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**GCL Technology Holdings Limited**  
**協鑫科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 3800)**

**GRANT OF AWARD SHARES**  
**PURSUANT TO THE SHARE AWARD SCHEME**

References are made to:

1. the announcement of GCL Technology Holdings Limited (the “**Company**”) dated 16 January 2017 (the “**Announcement**”) in relation to the adoption of the share award scheme (the “**Scheme**”);
2. the announcements of the Company dated 19 May 2017, 2 June 2017, 11 June 2018, 14 June 2018, 26 September 2022 and 27 September 2022, respectively, each in relation to share purchase pursuant to the Scheme (the “**Share Purchase Announcements**”); and
3. the announcements of the Company dated 16 February 2022 and 6 July 2022, respectively, each in relation to the grant of award shares pursuant to the Scheme.

Unless otherwise specified herein, capitalised terms used in this announcement have the same meanings as defined in the Announcement.

**GRANT OF AWARD SHARES**

***Introduction***

On 21 July 2023 (the “**Grant Date**”), the Board has resolved to award an aggregate of 4,296,000 Award Shares (the “**2023 Award Shares**”) at the grant price of HK\$0.86 per Award Share to four Eligible Persons pursuant to the terms and conditions of the Scheme (the “**2023 Award**”).

The 2023 Award Shares represent approximately 0.02% of the Company’s total number of issued Shares as at the date of this announcement. Based on the closing price of HK\$1.59 per Share as quoted on the Stock Exchange on the Grant Date, the market value of the 2023 Award Shares is approximately HK\$6,830,640.

### ***Eligible persons***

The Eligible Persons of the 2023 Award comprise the key employees and core operation staff of the Group.

Pursuant to the Scheme, the maximum number of Award Shares which may be granted to a Grantee who is not a Director but unvested under the Scheme shall not exceed 0.1% of the total number of issued Shares from time to time (the “**Individual Limit**”). The grant of the 2023 Award Shares to the Eligible Persons is in compliance with the Individual Limit.

The grant of the 2023 Award Shares to the Eligible Persons has been approved by the remuneration committee of the Company and the Board. None of the Directors is required to abstain from voting in relation to the grant of 2023 Award Shares to the Eligible Persons.

To the best of the knowledge of the Directors having made all reasonable enquiries, as at the date of this announcement, (i) none of the Eligible Persons is a connected person of the Company or its associates (as defined under the Listing Rules); (ii) none of the Eligible Persons is a participant with options and Award Shares granted and/or to be granted exceeding the 1% individual limit under Rule 17.03D(1) of the Listing Rules; (iii) none of the Eligible Persons is a related entity participant or a service provider (as defined under the Listing Rules); and (iv) no financial assistance has been provided by the Group to the Eligible Persons to facilitate the purchase of Shares under the Scheme.

### ***Reasons and benefits of the grant***

The purpose of the grant of the 2023 Award Shares is to effectively attract, retain and incentivise core employees of the Group by aligning their interests and growth with the Group as a whole.

### *Vesting periods*

Subject to the satisfaction of the vesting conditions of the 2023 Award, the Trustee shall transfer the 2023 Award Shares or pay the Actual Selling Price of the 2023 Award Shares to the Eligible Persons under the 2023 Award upon expiry of the following vesting periods:

<b>Vesting Period</b>		<b>Percentage of 2023 Award Shares to be vested under the 2023 Award</b>
First vesting period	From the Grant Date to the last trading day within 12 months from the Grant Date	25%
Second vesting period	From the first trading day after 12 months from the Grant Date to the last trading day within 24 months from the Grant Date	25%
Third vesting period	From the first trading day after 24 months from the Grant Date to the last trading day within 36 months from the Grant Date	25%
Fourth vesting period	From the first trading day after 36 months from the Grant Date to the last trading day within 48 months from the Grant Date	25%

### *Vesting conditions and performance target*

The vesting of the 2023 Award Shares is subject to the satisfaction of the following vesting conditions:

1. corporate and personal performance:
  - (i) the Company accomplishes its annual business target; and
  - (ii) the annual performance appraisal grade of the Eligible Person is “B” or above;
2. the Eligible Person shall, on each vesting date, continue to meet the eligibility of Eligible Person as defined in the Scheme and its ancillary documents;
3. on each vesting date, the 2023 Award Shares granted to the Eligible Person have not lapsed or been cancelled in accordance with the Scheme;

4. during the vesting periods, the Eligible Person strictly abides by the obligations under the employment contracts or engagement contracts entered into with the Group, as well as the internal management regulations of the Group, and there is no violation of law or discipline by the Eligible Person;
5. during the vesting periods, the Eligible Person has not disclosed the trade secrets of the Group or directly or indirectly engaged in business that is in competition with the Group;
6. during the vesting periods, the Board has not found that the Eligible Person has seriously violated the relevant regulations of the Group or seriously prejudiced the interests of the Group;
7. during the vesting periods, all other prerequisites set out in the award letter to the Eligible Person have been fulfilled, and there are no other circumstances which the Board has determined to be inappropriate for the Eligible Person to hold the 2023 Award Shares; and
8. vesting of the 2023 Award Shares has been approved by the Board.

