
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in ADICON Holdings Limited 艾迪康控股有限公司, you should at once hand this circular, together with the enclosed 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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ADICON 
ADICON Holdings Limited
艾迪康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9860)

PROPOSED ADOPTION OF THE 2025 INCENTIVE PLAN AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

A notice convening an extraordinary general meeting of ADICON Holdings Limited 艾迪康控股有限公司 to be held at Suite 1303, 13/F, Golden Centre, 188 Des Voeux Road Central, Sheung Wan, Hong Kong on Monday, May 26, 2025 at 2:10 p.m. (or immediately after the conclusion or adjournment of the annual general meeting of the Company to be held at 2:00 p.m. on the same date and at the same place) is set out on pages 19 to 20 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.adicon.com.cn).

Whether or not you are able to attend the extraordinary general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the holding of the extraordinary general meeting or any adjournment thereof (i.e. not later than 2:10 p.m. (Hong Kong time) on Saturday, May 24, 2025). Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the extraordinary general meeting or any adjourned meeting thereof if they so wish. For the avoidance of doubt, holders of treasury Shares, if any, shall abstain from voting at the Company's general meetings in respect of any treasury Shares held by them, if any.

May 6, 2025

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2025 Incentive Plan”	the 2025 incentive plan of the Company to be adopted in the EGM;
“Articles of Association”	the articles of association of the Company currently in force;
“Awards”	includes both Options and RSUs granted under the 2025 Incentive Plan in respect of Shares, which may be satisfied by newly issued Shares or treasury Shares;
“Board”	the board of directors of the Company;
“Company”, “our Company” or “the Company”	ADICON Holdings Limited (艾迪康控股有限公司), an exempted limited liability company incorporated in the Cayman Islands on March 20, 2008;
“China” or “the PRC”	the People’s Republic of China, but for the purpose of this circular and for geographical reference only and except where the context requires, references in this circular to “China” and the “PRC” do not include Hong Kong, the Macau Special Administrative Region and Taiwan;
“Director(s)”	the director(s) of the Company;
“EGM”	an extraordinary general meeting of the Company to be held at Suite 1303, 13/F, Golden Centre, 188 Des Voeux Road Central, Sheung Wan, Hong Kong on Monday, May 26, 2025 at 2:10 p.m. (or immediately after the conclusion or adjournment of the annual general meeting of the Company to be held at 2:00 p.m. on the same date and at the same place) to consider and, if appropriate, to approve the resolution contained in the notice of the meeting which is set out on pages 19 to 20 of this circular, or any adjournment thereof;
“Eligible Participants”	includes Employee Participants and Related Entity Participants, as respectively defined in Appendix I to this circular;
“Grantee”	an individual who holds an Award or, where applicable, his personal representatives;
“Group”	the Company, its subsidiaries and its consolidated affiliated entities from time to time;
“Group Company”	member(s) of the Group;

DEFINITIONS

“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	May 6, 2025, being the latest practicable date prior to the printing 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 or supplemented from time to time;
“Options”	a right to acquire Shares granted under the 2025 Incentive Plan;
“Option Period”	in respect of any particular Option, the period for the exercise of an Option to be determined by the Board (in its absolute discretion) to the Grantee at the time of making an offer, but in any event shall not exceed 10 years from the date of grant of the Option;
“Plan Administrator”	any individual who is authorized by the Board to carry out the functions under the 2025 Incentive Plan;
“RSU(s)”	means restricted share units, each restricted share unit represents one underlying Share, and represent a conditional right granted to any Eligible Participant under the 2025 Incentive Plan to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of exercise of the restricted share units, less any tax, stamp duty and other charges applicable, as determined by the Plan Administrator in his or her absolute discretion;
“Share(s)”	ordinary share(s) in the share capital of our Company with a par value of US\$0.00002 each;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“treasury Shares”	have the same meaning as set out in the Listing Rules; and
“%”	per cent.

