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## THIS CIRCULAR 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 to be taken, you should consult your stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Health Technology Group Holding Company Limited (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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## CHINA HEALTH

China Health Technology Group Holding Company Limited

中國健康科技集團控股有限公司

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

**(Stock code: 1069)**

### **PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND TO BUY BACK SHARES, RE-ELECTION OF RETIRING DIRECTORS, PROPOSED ADOPTION OF THE SHARE SCHEME AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting (the “AGM”) of the Company to be held at Unit No. 2808-10 on 28th Floor of West Tower Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong, at 11:00 a.m. on Wednesday, 31 December 2025 is set out on pages 41 to 46 of this circular. A form of proxy for use at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the 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 AGM or any adjournment thereof should you so wish and, in such event, the form of proxy shall be deemed to be revoked.

9 December 2025

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## DEFINITIONS

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

“Actual Sale Proceeds”	the proceeds from the sale of the Award Shares net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs
“Adoption Date”	the date of fulfillment of the condition set out in the paragraph headed “24. CONDITION OF THE SHARE SCHEME” of Appendix III to this circular
“AGM”	the annual general meeting of the Company to be held at Unit No. 2808-10 on 28th Floor of West Tower Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong at 11:00 a.m. on Wednesday, 31 December 2025 or any adjournment thereof to consider and, if thought fit, to pass the ordinary resolutions as set out in the notice of the AGM
“Articles”	the second amended and restated articles of association of the Company as amended and restated, supplemented or modified from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Award(s)”	award(s) granted under the Share Scheme, which may be a Share Option or a Share Award
“Award Shares”	new/existing Shares underlying an Award, including Treasury Shares that are transferred out of treasury by the Company
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	China Health Technology Group Holding Company Limited (stock code: 01069), an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange

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## DEFINITIONS

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“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	an Employee Participant, and for the purposes of the Share Scheme, the Offer may be made to a vehicle (such as a trust or a private company) or similar arrangement for the benefit of a specified Eligible Participant subject to the fulfilment of requirements of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable)
“Employee Participant(s)”	the directors and employees (whether full-time, part-time or other employment arrangement) of any member of the Group (including persons who are granted Awards under the Share Scheme as inducement to enter into employment contracts with any member of the Group)
“Exercise Period”	in respect of any Award, the period to be determined and notified by the Company to the Grantee thereof at the time of making an Offer provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the offer date with respect of the relevant Award
“Exercise Price”	with respect to a particular Share Option, the price per Share at which the relevant Grantee may subscribe for the Shares on the exercise of the particular Share Option
“Exercised Award Shares”	such number of Award Shares that have been exercised by a Grantee upon vesting of an Award (which may be Share Option and/or Share Award)
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Share Scheme
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the issue mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares (including any sale or transfer of Treasury Shares) not exceeding 20% of the total number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution for approving such issue mandate
“Latest Practicable Date”	9 December 2025, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minimum Period”	with respect to an Award, the period commencing on the offer date and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof
“Offer”	an offer to an Eligible Participant for the grant of an Award
“Offer Date”	the date on which an Offer is made to an Eligible Participant which date must be a business day
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Purchase Price”	with respect to a particular Share Award, the price per Share at which the relevant Grantee is required to pay (which, for the avoidance of doubt, could be nil) to purchase or receive the Shares comprising the Share Award
“Remuneration Committee”	the remuneration committee of the Board
“Returned Shares”	unvested Award Shares held by a trustee of the Trust in respect of Share Awards which have lapsed in accordance with the terms of the Share Scheme

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## DEFINITIONS

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“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	has the meaning defined in the paragraph headed “7. SCHEME LIMITS AND ADDITIONAL APPROVALS” of Appendix III to this circular
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Share Award(s)”	Award(s) which vests as a right to purchase or receive Award Shares pursuant to the Share Scheme
“Share buy back Mandate”	the buy back mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to buy back Shares not exceeding 10% of the total number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution approving such buy back mandate
“Share Option(s)”	Award(s) which vests as an option carrying the right to subscribe for Award Shares pursuant to the Share Scheme
“Share Scheme”	the share scheme proposed to be adopted by the Company at the AGM
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC

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## DEFINITIONS

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“Termination Date”	close of business of the Company on the date which falls on the date immediately prior to the tenth (10th) anniversary of the Adoption Date, or such earlier date as the Share Scheme is terminated in accordance of the terms thereunder
“Treasury Share(s)”	has the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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### CHINA HEALTH

China Health Technology Group Holding Company Limited

中國健康科技集團控股有限公司

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

**(Stock code: 1069)**

*Executive Directors:*

Professor Fei Phillip (*Chairman*)

Ms. Bu Xue (*Chief Executive Officer*)

*Independent Non-Executive Directors:*

Mr. Guo Zhonglong

Mr. Chau Wing Nam

Ms. Liu Shuhua

*Registered Office:*

PO Box 1350

Windward 3

Regatta Office Park

Grand Cayman

KY1-1108

Cayman Islands

*Principal Place of Business in Hong Kong:*

Unit 12, 12/F, Tower A,

New Mandarin Plaza,

No. 14 Science Museum Road,

Tsim Sha Tsui,

Kowloon,

Hong Kong

9 December 2025

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES  
TO ISSUE NEW SHARES AND TO BUY BACK SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED ADOPTION OF THE SHARE SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**



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## LETTER FROM THE BOARD

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### INTRODUCTION

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the AGM to seek the Shareholders' approval for, among other things, (i) the granting of the Issue Mandate, the Share buy back Mandate and the extension of the Issue Mandate; (ii) the proposed re-election of the Directors; (iii) the proposed adoption of the Share Scheme; (iv) and give you notice of the AGM at which resolutions will be proposed for the Shareholders to consider and, if thought fit, approve the aforesaid matters.

A notice convening the AGM setting out the details of the resolutions to be proposed at the AGM is set out on pages 41 to 46 of this circular.

### GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the AGM to grant the Issue Mandate to the Directors pursuant to which the Directors will be granted a general unconditional mandate to allot, issue and deal with Shares (including any sale or transfer of Treasury Shares) not exceeding 20% of the total number of issued Shares (excluding Treasury Shares, if any) on the date of passing the relevant resolution. Based on 102,924,220 Shares in issue and the Company did not have any Treasury Shares as at the Latest Practicable Date, and assuming no further Shares are issued and no Shares are bought back after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to allot, issue and deal with up to a total of 20,584,844 Shares if the Issue Mandate is granted at the AGM, which will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, or any applicable law of the Cayman Islands to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### GENERAL MANDATE TO BUY BACK SHARES

An ordinary resolution will be proposed at the AGM to grant the Share buy back Mandate to the Directors pursuant to which the Directors will be granted a general unconditional mandate to exercise all the powers of the Company to buy back Shares not exceeding 10% of the total number of issued Shares (excluding Treasury Shares, if any) on the date of passing the relevant resolution. Subject to the passing of the proposed resolution granting the Share buy back Mandate to the Directors and on the basis that no Shares will be issued or bought back by the Company prior to the AGM, the Company will be allowed under the Share buy back Mandate to buy back a maximum of 10,292,422 Shares. The Share buy back Mandate, if granted, shall be effective until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, or any applicable law of the Cayman Islands to be held; and (iii) the passing of an ordinary resolution by the Shareholders in general meeting of the Company revoking or varying the authority given to the Directors.

