set out in the Articles of Association. Neither the explanatory statement contained in Appendix I to this circular nor the proposed share repurchase has any unusual features.

**6. EFFECT OF TAKEOVERS CODE**

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder’s proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Pan, an executive Director, beneficially owns 70,262,162 Shares. In addition, as at the Latest Practicable Date, Mr. Pan is also deemed or taken to be interested in the following Shares for the purpose of the SFO:

- (i) 51,439,440 Shares which are beneficially owned by Silver Island Limited, a company wholly-owned by Mr. Pan;
- (ii) 263,420,525 Shares which are beneficially owned by Ms. Wu Ingrid Chun Yuan (“Ms. Wu”), the wife of Mr. Pan;
- (iii) 50,618,699 Shares, 2,369,422 Shares and 1,250,403 Shares which are held through discretionary trusts respectively under the SFO; and
- (iv) 22,026,000 Shares, being the Treasury Shares held by the Company, in which Mr. Pan and Ms. Wu are taken to have an interest by virtue of the SFO, as Mr. Pan and Ms. Wu together control one-third or more of the voting power at general meetings of the Company.

As at the Latest Practicable Date, Ms. Wu, a non-executive Director, is deemed to be interested in the following shares for the purpose of the SFO:

- (i) 122,952,005 Shares which are owned or deemed to be interested by Mr. Pan, the husband of Ms. Wu;
- (ii) 134,828,594 Shares which are beneficially owned by Sapphire Hill Holdings Limited and 128,591,931 Shares which are beneficially owned by K&G International Limited, both of which are companies wholly-owned by Ms. Wu;
- (iii) 50,618,699 Shares and 2,369,422 Shares which are held through discretionary trusts respectively under the SFO; and
- (iv) 22,026,000 Shares, being the Treasury Shares held by the Company, in which Mr. Pan and Ms. Wu are taken to have an interest by virtue of the SFO, as Mr. Pan and Ms. Wu together control one-third or more of the voting power at general meetings of the Company.

For the purpose of the Takeovers Code, Mr. Pan and Ms. Wu and their respective associates are concert parties and are taken to have interests in a total of 439,360,651 Shares, representing approximately 37.34% of the issued share capital (excluding Treasury Shares) of the Company. In the event that the Directors shall exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate which is proposed to be granted by the Shareholders and assuming that no further Shares are issued or repurchased prior to the 2025 AGM, the aggregate shareholding of both Mr. Pan and Ms. Wu and their respective associates in the Company would be increased to approximately 41.49% of the issued Shares (excluding Treasury Shares) for the purpose of the Takeovers Code. In the opinion of the Directors, such increase would give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. In any event, the Directors do not intend to exercise the Repurchase Mandate to an extent which will trigger the mandatory offer requirement pursuant to the rules of the Takeovers Code.

The Company will not purchase Shares if that purchase would result in the number of Shares which are in the hands of the public falling below 25% of the Company's issued Shares.

Save as disclosed above, the Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

## 7. SHARE PURCHASE MADE BY THE COMPANY

In the six months prior to the Latest Practicable Date, the Company had repurchased Shares on the Stock Exchange through the Program as follows:

Date of repurchase	Number of Shares	Price per Share paid	
		Highest HK\$	Lowest HK\$
17 December 2024	275,000	37.75	36.40
18 December 2024	190,000	37.15	35.75
19 December 2024	200,000	38.15	35.70
20 December 2024	200,000	37.95	36.80
23 December 2024	321,000	38.50	36.70
24 December 2024	219,000	37.50	36.70
27 December 2024	275,000	38.85	37.90
30 December 2024	219,500	38.25	37.05
31 December 2024	231,000	38.20	37.00
2 January 2025	314,000	37.65	36.05
3 January 2025	198,000	38.75	35.95
6 January 2025	184,500	39.15	37.55
7 January 2025	80,000	39.15	37.45
8 January 2025	565,500	38.50	35.30
9 January 2025	330,500	36.40	35.20
10 January 2025	255,500	37.00	35.60
13 January 2025	408,000	35.75	34.55
14 January 2025	114,500	36.40	34.95
15 January 2025	131,000	36.80	35.30
16 January 2025	344,500	36.95	35.55
17 January 2025	424,000	36.25	34.95
20 January 2025	17,500	37.65	36.25
22 January 2025	10,000	39.10	38.80
23 January 2025	304,500	39.65	38.35
24 January 2025	51,000	40.05	38.25
27 January 2025	199,000	39.95	38.30
28 January 2025	101,500	39.80	38.90
3 February 2025	158,000	41.10	39.65
4 February 2025	6,000	41.50	41.50
10 February 2025	10,000	45.75	45.05
11 February 2025	10,000	46.30	45.05

**APPENDIX I****EXPLANATORY STATEMENT OF THE SHARE  
REPURCHASE MANDATE**

Date of repurchase	Number of Shares	Price per Share paid	
		Highest HK\$	Lowest HK\$
12 February 2025	1,500	47.15	46.45
13 February 2025	50,000	48.55	46.15
14 February 2025	10,000	48.75	47.30
17 February 2025	601,000	46.90	45.50
18 February 2025	168,500	47.65	46.7
19 February 2025	11,500	48.95	46.6
20 February 2025	10,000	49.75	48.85
21 February 2025	10,000	50.05	49.45
24 February 2025	361,500	49.6	46.85
25 February 2025	291,500	48.35	46.35
26 February 2025	220,000	48.2	46.75
27 February 2025	330,500	48.7	46.55
28 February 2025	526,000	47.25	44.25
3 March 2025	201,500	45.9	44.4
4 March 2025	421,500	45.85	43.65
5 March 2025	10,000	47.6	46
11 March 2025	10,000	51.7	50.25
12 March 2025	10,000	52.55	51.05
13 March 2025	10,000	51.64	50.4
14 March 2025	21,500	51.1	50.05
17 March 2025	63,500	52.3	50.5
18 March 2025	10,000	53.55	52.6
19 March 2025	10,000	53.85	52.85
20 March 2025	345,500	53.6	51.2
21 March 2025	155,500	54.35	51.4
24 March 2025	419,500	53.5	50.05
25 March 2025	486,500	50.1	46.3
26 March 2025	668,500	48.9	47.15
27 March 2025	32,000	49.2	47.6
28 March 2025	503,500	48.65	46.65
31 March 2025	483,000	47.5	45.85
1 April 2025	112,500	47.25	45.65
2 April 2025	55,500	48	45.85
3 April 2025	742,000	44.85	39.55
7 April 2025	1,210,000	35.9	28.5
8 April 2025	2,600,000	34.9	32.2
9 April 2025	2,154,000	33.4	31.1
15 April 2025	250,000	34.75	34.45
16 April 2025	900,000	33.5	32
17 April 2025	900,000	33.8	32.45
22 April 2025	300,000	34.45	33.85

