
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this Circular or as to the action you should take, you should consult your independent financial adviser, stockbroker, solicitor, professional accountant or other professional adviser immediately.

If you have sold or otherwise transferred all your Shares in the Company, you should at once hand this Circular and the accompanying Form of Proxy to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.



VTech Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 303)

**GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

This Circular should be read as a whole, your attention is drawn to the letter from the Board of the Company which is set out on pages 2 to 4 (inclusive) of this Circular. A notice convening the annual general meeting of VTech Holdings Limited to be held at Jade & Lotus Room, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 11 July 2018 at 3:30 p.m. (Hong Kong time) is set out on pages 12 to 15 (inclusive) of this Circular.

Whether or not you are able to attend the 2018 AGM, you are requested to complete and return the enclosed Form of Proxy in accordance with the instructions thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2018 AGM or any adjournment thereof. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the 2018 AGM or any adjournment thereof if you so wish.

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Accompanying documents:

- (i) Form of Proxy
- (ii) 2018 Annual Report

DEFINITIONS

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

“2017 AGM”	the annual general meeting of the Company for the year ended 31 March 2017 held on 24 July 2017;
“2018 AGM”	the annual general meeting (or any adjournment or postponement thereof) of the Company for the year ended 31 March 2018 to be held on Wednesday, 11 July 2018 at 3:30 p.m. (Hong Kong time);
“AGM Notice”	the notice convening the 2018 AGM, which is set out on pages 12 to 15 (inclusive) of this Circular;
“Board”	the board of Directors from time to time;
“Circular”	this document;
“Company”	VTech Holdings Limited, an exempted company incorporated in Bermuda under the Companies Act 1981 of Bermuda (as amended), the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s), including all the independent non-executive director(s), of the Company from time to time;
“Form of Proxy”	the form of proxy for use at the 2018 AGM accompanying this Circular;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	has the meaning ascribed to it under the section headed “3. General Mandate to Issue New Shares” in the “Letter from the Board” contained in this Circular;
“Latest Practicable Date”	4 June 2018, being the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information included herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Repurchase Mandate”	has the meaning ascribed to it under the section headed “2. General Mandate to Repurchase Shares” in the “Letter from the Board” contained in this Circular;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Shareholder(s)”	holder(s) of Share(s);
“Share(s)”	ordinary share(s) of US\$0.05 each in the issued share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“US\$”	United States of America dollars, the lawful currency of the United States of America.



VTech Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 303)

Executive Directors:

Allan WONG Chi Yun

(Chairman and Group Chief Executive Officer)

PANG King Fai

Andy LEUNG Hon Kwong

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

William FUNG Kwok Lun

KO Ping Keung

Patrick WANG Shui Chung

WONG Kai Man

Principal Office in Hong Kong:

23rd Floor, Tai Ping Industrial Centre

Block 1, 57 Ting Kok Road

Tai Po, New Territories

Hong Kong

7 June 2018

To the Shareholders,

**GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this Circular is to seek your approval on proposals to (i) grant general mandates to repurchase Shares and to issue new Shares; (ii) re-elect the retiring Directors and to provide you with information in connection with such proposals. Your approval on such proposals will be sought at the 2018 AGM.

2. GENERAL MANDATE TO REPURCHASE SHARES

The previous general mandate granted to the Directors at the 2017 AGM to exercise the powers of the Company to repurchase Shares will expire at the 2018 AGM.

At the 2018 AGM, Resolution 5 set out in the AGM Notice will be proposed at the 2018 AGM as an ordinary resolution pursuant to which the Directors will be granted a general and unconditional mandate to exercise all the powers of the Company to repurchase issued Shares subject to the criteria set out in the said Resolution 5 (the "Repurchase Mandate"). The authority relates only to repurchases made on the Stock Exchange and otherwise in accordance with the Listing Rules. The Repurchase Mandate covers repurchases made or agreed to be made only during the period ending at the conclusion of the annual general meeting of the Company to be held in 2019 or until the authority given under the said Resolution 5 is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first. The explanatory

LETTER FROM THE BOARD

statement required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate is set out in Appendix I to this Circular.

The full text of the ordinary resolution to be proposed at the 2018 AGM in relation to the Repurchase Mandate is set out in Resolution 5 in the AGM Notice set out on pages 12 to 13 of this Circular.