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## LETTER FROM THE BOARD

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### EXTEND GENERAL MANDATE TO ISSUE SHARES

Subject to conditional on the passing of the resolutions to grant the Issue Mandate and the Share buy back Mandate, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors, pursuant to such general mandates of an amount representing the total number of Shares bought back by the Company and pursuant to the Share buy back Mandate provided that such extended amount shall not exceed 10% of the total number of issued Shares (excluding Treasury Shares, if any) on the date of passing the resolution for approving the Issue Mandate.

### PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprises two executive Directors, namely Professor Fei Phillip and Ms. Bu Xue, and three independent non-executive Directors, namely, Mr. Guo Zhonglong, Mr. Chau Wing Nam and Ms. Liu Shuhua.

In accordance with article 108 of the Articles, Professor Fei Phillip and Mr. Guo Zhonglong will retire from office by rotation and, being eligible, will offer themselves for re-election at the AGM.

In accordance with article 112 of the Articles, Ms. Liu Shuhua will hold office until the AGM and, being eligible, will offer herself for re-election at the AGM.

At the forthcoming AGM, ordinary resolutions will be put forward to the shareholders of the Company in relation to the proposed re-election of Professor Fei Phillip, Mr. Guo Zhonglong and Ms. Liu Shuhua as Directors.

Brief biographical and other details of the Directors offering themselves for re-election, which are required to be disclosed under the Listing Rules, are set out in Appendix II to this circular.

Save as disclosed above and Appendix II in relation to the Directors, there are no other matters that need to be brought to the attention of the Shareholders regarding their re-election.

### PROPOSED ADOPTION OF THE SHARE SCHEME

#### 1. Introduction

On 9 December 2025, the Board resolved to propose, subject to the approval of the Shareholders, the adoption of the Share Scheme, so as to enable the Company to further align its directors and key employees' long-term interests with that of the Company and motivate them to continuously drive the Company's growth and development.

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## LETTER FROM THE BOARD

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The Share Scheme will constitute a share scheme funded by issuance of new Shares and/or utilise existing Shares and/or Treasury Shares under Chapter 17 of the Listing Rules. The adoption of the Share Scheme is conditional upon (a) the passing of the ordinary resolution by the Shareholders at the AGM to approve the adoption of the Share Scheme; and (b) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the new Shares to be allotted and issued pursuant to the exercise of Share Options or vesting of the Share Awards granted under the Share Scheme.

A summary of the principal terms of the Share Scheme is set out in the Appendix III to this circular.

### **2. Purpose**

The purpose of the Share Scheme is set out in the paragraph headed “1. PURPOSE” in Appendix III to this circular.

### **3. Condition**

The adoption of the Share Scheme is conditional upon the passing of an ordinary resolution to approve and adopt the Share Scheme by the Shareholders in a general meeting of the Company.

### **4. Eligible Participants**

The Eligible Participants are the Employee Participants. Details of the Eligible Participants and the criteria for determination of their eligibility are set out in the paragraph headed “3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY” in Appendix III to this circular.

The Board (including the independent non-executive Directors) is of the view that the independent non-executive Directors should be included as Eligible Participants on the basis of the following:

- (i) the objectivity and independence of the independent non-executive Directors shall not be impaired by any potential grant of the Awards under the Share Scheme based on the following reasons: (i) the independent non-executive Directors will be required to continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; and (ii) approval by independent Shareholders will be required if any Award is to be granted to independent non-executive Directors or any of their respective associates which would result in the Shares issued and to be issued in respect of all options and awards granted to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares, if any);

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## LETTER FROM THE BOARD

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- (ii) the inclusion of independent non-executive Directors as Employee Participants would provide the Group with flexibility to offer non-cash incentives to the independent non-executive Directors for their continuous contributions to the Group's growth and development without compromising their objectivity and independence; and
- (iii) it is common to include independent non-executive Directors as eligible persons of share schemes among public companies.

When considering granting Awards to independent non-executive Directors, the Board will take note of paragraph E.1.9 of Appendix C1 to the Listing Rules, which sets out that an issuer should not normally remunerate independent non-executive directors for its shareholdings with performance-related elements. Although no performance targets have been set out in the Share Scheme, if the Grantee is an independent non-executive Director, the Board will grant Awards only if it is satisfied that there will be no bias in decision-making or impact on the objectivity and independence of the Grantee in discharging his duties as an independent non-executive Director.

The Board (including the independent non-executive Directors) is of the view that the criteria of selection of the Eligible Participants and the inclusion of independent non-executive Directors as Eligible Participants are fair and reasonable and align with the purpose of the Share Scheme to recognise contributions made and to be made to the growth and development of the Group and the long-term interests of the Company and the Shareholders.

As at the Latest Practicable Date, the Company has no plan to grant any Awards to the independent non-executive Directors.

### **5. Vesting Period**

The vesting period of the Awards is set out in the paragraph headed "5. VESTING PERIOD" in Appendix III to this circular. The paragraph also sets out circumstances in which the Board may grant Awards with a vesting period shorter than the Minimum Period. The paragraph headed "18. RIGHTS ON A CORPORATE TRANSACTION" in Appendix III to this circular further sets out circumstances in which the Board may in its discretion accelerate the vesting dates of Awards, which may result in a vesting period shorter than the Minimum Period.

The Board and the Remuneration Committee are of the view that (i) there are certain limited instances (for example in circumstances set out in the paragraphs headed "5. VESTING PERIOD" and "18. RIGHTS ON A CORPORATE TRANSACTION" of Appendix III to this circular) where a strict twelve (12)-month vesting requirement would not be fair to the holder(s) of the Awards; (ii) there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting period or in exceptional circumstances where justified; and (iii) the Company should be allowed to formulate its own talent recruitment and retention

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## LETTER FROM THE BOARD

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strategies in response to changing market conditions and industry competition. It should have the flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances when the vesting period is shorter than the Minimum Period prescribed in the paragraphs headed “5. VESTING PERIOD” and “18. RIGHTS ON A CORPORATE TRANSACTION” of Appendix III to this circular), as detailed in this circular, enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group’s industry. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the Share Scheme.

### **6. Exercise Price and Purchase Price**

- (a) The Exercise Price shall, subject to any adjustments that may be made set out in paragraph headed “20. EFFECT OF ALTERATIONS TO SHARE CAPITAL” in Appendix III to this circular, be determined by the Board, in its absolute discretion, provided that it shall be not less than the highest of:
  - (1) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a business day;
  - (2) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the Offer Date; and
  - (3) the nominal value of the Share on the Offer Date.