LETTER FROM THE BOARD



ADICON Holdings Limited

艾迪康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9860)

Executive Director:

Mr. GAO Song (*Chief Executive Officer*)

Registered Office:

P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road, Grand Cayman
KY1-1205

Non-executive Directors:

Ms. YANG Ling (*Chairwoman of the Board*) Cayman Islands

Mr. LIN Jixun

Ms. FENG Janine Junyuan

Mr. ZHOU Mintao

Principal Place of Business and Headquarters in the

People's Republic of China:

No. 208, Zhenzhong Road

West Lake District

Hangzhou, the PRC

Independent non-executive Directors:

Mr. MI Brian Zihou

Mr. YEH Richard

Mr. ZHANG Wei

Principal Place of Business in Hong Kong:

Suite 1303, 13/F, Golden Centre

188 Des Voeux Road Central

Sheung Wan

Hong Kong

May 6, 2025

To the Shareholders

Dear Sir/Madam,

**PROPOSED ADOPTION OF THE 2025 INCENTIVE PLAN
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the adoption of the 2025 Incentive Plan at the EGM.

LETTER FROM THE BOARD

2. PROPOSED ADOPTION OF THE 2025 INCENTIVE PLAN

The Board proposes to recommend to the Shareholders at the EGM to adopt the 2025 Incentive Plan, which will involve issue of new Shares (including treasury Shares (if any)) upon exercise of the granted Awards. The proposal allows the Company to give Eligible Participants an opportunity to have a personal stake in the Company as incentives or rewards for their contributions to the long-term growth and profits of the Group.

The Directors consider that it is in the best interests of the Company to adopt the 2025 Incentive Plan, given that the rules of the 2025 Incentive Plan have been prepared in compliance with the Listing Rules currently in force as at the Latest Practicable Date. The 2025 Incentive Plan will become effective on the date that all the conditions precedent as referred to under the paragraph headed “Conditions precedent of the 2025 Incentive Plan” below are satisfied.

Subject to the Listing Rules, the maximum number of Shares which may be issued upon exercise of all Award to be granted under the 2025 Incentive Plan, together with options and awards which may be issued under other share scheme(s) shall not in aggregate exceed 3% of the total number of Shares in issue, excluding treasury Shares (the “**Scheme Mandate Limit**”) as at the date of approval of the 2025 Incentive Plan, being 21,769,298 Shares, unless Shareholders’ approval has been obtained. Awards lapsed or forfeited in accordance with the terms of the 2025 Incentive Plan will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

Within the Scheme Mandate Limit, no option and award may be granted to service providers under the 2025 Incentive Plan.

The Eligible Participants under the 2025 Incentive Plan incorporates the Employee Participants and Related Entity Participants. The Directors consider that apart from the contributions from the Employee Participants, the success of the Group might also come from efforts and contributions from Related Entity Participants, the inclusion of Related Entity Participants as the Eligible Participants aligns with the purpose of the 2025 Incentive Plan and long term interests of the Company and its Shareholders as a whole.

The Related Entity Participants play an important role in the success of the Group, and have contributed or may contribute to the Group in the near future. The Related Entity Participants may contribute to the Group by providing their valuable human resources to the Group given their close corporate and collaborative relationships and may be involved in projects or other business engagements relating to or having connections with the Group’s businesses, assisting the Group to improve business operations. The Directors (including the independent non-executive Directors) consider that (i) the inclusion of Related Entity Participants as the Eligible Participants are in line with the Group’s business needs and the industry norm, desirable and necessary to sustain and foster the business relationships on a long-term basis and enhance the competitiveness of the Group; and (ii) the criteria for the selection of the Eligible Participants set out in paragraph 2 of Appendix I to this circular and terms of the grants align with the purpose of the 2025 Incentive Plan.

LETTER FROM THE BOARD

The 2025 Incentive Plan does not stipulate any specific performance target attached to Awards to be granted under the 2025 Incentive Plan. Unless otherwise determined by the Board and specified in the offer letter at the time of making an offer of the grant of an Award, there is no performance target that needs to be achieved by the Grantee before an Award can be exercised in whole or in part. The Directors consider that the aforesaid terms of the 2025 Plan will provide the Board with flexibility in imposing appropriate conditions in light of the circumstances of each grant, consistent with the customary practice of the Company and align with the purpose of the 2025 Incentive Plan.

The 2025 Incentive Plan stipulated a clawback mechanism for the Company to recover or withhold any Awards granted to Eligible Participants. The Directors consider that such mechanism ensures accountability for performances and facilitates better risk management of the Company, and is therefore in line with the purpose of the 2025 Incentive Plan.