Except as disclosed above, no Shares were bought back by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**8. SHARE PRICES**

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months prior to the Latest Practicable Date:

<b>Months</b>	<b>Per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2024</b>		
April	26.80	23.30
May	28.55	23.15
June	33.25	23.85
July	34.60	27.45
August	33.80	24.40
September	33.35	27.40
October	36.80	30.05
November	37.00	29.10
December	40.40	35.05
<b>2025</b>		
January	40.40	34.50
February	50.80	39.55
March	54.80	43.65
April (up to the Latest Practicable Date)	48.35	28.30

**9. GENERAL INFORMATION**

For the Shares repurchased by the Company under the Repurchase Mandate, the Company may cancel such shares and/or hold them as Treasury Shares subject to market conditions and the Company's capital management needs at the relevant time of the repurchases.

To the extent that any Treasury Shares are deposited with Central Clearing and Settlement System ("CCASS") pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as Treasury Shares, which may include effecting that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

*The following sets out the details of the Directors who will retire and, being eligible, offer themselves for re-election at the 2025 AGM pursuant to the Articles of Association:*

**BIOGRAPHICAL INFORMATION****Mr. Zhang Hongjiang**

Mr. Zhang, aged 64, was appointed as an independent non-executive Director on 1 January 2019 and the chairman of Nomination Committee and a member of Audit and Risk Committee and Remuneration Committee of the Company. He is currently an independent director of Zepp Health Corporation (formerly known as Huami Corp, listed in the US), and an independent non-executive director of XPeng Inc. (listed in the US and Hong Kong), and an independent director of Ant Group. He is a venture partner of Source Code Capital and a Senior Advisor to The Carlyle Group's Asian private equity platform.

Previously, Mr. Zhang was an independent director of Digital China Group Co., Ltd. (神州數碼集團股份有限公司) (listed in Shenzhen) and an independent non-executive director of BabyTree Group (listed in Hong Kong), and was the chief executive officer and executive director of Kingsoft Corporation Limited (listed in Hong Kong) and a former director of Cheetah Mobile Inc., Xunlei Ltd. and 21Vianet Group, Inc. (all listed in the US). Mr. Zhang was a director and chief executive officer at Kingsoft Cloud Holdings Limited. He also served as the chief technology officer at Microsoft Asia R&D Group and assistant managing director of Microsoft Research Asia. He was appointed as one of the first 10 Microsoft Distinguished Scientists in 2010.

Mr. Zhang is a foreign member of US National Academy of Engineering, a Fellow of IEEE and ACM. Mr. Zhang received a Philosophy Doctor in Electrical Engineering from the Technical University of Denmark. He graduated with a Bachelor of Science degree from Zhengzhou University.

Mr. Zhang was the recipient of the 2012 ACM SIGMM Outstanding Technical Achievement Award, the 2010 IEEE Computer Society Technical Achievement Award, and the 2008 Asian American Engineer of the Year award.

Mr. Zhang does not have any relationships with other Directors, senior management, substantial Shareholders, or controlling Shareholders (as defined in the Listing Rules) of the Group. Save as disclosed above and as at the Latest Practicable Date, Mr. Zhang did not hold other directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and he did not hold any other position in the Group.

Mr. Zhang has entered into a letter of appointment with the Company for a term from the date of 2023 AGM held on 11 May 2023 until the conclusion of the annual general meeting of the Company to be held in 2025, which can be terminated on whenever is the earlier of (i) the date of expiry of the above period; or (ii) Mr. Zhang ceasing to be a Director of the Company for any reason pursuant to the Company's Articles or any applicable law. He is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles of Association. Mr. Zhang is entitled to a director's fee of US\$198,180 per annum (or equivalent to other currency) which was determined by the Board, based on the recommendations of the Remuneration Committee of the Company and subject to approval/authorization granted by the Shareholders at the annual general meeting, with reference to his duties and responsibilities with the Company and the prevailing market rate for his position as an independent non-executive Director.

As at the Latest Practicable Date, Mr. Zhang did not have any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short position which were deemed or taken to have under such provisions of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules.

#### **Mr. Pan Benjamin Zhengmin**

Mr. Pan, aged 56, was appointed as an executive Director and the Chief Executive Officer ("CEO") of the Company on 15 December 2003. Mr. Pan co-founded the Group in 1993. He is responsible for providing strategic direction and leadership and for developing and implementing the Group's strategic objectives and business plans. Specifically, Mr. Pan has held critical leadership roles with responsibilities for overseeing the sales, marketing, research and development, manufacturing, along with the Group's international expansions and operations. In addition to his experience in sales and marketing, manufacturing and management, he has also been instrumental in leading our research and development strategy, and has developed a number of patents used in the design and manufacturing some of the Company's acoustic products.

Mr. Pan graduated from 江蘇省武進師範學校 (Jiangsu Province Wujin Teacher School) in 1987. Mr. Pan is the spouse of Ms. Wu, the non-executive Director and a substantial Shareholder of the Company; and the father of Mr. Pan Kaitai Kelvin, the Executive Vice President and Chief Innovation Officer of the Company.

Save as disclosed above, Mr. Pan does not have any relationships with other Directors, senior management, substantial Shareholders, or controlling Shareholders (as defined in the Listing Rules) of the Group. Save as disclosed above and as at the Latest Practicable Date, Mr. Pan did not hold other directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and he did not hold any other position in the Group.

