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**Electronics**

**比亞迪電子(國際)有限公司**  
**BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED**

*(Incorporated in Hong Kong under the Companies Ordinance with limited liability)*  
**(Stock code: 285)**

**VOLUNTARY ANNOUNCEMENT**  
**ADOPTION OF THE 2025 SHARE AWARD SCHEME**

The Board is pleased to announce that on 17 March 2025, the Board approved the adoption of the Share Award Scheme.

The Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and is subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, the Share Award Scheme does not involve awards granted by way of issue of new Shares. Accordingly, the Share Award Scheme does not constitute a scheme involving issue of new Shares within the meaning of Chapter 17 of the Listing Rules and the adoption of which will not be subject to the approval of the Shareholders. This announcement is made on a voluntary basis.

The principal terms of the Share Award Scheme are set out below:

**(1) Purpose of the Share Award Scheme**

The purposes of introducing the Share Award Scheme are as follows:

- a) To establish and refine a mechanism for interest-sharing between employees and owners, thereby aligning the interests of the Group, the Shareholders and employees, attracting and retaining outstanding management talent and key personnel, enhancing the cohesion and competitiveness of the Group's employees, and promoting the Group's long-term, sustainable and healthy development;
- b) To further improve the governance structure of the Group, enhance the governance level and overall value of the Group, improve the long-term and effective restricted incentive mechanism of the Group, and realize the long-term sustainable development of the Group, so as to bring more efficient and enduring returns to the Shareholders;

- c) To advocate the concept of joint and sustainable development of the Group and individuals, effectively motivating managers and employees of the Group, ensuring the long-term and stable development of the Group, while allowing employees to share in the benefits derived from the Group's continuous growth.

## **(2) Criteria for the determination of participants**

The total number of persons who participate in the Share Award Scheme is intended to be not more than 3,000, and the participants include (i) executive Directors and senior management of the Company; and (ii) mid-level management and core backbone employees of the Group. The employees who meet the above criteria in the Share Award Scheme may participate on the basis of the Company's independent discretion, voluntary participation by employees and self-assumed risk, with no instances of compulsory involvement through methods such as apportionment or forced allocation for employees. The Company will narrow down the final list of participants therefrom. All participants are required to work in the Group and have signed a labor contract or been employed by the Group.

## **(3) Sources of funds and shares**

The funds involved for purchasing or acquiring the Underlying Shares under the Share Award Scheme shall be sourced from (1) the incentive funds withdrawn by the Group; (2) the lawful remuneration of the employees; (3) the self-raised funds of the employees; and (4) other methods permitted by laws and administrative regulations. Among them, the incentive fund refers to the reward fund allocated for the Group's employees funded by the Group's internal resources, and the total amount involved in the Share Award Scheme shall not exceed RMB250 million. The participants of the Share Award Scheme include the executive Directors and senior management of the Company and the mid-level management and core backbone employees of the Group, covering core employees in positions of technology, operations, marketing, and comprehensive affairs of the Group. They are the core driving force for development of the Group and the key elements for achieving the Group's strategic goals, and play a vital role in and have a significant impact on the overall performance and long-term sustainable and stable development of the Group. In the principle of equal incentives and constraints, the Share Award Scheme fully considers the constraint mechanism for employees, sets a lock-up period for the Share Award Scheme and the Company's performance assessment indicators and personal performance assessment indicators that need to be met for specific unlocking. It is conducive to fully mobilizing the enthusiasm and creativity of employees, and improving employee cohesion and the Group's competitiveness, which would form a positive linkage in which the interests of the Group, shareholders and employees are mutually promoted, thereby promoting the reliable realization of the Group's development goals.

The Board or its Authorised Person(s) may purchase the Shares of the Company through the secondary market with the aforesaid funds at the prevailing market price at such time as it thinks fit in accordance with the relevant provisions of the Share Award Scheme, which will be the source of the Underlying Shares under the Share Award Scheme.

**(4) Limit of the Share Award Scheme**

The maximum aggregate amount of the Underlying Shares of the Share Award Scheme shall not exceed 1% of the issued share capital of the Company as at the date on which the Share Award Scheme is approved by the Board or the date on which the refreshed limit of the Share Award Scheme is approved.

The number of Underlying Shares available to each participant under the Shares Award Scheme shall not exceed 1% of the issued share capital of the Company as at the date on which the Share Award Scheme is approved by the Board or the date on which the refreshment of the limit under the Share Award Scheme is approved.