3. GENERAL MANDATE TO ISSUE NEW SHARES

The previous general mandate granted to the Directors at the 2017 AGM to exercise the powers of the Company to allot, issue and deal with Shares will expire at the 2018 AGM.

The Directors are aware of the investors' concern on the possible dilution of shareholding interests resulting from the exercise of the general mandate to issue Shares. Accordingly, the Directors propose, as in previous years, to limit the general mandate to 10% (rather than 20% as allowed by the Listing Rules) of the aggregate nominal amount of the share capital of the Company in issue at the date the resolution is passed (the "Issue Mandate"). In addition, any Shares to be allotted and issued (whether wholly or partly for cash or otherwise) under the Issue Mandate shall not be issued at a discount of more than 10% to the "Benchmarked Price" (as described under Rule 13.36(5) of the Listing Rules and defined in Resolution 6) (rather than 20% as limited under the Listing Rules). As at the Latest Practicable Date, there were in issue an aggregate of 251,372,133 Shares. On the basis that no further new Shares will be issued or repurchased prior to the 2018 AGM, the Company would be allowed to allot, issue and deal with a maximum of 25,137,213 further new Shares.

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to issue Shares for flexibility in raising capital or other strategic needs that may arise from time to time.

The authority of the Directors to allot and issue new Shares pursuant to Resolution 6 shall expire at the earlier of the conclusion of the annual general meeting of the Company to be held in 2019, or the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

The full text of the ordinary resolution to be proposed at the 2018 AGM in relation to the Issue Mandate is set out in Resolution 6 in the AGM Notice set out on pages 13 to 15 of this Circular.

4. RE-ELECTION OF DIRECTORS

In accordance with Bye-law 112(A) of the Bye-laws of the Company, Dr. William FUNG Kwok Lun and Mr. WONG Kai Man shall retire as Directors by rotation at the 2018 AGM and shall be eligible for re-election.

In accordance with Bye-law 94 of the Bye-laws of the Company, Professor KO Ping Keung shall retire from the Board as the new Director appointed by the Board at the 2018 AGM and shall be eligible for re-election.

Each of Dr. William FUNG Kwok Lun, Professor KO Ping Keung and Mr. WONG Kai Man, all being independent non-executive Directors eligible for re-election at the 2018 AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that each of Dr. William FUNG Kwok Lun, Professor KO Ping Keung and Mr. WONG Kai Man meets the independent guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

LETTER FROM THE BOARD

Details of the Directors who are proposed to be re-elected at the 2018 AGM are set out in Appendix II to this Circular.

Under Resolution 3 set out in the AGM Notice, the re-election of Directors will be individually voted on by the Shareholders.

5. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll. The Chairman will therefore, pursuant to Bye-law 75 of the Bye-laws of the Company, demand a poll for every resolution put to the vote of the 2018 AGM.

The results of the poll will be published on the websites of the Stock Exchange and the Company following the 2018 AGM.

6. NOTICE OF 2018 AGM

The AGM Notice is set out on pages 12 to 15 (inclusive) of this Circular.

A Form of Proxy is enclosed with this Circular for use at the 2018 AGM. The Form of Proxy can also be downloaded from the Company's website at www.vtech.com or the website of the Stock Exchange at www.hkexnews.hk. Whether or not you are able to attend the 2018 AGM, you are requested to complete and return the enclosed Form of Proxy to the Company's registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the 2018 AGM or any adjournment thereof. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the 2018 AGM or any adjournment thereof if you so wish. No Shareholder is required to abstain from voting at the 2018 AGM.

7. 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.

8. RECOMMENDATIONS

The Directors consider that the Repurchase Mandate, the Issue Mandate, and the re-election of Directors are each in the best interests of the Company and its Shareholders as a whole and so recommend the Shareholders to vote in favour of these resolutions to be proposed at the 2018 AGM.

Yours faithfully
For and on behalf of
VTech Holdings Limited
Allan WONG Chi Yun
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

Share Capital and Maximum Number of Shares that may be Repurchased

The maximum number of Shares that may be repurchased on the Stock Exchange pursuant to the Repurchase Mandate will be such number of Shares as represents 10% of the share capital of the Company in issue on the date of the 2018 AGM. As at the Latest Practicable Date, there were in issue an aggregate of 251,372,133 Shares. Subject to the passing of the relevant resolution approving the Repurchase Mandate to repurchase Shares and on the basis that no Shares are issued or repurchased prior to the 2018 AGM, the Company would be permitted under the Repurchase Mandate to repurchase a maximum of 25,137,213 Shares. The mandate relates only to repurchases of Shares which are fully paid up.