### ***Clawback mechanism***

Under the following circumstances, the Company shall have the right to cancel all unvested 2023 Award Shares and all vested 2023 Award Shares (but not yet transferred to the Eligible Person), and upon the confirmation of cancellation by the Company, such 2023 Award Shares shall lapse immediately:

1. in the event of death or loss of capacity of the Eligible Person;
2. in the event of retirement of the Eligible Person at his/her normal retirement age as specified in his/her employment contracts or engagement contracts with the Group or upon the Eligible Person completing his/her term of service;
3. in the event of termination of the Eligible Person's employment contracts or engagement contracts by reason of redundancy of the Group or illness without any fault on the part of the Eligible Person; or
4. where any member company of the Group in which the Eligible Person is employed or contractually engaged is wound up or ceases to be a subsidiary of the Company, or where the Eligible Person ceases to meet the eligibility of Eligible Person as defined in the Scheme by reason of corporate restructuring by any member company of the Group.

Under the following circumstances, the Company shall have the right to cancel all unvested 2023 Award Shares and all vested 2023 Award Shares (but not yet transferred to the Eligible Person), and upon the confirmation of cancellation by the Company, such 2023 Award Shares shall lapse immediately, and further, the Eligible Person shall, at the request of the Company, return the cash equivalent of the 2023 Award Shares vested and transferred to the Eligible Person (in full or in part) under the rules of the Scheme within the specified period of time:

1. where the Eligible Person resigns from his/her position in the Group voluntarily within 10 years from the execution of the acceptance letter for the 2023 Award Shares or before the expiration of his/her term of service, or voluntarily ceases to render services before the expiration of the employment contracts or engagement contracts entered into with the Group;
2. where the annual performance appraisal grade of the Eligible Person has been “C” for three consecutive years, or “C” or below for two consecutive years during his/her term of service;
3. where the Eligible Person has been negligent or engaging in misconduct when performing his/her duties as an employee of the Group, for example, explicitly refusing to follow the reasonable work arrangement and transfer due to organisational restructuring by the Group, refusing to carry out the tasks reasonably assigned by the Group, slacking off at work and refusing to rectify upon receipt of a written notice;
4. where the Eligible Person is dismissed or his/her employment contracts or engagement contracts by the Group has not been renewed upon expiry of such contracts due to his/her negligence or misconduct when performing his/her duties, the detriment he/she caused to the interests or reputation of the Group (including breach of professional ethics, breach of confidentiality obligations, divulging of trade secrets, breach of duty or engaging in acts which may harm the interests or reputation of the Group);
5. where the Eligible Person has committed serious misconduct, such as seriously violating the rules and policies of the Group, employment contracts or engagement contracts, anti-competition agreements, or laws and regulations (including bribery, soliciting bribes, corruption, theft, breach of anti-competition agreements or other significant misconduct);
6. where the Group terminates the employment contracts or the engagement contracts with the Eligible Person on the grounds that he/she is held criminally liable for any criminal offence committed by him/her, or on any other grounds under the laws, the employment contracts or the engagement contracts, or where the Eligible Person is convicted or held liable for any offence by the competent courts of relevant regulatory authorities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or other securities law or regulations in Hong Kong or any other applicable laws or regulations in force from time to time; or

7. where the Eligible Person violates any provision of the Scheme or the award letter, or fails to take any action or execute any document in accordance with the Scheme or the award letter, or where the Board, at its absolute discretion, determines that the Eligible Person has violated any provision of the Scheme or the award letter.

As at the date of this announcement, the Company has not obtained the Specific Mandate from the Shareholders to authorise the Directors to allot and issue new Shares to the Trustee for the purpose of the Scheme. The 2023 Award Shares shall be granted by way of transfer of Shares already acquired through on-market transactions by the Trustee, which have been held on trust and will be vested and delivered to the Eligible Persons in accordance with the terms of the Scheme. Please refer to the Share Purchase Announcements for further details. The grant of the 2023 Award Shares will not result in any issue of new Shares or any dilution effect on the shareholdings of the existing Shareholders.

By order of the Board  
**GCL Technology Holdings Limited**  
協鑫科技控股有限公司  
**Zhu Gongshan**  
*Chairman*

Hong Kong, 21 July 2023

*As at the date of this announcement, the Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Yufeng, Mr. Zhu Zhanjun, Mr. Lan Tianshi, Ms. Sun Wei and Mr. Yeung Man Chung, Charles as executive Directors; Ir. Dr. Ho Chung Tai, Raymond, Mr. Yip Tai Him and Dr. Shen Wenzhong as independent non-executive Directors.*