**(5) Appointment of Trustee**

The Company shall engage a third party trust institution as the Trustee to manage the Underlying Shares. The Trustee shall purchase the Underlying Shares, hold the Underlying Shares, execute the unlocking and disposal of the Underlying Shares and other matters in accordance with the terms of the relevant Trust Deed and the terms of the Share Award Scheme.

**(6) Duration and lock-up period of the Share Award Scheme**

The duration of the Share Award Scheme shall be a period of 48 months commencing from the date after the Share Award Scheme is considered and approved by the Board and following the last purchase of the Underlying Shares is completed. The purchase of the Underlying Shares under the Share Award Scheme will be completed within 6 months from the effective date of the relevant Trust Deed entered into between the Company and the Trustee.

Prior to the expiration of the duration of the Share Award Scheme, the duration of the Share Award Scheme may be extended with the consent of two-thirds of the votes cast by poll of the Holder(s) who attend the Holders' Meeting, and the approval of the chairman of the Board of the Company or an appropriate person delegated by him of the Company.

The Underlying Shares held under the Share Award Scheme will be unlocked in three phases. These three tranches of Shares will be unlocked after 12 months, 24 months and 36 months commencing from the next day upon the completion of the last purchase of the Underlying Shares, respectively. The ratio of each tranche of the Underlying Shares to be unlocked is 30%, 30% and 40%, respectively. Details are as follows:

<b>Unlocking period</b>	<b>Unlocking timing</b>	<b>The ratio of the number of unlocked Shares to the total number of Underlying Shares held under the Share Award Scheme</b>
The first unlocking period	The day falling 12 months after the day immediately following the completion of the last purchase of the Underlying Shares	30%
The second unlocking period	The day falling 24 months after the day immediately following the completion of the last purchase of the Underlying Shares	30%
The third unlocking period	The day falling 36 months after the day immediately following the completion of the last purchase of the Underlying Shares	40%

The Underlying Shares obtained under the Share Award Scheme and the Shares derived from the distribution of script dividends, capitalisation of capital reserves, and other circumstances of the Company shall also be subject to the above-mentioned lock-up arrangements of the Shares.

The lock-up period of the Share Award Scheme is set in accordance with the concept of mutual sustainable development of the Company and individuals. On the basis of legal compliance, the setting of lock-up period can further align the interests of the Company, Shareholders and employees, while fully motivating employees, impose corresponding restraints on employees, thus better aligning the interests of the Holders, the Company and Shareholders. This will help achieving the purpose of the Share Award Scheme and further the development of the Company.

## **(7) Performance appraisal**

### ***Company-level performance appraisal***

The Share Award Scheme is based on three accounting years from 2025 to 2027 as the performance appraisal year, and one appraisal is conducted in each accounting year. The performance appraisal indicators of the Company for each year are shown in the table below:

<b>Unlocking period</b>	<b>Performance appraisal indicators of the Company</b>
The first unlocking period	Based on the revenue in 2024, the revenue growth rate in 2025 shall be no less than 10%
The second unlocking period	Based on the revenue in 2025, the revenue growth rate in 2026 shall be no less than 10%
The third unlocking period	Based on the revenue in 2026, the revenue growth rate in 2027 shall be no less than 10%

*Note:* The above “revenue” is the revenue shown in the audited consolidated financial statements of the Company for the relevant fiscal year.

If the Company’s performance appraisal indicators are met, the interest of the Underlying Shares for each period under the Share Award Scheme will be unlocked. If the Company’s performance appraisal indicators for a particular unlocking period are not met, the interest of the Underlying Shares for that unlocking period shall not be unlocked and shall be recovered by the Company at a price of RMB0. The corresponding Shares of the Company shall be cancelled or used in the subsequent share scheme after the corresponding review and disclosure procedures have been completed.

### ***Individual performance appraisal***

The Share Award Scheme will assess individual performance in accordance with the relevant provisions of the Company's competitive appraisal. The assessment year covers three accounting years from 2025 to 2027, and one appraisal is conducted in each accounting year:

<b>Grade</b>	<b>Excellent</b>	<b>Good</b>	<b>Up to Standard</b>	<b>To be improved</b>	<b>Incompetence</b>
Individual- level unlocking proportion	100%	100%	100%	80%	0%

Subject to the achievement of the above-mentioned performance appraisal indicators of the Company, the actual amount of the equity interest of Underlying Shares to be unlocked by the Holder for the period = the amount of the equity interest of Underlying Shares that can be unlocked by the Holder for the period  $\times$  the unlocking ratio corresponding to the grade of the results of the individual performance appraisal.