The Board may from time to time while the 2025 Incentive Plan is in force and subject to all applicable laws, select to take up an Award pursuant to which such Eligible Participant may, during the Option Period, subscribe for such number of Shares as the Board may determine at the exercise price in accordance with the 2025 Incentive Plan. The vesting period for the Award shall not be less than 12 months, unless a shorter vesting period under specific circumstances as set out in the 2025 Incentive Plan. The Directors consider that the aforesaid will provide the Board with more flexibility in setting the terms and conditions of the Awards under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentive to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Company and the Shareholders as a whole, which aligns with the purpose of the 2025 Incentive Plan.

Once the 2025 Incentive Plan is adopted, any alterations to the terms and conditions thereof, which are of a material nature, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically pursuant to the terms originally provided in the 2025 Incentive Plan.

A summary of the principal terms of the 2025 Incentive Plan is set out in Appendix I to this circular.

A copy of the rules of the 2025 Incentive Plan will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the rules of the 2025 Incentive Plan will be made available for inspection at the EGM.

Details of the Company's existing share schemes

As the date of this circular, the Company's existing share schemes consist of the Company's senior executive incentive plan and senior management incentive plan adopted and approved before the Company's listing (the "**2019 Incentive Plans**") and the Company's 2024 incentive plan adopted and approved on 28 March 2024 (the "**2024 Incentive Plan**"). The options and RSUs granted and to be granted under the 2019 Incentive Plans and the 2024 Incentive Plan are funded by existing Shares only.

LETTER FROM THE BOARD

As at 31 December 2024, the issued underlying Shares under the 2019 Incentive Plans amounted to 58,248,596 Shares, among which (i) 26,363,605 Shares, representing approximately 3.63% of the total issued Shares (excluding treasury Shares) as at 31 December 2024, were being held by Trident Trust Company (HK) Limited; and (ii) 31,884,991 Shares, representing approximately 4.39% of the total issued Shares (excluding treasury Shares) as at 31 December 2024, were being held by Computershare Hong Kong Investor Services Limited's account at DBS Vickers (Hong Kong) Limited. These Shares has and continue to be governed and managed under the 2019 Incentive Plan as described in the Company's prospectus dated 19 June 2023.

As of 31 December 2024, 11,448,500 Shares have been purchased by the trustee for the purposed of 2024 Incentive Plan and 9,150,000 RSUs have been granted under the 2024 Incentive Plan, representing approximately 1.58% and 1.26% of the total issued Shares (excluding treasury Shares) as of the 31 December 2024, respectively.

No option was outstanding under the 2019 Incentive Plans and the 2024 Incentive Plan as at 31 December 2024. The following table shows the number of Shares underlying RSUs granted but not yet vested under the 2019 Incentive Plans and the 2024 Incentive Plan as at 31 December 2024.

Name and Category of grantee	Number of Shares underlying Options and RSUs granted but not yet vested under	
	2019 Incentive Plan	2024 Incentive Plan
Mr. GAO Song (Director)	6,000,000 Shares	Nil
Other employees	Nil	9,150,000 Shares
Total	6,000,000 Shares	9,150,000 Shares

Conditions precedent of the 2025 Incentive Plan

The adoption of the 2025 Incentive Plan is conditional upon:

- (1) the passing of the necessary resolution by the Shareholders at the EGM to, (a) approve the adoption of the 2025 Incentive Plan; and (b) authorize the Board to grant Awards thereunder and to allot and issue Shares pursuant to the 2025 Incentive Plan; and
- (2) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any new Shares which may fall to be issued and allotted pursuant to the exercise of the Awards on the Stock Exchange.

An application will be made to the Stock Exchange for the approval for the listing of, and permission to deal in, any new Shares which may fall to be issued and allotted pursuant to the exercise of the Awards granted under the 2025 Incentive Plan.

Once the 2025 Incentive Plan is adopted, any alterations to the terms and conditions thereof, which are of a material nature, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically pursuant to the terms originally provided in the 2025 Incentive Plan.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the EGM approving the adoption of the 2025 Incentive Plan.

3. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 19 to 20 of this circular. At the EGM, resolution will be proposed to approve the adoption of the 2025 Incentive Plan.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.adicon.com.cn). Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours before the time scheduled for holding the EGM or any adjournment thereof (i.e. not later than 2:10 p.m. (Hong Kong time) on Saturday, May 24, 2025. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish and in such event, your proxy form shall be deemed to be revoked.

4. RECOMMENDATION

The Directors consider that the granting of all the resolution to be proposed at the EGM are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

5. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I — Summary of the Principal Terms of the 2025 Incentive Plan.

In the event of any inconsistency, the English language text of this circular version shall prevail over the Chinese language text.