Mr. Pan has entered into a letter of appointment with the Company for a term commencing from the date of 2023 AGM held on 11 May 2023 until the conclusion of the annual general meeting of the Company to be held in 2025, which can be terminated on whenever is the earlier of (i) the date of expiry of the above period; or (ii) Mr. Pan ceasing to be a Director of the Company for any reason pursuant to the Company's Articles or any applicable law. He is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles of Association. Mr. Pan is entitled to a basic salary of approximately US\$700,000 per year (or equivalent to other currency) and will be paid monthly in arrears which is determined upon negotiation between Mr. Pan and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current financial position of the Company and the prevailing market conditions and which is subject to review periodically as determined by the Company.

As at the Latest Practicable Date, the interest of Mr. Pan in the Shares (within the meaning of Part XV of the SFO) was as follows:

Name of Director	Capacity	Number of ordinary Shares	Percentage of the Company's issued shares
Mr. Pan	Beneficial owner/interest of spouse/interest of controlled corporation/founder of a discretionary trust/others	461,386,651 (Note)	38.49%

*Note:* Mr. Pan beneficially owns 70,262,162 Shares. In addition, Mr. Pan is also deemed or taken to be interested in the following Shares for the purposes of the SFO:

- (i) 51,439,440 Shares which are beneficially owned by Silver Island Limited, a company wholly-owned by Mr. Pan;
- (ii) 263,420,525 Shares representing the aggregate of (a) 134,828,594 Shares which are beneficially owned by Sapphire Hill Holdings Limited and (b) 128,591,931 Shares which are beneficially owned by K&G International Limited. These two companies are wholly-owned by Ms. Wu and as Ms. Wu is his spouse, he is deemed to be interested in such 263,420,525 Shares;
- (iii) 54,238,524 Shares representing the aggregate of (a) 50,618,699 Shares which are deemed to be interested by Mr. Pan and Ms. Wu's descendants, as beneficiaries of the Pan 2005 Irrevocable Trust dated 10 May 2005; (b) 2,369,422 Shares which are deemed to be interested by Mr. Pan and Ms. Wu's descendants, as beneficiaries of the Pan 2005 Exempt Trust dated 10 May 2005. Two children of Mr. Pan and Ms. Wu are over the age of 18 and have no discretion over distributions or investments in these trusts until distribution is made to them; and (c) 1,250,403 Shares which are deemed to be interested by Mr. Pan and Ms. Wu's descendant, as beneficiaries of the Pan 2020 Exempt Trust dated 3 December 2020. One child of Mr. Pan and Ms. Wu is under the age of 18 and has no discretion over distributions or investments in the trust until distribution is made to him ; and
- (iv) 22,026,000 Shares, being the Treasury Shares held by the Company, in which Mr. Pan and Ms. Wu are taken to have an interest by virtue of the SFO, as Mr. Pan and Ms. Wu together control one-third or more of the voting power at general meetings of the Company.

Save as disclosed in this circular, as at the Latest Practicable Date, Mr. Pan does not have any other interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short position which were deemed or taken to have under such provisions of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules.

Save as disclosed above, there are no other matters in relation to the re-election of the retiring Directors that need to be brought to the Shareholders' attention and there is no information relating to the above retiring Directors that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

**THE PROPOSED AMENDMENTS**

The Proposed Amendments to the 2023 Share Award Scheme are summarised below:

- (a) to allow grants of the Awards to be satisfied by the issuance and allotment of new Shares and/or the transfer of Treasury Shares;
- (b) to include a limit (the “**Overall Scheme Limit**”) on the maximum number of new Shares which may be issued in respect of all options and awards to be granted under all Share Schemes (including the 2023 Share Award Scheme), which shall not exceed 10% of the Shares in issue (excluding any Treasury Shares) on the date when the Proposed Amendments are approved by the Shareholders, currently being 117,647,400 Shares based on the number of Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue (excluding Treasury Shares) between the Latest Practicable Date and the date of the 2025 AGM. Any refreshment of the Overall Scheme Limit shall require Shareholders’ approval;
- (c) to clarify that the calculation of the current limit on the maximum number of Shares which may be issued to a Selected Employee under the 2023 Share Award Scheme as provided under the existing rules of the 2023 Share Award Scheme (i.e. 0.5% of the issued share capital of the Company from time to time) shall exclude any Treasury Shares;
- (d) to include a requirement to seek the Shareholders’ approval when a grant of Awards to a Selected Employee would result in the Shares issued and to be issued in respect of all options and awards granted to such Selected Employee (excluding any options or awards lapsed in accordance with the terms of the Share Schemes) under all Share Schemes in any 12-month period up to and including the date of such grant to exceed 1% of Shares in issue (excluding any Treasury Shares);
- (e) to include requirements to seek approval from independent non-executive Directors for any grant of Awards proposed to be made to any Selected Employee who is an executive Director, chief executive or substantial shareholder of the Company, or any of their respective associates, and to seek the Shareholders’ approval for any grant of Award to:
  - (i) an executive Director or chief executive of the Company, or any of his/her associates, that would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the Share Schemes) to such person in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares); and

- (ii) a substantial shareholder of the Company, or any of his/her associates, that would result in the Shares issued and to be issued in respect of all options and awards (excluding any options and awards lapsed in accordance with the terms of the Share Schemes) granted to such person in any twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares);
- (f) to include a minimum vesting period of twelve (12) months from the date of acceptance of an Award, provided that the Board shall have the authority to determine a shorter vesting period under specific circumstances;
- (g) to include a provision for the Board to have sole discretion to make equitable adjustments to the outstanding Awarded Shares that have been granted under the 2023 Share Award Scheme in accordance with the terms thereunder, in the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of the Shares and reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the date of approving the Proposed Amendments;
- (h) to include a requirement to seek the approval of the Shareholders for:
  - (i) any alteration and/or amendment to the terms and conditions of the 2023 Share Award Scheme of a material nature or to the provisions of the 2023 Share Award Scheme which relate to matters set out in Rule 17.03 of the Listing Rules to the extent such alteration or amendment operates to the advantage of the Selected Employees; or
  - (ii) any change to the authority of the Board or the Trustee to alter the provisions of the 2023 Share Award Scheme; and
- (i) house-keeping and other consequential amendments to align the wording of the 2023 Share Award Scheme with that of Chapter 17 of the Listing Rules.