The Board considers that as the Exercise Price cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that the grantees of Awards will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalize on the benefits of the options granted under the Share Scheme and in turn benefiting the Company and the Shareholders as a whole. As such, the Board considers that the provision in relation to the Exercise Price aligns with the purpose of the Share Scheme as set out above.

- (b) The Purchase Price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the Offer Letter. For the avoidance of doubt, the Board may determine the Purchase Price to be nil. In relation to the Share Awards, the Purchase Price is payable by the Grantee upon vesting of the Share Award. The

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## LETTER FROM THE BOARD

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Company will disclose the Purchase Price for Share Awards in the announcement on grant of the relevant Awards and in its annual and interim reports to the extent required under Chapter 17 of the Listing Rules.

The above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the Share Scheme by reserving the discretion to determine the Purchase Price on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such grantee, which is aligned with the purpose of the Share Scheme (particularly considering that Awards typically do not involve the same degree of exercise procedure and discretion on the part of the Eligible Participant as with Share Options).

### **7. Maximum number of Shares subject to the Share Scheme**

The total number of Shares which may be issued (including any sale or transfer of Treasury Shares) in respect of all Awards which may be granted under the Share Scheme is set out in the paragraph headed “7. SCHEME LIMITS AND ADDITIONAL APPROVALS” in Appendix III to this circular.

As at the Latest Practicable Date, the number of issued Shares is 102,924,220 Shares and the Company has no Treasury Shares. Assuming that there will be no change in the number of issued Shares and the Company will not have any Treasury Shares between the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be issued (including any transfer of Shares out of treasury that are held as Treasury Shares) under the Share Scheme and as a result of all options and awards which may be granted under any other schemes for the time being of the Company would be 10,292,422 Shares, representing 10% of the issued share capital of the Company (excluding Treasury Shares, if any) on the date of approval of the Share Scheme.

### **8. Performance targets and clawback mechanism**

The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award, including condition(s) and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

The Board (including the independent non-executive Directors) believes that this will provide the Board with more flexibility in setting out the terms and conditions of the Awards under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group. The Board (including the independent non-executive Directors) also considers that it may not always be appropriate to impose performance targets or prescribe a clawback mechanism particularly when the purpose of granting Awards is to motivate and incentivise employees, and it is impractical to expressly set out a generic set of performance targets in the Share Scheme, as each Grantee will play different roles and contribute in diverse ways to the Group.

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## LETTER FROM THE BOARD

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Specifically, the Board may, at its discretion, require at the time of grant any particular Grantee to achieve such performance targets as the Board may then specify in the grant before any Awards granted under the Share Scheme to such Grantee can be exercised. If performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate, sales performance (e.g. revenue), operating performance (e.g. operation efficiency) and financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group, as well as corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture), personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee and individual performance (e.g. key performance indicator achievement) of the Grantee, the satisfaction of which shall be assessed and determined by the Board at its discretion.

Generally, the Company will also utilise its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

On the other hand, if a clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, if the Grantee's employment has been terminated summarily, or if he or she has been convicted of any criminal offence involving his or her integrity or honesty, or has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements), any outstanding share options not yet vested nor exercised or any outstanding share awards not yet vested shall be immediately forfeited and shall immediately lapse under the Share Scheme, unless the Board determines otherwise at its discretion. The Board (including the independent non-executive Directors) is of the view that the above arrangements align with the purpose of the Share Scheme as it will help motivate the Employees Participants in optimising their performance and efficiency in one hand, whilst still could sufficiently safeguard the interests of the Company.

### **9. Others**

As at the Latest Practicable Date, the Company has no concrete plans or intention to grant Share Options and/or Share Awards to the Eligible Participants under the Share Scheme.

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## LETTER FROM THE BOARD

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The Company understands that whilst the Share Scheme is not restricted to executives and employees of the Group, the adoption of the Share Scheme would not constitute an offer to public and be subject to prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

As at the Latest Practicable Date, no trustee has been appointed to administer and implement the Share Scheme. If a trustee is appointed by the Company in the future, such trustee will be independent of the Company and its connected persons in accordance with the Listing Rules and shall comply with the requirements regarding voting arrangements as set out under Rule 17.05A of the Listing Rules. The Company will publish an announcement if a trustee is appointed.

The Company may issue new Shares and/or utilise existing Shares and/or Treasury Shares (if any) to satisfy grant(s) of the Award(s) under the Share Scheme.

The Share Scheme will constitute a share scheme under Chapter 17 of the Listing Rules. The Company will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the Share Scheme.

The Company currently has no share schemes to provide incentives to employees or other eligible participants.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had any material interest in the adoption of the Share Scheme. Accordingly, no Shareholder is required to abstain from voting on the resolution approving the adoption of the Share Scheme at the AGM.

### **10. Application for Listing**

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted in respect of all Share Options and Share Awards that may be granted pursuant to the Share Scheme.

### **11. Document on display**

A copy of the Share Scheme will be published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.01069.com.cn](http://www.01069.com.cn) for a period of not less than 14 days before the date of the AGM and will also be made available for inspection at the AGM.

## **ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 41 to 46 of this circular. At the AGM, resolutions will be proposed to approve, *inter alia*, the granting of the Issue Mandate and Share buy back Mandate and the extension of the Issue Mandate by the addition thereto of the number



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## LETTER FROM THE BOARD

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of Shares bought back pursuant to the Share buy back Mandate, the proposed re-election of retiring Directors and the proposed adoption of the Share Scheme. A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Results of the poll voting will be published on the Company's website at [www.01069.com.cn](http://www.01069.com.cn) and the website of Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) after the AGM.

In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the AGM or any adjournment thereof should he/she/it so wishes and, in such event, the form of proxy shall be deemed to be revoked.

The record date for determining the eligibility of Shareholders (except holders of Treasury Shares, if any) to attend and vote at the AGM is Wednesday, 31 December 2025. The register of members of the Company will be closed from Wednesday, 24 December 2025 to Wednesday, 31 December 2025, both days inclusive, during which period no transfer of shares will be registered for the purpose of determining who will be entitled to attend and vote at the AGM. In order to be entitled to attend and vote at the AGM to be held on Wednesday, 31 December 2025, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, 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. on Tuesday, 23 December 2025.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore all resolutions proposed at the AGM shall be voted by poll.

### 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 document is accurate and complete in all material aspects and not misleading or deceptive; and there are no other matters the omission of which would make any statement in this circular misleading.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors consider that the granting of the Issue Mandate and the Share buy back Mandate, the extension of the Issue Mandate, the proposed re-election of the Directors and the proposed adoption of the Share Scheme are in the interests of the Company and the Shareholders as a whole, and therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM on pages 41 to 46 of this circular.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of the circular shall prevail over the Chinese text.

Yours faithfully

By order of the Board

**China Health Technology Group Holding Company Limited**

**Professor Fei Phillip**

*Chairman and Executive Director*

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to the Shareholders for the consideration of the Share buy back Mandate.*

## **1. STOCK EXCHANGE RULES FOR BUY BACK OF SHARES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy back their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed buy backs of share by a company with a primary listing on the Stock Exchange must be approved by Shareholders in advance by an ordinary resolution, either by way of a general mandate or, by a specific approval of a particular transaction and that the shares to be bought back must be fully paid up.