LETTER FROM THE BOARD

6. 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.

Yours faithfully,
By order of the Board
ADICON Holdings Limited
Ms. YANG Ling
Chairwoman

The following is a summary of the principal terms of the 2025 Incentive Plan:

1. PURPOSE

The purpose of the 2025 Incentive Plan is to give Eligible Participants an opportunity to have a personal stake in the Company so as to motivate them to optimize their performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth and success of the Group.

2. WHO MAY JOIN

Determination of Eligibility

The Board may, at its absolute discretion, offer to grant Awards to any of the following classes of Eligible Participants to subscribe for such number of Shares as the Board may determine:

- (a) an employee or director of a Group Company (including executive, non-executive and independent non-executive directors of the Company) (the “**Employee Participants**”); and
- (b) any director or employee of any of the holding companies, fellow subsidiaries or associated companies of the Company (the “**Related Entity Participants**”).

The basis of eligibility of any of the Eligible Participants shall be determined by the Board from time to time at its absolute discretion on the basis of the Eligible Participant’s contribution or potential contribution to a Group Company. In respect of an Employee Participant or a Related Entity Participant, the Board will consider all relevant factors as appropriate, including, among others, his (i) work performance; (ii) years of service and (iii) potential or actual contribution to the business of a Group Company.

3. ADMINISTRATION

The 2025 Incentive Plan is subject to the administration of the Plan Administrator. The Plan Administrator is authorized by the Board to undertake all actions as necessary and appropriate with respect to the vesting of Awards to Eligible Participants upon the exercise of the Awards under the 2025 Incentive Plan, including the authority to defer the payment of the exercise price by any of the Grantees. The Plan Administrator shall ensure that all Awards granted under the 2025 Incentive Plan comply with the requirements under Chapter 17 of the Listing Rules.

The Company will entrust an independent third party as the trustee of the 2025 Incentive Plan (the “**Trustee**”) for the purposes of holding Shares under the Awards granted and to be granted under the 2025 Incentive Plan. The Plan Administrator, or a representative as designated by the Plan Administrator from time to time:

- (a) is in charge of giving instructions to the Trustee with respect to the relevant Shares held by the Trustee for the purpose of the Awards granted and to be granted under the 2025 Incentive Plan;
- (b) may replace the Trustee from time to time to hold the relevant Shares under the 2025 Incentive Plan; and
- (c) shall exercise the relevant voting rights with respect to the Shares held by the Trustee in accordance with the majority votes of the Company’s shareholders in general meetings. In the case of an equality of votes, the Plan Administrator or his/her representative will abstain from voting, and any votes cast by or on behalf of the Plan Administrator shall not be counted. For the avoidance of doubt, and in accordance with Rules 17.05A and 17.12(2) of the Listing Rules, the Plan Administrator shall not vote unvested shares on matters that require shareholders’ approval.

Each Eligible Participant waives any right to contest, amongst other things, (a) the value and number of Awards or Shares or equivalent value of cash underlying the Awards or Shares, and (b) the Board and the 2025 Incentive Plan Administrator’s administration of the 2025 Incentive Plan.

The decision of the Board and the Plan Administrator as to all matters relating to the 2025 Incentive Plan or its interpretation or effect shall be final and binding. In particular, the Plan Administrator shall finally determine whether a person is an Eligible Participant under the 2025 Incentive Plan.

4. GRANT OF AWARDS

Subject to the rules of the 2025 Incentive Plan, the Board may at its discretion approve the grant of an Award to any Eligible Participant and to execute a letter of grant. Such Awards may be settled by the allotment and issue of newly issued Shares or transfer of treasury Shares, as determined by the Board at its discretion.

No consideration shall be payable for the grant of an Award.

Subject to the rules of the 2025 Incentive Plan, the Board, and the Plan Administrator as authorized by the Board, shall be entitled (but shall not be bound) at any time and from time to time within the duration of the 2025 Incentive Plan to make an offer to any Eligible Participant as the Board or Plan Administrator may in its absolute discretion select, and subject to such conditions as the Board or the Plan Administrator may think fit to subscribe during the Option Period for such number of Shares as the Board or Plan Administrator may determine at the exercise price.

Any grant of Awards using new Shares to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Awards) and shall comply with the relevant provisions of Chapter 17 of the Listing Rules.