**KEY FEATURES OF THE 2023 SHARE AWARD SCHEME (AS AMENDED)**

The key features of the 2023 Share Award Scheme (after incorporating the Proposed Amendments) are highlighted below:

**(a) *Eligible participants***

Eligible participants under the 2023 Share Award Scheme include any employee (including without limitation any executive director but excluding any non-executive director or independent non-executive director) of any member of the Group (the “**Employee**”), but exclude any Employee who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the 2023 Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such employee (the “**Excluded Employee**”).

The eligibility of any Employee to be a Selected Employee for participation in the 2023 Share Award Scheme shall be determined by the Board from time to time on the basis of the Board’s opinion as to his/her contribution and/or future contribution to the development and growth of the Group.

**(b) *Vesting period***

The vesting period in respect of any Award granted to a Selected Employee shall not be less than twelve (12) months from the date of acceptance of such Award. However, the Board shall have the authority to determine a shorter vesting period under the following specific circumstances:

- (i) grants of “make-whole” Awards to new Selected Employees to replace share options or share awards such Selected Employees forfeited when leaving their previous employers;
- (ii) grants to Selected Employees whose employment is terminated due to death or disability or occurrence of any out of control event;
- (iii) grants of Awards with performance-based vesting conditions provided pursuant to the 2023 Share Award Scheme in lieu of time-based vesting criteria;
- (iv) grants of Awards that are made in batches during a year for administrative or compliance requirements, in which case the relevant vesting period may be shortened to reflect the time from which the Award would have been granted;
- (v) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (vi) grants of Awards with a total vesting and holding period of more than twelve (12) months.

Such discretion gives the Company more flexibility to adapt to exceptional and justified circumstances and to attract talents or reward exceptional performers with accelerated vesting. Accordingly, the Directors (including the independent non-executive Director) are of the view that the discretion in allowing a shorter vesting period in each of the circumstances as detailed above is appropriate and in line with the purpose of the 2023 Share Award Scheme.

**(c) *Performance target***

The Board is entitled to impose any conditions (including any performance targets which must be attained) with respect to the vesting of the Awarded Shares on the Selected Employee as it deems appropriate in its absolute discretion.

Any performance targets to be imposed on the Selected Employees may, subject to the Board's discretion, comprise a mixture of business and financial milestones and individual pre-determined key performance indicators, including without limitation (i) key financial performance indicators in respect of the relevant organization (such as the Group, business units or production lines) to which the relevant Selected Employee is attached; (ii) comprehensive appraisal of the relevant Selected Employee's performance and contribution to the Group; and/or (iii) other targets to be determined in the sole discretion of the Board which may vary among each Selected Employee. The satisfaction of performance targets shall be assessed and determined by the Board at its sole and absolute discretion based on periodic performance assessments and review of the quantitative data of the Group and/or the Selected Employee (where applicable).

The Directors (including the independent non-executive Directors) are of the view that the flexibility given to the Board in relation to the performance targets will place the Group in a better position to have post-grant assessment on the contribution of a particular Selected Employee relative to the business performance of the Group on a continuing basis.

**(d) *Clawback mechanism***

If prior to or on the relevant vesting date, a Selected Employee ceases to be an Employee for whatever reason (other than in the case of death or retirement) or is found to be an Excluded Employee, the Award to such Selected Employee shall, unless otherwise determined by the Board in its absolute discretion, automatically lapse and the relevant Awarded Shares will not vest on the relevant vesting date.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Employee shall include, without limitation, the following:

- (i) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;

- (ii) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (iii) where such person has been convicted of any criminal offence;
- (iv) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time;
- (v) the company by which the Selected Employee is employed ceases to be a member of the Group (or if the Selected Employee is employed in more than one company within the Group, all such companies cease to be members of the Group); or
- (vi) a Selected Employee has done or failed to take any action or execute any document which the Board, in its absolute discretion, determines to be a breach of any provision of the 2023 Share Award Scheme.

For the avoidance of doubt, Awards that have lapsed in accordance with the terms of the 2023 Share Award Scheme will not be regarded as utilized for the purpose of calculating the Overall Scheme Limit.

The Board is of the view that such clawback mechanism ensures accountability for performances and facilitates better risk management of the Company, and is therefore in line with the purpose of the 2023 Share Award Scheme.

#### **PRINCIPAL TERMS OF THE 2023 SHARE AWARD SCHEME (AS AMENDED)**

The principal terms of the 2023 Share Award Scheme (as amended) are summarized as follows:–

##### **(1) PURPOSES AND OBJECTIVES**

The objectives of the 2023 Share Award Scheme is: (a) to achieve the long-term business objectives of the Group; (b) to implement the Group's long-term business strategy; (c) to enhance the value of the Group; (d) to advance the growth and achieve sustainable development of the Group; and (e) to enable the employees of the Group to Share the success in the growth of the Group.

##### **(2) DURATION**

Subject to any early termination as may be determined by the Board, the 2023 Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on its adoption date of 17 April 2023 (the “**Adoption Date**”).

**(3) ELIGIBLE PARTICIPANTS**

Persons eligible to participate in the 2023 Share Award Scheme are any employees (including without limitation any executive director, but excluding any non-executive director, independent non-executive director) of any member of the Group, but exclude an employee who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the 2023 Share Award Scheme is not permitted under its laws or regulations, or where the Board or the Trustee views that compliance with such applicable laws or regulations makes it necessary or expedient to exclude such employee.

The eligibility of any employee to be a Selected Employee shall be determined by the Board from time to time on the basis of the Board's opinion as to his/her contribution and/or future contribution to the development and growth of the Group.

**(4) OPERATION OF THE SCHEME****(a) Source of Awarded Shares**

Subject to the terms of the 2023 Share Award Scheme, after the Company has granted the Award(s) to any Selected Employee, it may, for the purposes of satisfying the Award(s) granted, (a) issue and allot new Share(s) to the Trustee; and/or (b) pay or cause to be paid any sums to the trust and instruct the Trustee to acquire Shares on the market; and/or (c) arrange such Shares to be transferred by another trustee of another Share Scheme of the Company to the Trustee, which (other than the remaining sums not utilised by the Trustee and refunded to the Company in accordance with the Board's instructions) shall constitute part of the relevant trust fund held by the Trustee for the benefit of the Employees (the "**Trust Fund**").