The interest of the Underlying Shares that cannot be unlocked due to the results of the individual performance appraisal shall be recovered by the instructions of the Holder Representative at a price of RMB0 and distributed to the assignee designated by the Holder Representative who is eligible to participate in the Share Award Scheme.

### **(8) Voting rights**

During the term of the Share Award Scheme, the Holder Representative and the Trustee shall not exercise voting rights in respect of any Underlying Shares held under the Share Award Scheme.

Reference is also made to the announcement of BYD, the controlling shareholder of the Company, dated 17 March 2025 in relation to the approval of the resolution on the 2025 Employee Stock Ownership Plan (Draft) of BYD Company Limited (《比亞迪股份有限公司2025年員工持股計劃(草案)》) by the board of directors of BYD.

The Board of the Company acknowledges that as the scope of the BYD Employee Stock Ownership Plan covers the middle and senior level management and core backbone employees of its subsidiaries, and the Group is a subsidiary of BYD, therefore the employees of the Group are eligible to participate in the BYD Employee Stock Ownership Plan pursuant to the BYD Employee Stock Ownership Plan.

The BYD Employee Stock Ownership Plan is subject to the approval of general meeting of BYD and may or may not proceed.

In the event that any employee of the Group participates in the BYD Employee Stock Ownership Plan, the Company will disclose the relevant details in the annual report according to all applicable requirements under Chapter 17 of the Listing Rules.

For further details of the BYD Employee Stock Ownership Plan, please refer to the announcement of BYD dated 17 March 2025, the details of the BYD Employee Stock Ownership Plan and its summary disclosed by BYD on the website of [www.cninfo.com.cn](http://www.cninfo.com.cn) on the same date and the circular of BYD to be published later.

## LISTING RULES IMPLICATIONS

The Share Award Scheme will constitute a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not constitute a share scheme involving the issue of new Shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Share Award Scheme will not be subject to the approval of the Shareholders.

The BYD Employee Stock Ownership Plan does not constitute a share scheme involving the issue of new Shares as set out in Chapter 17 of the Listing Rules. Therefore, participation in the BYD Employee Stock Ownership Plan is not subject to Shareholders' approval.

If any incentive shares are granted to a participant who is a connected person of the Company (as defined in the Listing Rules), the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules (if applicable).

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Authorised Person(s)”	person(s) authorised by the Board;
“Board”	the board of Directors of the Company;
“BYD”	BYD Company Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange and the A shares of which are listed on the Main Board of the Shenzhen Stock Exchange;
“BYD Employee Stock Ownership Plan”	the 2025 Employee Stock Ownership Plan (Draft) of BYD Company Limited (《比亞迪股份有限公司2025年員工持股計劃(草案)》) which was considered, approved and adopted by the board of directors of BYD on 17 March 2025;
“Company”	BYD Electronic (International) Company Limited (比亞迪電子(國際)有限公司), a company incorporated in Hong Kong with limited liability whose Shares are listed on the Main Board of the Stock Exchange (Stock code: 285);
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Holders’ Meeting”	meeting comprising the Holders of the Share Award Scheme;
“Holder(s)”	the persons who participate in the Share Award Scheme;

“Holder Representative”	the holder representatives of the Share Award Scheme, who shall be elected by the Holders at the Holders’ Meeting;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China (for the purpose of the Share Award Scheme, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan);
“Share Award Scheme”	the Company’s 2025 Share Award Scheme (in its current form or as amended from time to time);
“Shareholder(s)”	shareholder(s) of the Company;
“Shares”	the ordinary shares in the share capital of the Company;
“subsidiary(ies)”	any subsidiary of the Company (as defined in the Listing Rules);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Underlying Shares”	the Shares to be acquired and held for the Share Award Scheme through purchases in the secondary market;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee pursuant to the Share Award Scheme (as may be restated, supplemented or amended from time to time); and
“Trustee”	the trust institution appointed by the Company for the purpose of the Trust.

By order of the Board  
**BYD Electronic (International) Company Limited**  
**WANG Nian-qiang**  
*Director*

Hong Kong, 17 March 2025

*As at the date of this announcement, the Board consists of Mr. WANG Nian-qiang and Mr. JIANG Xiang-rong being the executive Directors, Mr. WANG Chuan-fu and Mr. WANG Bo being the non-executive Directors, and Mr. CHUNG Kwok Mo John, Mr. QIAN Jing-jie and Ms. WANG Ying being the independent non-executive Directors.*