5. EXERCISE PRICE

Subject to any adjustments pursuant to the terms of the 2025 Incentive Plan, the exercise price of a Share in respect of any particular Awards granted under the 2025 Incentive Plan using new Shares shall be such price as the Board in its absolute discretion shall determine, save that such price shall be at least the higher of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the date of grant; and
- (c) the nominal value of the Shares.

6. EXERCISE OF AWARDS

Subject to the terms of the 2025 Incentive Plan, an Award may be exercised in whole or in part by the Grantee, by giving notice to the Company (in such form as the Plan Administrator may from time to time determine) stating that the Award is thereby exercised and the number of Shares in respect of which it is exercised.

The Shares to be allotted and issued upon the exercise of an Award will not carry voting, dividend, transfer and other rights until completion of the registration of the Grantee as the holder thereof. Subject to the aforesaid, Shares to be allotted and issued on the exercise of Awards shall be subject to the provisions of the Articles of Association and shall carry the same rights in all respects and shall have the same dividend, other economic rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue. The Board or the Plan Administrator may enforce restrictions on transfer for any Awards and also has right to deduct payments or proceeds from the award for tax payments due or other owed amounts in relation to the Awards.

There is no performance target which must be achieved by the Grantee before an Award can be exercised under the terms of the 2025 Incentive Plan save as otherwise imposed by the Board or the Plan Administrator as it thinks fit in the relevant offer.

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

Subject to the Listing Rules, the maximum number of Shares which may be issued upon exercise of all Award to be granted under the 2025 Incentive Plan, together with options and awards which may be issued under other share scheme(s) shall not in aggregate exceed 3% of the total number of Shares in issue, excluding treasury Shares (the “**Scheme Mandate Limit**”) as at the date of approval of the 2025 Incentive Plan, being 21,769,298 Shares, unless shareholders’ approval has been obtained. Awards lapsed or forfeited in accordance with the terms of the 2025 Incentive Plan will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Within the Scheme Mandate Limit, no option and award may be granted to service providers under the 2025 Incentive Plan.

The Board may, with the approval of the Shareholders in general meeting refresh the Scheme Mandate Limit after three years from the date of the Shareholders’ approval for the last refreshment, provided that the total number of Shares which may be issued upon the exercise of all Awards to be granted under the 2025 Incentive Plan and any other share schemes as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshment of the Scheme Mandate Limit. Refreshments of the Scheme Mandate Limit to be made within a three-year period must be approved by the Shareholders in a manner in compliance with Rule 17.03C of the Listing Rules.

The Company may seek separate approval of the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit provided the Awards in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought and the Company and in compliance with Chapter 17 of the Listing Rules in force from time to time.

If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved by the Shareholders in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the share schemes (including the 2025 Incentive Plan) under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

The total number of Shares issued and to be issued in respect of all options and awards granted to each Eligible Participant under the 2025 Incentive Plan and any other share scheme(s) (excluding options and awards that have been lapsed in accordance with the terms of the 2025 Incentive Plan and any other share scheme(s)) in any 12-month period up to and including the date of such grant shall not in aggregate exceed 1% of the total number of Shares in issue (the “**1% Individual Limit**”). Any further grant of Awards an Eligible Participant in excess of the 1% Individual Limit shall be subject to the approval of the Shareholders in general meeting with such Eligible Participant and his close associates (or associates if the Eligible Participant is a connected person of the Company) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant, the number and terms of the options or awards to be granted (and those previously granted to such Eligible Participant in the 12-month period) and such other information required under the Listing Rules.

Where any grant of Awards to an Eligible Participant who is a substantial shareholder of the Company, chief executive, or director (other than an independent non-executive Director), or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted under all share schemes (excluding any options and awards lapsed in accordance with the terms of the relevant share schemes) to such person in the 12-month period up to and including date of such grant representing in aggregate over 0.1% of the total number of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting. Such grantee, his associates and all core connected persons of the Company must abstain from voting on the resolution to approve such further grant of options. The Company shall send to the Shareholders a circular containing the information required under the Listing Rules for the purpose of seeking the approval of the Shareholders.

8. TIME OF EXERCISE OF AN AWARD

In respect of any particular Award, the period for the exercise of an Award to be determined by the Board (in its absolute discretion) to the Grantee at the time of making an offer, but in any event shall not exceed 10 years from the date of grant of the Award.