References in the 2023 Share Award Scheme to the term "new Share(s)" shall, unless specified otherwise, include both new Shares issued, and Treasury Shares transferred, by the Company to satisfy Awards granted under the 2023 Share Award Scheme, and the phrases "issue new Share(s)", "Share(s) that may be issued", "allot new Share(s)", "Share(s) that may be allotted" or similar phrases in the 2023 Share Award Scheme shall be construed to include the transfer of Treasury Shares accordingly.

**(b) Award of Awarded Shares**

Subject to the provisions of the 2023 Share Award Scheme, the Board may, from time to time, exercise its absolute discretion in selecting any Employee (other than any Excluded Employee) for participation in the 2023 Share Award Scheme as a Selected Employee, and grant such number of Awarded Shares to any Selected Employee on and subject to such terms and conditions as it may in its absolute discretion determine. No consideration shall be payable by a Selected Employee for acceptance of the Award granted under the 2023 Share Award Scheme.

In determining the number of Awarded Shares to be granted to any Selected Employee, the Board shall take into consideration matters including, but without limitation to:

- (a) the present contribution and expected contribution of the relevant Selected Employee to the profits of the Group;
- (b) the general financial condition of the Group;
- (c) the Group's overall business objectives and future development plan; and
- (d) any other matter which the Board considers relevant.

The Board is entitled to impose any conditions (including a period of continued service within the Group after the grant of the Award and performance targets which must be attained) with respect to the vesting of the Awarded Shares on the Selected Employee and any other conditions, restrictions or limitations in relation to the Award, as it deems appropriate in its absolute discretion, and shall inform the Trustee and such Selected Employee the relevant conditions, restrictions and/or limitations of the Award and the Awarded Shares. Notwithstanding any other provisions of the 2023 Share Award Scheme, subject to applicable laws and regulations, the Board shall be at liberty to waive any conditions (including vesting conditions), restrictions or limitations referred to in the 2023 Share Award Scheme.

The Board may at its discretion, with or without further conditions, grant additional Shares or cash award out of the Trust Fund representing all or part of the income or distributions (including but not limited to cash income or dividends, cash income or net proceeds of sale of non-cash and non-scrip distribution, bonus Shares and scrip dividends) declared by the Company or derived from such Awarded Shares during the period from the date of Award to the relevant vesting date to a Selected Employee upon the vesting of any Awarded Shares.

A Selected Employee shall have no right or interest in any income or cash dividends or non-cash distributions (e.g. bonus shares or scrip dividends) derived from or arising in respect of the Awarded Shares which are held under the trust unless further award of cash award or additional Shares are awarded by the Board to such Selected Employee out of the Trust Fund in accordance with the terms of the trust deed entered into between the Company and the Trustee (the "**Trust Deed**") and the 2023 Share Award Scheme.

## **(5) GRANT AND ACCEPTANCE**

### **(a) Notice of grant**

After the Board has decided to make an Award, the Board shall send a notice in substantially the form set out under the provisions of the 2023 Share Award Scheme to the Selected Employee (the "**Grant Notice**"). The Grant Notice will specify the number Awarded Shares and the conditions (if any) upon which such Awarded Shares were granted.

**(b) Acceptance of an offer**

A Selected Employee accepts the grant of an Award by signing and returning to the Board the acceptance form attached to the Grant Notice within twenty (20) business days after the date of the Grant Notice (the “**Acceptance Period**”). If the Selected Employee fails to sign and return the acceptance form attached to the Grant Notice before the expiry of the Acceptance Period, the grant of the Awarded Shares to such Selected Employee shall lapse forthwith.

**(c) Restrictions under the 2023 Share Award Scheme**

No Award shall be made by the Board, no instructions to acquire any Shares shall be given to the Trustee, and no issue of new Shares shall be made to the Trustee under the 2023 Share Award Scheme where the issuance of Shares by the Company, dealings in the Shares by Directors of the Company, or granting of Awards are prohibited under the Listing Rules or any applicable laws and regulations. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (i) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, or inside information has come to the Company’s knowledge, until (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules;
- (ii) during the period of sixty (60) days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the annual results;
- (iii) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and interim results for any financial period of the Company or, if shorter, the period from the end of the relevant quarterly or half-year period of the financial period up to the publication date of the results; and
- (iv) in any circumstance which is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

**(d) Awards to connected persons**

Where any grant of Awards is proposed to be made to any executive Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates, such proposed grant must be approved by all the independent non-executive Directors and shall otherwise be subject to compliance with the Listing Rules.

Where any grant of Awarded Shares is proposed to be made to any Selected Employee who is an executive Director or members of the executive/senior management of any member of the Group, such grant must first be approved by all the members of the remuneration committee of the Company, or in the case where the grant is proposed to be made to any member of the remuneration committee, by all of the other members of the remuneration committee.

Where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company (as defined in the Listing Rules), the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or Shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

**(6) MAXIMUM NUMBER OF SHARE GRANTS**

**(a) Individual limit**

The maximum number of Awarded Shares which may be awarded to a Selected Employee under the 2023 Share Award Scheme shall not exceed 0.5% of the issued share capital (excluding any Treasury Shares) of the Company from time to time.

In addition, where any grant of Awards to a Selected Employee would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any lapsed options and awards) to such Selected Employee pursuant to the 2023 Share Award Scheme and any other Share Scheme(s) in the twelve (12) month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding any Treasury Shares), such grant of Awards must be approved by the Shareholders at a general meeting with such Selected Employee and his or her close associates (or his or her associates if the Selected Employee is a connected person of the Company) abstaining from voting, and subject to the compliance with the applicable requirements under the Listing Rules. The number and terms of the Award to be granted to such Selected Employee must be fixed before the approval of the Shareholders.

**(b) Limit on grants to a Director or chief executive of the Company**

Where any grant of Awards to an executive Director or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all awards granted (excluding any lapsed awards) to such person pursuant to the 2023 Share Award Scheme and any other Share Scheme(s) in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding any Treasury Shares), such further grant of Awards must be approved by the Shareholders in general meeting with such Selected Employee, his or her associates and all core connected persons of the Company abstaining from voting in favour, and subject to the compliance with the applicable requirements under the Listing Rules.