## **2. EXERCISE OF THE SHARE BUY BACK MANDATE**

Exercise in full of the Share buy back Mandate, on the basis of 102,924,220 Shares in issue (excluding Treasury Shares, if any) at the Latest Practicable Date, could result in up to 10,292,422 Shares being bought back by the Company during the period up to (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 existing memorandum and articles of association of the Company or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Share buy back Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

The Company may cancel any bought-back Shares and/or hold them as Treasury Shares subject to market conditions and the capital management needs of the Company at the relevant time of the buy backs.

For any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as Treasury Shares.

**3. REASONS FOR THE BUY BACK**

The Directors have no present intention to buy back any Share but consider that the Share buy back Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Share buy back Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share, and will only be made when the Directors believe that a buy back will benefit the Company and the Shareholders as a whole.

**4. FUNDING OF SHARE BUY BACKS**

Pursuant to the Share buy back Mandate, buy backs would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the laws of Cayman Islands, the memorandum, the Articles and the Listing Rules for such purpose.

**5. NO UNUSUAL FEATURES**

An exercise of the Share buy back Mandate in full could have a material adverse impact on the working capital or gearing position of the Company compared with that as at 30 June 2025, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any buy back in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors will exercise the powers of the Company to make buy backs pursuant to the Share buy back Mandate and in accordance with the Listing Rules, the memorandum of association and articles of association of the Company, the laws of Hong Kong and the applicable laws of the Cayman Islands. The Directors confirm that neither this explanatory statement nor the proposed Share buy back Mandate has any unusual features.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Share buy back Mandate if such is approved by the Shareholders.

No core connected persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Share buy back Mandate is approved by the Shareholders.

## 6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange. In each of the previous twelve months before the Latest Practicable Date were as follows:

	Share Price	
	Highest HK\$	Lowest HK\$
<b>2024</b>		
December	0.480	0.320
<b>2025</b>		
January	0.460	0.340
February	0.420	0.370
March	0.600	0.360
April	0.750	0.410
May	0.710	0.390
June	0.520	0.410
July	0.510	0.310
August	0.610	0.395
September	0.485	0.380
October	0.550	0.420
November	0.520	0.435
December (up to and including the Latest Practicable Date)	0.485	0.420

**7. EFFECT OF TAKEOVERS CODE**

If as a result of buy back of Shares pursuant to the Share buy back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the shareholding, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Name	Capacity	Number of Share held as at the Latest Practicable Date	Approximate percentage of holding as at the Latest Practicable Date	Approximate percentage of holding if the Share buy back Mandate is exercised in full
Ms. Huang Hou	Beneficial owner	7,036,800	6.84%	7.60%
Number of share issued after buy back of 10% shares by the Company				92,631,798

In the event that the Directors exercise the Share buy back Mandate in full and assuming there is no change in the issued share capital of the Company as at the date of passing of the relevant resolution granting the Share buy back Mandate, the interest of the above Shareholders would be increased to approximately the percentage shown in the last column above and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Listing Rules prohibit a company from making a buy back of shares on the Stock Exchange if the buy back would result in less than 25% (or such other prescribed percentage as determined by the Stock Exchange to constitute the minimum public float of a company) of the issued share capital in public hands. The Directors do not propose to buy back Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which the exercise in full of the Share buy back Mandate would have under the Takeovers Code.

**8. SHARE BUY BACK MADE BY THE COMPANY**

No buy backs of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

*The following are the brief biographies of the proposed Directors to be re-elected at the AGM:*

**(1) Professor Fei Phillip (“Professor Fei”)**

**Professor Fei**, aged 67, is the chairman, an executive Director and an authorised representative of the Company. He is the professor of International Economic Department of the University of International Relations (國際關係學院), the Peoples Republic of China. Currently he is the council member of the Chinese Overseas Friendship Association (中華海外聯誼會理事) and the China Council for the Promotion of Peaceful National Reunification (中國和平統一促進會). He is also the specially invited committee member of the Hebei Committee for Liaison with Hong Kong, Macao, Taiwan and Overseas Chinese and Foreign Affairs\* (河北港澳台僑和外事委員會). He has over 10 years of experience in the international finance, trading business and economic researches.

Professor Fei has been appointed as an executive Director since 24 July 2015 and he is subject to retirement and is eligible for re-election at the AGM in accordance with the Articles. As at Latest Practicable Date, Professor Fei is entitled to an annual salary of HKD96,000 which was determined with reference to his roles and responsibilities and the prevailing market conditions.

Save as disclosed above, (i) Professor Fei did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular; (ii) he does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company; (iii) he does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iv) there is no information required to be disclosed in relation to Professor Fei pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (v) there is no other matter concerning Professor Fei that needs to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

**(2) Mr. Guo Zhonglong (“Mr. Guo”)**

**Mr. Guo**, aged 76, has more than 40 years of experience in accounting and corporate finance. Mr. Guo worked as a general manager in the Shenzhen branch of Shinewing (HK) CPA Limited from 2003 to 2004. Mr. Guo obtained a Master degree in Accountancy from the Dongbei University of Finance and Economics in 2002 and had been a member of The Chinese Institute of Certified Public Accountants from 1993-2020.

Mr. Guo has been appointed as an independent non-executive Director since 30 June 2022 and he is subject to retirement and eligible for re election at the AGM in accordance with the Articles. As at Latest Practicable Date, Mr. Guo is entitled to an annual salary of HKD36,000 which was determined with reference to his roles and responsibilities and the prevailing market conditions.

Save as disclosed above, (i) Mr. Guo did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular; (ii) he does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company; (iii) he does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iv) there is no information required to be disclosed in relation to Mr. Guo pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (v) there is no other matter concerning Mr. Guo that needs to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

**(3) Ms. Liu Shuhua (“Ms. Liu”)**

**Ms. Liu**, aged 56, graduated from Henan University of Finance and Law (河南財經政法大學) in 1993 with a bachelor’s degree in law, and holds a lawyer’s qualification certificate in the People’s Republic of China. Ms. Liu has extensive experience in legal professional services and business management. She had served as the permanent legal adviser and investment adviser of a number of large-scale state-owned enterprises and joint-stock companies. She worked in Henan Chengda Law Firm (河南誠達律師事務所) from 1989 to 2004, served as the legal adviser of Henan Jianye Group (河南建業集團) from 2004 to 2022, and has served as the chairman of the board of directors of Beijing Xianghua Yongxin Technology Co., Ltd. (北京祥華永信科技有限公司) since 2023.

Mr. Liu has been appointed as an independent non-executive Director since 1 April 2025 and she is subject to retirement and eligible for re election at the AGM in accordance with the Articles. As at Latest Practicable Date, Ms. Liu is entitled to an annual salary of HKD36,000 which was determined with reference to his roles and responsibilities and the prevailing market conditions.

Save as disclosed above, (i) Ms. Liu did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular; (ii) she does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company; (iii) she does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iv) there is no information required to be disclosed in relation to Ms. Liu pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (v) there is no other matter concerning Ms. Liu that needs to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.