Reasons for Repurchases

While it is not possible to anticipate any specific circumstances in which the Directors might think it appropriate to repurchase Shares, the Directors believe that an authority to do so would give the Company additional flexibility that would be beneficial. The Directors have no current intention to repurchase any Shares.

In reaching a decision as to whether to make any such repurchase, the Directors will take into account the market conditions and the Company's funding arrangements at the time and whether or not such repurchase would lead to an enhancement of the net asset value per Share and/or its earnings per Share. Shareholders can be assured that the Directors would only make a repurchase in circumstances where they consider it to be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on favourable terms after obtaining all necessary consents which may be required under loan or finance documentation.

On the basis of the consolidated financial position of the Company as at 31 March 2018 (being the date to which the latest published audited consolidated financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares to which the Repurchase Mandate relates, the Directors consider that it is likely that there would be an adverse impact on the working capital position and the gearing position of the Company in the event that the Repurchase Mandate were to be exercised in full during the repurchase period. No repurchases would be made where such repurchases would have a material adverse impact on the working capital position of the Company unless the Directors consider that such repurchases were in the best interests of the Company.

Funding of Repurchases

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Purchases of Shares must be financed out of funds legally available for such purpose in accordance with the Company's Memorandum of Association and Bye-laws and the laws of Bermuda and will be funded by the resources of the Company. Bermuda law provides that the amount of capital paid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares or the funds of the Company that would otherwise be available for dividend or distribution of the proceeds of a new issue of Shares made for the purpose. The amount of premium payable on repurchase may only be paid out of the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased. Should the Directors consider it desirable, they would be able to finance the repurchase out of funds borrowed against any of the above-mentioned accounts.

Listing Rules

The reporting requirements contained in the Listing Rules specify that, inter alia, a listed company shall report all repurchases of its securities to the Stock Exchange no later than 8:30 a.m. (Hong Kong time) on the business day following the date of repurchase of any securities and shall include in its annual report a monthly breakdown of repurchases of securities.

Directors' Undertaking

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules, all applicable Bermuda laws, and the Memorandum of Association and Bye-laws of the Company.

Disclosure of Interests

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors, have any present intention, in the event that the grant to the Directors of the Repurchase Mandate is approved by the Shareholders, of selling Shares to the Company.

No persons who are connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, nor have they undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorised to make repurchases of Shares.

Hong Kong Code on Takeovers and Mergers

If, as a result of a share repurchase, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Codes on Takeovers and Mergers (the "Takeovers Code") and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for the securities of the Company under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the total interests of Dr. Allan WONG Chi Yun (including interests held directly and indirectly by the trustee of a discretionary trust in which Dr. Allan WONG Chi Yun is the founder and accordingly is deemed interested under the SFO) was 34.90% in the issued share capital of the Company.

If, which is not presently contemplated, the Company was to repurchase Shares up to the permitted maximum of 10% of its existing issued share capital as at the Latest Practicable Date from the public shareholding, the percentage shareholding of Dr. Allan WONG Chi Yun (including interests held directly and indirectly by the trustee of a discretionary trust in which Dr. Allan WONG Chi Yun is the founder and accordingly is deemed interested under the SFO) would increase to 38.78% in the issued share capital of the Company, such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not have any intention to exercise the power to repurchase Shares of the Company to an extent which would make any of the substantial Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code in this respect.

Share Prices and Share Repurchase Records

During each of the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
June	128.00	117.10
July	123.90	109.70
August	113.90	104.60
September	113.80	104.90
October	118.00	108.70
November	119.00	109.60
December	112.70	100.30
2018		
January	111.30	100.50
February	110.80	103.50
March	108.50	97.25
April	100.10	94.40
May	99.45	95.00
June, up to the Latest Practicable Date	98.00	95.85

During the six months preceding the Latest Practicable Date, no Shares were repurchased by the Company.

Status of Repurchased Shares

Under Bermuda law, any Shares repurchased by the Company will be treated as cancelled and the issued share capital of the Company, but not the aggregate amount of its authorised share capital, will be reduced accordingly.