**(c) Limit on grants to substantial shareholders**

Where any grant of Awards under the 2023 Share Award Scheme to a substantial shareholder of the Company, or any of his or her associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any lapsed options and awards) to such person pursuant to the 2023 Share Award Scheme and any other Share Scheme(s) in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding any Treasury Shares), such further grant of Awards must be approved by the Shareholders in general meeting with such Selected Employee, his or her associates and all core connected persons of the Company abstaining from voting in favour, and subject to the compliance with the applicable requirements under the Listing Rules.

**(d) Limit under the 2023 Share Award Scheme**

Subject to the Overall Scheme Limit, the maximum number of Awarded Shares which may be awarded under the 2023 Share Award Scheme shall not exceed 45,000,000 Shares, representing approximately 3.75% of the Shares in issue (excluding any Treasury Shares) as at the Adoption Date.

**(e) Overall Scheme Limit**

The total number of Shares which may be issued in respect of all options and awards granted under the 2023 Share Award Scheme and any other Share Scheme(s) shall not exceed 10% of the Shares in issue (excluding any Treasury Shares) as at the date of approving the Proposed Amendments (the “**Amendment Date**”) (currently being 117,647,400 Shares based on the number of Shares in issue (excluding any Treasury Shares) as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue (excluding any Treasury Shares) between the Latest Practicable Date and the date of the 2025 AGM).

**(f) Refreshment of the Overall Scheme Limit**

Subject to the terms of the 2023 Share Award Scheme, the Company may seek approval of the Shareholders in general meeting to refresh the Overall Scheme Limit: (a) after three years from the Amendment Date or the date of Shareholders’ approval for the last refreshment; or (b) at any time, with the approval of the Shareholders in general meeting and in compliance with the Listing Rules. The total number of Shares which may be issued in respect of all options and awards granted under all of the Share Schemes under the Overall Scheme Limit as refreshed must not exceed 10% of Shares in issue (excluding any Treasury Shares) as at the date of approval of the Overall Scheme Limit as refreshed from time to time.

**(g) Grant of awards beyond the Overall Scheme Limit**

The Company may seek separate approvals from the Shareholders in general meeting for granting Awards beyond the Overall Scheme Limit to Selected Employees specifically identified by the Company, subject to compliance with the applicable requirements under the Listing Rules.

**(7) VESTING OF AWARDS****(a) Vesting of Awarded Shares**

Subject to the terms and conditions of the 2023 Share Award Scheme and the fulfilment of all vesting conditions to the vesting of the Awarded Shares on such Selected Employee as specified in the Grant Notice to the Selected Employee, the respective Awarded Shares held by the Trustee on behalf of the Selected Employee shall vest in such Selected Employee in accordance with the vesting schedule (if any) as notified to the Selected Employee by the Grant Notice, and the Trustee shall cause the Awarded Shares to be transferred to such Selected Employee as soon as practicable on or after the relevant vesting date of the Awards granted (the “**Vesting Date**”) and in any event not later than ten (10) business days after the Vesting Date.

**(b) Vesting period**

The vesting period in respect of any Award granted to a Selected Employee shall not be less than twelve (12) months from the date of acceptance of the Award, save that the Board shall have the authority to determine a shorter vesting period for:

- (i) grants of “make-whole” Awards to new Selected Employees to replace Share options or Share awards such Selected Employees forfeited when leaving their previous employers;
- (ii) grants to Selected Employees whose employment is terminated due to death or disability or occurrence of any out of control event;
- (iii) grants of Awards with performance-based vesting conditions provided pursuant to the 2023 Share Award Scheme in lieu of time-based vesting criteria;
- (iv) grants of Awards that are made in batches during a year for administrative or compliance requirements, in which case the relevant vesting period may be shortened to reflect the time from which the Award would have been granted;
- (v) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (vi) grants of Awards with a total vesting and holding period of more than twelve (12) months.

**(c) Vesting conditions and any other restrictions or limitations**

The Board is entitled to impose any conditions (including a period of continued service within the Group after the grant of the Award and performance targets) with respect to the vesting of the Awarded Shares on the Selected Employee and any other restrictions or limitations in relation to the Award, as it deems appropriate in its absolute discretion.

Any performance targets to be imposed on the Selected Employees may, subject to the Board's discretion, comprise a mixture of business and financial milestones and individual pre-determined key performance indicators, including without limitation (i) key financial performance indicators in respect of the relevant organization to which the relevant Selected Employee is attached; (ii) comprehensive appraisal of the relevant Selected Employee's performance and contribution to the Group; and/or (iii) other targets to be determined in the sole discretion of the Board which may vary among each Selected Employee.

The satisfaction of performance targets shall be assessed and determined by the Board at its sole and absolute discretion based on periodic performance assessments and review of the quantitative data of the Group and/or the Selected Employee (where applicable).

Unless otherwise waived by the Board, in the event that the vesting conditions specified in the Grant Notice are not fully satisfied prior to or on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall lapse.

#### **(8) RIGHTS ATTACHED TO AWARDS**

A Selected Employee shall not have any interest or rights attached to the Awards, including any right to vote at general meetings of the Company, or any dividend, transfer or other rights including those arising on the winding-up of the Company.

A Selected Employee shall not enjoy any of the rights of a Shareholder by virtue of the grant of an Award pursuant to the 2023 Share Award Scheme, unless and until the Shares underlying the Award are actually transferred to such Selected Employee pursuant to the vesting of such Award.

Any Shares to be allotted and issued upon the vesting of an Award will be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* in all respect with the other existing Shares in issue on the date of allotment and issue of the relevant Shares.

#### **(9) VOTING RIGHTS OF TRUSTEE**

The Trustee shall not exercise voting rights in respect of such Shares (including unvested Shares) being held by it (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom) and shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable law to vote in accordance with the beneficial owner's direction and such a direction is given.

**(10) TRANSFERABILITY OF AWARDS**

Any Award granted pursuant to the 2023 Share Award Scheme will be personal to the Selected Employee and shall not be assigned or transferred. Subject to obtaining a waiver from the Stock Exchange, the Board may allow a transfer of the Awards to a vehicle (such as a trust or a private company) for the benefit of the Selected Employee and any family members of such Selected Employee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Scheme and comply with the relevant requirements of the Listing Rules. Where such waiver is granted, (a) any transfer to a permitted transferee shall be subject to the terms of the Trust Deed and the applicable laws and regulations including but not limited to the Listing Rules (as amended from time to time), (b) any such transferee shall be bound by the terms of the Scheme as if the transferee were the grantee, and (c) the Company shall disclose, by way of an announcement, the beneficiary(ies) of the trust or the ultimate beneficial owner(s) of the transferee vehicle (as the case may be).