*The following is a summary of the principal terms of the Share Scheme to be approved and adopted by ordinary resolution at the AGM, but such summary does not form part of, nor was it intended to be, part of the Share Scheme, nor should it be taken as affecting the interpretation of the terms of the Share Scheme:*

## **1. PURPOSE**

The purpose of the Share Scheme is to provide incentive to the Eligible Participants in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

## **2. ADMINISTRATION OF THE SHARE SCHEME**

Awards can be in the form of Share Options and/or Share Awards. The Share Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the Share Scheme or its interpretation or application or effect shall (save as otherwise provided in the Share Scheme and in the absence of manifest error) be final and binding. The Board shall exercise its administrative power in accordance with the Listing Rules requirement. For the avoidance of doubt, subject to compliance with the requirements of the Listing Rules and the terms of the Share Scheme, the Board shall have the right to (i) interpret and construe the terms of the Share Scheme; (ii) determine the persons who will be offered Awards under the Share Scheme, and the number of Shares and the Exercise Price or Purchase Price in relation to such Awards; (iii) make such appropriate and equitable adjustments to the terms of Awards granted under the Share Scheme as it may deem necessary; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Share Scheme.

Subject to compliance with the Listing Rules, the authority to administer the Share Scheme may be delegated by the Board to a committee of the Board or to any other person(s) deemed appropriate at the sole discretion of the Board.

The Company may issue new Shares and/or utilise existing Shares and/or Treasury Shares (if any) to satisfy grant(s) of the Award(s) under the Share Scheme.

The Company may establish one or more trusts (“**Trust(s)**”) which will be independent of the Company and appoint one or more trustee(s) to hold Shares for the purposes of: (i) holding Award Shares upon Trust(s) which are reserved for specified Eligible Participants; (ii) subscribing for new Shares to be allotted and issued by the Company, purchasing existing Shares from the open market, holding Treasury Shares that are transferred out of treasury by the Company, and/or holding Returned Shares, in each case to serve as a pool of Shares upon Trust(s) which may be used to grant and/or satisfy Awards; (iii) settling Awards; and (iv) taking

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**APPENDIX III SUMMARY OF PRINCIPAL TERMS OF THE SHARE SCHEME**

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other actions for the purposes of administering and implementing the Share Scheme. The trustee(s) of the Trust(s) shall be instructed by the Company. No Director will act as trustee(s) or have any direct or indirect interest in any trustee(s) of the Trust(s).

The Company shall not give instruction to any trustee of the Trust(s) to subscribe for or purchase any Shares for the purpose of the Share Scheme under any of the following circumstances: (i) if the subscription or purchase will result in the Company failing to comply with the public float requirement with respect to the Shares as applicable under the Listing Rules from time to time; or (ii) after inside information (having the meaning as defined in the SFO) has come to its knowledge, until (and including) the business day after such inside information has been announced by the Company pursuant to the requirements of the Listing Rules; or (iii) at a time when any Director would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers, set out in Appendix C3 to the Listing Rules).

The trustee of the Trust holding unvested Award Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such direction is given.

### **3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY**

The Eligible Participants are the Employee Participants.

In determining the basis of eligibility for Employee Participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include: (1) the performance; (2) the skill, knowledge, experience, expertise and other personal qualities; (3) time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (4) the length of employment with the Group; and (5) the contribution or potential contribution to the development and growth of the Group.

### **4. OFFER AND ACCEPTANCE**

Subject to and in accordance with the provisions of the Share Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period commencing on the Adoption Date and ending on the Termination Date (both dates inclusive), to make an Offer to such Eligible Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit, provided that no such Offer shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or any of the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine specifying the terms of the Award which may include number of Award Shares, the Purchase Price or Exercise Price (as applicable), the vesting criteria and conditions, the Exercise Period, and if any, minimum performance targets that must be achieved and, if applicable, the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants, and any such other details as the Company may consider necessary (an “**Offer Letter**”), and requiring the Grantee to undertake to hold the Award on the terms of the Offer Letter and be bound by the terms of the Share Scheme. An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including the Eligible Participant’s personal representative) for a period of twenty-one (21) days from the Offer Date. The Offer shall lapse if the Eligible Participant does not accept the offer within twenty-one (21) days from the Offer Date. For the avoidance of doubt, the Board may at its discretion specify any condition in the Offer Letter at the grant of the relevant Award, including conditions and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

An Offer of Awards (both Share Options and Share Awards) shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the Award Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 or such other amount (if any) that may be determined by the Board as consideration for the grant thereof, is received by the Company.

Any Offer may be accepted by an Eligible Participant in respect of less than the number of Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, and such letter, together with a payment (if any) in favour of the Company as consideration for the grant thereof, is received by the Company.

## **5. VESTING PERIOD**

Save for the circumstances prescribed in this paragraph and paragraph 18, an Award must be held by the Grantee for a period that is not shorter than the Minimum Period before the Award can be exercised.

For the grant of Awards to Employee Participants, the Board may at its absolute discretion determine a vesting period shorter than the Minimum Period in the following specific circumstances:

- (1) grants of “make-whole” Awards to new joiners to replace the award shares they forfeited when leaving the previous employers;

- (2) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;
- (3) grants that are made in batches during a year for administrative and compliance reasons (such as to save administrative time and compliance costs, to coincide with the regular or scheduled meetings of the Board and/or the Remuneration Committee, etc.), which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;
- (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

Each of which are considered appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (1) and (4)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (2) and (3)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (4)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (5)); and (e) in exceptional circumstances where justified (sub-paragraphs (1) to (5)), which is consistent with the purpose of the Share Scheme.

#### **6. EXERCISE PRICE AND PURCHASE PRICE AND EXERCISE OF AWARDS**

- (a) The Exercise Price shall, subject to any adjustments made pursuant to paragraph 20, be determined by the Board, in its absolute discretion, provided that it shall be not less than the highest of:
  - (1) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a business day;
  - (2) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the Offer Date; and
  - (3) the nominal value of the Share on the Offer Date.

- (b) The Purchase Price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the Offer Letter. For the avoidance of doubt, the Board may determine the Purchase Price to be nil. The Company will disclose the Purchase Price for Share Awards in the announcement on grant of the relevant Awards and in its annual and interim reports to the extent required under Chapter 17 of the Listing Rules.
- (c) Where an Award is to be granted under paragraph 8 or paragraph 9, for the purposes of paragraph (a)(1) or paragraph (a)(2) above, the date of the meeting of the Board (or its authorised committee for the administration of the Share Scheme) or the Remuneration Committee (as the case may be) at which the Offer was proposed shall be taken to be the Offer Date for the relevant Award, and the provisions set above shall apply *mutatis mutandis*.
- (d) Subject to the terms of the Share Scheme and the fulfillment of all terms and conditions as set out in the Offer, including the attainment of any performance targets stated therein (if any), an Award shall be exercisable in whole or in part by the Grantee (or, as the case may be, the Grantee's personal representative) giving notice in writing to the Company stating that the Award is thereby exercised and the number of Award Shares in respect of which it is so exercised.
- (e) Each of such notice must be accompanied by a remittance for the full amount of the Exercise Price or the Purchase Price (as applicable) for the Award Shares in respect of which the notice is given.