The followings are the details of the retiring Directors proposed to be re-elected at the 2018 AGM:

Dr. William FUNG Kwok Lun

William FUNG Kwok Lun, SBS, OBE, JP, aged 69, appointed as Independent Non-executive Director in 2001. Dr. William FUNG Kwok Lun holds a Bachelor of Science degree in Engineering from Princeton University and an MBA degree from the Harvard Graduate School of Business. He was awarded the degrees of Doctor of Business Administration, *honoris causa*, by The Hong Kong University of Science and Technology, by The Hong Kong Polytechnic University and by Hong Kong Baptist University. Dr. William FUNG Kwok Lun is the group chairman of Li & Fung Limited. He is the chairman and a non-executive director of Global Brands Group Holding Limited, a non-executive director of Convenience Retail Asia Limited and an independent non-executive director of Shui On Land Limited, Sun Hung Kai Properties Limited and The Hongkong and Shanghai Hotels, Limited. He resigned as a non-executive director of Trinity Limited on 18 April 2018. He was an independent non-executive director of Singapore Airlines Limited (December 2009 – July 2017). Dr. William FUNG Kwok Lun has held key positions in major trade associations. He is the past chairman of the Hong Kong General Chamber of Commerce (1994–1996), the Hong Kong Committee for the Pacific Economic Cooperation (1993–2002) and the Hong Kong Exporters' Association (1989–1991). He was a Hong Kong Special Administrative Region delegate to the Chinese People's Political Consultative Conference (1998–2003). He has been awarded the Silver Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2008. Save as disclosed above, Dr. William FUNG Kwok Lun did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Dr. William FUNG Kwok Lun does not hold other positions in the Group. Dr. William FUNG Kwok Lun has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Dr. William FUNG Kwok Lun was interested in 1,041,630 Shares within the meaning of Part XV of the SFO. Details of his interests are provided in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" in the Annual Report of the Company for the year ended 31 March 2018. Dr. William FUNG Kwok Lun has not entered into any service contract with the Company. Dr. William FUNG Kwok Lun has been appointed for a term of three years and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Dr. William FUNG Kwok Lun is entitled to receive a Director's fee as approved from time to time by the Shareholders at the annual general meeting of the Company, pro rata to his length of service during the year. The current Director's fee of Dr. William FUNG Kwok Lun as an independent non-executive Director is US\$30,000 per annum, and additional fees as a member of the Audit Committee and the Remuneration Committee, and the chairman of the Nomination Committee are US\$3,000, US\$2,000 and US\$3,000. Details of his emoluments for the year ended 31 March 2018 are set out in note 3 to the financial statements in the Annual Report of the Company for the year ended 31 March 2018. The amount of his Director's fee has been determined by the Board of the Company with reference to his scope of responsibilities.

Dr. William FUNG Kwok Lun has served on the Board for more than nine years. He has diversified industry experience and brings a wide range of skills and experience to the Group. He has given an annual confirmation of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board considers that the long service of Dr. William FUNG Kwok Lun would not affect his exercise of independent judgment, and, therefore, considers him to be independent and recommends him to be re-elected.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Professor KO Ping Keung

KO Ping Keung, JP, aged 67, appointed as an Independent Non-executive Director on 30 January 2018. Professor KO Ping Keung holds a Bachelor of Science (Honours) degree from The University of Hong Kong, a Doctor of Philosophy degree and a Master of Science degree from the University of California at Berkeley. He is an Emeritus Professor of Electronic & Computer Engineering and the former Dean of the School of Engineering of The Hong Kong University of Science and Technology. He was the Vice Chairman of Electrical Engineering and Computer Science Department of the University of California at Berkeley (1991–1993) and a member of Technical staff, Bell Labs, Holmdel (1982–1984). Professor KO Ping Keung is currently an independent non-executive director of Henderson Investment Limited, Henderson Land Development Company Limited and Q Technology (Group) Company Limited. Save as disclosed above, Professor KO Ping Keung did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Professor KO Ping Keung does not hold other positions in the Group. Professor KO Ping Keung has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Professor KO Ping Keung did not have any interests in the Shares within the meaning of Part XV of the SFO. Professor KO Ping Keung has not entered into any service contract with the Company. Professor KO Ping Keung has been appointed for a term of three years and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Professor KO Ping Keung is entitled to receive a Director's fee as approved from time to time by the Shareholders at the annual general meeting of the Company, pro rata to his length of service during the year. The current Director's fee of Professor KO Ping Keung as an independent non-executive Director is US\$30,000 per annum, and additional fees as a member of the Audit Committee, the Nomination Committee and the Remuneration Committee are US\$3,000, US\$2,000 and US\$2,000 per annum respectively. Details of his emoluments for the year ended 31 March 2018 are set out in note 3 to the financial statements in the Annual Report of the Company for the year ended 31 March 2018. The amount of his Director's fee has been determined by the Board of the Company with reference to his scope of responsibilities.