9. VARIATION TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Award may become or remains exercisable, whether by way of capitalization issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company, such corresponding adjustments (if any) shall be made in the number of Shares subject to the Award so far as unexercised, exercise price per Share of any outstanding Award and/or the maximum numbers of Shares in respect of which Awards may be granted. The auditors of the Company or the independent financial advisor to the Company shall confirm in writing to the Board that such adjustment satisfies the requirements of Rule 17.03(13) of the Listing Rules and the note thereto and any applicable guidance and/or interpretation of the Listing Rules issued from time to time, except where such adjustment is made on a capitalization issue.

Any adjustment made under this paragraph shall be made on the basis that a Grantee shall have the same proportion of the issued share capital of the Company as that to which he was entitled before such adjustment and the aggregate exercise price payable on full exercise of any Award is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such adjustment will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of Shares as consideration in a transaction is not to be regarded as a circumstance requiring any such adjustment.

Upon any adjustment made pursuant to this paragraph, the Company shall notify the Grantees in writing the adjustments that have been made. If there has been any alteration in the capital structure of the Company, the Company shall, upon receipt of a notice from a Grantee, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the aforesaid confirmation obtained by the Company for such purpose or, if no such confirmation has yet been obtained, inform the Grantee of such fact.

10. DURATION OF THE 2025 INCENTIVE PLAN

The 2025 Incentive Plan shall be valid and effective for a period of 10 years commencing on the adoption date, after which period no further Awards will be granted. However, the provisions thereof shall in all other respects remain in full force and effect and shall not affect the ability of the Plan Administrator to exercise the powers granted to him or her under the 2025 Incentive Plan with respect to the Awards granted under the 2025 Incentive Plan prior to the date of such termination.

11. AMENDMENTS TO THE 2025 INCENTIVE PLAN

The Board and the Plan Administrator may amend the 2025 Incentive Plan from time to time in accordance with the Listing Rules and applicable laws and regulations, and has the authority to make amendment to Awards granted before the amendment was made, except that:

- (a) any alterations to the terms and conditions of the 2025 Incentive Plan which are of a material nature or any change to the terms of Awards granted, except where the alterations take effect automatically under the existing terms of the 2025 Incentive Plan;
- (b) any alterations to the advantage of the Eligible Participants or the Grantee (as the case maybe) relating to matters set out in rule 17.03 of the Listing Rules; and
- (c) any change to the authority of the Directors or administrator of the 2025 Incentive Plan in relation to any alteration to the terms of the 2025 Incentive Plan,

which shall first be approved by the Shareholders in general meeting and provided that if the proposed alteration shall adversely affect any option granted or agreed to be Granted prior to the date of alteration, such alteration shall be further subject to the Grantees' approval.

Any change to the terms of Awards granted to an Eligible Participant 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), save where the alterations take effect automatically under the existing terms of the 2025 Incentive Plan.

Notwithstanding anything to the contrary contained in paragraph 3.21, the Board may at any time alter or modify the 2025 Incentive Plan in any way to the extent necessary to cause the 2025 Incentive Plan to comply with any statutory provisions or the regulations of any regulatory or other relevant authority. Any alteration to any terms of the 2025 Incentive Plan or the Awards granted shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

Any subsequent amendments to Chapter 17 that are referenced or repeated within the 2025 Incentive Plan will automatically reflect these subsequent changes and the 2025 Incentive Plan will not retain any terms that are more restrictive than that reflected in the currently applicable rules under Chapter 17, and its subsequent amendments.

12. LAPSE OF AWARDS

Subject to other relevant terms of the 2025 Incentive Plan, an Award shall lapse (such that the Award shall not be capable of exercise, whether conditionally or unconditionally) immediately on the first to occur of:

- (a) the Plan Administrator in his or her absolute discretion determines otherwise, an Option shall lapse to the extent that any applicable vesting condition has not been met, as determined by the Plan Administrator;
- (b) the Grantee fails to provide such acknowledgment or power of attorney or transfer the security amount as required by the Plan Administrator two weeks prior to the vesting date;
- (c) cessation of employment in the circumstances as set out in the 2025 Incentive Plan;
- (d) any attempted action by the Grantee falling within paragraph 14 or 15;
- (e) as set out in paragraph 16;
- (f) the Grantee becoming bankrupt; or
- (g) the expiry of the Option Period;

13. TERMINATION

The Company may by resolution in general meeting or the Board may at any time terminate the operation of the 2025 Incentive Plan and in such event no further Awards shall be offered or granted but the provisions of the 2025 Incentive Plan shall remain in force to the extent necessary to give effect to the exercise of any Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the 2025 Incentive Plan. Awards granted prior to such termination but not yet exercised at the time of the termination shall either (a) continue to be valid and exercisable in accordance with the relevant terms of the grant and the provisions of the 2025 Incentive Plan or (b) be cancelled.