- (f) Within twenty-one (21) days (or such longer period if the Company in its sole discretion considers it appropriate due to applicable legal or regulatory restrictions) after receipt of the notice and the remittance and, where appropriate, receipt of the auditors' or independent financial adviser's certificate, the Company shall, at its discretion, arrange for the Exercised Award Shares to be satisfied in the following methods:
- (1) allot and issue the relevant number of Shares to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and instruct the share registrar to issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate for the Shares so allotted and issued;
  - (2) arrange for the Exercised Award Shares to be transferred to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate in respect of the Shares so transferred;
  - (3) pay to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee (or the Grantee's personal representative), the Actual Sale Proceeds from on-market sale of the Exercised Award Shares through the facilities of the Stock Exchange at prevailing market prices; and/or
  - (4) arrange for the Exercised Award Shares to be issued or designated as vested shares held for the economic benefit of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative), following which, the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) shall be entitled to future dividends paid or payable on the Exercised Award Shares and the Grantee (or the Grantee's personal representative) will have a one-time option to request the Company to cause payment to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee, the difference in the prevailing market prices of the Exercised Award Shares between the vesting date and the date that the Grantee notifies the Company of exercising the one-time option.

## 7. SCHEME LIMITS AND ADDITIONAL APPROVALS

### The Scheme Mandate Limit

- (1) the total number of Shares which may be issued (including existing Shares and/or any transfer of Treasury Shares) in respect of all Awards which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of the Company shall not exceed such number of Shares as equals 10% of the Shares in issue (excluding Treasury Shares) as at the Adoption Date (the “**Scheme Mandate Limit**”). Awards lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, Awards granted in accordance with the terms of the Share Scheme (and other similar schemes of the Company) the underlying Shares of which are existing Shares purchased by the Trustee (or any other third party(ies) authorised by the Board) in the open market upon the instruction of the Board from time to time will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit;
- (2) if the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved 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 schemes of the Company 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 sub-division shall be the same, rounded to the nearest whole share;

### Refreshment

- (3) (a) the Company may seek approval of the Shareholders in a general meeting of the Company to refresh the Scheme Mandate Limit under the Share Scheme on or after the third (3rd) anniversary of the date of the Shareholders’ approval for the last refreshment or the Adoption Date. The total number of Shares which may be issued (including any transfer of Treasury Shares) upon exercise of all (i) the Awards under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company under the Scheme Mandate Limit as “refreshed” must not exceed 10% of the Shares in issue (excluding Treasury Shares) as at the date of approval of the refreshment. For the purpose of seeking approval of the Shareholders under this paragraph (3), the Company shall publish a circular containing the information required under the Listing Rules; and
- (b) any refreshment within any three (3)-year period shall be subject to independent Shareholders’ approval pursuant to Rule 17.03C(1)(b) and (c) of the Listing Rules;

**Grant in excess of the Scheme Mandate Limit**

- (4) the Company may seek separate approval of the Shareholders in a general meeting of the Company for granting Awards exceeding the Scheme Mandate Limit provided that 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. For the purpose of seeking approval of the Shareholders under this paragraph (4), the Company shall publish a circular containing the name of each specified Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted, the purpose of granting Awards to the specified Eligible Participants with an explanation as to how the terms of the Awards serve such purpose, and such other information as required under the Listing Rules. The number and terms (including the Exercise Price or the Purchase Price) of the Awards to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

**8. GRANT OF AWARDS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY THEIR RESPECTIVE ASSOCIATES**

- (1) Any grant of an Award to any of the Directors, chief executive of the Company or substantial shareholder, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Award).
- (2) (a) Where any grant of an Award to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued (including any transfer of Treasury Shares) in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares), or
- (b) where any grant of Share Awards (i.e., excluding grant of Share Options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued (including any transfer of Treasury Shares) in respect of all awards granted (excluding any Awards lapsed in accordance with the terms of the relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares) at the date of such grant,



such grant of Award must be approved by the Shareholders in a general meeting of the Company.

- (3) The Company shall publish a circular. The circular must contain the information required under the Listing Rules.
- (4) The Grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour of the proposed grant at the general meeting of the Company pursuant to the Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders.
- (5) Any vote taken at the general meeting of the Company to approve the grant of such Award must be taken on a poll and comply with the requirements under the Listing Rules.
- (6) Any change in the terms of Awards granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the Shareholders in the manner as set out in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the existing terms of the Share Scheme).
- (7) Applications shall be made by the Company to the Listing Committee (as defined in the Listing Rules) for the listing of and the permission to deal in any Shares that may fall to be allotted and issued under the Share Scheme.
- (8) The requirements for the grant to a Director or chief executive of the Company set out above do not apply where the Eligible Participant is only a proposed Director or chief executive of the Company.

#### **9.    MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT**

In general, no grant of an Award to an Eligible Participant would result in the Shares issued and to be issued (including any transfer of Treasury Shares) in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue (excluding Treasury Shares).

Any further grant of Awards to an Eligible Person in excess of this 1% limit must be separately approved by the Shareholders in a general meeting of the Company with such Eligible Participant and the person's close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

The Company shall publish a circular and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards to be granted (and Awards previously granted to such Eligible Participant during the twelve (12)-month period), the purpose of granting the Awards to the Eligible Participant, an explanation as to how the terms of the Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price or Purchase Price) of the Award to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of the meeting of the Board for proposing such grant should be taken as the Offer Date for the purpose of calculating the Exercise Price.

#### **10. TIME OF EXERCISE OF OPTIONS**

Subject to the terms of the Share Scheme, an Award may be exercised in whole or in part at any time during the period stipulated in the Offer, provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the offer date with respect of the relevant Award.

#### **11. PERFORMANCE TARGET(S) AND CLAWBACK MECHANISM**

The Board may at its discretion determine and provide in the Offer Letter at the grant of the relevant Award any performance target(s) as the Board may then specify which must be achieved by the Grantee before any of the Awards can be exercised, as well as the clawback mechanism, if applicable, for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

Specifically, if performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate:

- (1) sales performance (e.g. revenue) of the Group;
- (2) operating performance (e.g. operation efficiency) of the Group;
- (3) financial performance (e.g. profits, cash flow, earnings, market capitalisation and return on equity) of the Group;
- (4) corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture);

- (5) personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee, and
- (6) individual performance (e.g. key performance indicator achievement) of the Grantee; the satisfaction of which shall be assessed and determined by the Board at its discretion.

The Company will also utilise its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

If the clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, in the event that:

- (1) a Grantee's employment has been terminated summarily;
- (2) a Grantee has been convicted of any criminal offence involving his or her integrity or honesty; or
- (3) a Grantee has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements),

any outstanding Awards not yet vested shall be immediately forfeited and shall immediately lapse under the Share Scheme, unless the Board determines otherwise at its discretion.