Professor KO Ping Keung has given an annual confirmation of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board, therefore, considers him to be independent and recommends him to be re-elected.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. WONG Kai Man

WONG Kai Man, BBS, JP, aged 68, appointed as Independent Non-executive Director in 2012. Mr. WONG Kai Man holds a Bachelor of Science degree in Physics from The University of Hong Kong and an MBA degree from The Chinese University of Hong Kong. He is a fellow of the Association of Chartered Certified Accountants, United Kingdom and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. WONG Kai Man is a retired audit partner of PricewaterhouseCoopers with 32 years of professional accounting experience. He was a member of the Growth Enterprise Market Listing Committee of The Stock Exchange of Hong Kong Limited (1999–2003). He was a non-executive director of the Securities and Futures Commission (2009–2015), an independent non-executive director of China Construction Bank Corporation (2007–2013), Shangri-la Asia Limited (2006–2015) and Great Wall Pan Asia Holdings Limited (formerly known as Armada Holdings Limited and SCMP Group Limited) (2007–2016). He was a court member (2010–2017) and council member (2011–2017) of The University of Hong Kong, and an honorary associate professor of the School of Business of The University of Hong Kong (2005 – January 2018). He is currently a member of Financial Reporting Council and an independent non-executive director of SUNeVision Holdings Limited. He is a court member of the City University of Hong Kong. Mr. WONG Kai Man also serves on the boards of a number of non-governmental organisations. Save as disclosed above, Mr. WONG Kai Man did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. WONG Kai Man does not hold other positions in the Group. Mr. WONG Kai Man has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. WONG Kai Man did not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. WONG Kai Man has not entered into any service contract with the Company. Mr. WONG Kai Man has been appointed for a term of three years and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. WONG Kai Man is entitled to receive a Director's fee as approved from time to time by the Shareholders at the annual general meeting of the Company, pro rata to his length of service during the year. The current Director's fee of Mr. WONG Kai Man as an independent non-executive Director is US\$30,000 per annum, and additional fees as the chairman of the Audit Committee, a member of the Nomination Committee and the Remuneration Committee are US\$5,000, US\$2,000 and US\$2,000 per annum respectively. Details of his emoluments for the year ended 31 March 2018 are set out in note 3 to the financial statements in the Annual Report of the Company for the year ended 31 March 2018. The amount of his Director's fee has been determined by the Board of the Company with reference to his scope of responsibilities.

Mr. WONG Kai Man has given an annual confirmation of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board, therefore, considers him to be independent and recommends him to be re-elected.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



VTech Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 303)

NOTICE IS HEREBY GIVEN that the annual general meeting (“2018 AGM”) of shareholders of VTech Holdings Limited (the “Company”) will be held at Jade & Lotus Room, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 11 July 2018 at 3:30 p.m. (Hong Kong time) for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors of the Company (“Directors”) and auditor of the Company (“Auditor”) for the year ended 31 March 2018.
2. To consider and declare a final dividend in respect of the year ended 31 March 2018.
3.
 - (a) To re-elect Dr. William FUNG Kwok Lun as Director;
 - (b) To re-elect Professor KO Ping Keung as Director;
 - (c) To re-elect Mr. WONG Kai Man as Director;
 - (d) To fix the Directors’ fee (including the additional fee payable to chairman and members of the Audit Committee, Nomination Committee and Remuneration Committee) for the year ending 31 March 2019, pro rata to their length of services during the year.
4. To re-appoint KPMG as the Auditor and authorise the board of Directors (“Board”) to fix its remuneration.