Details of the Awards granted, including Awards exercised or outstanding, under the 2025 Incentive Plan and (if applicable) Awards that become void or non-exercisable as a result of the termination must be disclosed in the circular to the Shareholders seeking approval of the first new share option scheme to be established or refreshment of the Scheme Mandate Limit under any existing scheme after such termination.

14. TRANSFERS OF AWARDS

Any Award granted shall be personal to the Grantee and shall not be capable of being transferred by him, save that in the event of his or her death, his or her personal representatives shall receive the benefit of his or her Award, or if approved by the Plan Administrator in his or her sole discretion.

Any purported transfer shall be void and shall immediately cause the Award to lapse.

15. TRANSFERS OF SHARES

The Grantee shall only transfer Shares as directed by the Plan Administrator. Any resulting Shares acquired upon the exercise of a Grantee's Awards shall not be capable of being transferred by him or her prior to a sale, save that in the event of his or her death, his or her personal representatives shall receive the benefit of his or her Shares.

Any purported transfer shall be void and shall immediately result in the Plan Administrators being able to direct that such Shares shall be sold to the Company (or as the Plan Administrators may otherwise direct) for the lower of the Exercise Price(s) payable in respect of such Shares and the then current fair market value of such Shares (as determined by the Plan Administrators, acting reasonably).

16. LIQUIDATION

In the event of the liquidation of the Company:

- (a) any unvested or vested and conditionally exercised Awards shall lapse in full;
- (b) any resulting Shares acquired upon the unconditional exercise of each Award shall be sold to the Company (or as the Plan Administrators may otherwise direct) for a consideration equal to the Exercise Price(s) in respect of such Shares; and
- (c) with respect to the vested and conditionally exercised Awards, the Company shall cause the Security Amount(s) in respect of the Shares over which the Awards lapsed to be repaid to the Grantee.

17. MALUS AND CLAWBACK

If circumstances occur which, in the reasonable opinion of the Plan Administrator, justify a reduction in the number of Shares subject to one or more Awards that have not been unconditionally exercised, the Plan Administrator may, in his or her discretion at any time before an Award is unconditionally exercised, determine that the number of Shares in respect of which an Award is granted shall be reduced to such number (including to nil) and/or to reduce any future Awards or not grant any future Awards, in any case as the Plan Administrator considers appropriate in the circumstances.

If circumstances occur which, in the reasonable opinion of the Plan Administrator, justify a reduction in the number of Shares subject to one or more Awards that have already been unconditionally exercised, the Plan Administrator may, in his or her discretion determine (acting fairly and reasonably) that the Grantee should repay to the Company by (i) re-transfer of Shares (to the extent permitted by applicable law), (ii) withholding the transfer of Shares where such transfer has not occurred, (iii) payment of cash proceeds, or (iv) deductions from or set-offs against any amounts owed to the Grantee by any Group Company an amount equal to the benefit, calculated on an after-tax basis, received or to be received by the Grantee from such exercise, provided that the Plan Administrator may, at his or her discretion, determine that a lesser amount should be repaid. Each Grantee shall be deemed to undertake, as a condition of participation in the 2025 Incentive Plan, to re-transfer Shares or re-pay cash in order to comply with this rule and to expressly authorize deductions from or set-offs against any amounts owed to the Grantee by any Group Company.

The circumstances in which the Plan Administrator may consider that it is appropriate to exercise his or her discretion, may, without limitation, include the negligence, fraud or misconduct of a Grantee which, in the opinion of the Plan Administrator, results in or is reasonably likely to result in:

- (a) significant reputational damage to the Company, any other Group Company or to a relevant business unit (as appropriate);
- (b) a material adverse effect on the financial position of the Company, any other Group Company or to a relevant business unit (as appropriate);
- (c) a material adverse effect on the business opportunities and prospects for sustained performance or profitability of the Company, any other Group Company or relevant business unit (as appropriate); or
- (d) the prior calculation of any applicable vesting condition relating to corporate performance being inaccurate.