## **12. RESTRICTIONS ON THE TIME OF OFFER**

No Offer shall be made by the Board:

- (1) after inside information (having the meaning as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) has come to its knowledge until (and including) the trading day after such inside information has been announced by the Company pursuant to the requirements of the Listing Rules;
- (2) during the period commencing from thirty (30) days immediately preceding the earlier of:

(i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for the Company to publish its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement (or during any period of delay in publishing the results announcement); and

(3) at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules).

### **13. RIGHTS ARE PERSONAL TO GRANTEES**

Subject to the rules in the Share Scheme, an Award shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Award or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Award or any part thereof granted to such Grantee to the extent not already exercised.

The Stock Exchange may consider granting a waiver to allow a transfer of an Award to a vehicle (such as trust or private company) for the benefit of the Grantee and any family members of such Grantee that would continue to meet purpose of the Share Scheme and comply with the requirements of the Listing Rules.

### **14. RIGHTS ON CESSATION OF EMPLOYMENT OR DIRECTORSHIP**

In the event that the Grantee ceases to be an Eligible Participant by reason of termination of his employment with any member of the Group on any one or more of the following grounds:

- (1) that the Grantee has been guilty of serious misconduct;
- (2) that the Grantee has been convicted of any criminal offence involving the person's integrity or honesty or in relation to any member of the Group (if so determined by the Board);
- (3) that the Grantee has become insolvent, bankrupt or has made arrangements or compositions with the Grantee's creditors generally; or

- (4) on any other ground as determined by the Board that would warrant the termination of the Grantee's employment at common law or pursuant to any applicable laws or under the Grantee's service contract with any member of the Group,

before exercising the Award in full, the Grantee's Award (to the extent not already exercised) shall automatically lapse and shall not be exercisable on the date of cessation, or such longer period as the Board may determine.

#### **15. RIGHTS ON DEATH**

In the event that the Grantee ceases to be an Eligible Participant by reason of the person's death before exercising the Award in full (and if the Grantee is an Employee Participant, provided that none of the events which would be a ground for termination of the person's employment or directorship under paragraph 14 above arises):

- (1) in the case of Share Options, the Grantee's personal representative may exercise the Share Options (to the extent vested but not already exercised) in whole or in part in accordance with the provisions of paragraph 6 within one hundred and eighty (180) days following the date of death, or such longer period as the Board may determine, and any Share Options not exercised shall lapse at the end of the abovementioned period;
- (2) in the case of Share Awards, any outstanding Share Awards not yet vested shall immediately lapse, and the Company shall deliver (i) such number of vested but not yet delivered Award Shares or (ii) such amount which is equal to the Actual Sale Proceeds less any Purchase Price (as applicable) (hereinafter referred to as "**Benefits**") of such Share Awards at its discretion to the Grantee's estate within two (2) years following the date of death, or such other period as the Board may determine, or if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall lapse.

#### **16. RIGHTS ON INJURY, DISABILITY OR ILL-HEALTH**

In the event that the Grantee ceases to be an Eligible Participant by reason of (i) injury, disability or ill-health inflicted upon the Grantee in the course of his or her performance of duty as employee or director of any member of the Group (evidenced to the satisfaction of the Board), or (ii) the Grantee's retirement as an employee of the Group in accordance with the Grantee's contract of employment (evidenced to the satisfaction of the Board), or (iii) the termination of the Grantee's employment or directorship with the Group as evidenced by notice or payment in lieu of notice (if permitted by any applicable laws and the relevant contract of employment or directorship) served or made by the Grantee to the relevant member of the Group or vice versa), in each case provided that none of the events which would be a ground for termination of the Grantee's employment or directorship under paragraph 14 above arises, before exercising the

Award in full, the Grantee may exercise the Award (to the extent vested but not already exercised) in whole or in part in accordance with the terms of the Share Scheme within three (3) months following the date of such cessation, or such longer period as the Board may determine and any Award not exercised shall lapse at the end of the abovementioned period. The date of cessation as aforesaid shall be the last day on which the Grantee is actually at work with the relevant member of the Group whether salary is paid in lieu of notice or not.

#### **17. RIGHTS ON CESSATION FOR OTHER REASONS**

In the event that the Grantee ceases to be an Eligible Participant for any reason other than the reasons specified in paragraph 14 to paragraph 16 above, the Grantee's Award (to the extent vested but not already exercised) shall lapse and shall not be exercisable on the date of cessation provided that in each case, the Board may, in its absolute discretion, decide that such Award or any part thereof shall not so lapse or determine such conditions or limitations to which the exercise of such Award will be subject to.

#### **18. RIGHTS ON A CORPORATE TRANSACTION**

If an event of change in control of the Company occurs, whether by way of offer, merger, scheme of arrangement, general offer or otherwise is made to all Shareholders, unless the Board determines otherwise, (i) in the case that the date when such change of control event becomes or is declared unconditional is no less than twelve (12) months from the date of grant of the relevant Awards, all such Awards granted shall immediately vest on the date when such change of control event becomes or is declared unconditional; or (ii) in the case that the date when such change of control event becomes or is declared unconditional is less than twelve (12) months from the date of grant of the relevant Awards, subject to any shorter vesting period as may be granted to an Employee Participant, all such Awards shall automatically lapse. For the purpose of this provision, "control" shall have the meaning as specified in the Takeovers Code from time to time.

#### **19. CANCELLATION OF AWARDS**

The Company shall cancel an Award in the event where a Grantee breaching the rule against transferring the Award. Moreover, the Company may cancel any Award granted but unexercised (and whether or not vested) on such terms and conditions and with the consent of the relevant Grantee in the event that the original purpose of the Share Scheme can no longer be achieved, such as when the Exercise Price has become much higher than the prevailing Share price, rendering the Share Options ineffective in providing the intended incentives and rewards to motivate the Grantees to continue contributing to the Group.

Where the Company cancels any outstanding Awards (whether or not vested) and makes a new grant to the same Grantee, such new grant may only be made under the Share Scheme with the available limit approved by the Shareholders as set out in paragraph 7 above. The Awards cancelled (whether or not vested) will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

## 20. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Award remains exercisable or the Share Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), then, in respect of any such adjustments (other than any made on a capitalisation issue), the Company shall instruct the Auditors or independent financial adviser to certify in writing to the Board the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (1) the number of Shares to which the Share Scheme or any Awards relates (insofar as it is/they are unexercised); and/or
- (2) the Exercise Price or Purchase Price of any unexercised Award, and an adjustment as so certified by the Auditors or the independent financial adviser shall be made, provided that:
  - (a) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
  - (b) any such adjustment shall be made on the basis that a Grantee shall be given the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe or purchase had the person exercised all the Awards held by him immediately prior to such event (as interpreted in accordance with FAQ13 – No. 16 (the “FAQ”) and the related Appendix 1 entitled “Supplementary Guidance on MB Rule 17.03(13)/GEM Rule 23.03(13) and the Note to the Rule” published by the Stock Exchange (the “**Supplemental Guidance**”) or any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time);
  - (c) the issue of securities of the Company for cash or as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
  - (d) in respect of any such adjustments, the Auditors or the independent financial adviser must confirm to the Board in writing that the adjustments satisfy the requirements set out in the above, the requirements of Rule 17.03(13) of the

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## APPENDIX III SUMMARY OF PRINCIPAL TERMS OF THE SHARE SCHEME

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Listing Rules, the FAQ, any relevant provisions of the Listing Rules and any guidance/interpretation of the Listing Rules issued by the Stock Exchange and the note thereto from time to time.