Selected Employees are prohibited from selling, transferring, charging, mortgaging, encumbering or creating any interest in favour of any other person over or in relation an Award to which he or she is entitled, except in accordance with the terms of the 2023 Share Award Scheme.

**(11) LAPSE OF AWARDS**

If prior to or on the Vesting Date, a Selected Employee ceases to be an Employee for whatever reason (other than in the case of death or retirement) or is found to be an Excluded Employee, the Award to such Selected Employee shall, unless otherwise determined by the Board in its absolute discretion, automatically lapse and the relevant Awarded Shares will not vest on the relevant Vesting Date but will remain part of the Trust Fund.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Employee shall include, without limitation, the following:

- (i) the Selected Employee has committed an act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;
- (ii) the Selected Employee has been declared or adjudged to be bankrupt by a competent court or governmental body, has failed to pay his debts as they fall due after the expiry of any applicable grace period, or has entered into any arrangement or composition with his creditors generally, or an administrator has taken possession of any of his assets;
- (iii) where such person has been convicted of any criminal offence;
- (iv) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations;
- (v) the company (or all companies) by which the Selected Employee is employed ceases to be a subsidiary of the Company; or

- (vi) a Selected Employee has sold, transferred, charged, mortgaged, encumbered or created any interest in favour of any other person over or in relation to the Awarded Shares in breach of the provisions of the 2023 Share Award Scheme, or has done or failed to take any action or execute any document which the Board, in its absolute discretion, determines to be a breach of any provision of the 2023 Share Award Scheme.

Shares in respect of any Awards which have lapsed in accordance with the terms of the 2023 Share Award Scheme will not be regarded as utilised for the purpose of calculating the Overall Scheme Limit.

#### **(12) CANCELLATION OF AWARDS**

Subject to the terms of the 2023 Share Award Scheme and the requirements under the Listing Rules, the Board may at its sole and absolute discretion cancel any Awards granted, provided that the Company and the Selected Employee(s) mutually agree to do so.

Where the Company cancels any Awards granted to a Selected Employee and makes a new grant to the same Selected Employee, such new grant may only be made with available Overall Scheme Limit approved by the Shareholders. The Awards cancelled will be regarded as utilised for the purpose of calculating the Overall Scheme Limit.

#### **(13) ADJUSTMENT IN THE EVENT OF REORGANISATION**

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of the Shares or reduction of the Share capital of the Company (other than as a result of an issue of Shares as consideration in a transaction to which the Company or any of its subsidiaries is a party) after the Amendment Date, the Board may, at its sole discretion, make equitable adjustments to the number of outstanding Awarded Shares that have been granted in accordance with the terms of the 2023 Share Award Scheme.

#### **(14) RECONSTRUCTION, AMALGAMATION, WINDING-UP OF THE COMPANY**

If notice is duly given by the Company to the Shareholders to convene a shareholders' meeting for the purpose of considering a resolution for the voluntary winding-up of the Company or an order of winding up of the Company is made, or if a compromise or arrangement between the Company and the Shareholders and/or the creditors of the Company is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation or merger with any other company or companies pursuant to any applicable laws prior to the Vesting Date of any Awarded Shares, the Board shall determine at its discretion whether such Awarded Shares shall vest in the Selected Employee and the time at which such Awarded Shares shall vest. In such determination, the Board may not reduce the vesting period for the Awarded Shares to less than 12 months unless any of the circumstances listed under the paragraph headed “(7) VESTING OF AWARDS – (b) Vesting period” above occurs, or a relevant consent or approval has been given by the Stock Exchange to the Company to permit the shortening of the vesting period for such Awarded Shares, or it is otherwise permitted under the Listing Rules.

If the Board determines that any Awarded Shares shall vest, it shall promptly notify the Selected Employee and shall use its reasonable endeavours to procure the Trustee to take such action as may be necessary to transfer the legal and beneficial ownership of the Awarded Shares which are to become vested in such Selected Employee to such Selected Employee.

If the Board determines that the unvested Awarded Shares shall not vest, such Awarded Shares shall lapse with immediate effect.

**(15) ALTERATION OF THE SCHEME**

Subject to the terms of the 2023 Share Award Scheme, the 2023 Share Award Scheme may be altered or varied in any respect by a resolution of the Board at any time and in any respect, provided that the 2023 Share Award Scheme as altered and the Awards granted thereunder must continue to comply with the requirements of the Listing Rules.

The approval of the Shareholders by ordinary resolution in general meeting is required for (a) any alteration or amendment to the terms and conditions of the 2023 Share Award Scheme which are of a material nature (as determined by the Board) or any alteration or amendment to the provisions of the 2023 Share Award Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Employees, including those which relate to (i) the purpose of the 2023 Share Award Scheme; (ii) the persons to or for whom Awards may be granted under the 2023 Share Award Scheme and the basis for determining their eligibility; (iii) the limits on the number of Shares which may be issued under the 2023 Share Award Scheme; or (iv) the individual limits for grants under the 2023 Share Award Scheme; or (b) any change to the authority of the Board or the Trustee to alter the provisions of the 2023 Share Award Scheme.

Notwithstanding the foregoing, the Board is not required to obtain the approval of the Shareholders for any minor changes (i) to benefit the administration of the 2023 Share Award Scheme; (ii) to comply with or take account of the provisions of any proposed or existing legislation or regulation (including the Listing Rules) or any changes thereto; or (iii) to obtain or maintain favourable tax, exchange control or regulatory treatment of any member of the Group or any Selected Employees or future Selected Employees.

Any change to the terms of Awards granted to a Selected Employee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be). The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the 2023 Share Award Scheme.

**(16) TERMINATION**

The 2023 Share Award Scheme shall terminate on the tenth (10) anniversary date of the Adoption Date or such earlier date of termination as determined by the Board by a resolution of the board, provided that any such termination shall not affect any subsisting rights of any Selected Employee under the 2023 Share Award Scheme.