18. VESTING PERIOD

The vesting period for any Awards granted to any Grantee shall not be less than twelve (12) months from the date of grant of such Awards, unless reviewed and approved by the Board and complied in accordance with Rule 17.03f of the Listing Rules. The Board may determine a shorter vesting period on Awards granted to any Employee Participants if the Board and/or the Remuneration Committee as deemed appropriate, including where:

- (a) grants of “make-whole” Awards to the Employee Participants who newly joined the Group to replace the share options/awards they forfeited when leaving the previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to disability or occurrence of any out of control event;

- (c) grants that are made in batches during a year for administrative and compliance reasons, which may include Awards that should have been granted earlier but had to wait for a subsequent batch, in such cases, the vesting date may be adjusted to take account of the time from which the Awards would have been granted if not for such administrative or compliance requirements;
- (d) grants of Awards with a mixed or accelerated vesting schedule such that the Awards may vest evenly over a period of 12 months; and
- (e) grants of Awards with a total vesting and holding period of more than 12 months.

19. CANCELLATION

Any cancellation of Awards granted but not exercised must be approved by the Board or Plan Administrator. Where the Company cancels Awards and makes a new grant of Awards to the same Grantee, such new grant of the Awards may only be made under the 2025 Incentive Plan with available scheme mandate within the Scheme Mandate Limit. Options cancelled in accordance with the terms of the 2025 Incentive Plan will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

NOTICE OF THE EGM



ADICON Holdings Limited

艾迪康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9860)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of ADICON Holdings Limited (the “**Company**”) will be held at Suite 1303, 13/F, Golden Centre, 188 Des Voeux Road Central, Sheung Wan, Hong Kong on Monday, May 26, 2025 at 2:10 p.m. (or immediately after the conclusion or adjournment of the annual general meeting of the Company to be held at 2:00 p.m. on the same date and at the same place) for the following purposes:

1. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the new shares of the Company which may fall to be issued pursuant to the exercise of any awards that may be granted under the 2025 incentive plan of the Company (the “**2025 Incentive Plan**”), a copy of which has been produced to the extraordinary general meeting and marked “A” and initialed by the chairwoman of the meeting, the 2025 Incentive Plan be and is hereby approved and adopted, and that the directors of the Company be authorized to grant awards thereunder and to allot and issue shares pursuant to the 2025 Incentive Plan and take all such steps as may be necessary or desirable to implement the 2025 Incentive Plan, including without limitation:
 - (i) to administer or authorize a plan administrator as designated by the Board to administer the 2025 Incentive Plan under which awards will be granted to the Eligible Participants under the 2025 Incentive Plan to subscribe for the Shares, including but not limited to determining and granting the awards in accordance with the terms of the 2025 Incentive Plan;
 - (ii) to modify and/or amend the 2025 Incentive Plan from time to time provided that such modification and/or amendment comes into effect in accordance with the terms of the 2025 Incentive Plan subject to the Listing Rules;
 - (iii) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the grant of the awards under the 2025 Incentive Plan subject to the Listing Rules; and
 - (iv) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2025 Incentive Plan; and

NOTICE OF THE EGM

- (b) the total number of Shares which may be issued in respect of all awards to be granted under the 2025 Incentive Plan and any other Share Schemes will not exceed 10% (excluding treasury Shares) of the total number of Shares in issue as at the date of the approval of the 2025 Incentive Plan or the relevant date of approval of the refreshment of the Scheme Mandate Limit.”

Yours faithfully,
By order of the Board
ADICON Holdings Limited
Ms. YANG Ling
Chairwoman

Hong Kong, May 6, 2025

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof (i.e. not later than 2:10 p.m. (Hong Kong time) on Saturday, May 24, 2025). Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
3. To ascertain shareholders’ eligibility to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, May 21, 2025 to Monday, May 26, 2025 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the Meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates are lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time), on Tuesday, May 20, 2025.
4. **BAD WEATHER ARRANGEMENTS:**
The Meeting will be held on Monday, May 26, 2025 as scheduled regardless of whether or not any rainstorm warning signal or tropical cyclone signal is in force in Hong Kong at any time on that day. Shareholders may visit the website of the Company at www.adicon.com.cn for details of the alternative meeting arrangements. Shareholders should make their own decision as to whether they would attend the Meeting under bad weather conditions having regard to their own situation and if they should choose to do so, they are advised to exercise care and caution.
5. References to time and dates in this notice are to Hong Kong time and dates.