SPECIAL BUSINESS

Resolutions 5 and 6 will be proposed as ordinary resolutions of the Company:

5. **“THAT:**
 - (a) subject to the provisions of paragraphs (b) and (c) below, the exercise by the Directors of all the powers of the Company during the Relevant Period to repurchase ordinary shares of US\$0.05 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) subject to and in accordance with all applicable laws and the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on the Stock Exchange be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of the shares (equivalent to a maximum of 25,137,213 shares) hereby authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the annual general meeting at which this Resolution is passed;

NOTICE OF ANNUAL GENERAL MEETING

(c) the authority hereby conferred on the Company pursuant to the approval in paragraph (a) above shall expire on the earlier of (i) the conclusion of the first annual general meeting of the Company after the date of the annual general meeting at which this Resolution is passed, or (ii) such authority being revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 by the Bye-laws of the Company or any applicable laws to be held; and

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT:**

(a) subject to the provisions of paragraphs (b) and (c) below, the exercise by the Directors of all the powers of the Company during the Relevant Period to allot, issue and deal with additional unissued shares in the capital of the Company and to make or grant offers, agreements and/or options, including warrants to subscribe for shares and other rights of subscription for or conversion into shares, which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of the share capital to be allotted, issued and dealt with by the Directors pursuant to the approval in paragraph (a) above, other than set out in paragraph (c) below, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the annual general meeting of the Company at which this Resolution is passed and the authority conferred on the Directors pursuant to paragraph (a) above shall expire on the earlier of (i) the conclusion of the first annual general meeting of the Company after the date of the annual general meeting at which this Resolution is passed, or (ii) such authority being revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, save that, in each case, such authority shall allow the Company before the expiry of such authority to make or grant offers, agreements and/or options (including warrants to subscribe for shares and other rights of subscription for or conversion into shares) which would or might require shares to be allotted and issued after the expiry of such authority and the Directors may allot, issue and deal with the shares in pursuance of such offers, agreements and/or options as if such authority conferred hereby had not expired;

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- (c) the provisions of paragraph (b) above shall not apply to the aggregate nominal amount of share capital allotted and/or issued or agreed to be conditionally or unconditionally allotted and/or issued by the Directors pursuant to:
 - (i) a rights issue where shares are offered for a fixed period to the shareholders in proportion to their then holdings of shares on a fixed record date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in, any territory applicable to the Company); or
 - (ii) any scrip dividend scheme or similar arrangements implemented in accordance with the Company's Bye-laws; or
 - (iii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company;
- (d) any shares to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the approval in paragraph (a) above shall not be issued at a discount of more than 10% to the Benchmarked Price of such Shares;
- (e) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors; and
- (f) for the purposes of this Resolution:

“Benchmarked Price” means the higher of:

- (i) the closing price of the shares of the Company as quoted on Stock Exchange on the date of the agreement involving the relevant proposed issue of shares of the Company under this Resolution; and
- (ii) the average closing price as quoted on Stock Exchange of the shares of Company for the 5 trading days immediately preceding the earlier of the date: (1) of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company under this Resolution; (2) of the agreement involving the relevant proposed issue of shares of the Company under this Resolution; and (3) on which the price of shares of the Company that are proposed to be issued is fixed.

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 by the Bye-laws of the Company or any applicable laws to be held; and

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- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

By Order of the Board
VTech Holdings Limited
CHANG Yu Wai
Company Secretary

Hong Kong, 7 June 2018

Notes:

1. At the 2018 AGM, the Chairman of the meeting will exercise his power under Bye-law 75 of the Company's Bye-laws to put each of the above resolutions to the vote by way of a poll.
2. Any member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2018 AGM or any adjournment thereof if you so wish.
3. To be valid, the form of proxy must be lodged with the Company's registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the 2018 AGM or any adjournment thereof.
4. In the case of joint holders of a share, any one of such joint holders may vote at the 2018 AGM, either personally or by proxy, in respect of such shares as if he/she/it were solely entitled thereto. However, if more than one of such joint holders is present at the 2018 AGM, either personally or by proxy, the joint holder whose name stands first in the register of members of the Company shall alone be entitled to vote.
5. The register of members of the Company will be closed for the following periods:
 - (a) For the purpose of determining shareholders who are entitled to attend and vote at the 2018 AGM, the register of members of the Company will be closed from 6 July 2018 to 11 July 2018 (both days inclusive), during which no transfer of shares will be effected. In order to be entitled to attend and vote at the 2018 AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the principal share registrar of the Company, MUFG Fund Services (Bermuda) Limited of The Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda, or the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. (local time of the relevant share registrar) on 5 July 2018.
 - (b) For the purpose of determining shareholders who are qualified for the final dividend, the register of members of the Company will be closed on 17 July 2018, during which no transfer of shares will be effected. In order to qualify for the final dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the principal share registrar of the Company, MUFG Fund Services (Bermuda) Limited of The Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda, or the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. (local time of the relevant share registrar) on 16 July 2018.