Upon termination of the 2023 Share Award Scheme, no further grant of Awarded Shares may be made under the 2023 Share Award Scheme. All the Awarded Shares of the Selected Employees granted but unvested shall continue to be held by the Trustee and become vested in the Selected Employees according to the conditions of the Awards subject to the terms of the 2023 Share Award Scheme.

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## NOTICE OF ANNUAL GENERAL MEETING

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**瑞聲科技控股有限公司**  
**AAC Technologies Holdings Inc.**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code : 2018)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of AAC Technologies Holdings Inc. (the “Company”) will be held at 2:30 p.m. on Thursday, 22 May 2025 (the “2025 AGM”) at Victoria & Edinburgh Room, 2/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong for the following purposes:

### **ORDINARY RESOLUTIONS**

1. To receive and consider the audited consolidated financial statements of the Company and the report of the directors and independent auditor’s report for the year ended 31 December 2024.
2. To approve a final dividend of HK\$0.24 per share for the year ended 31 December 2024.
3.
  - (a) To re-elect Mr. Zhang Hongjiang as independent non-executive director of the Company.
  - (b) To re-elect Mr. Pan Benjamin Zhengmin as executive director of the Company.
  - (c) To authorize the board of directors of the Company to fix the fees of directors for the year ending 31 December 2025.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company and to authorize the audit and risk committee of the Company to fix their remuneration.
5. To consider, and if thought fit, pass the following ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and/or resell or transfer the Treasury Shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval given in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate number of (i) Shares allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and (ii) the Treasury Shares resold or transferred by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time, shall not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares) as at the date of passing this resolution provided that:
  - (I) where the Shares are issued or where the Treasury Shares are resold off-market for cash consideration, they shall not be issued or resold at a discount of more than 10% to the benchmarked price of the Shares being the higher of:
    - (i) the closing price of the Shares on the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares under the Issue Mandate; and
    - (ii) the average closing price of such Shares in the 5 trading days immediately prior to the earlier of:
      - (x) the date of announcement of the proposed issue of Shares and/or the proposed resale of Treasury Shares;
      - (y) the date of the agreement involving the proposed issue of Shares and/or the proposed resale of Treasury Shares; and
      - (z) the date on which the price of Shares proposed to be issued and/or Treasury Shares proposed to be resold is fixed;
  - (II) in the case of a resale of Treasury Shares on the Stock Exchange, they shall not be resold at a discount of more than 10% to the benchmarked price of the Shares being the higher of (i) the closing price on the trading day immediately prior to the resale and (ii) the average closing price in the 5 trading days immediately prior to the resale; and
  - (III) if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum aggregate number of Shares that may be issued and Treasury Shares that may be resold or transferred pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares (excluding Treasury Shares) immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the directors of the Company to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

6. To consider, and if thought fit, pass the following ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period for Repurchase (as hereinafter defined) of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period for Repurchase shall not exceed 10% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of passing this resolution provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of Shares that may be purchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares (excluding Treasury Shares) immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) for the purposes of this resolution:

“Relevant Period for Repurchase” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider, and if thought fit, pass the following ordinary resolution:

“**THAT** conditional upon resolutions nos. 5 and 6 above being passed, the aggregate number of Shares which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in resolution no. 6 above shall be added to the total number of (i) Shares that may be allotted or agreed conditionally or unconditionally to be allotted and (ii) Treasury Shares to be resold or transferred by the directors of the Company pursuant to resolution no. 5 above (such total number to be subject to adjustment in the case of any consolidation or subdivision of any or all of the Shares into a smaller or larger number of Shares respectively after passing of this resolution).”

8. To consider, and if thought fit, pass the following ordinary resolution:

“**THAT:**

- (a) the proposed amendments to the terms of the share award scheme of the Company adopted on 17 April 2023 (the “**2023 Share Award Scheme**”), which are summarised in the circular of the Company dated 29 April 2025, be and are hereby approved and adopted;
- (b) the 2023 Share Award Scheme (after incorporating the proposed amendments referred to in sub-paragraph (a) above), the terms and conditions of which (together with the scheme limit thereunder) are set out in the document produced to this meeting marked “A” and for the purposes of identification initialed by the chairman of this meeting, be and is hereby approved and adopted; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the Directors be and are hereby authorised to grant awards thereunder, and do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the implementation of the Proposed Amendments.”

By order of the Board  
**AAC TECHNOLOGIES HOLDINGS INC.**  
**Zhang Hongjiang**  
*Chairman*

Hong Kong, 29 April 2025

*Principal place of business in Hong Kong:*  
Suite 2601, 26th Floor,  
One Hennessy,  
1 Hennessy Road,  
Wanchai, Hong Kong

*Registered office in the Cayman Islands:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Notes:*

- (1) Unless otherwise defined in this notice or the context requires otherwise, terms used in this notice shall have the same meanings as defined in the circular of the Company dated 29 April 2025.
- (2) A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one proxy or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the 2025 AGM or any adjournment.
- (4) For determining the entitlement to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 16 May 2025.
- (5) For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 28 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 27 May 2025.
- (6) Shareholders of the Company should note that the meeting will be held as scheduled when amber or red rainstorm warning signal is in force. In the event that typhoon signal no. 8 (or above) or "black" rainstorm warning is hoisted on the day and before the time of the 2025 AGM, shareholders of the Company may call the 2025 AGM hotline (852) 3150 6707 / 3150 6723 for arrangement of holding the 2025 AGM under such adverse weather condition. This 2025 AGM hotline is restricted to be used for the enquiries of bad weather arrangement only.

Shareholders of the Company should make their own decision as to whether they would attend the meeting under adverse weather conditions bearing in mind their own situations and if they should choose to do so, they are advised to exercise care and caution.

- (7) As at the date of this notice, the board of directors of the Company comprises two executive directors, namely Mr. Pan Benjamin Zhengmin and Mr. Mok Joe Kuen Richard; one non-executive director, namely Ms. Wu Ingrid Chun Yuan; and three independent non-executive directors, namely Mr. Zhang Hongjiang, Mr. Kwok Lam Kwong Larry and Mr. Peng Zhiyuan.