Subject to the above principles and certification procedures and any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time, the default method of adjustment is set out below:

- (1) In the case of a capitalisation issue or rights issue, the Company would calculate the adjusted number of Awards and adjusted exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section I entitled “Capitalisation or Bonus Issue and Rights Issue or Open Offer of Shares” of the Supplemental Guidance published by the Stock Exchange, set out below:

New number of Awards = Existing Awards x F

New Exercise Price = Existing exercise Price      x       $\frac{1}{F}$

Where

F = CUM/TEEP

CUM = Closing price as shown in the daily quotation sheet of the Stock Exchange on the last day of trading before going ex-entitlement

TEEP (theoretical ex entitlement price)      =       $\frac{\text{CUM} + [\text{M} \times \text{R}]}{1 + \text{M}}$

M = Entitlement per existing Share

R = Subscription price

- (2) In the case of a consolidation or subdivision of share capital, the Company would calculate the adjusted number of Awards and exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section II entitled “Subdivision or Consolidation of Shares” of the Supplemental Guidance published by the Stock Exchange, set out below:

New number of Awards = Existing Awards x F

New Exercise Price = Existing Exercise Price      x       $\frac{1}{F}$

Where F = Subdivision or consolidation factor



Any dispute arising in connection with the number of Shares of an Award and any of the matters referred to this section shall be referred to the decision of the Auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final, conclusive and binding on all persons who may be affected thereby.

## **21. RANKING OF SHARES**

Awards do not carry any right to vote at any general meeting of the Company, nor any right to dividends, transfer or other rights, including those arising on the liquidation of the Company. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Shares underlying an Award are issued and delivered to the Grantee pursuant to the vesting and exercise of such Award. Shares allotted and issued upon the exercise of an Award will be subject to all the provisions of the Articles and will rank *pari passu* in all respects with the other existing Shares in issue on the date of allotment and issue of the relevant Shares (the “**Allotment Date**”) other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. The Shares allotted and issued upon the exercise of an Award shall not carry any right of a Shareholder (including voting rights) until registration of the Grantee as the holder thereof on the register of members of the Company.

## **22. DURATION OF THE SHARE SCHEME**

The Share Scheme shall be valid and effective until the Termination Date, after which period no further Awards will be granted but the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any Awards granted on or prior to the Termination Date or otherwise as may be required in accordance with the provisions of the Share Scheme.

## **23. ALTERATIONS TO THE TERMS OF THE SHARE SCHEME**

The Share Scheme may be altered in any respect by a resolution of the Board provided that:

- (1) any alteration to the terms and conditions of the Share Scheme which is of a material nature or any alteration in relation to any matter contained in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the shareholders of the Company in a general meeting of the Company;
- (2) any change to the terms of Awards granted to a Grantee must be approved by the Board, the Remuneration Committee, 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, the independent non-executive Directors and/or the Shareholders (as the case may be) (except any changes which take effect automatically under the terms of the Share Scheme);

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## **APPENDIX III      SUMMARY OF PRINCIPAL TERMS OF THE SHARE SCHEME**

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- (3) any change to the authority of the Directors or the administrator of the Share Scheme to alter the terms of the Share Scheme must be approved by the Shareholders in a general meeting of the Company;
- (4) the amended terms of the Share Scheme or the Awards shall remain in compliance with Chapter 17 of the Listing Rules; and
- (5) no such alteration shall operate to affect adversely the terms of issue of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the memorandum of association of the Company and the Articles being for a variation of the rights attached to Shares.

### **24. CONDITION OF THE SHARE SCHEME**

The Share Scheme is conditional upon the passing of the necessary ordinary resolution at a general meeting of the Company approving the adoption of the Share Scheme.

### **25. LAPSE OF AWARDS**

The Exercise Period in respect of any Award shall automatically terminate and that Award (to the extent vested but not already exercised) shall automatically lapse on the earliest of:

- (1) subject to paragraph 14 to paragraph 18, the expiry of the Exercise Period;
- (2) the expiry of any of the periods referred to in paragraph 14 to paragraph 18; and
- (3) the date of the commencement of the winding-up of the Company.

### **26. TERMINATION**

The Company by an ordinary resolution in a general meeting of the Company may at any time terminate the operation of the Share Scheme. In such event, no further Awards will be offered but in all other respects, the provisions of the Share Scheme 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 Share Scheme and the Awards granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Scheme.

### **27. MISCELLANEOUS**

The Company shall bear the costs of establishing and administering the Share Scheme.

The terms of the Share Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

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## NOTICE OF THE AGM

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### CHINA HEALTH

China Health Technology Group Holding Company Limited

中國健康科技集團控股有限公司

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

**(Stock code: 1069)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China Health Technology Group Holding Company Limited (the “**Company**”) will be held at Unit No. 2808-10 on 28th Floor of West Tower Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong at 11:00 a.m. on Wednesday, 31 December 2025 for the following purposes:

1. to receive, consider and adopt the audited financial statements, the report of the directors of the Company (the “**Directors**”) and the report of the independent auditor for the year ended 30 June 2025;
- 2A. to re-elect Professor Fei Phillip as an executive Director;
- 2B. to re-elect Mr. Guo Zhonglong as an independent non-executive Director; and
- 2C. to re-elect Ms. Liu Shuhua as an independent non-executive Director.
3. to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
4. to re-appoint Jon Gepsom CPA Limited, the Company’s auditors and to authorise the Board to fix their remuneration;

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## NOTICE OF THE AGM

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and, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares in the share capital of the Company (including any sale or transfer of treasury shares out of treasury that are held as treasury shares of the Company) and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme adopted of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association the Company in force from time to time; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares, shall not exceed the aggregate of:
  - (aa) 20% of the total number of issued shares of the Company (excluding any treasury shares of the Company) on the date of passing this resolution; and
  - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the total number of any shares of the Company bought back by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the total number of issued shares of the Company (excluding any treasury shares of the Company) on the date of the passing of this resolution),

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## NOTICE OF THE AGM

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and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands (the **“Companies Law”**), or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

**“Rights Issue”** means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of shares (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).”

6. **“THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

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## NOTICE OF THE AGM

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- (b) the total number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10% of the total number of the issued shares of the Company (excluding any treasury shares of the Company) as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

7. “**THAT** conditional upon ordinary resolutions no. 5 and 6 above being passed, the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 5 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of resolution no. 5 above.”

8. “**THAT:**

- (a) the rules of the share scheme of the Company (the “**Share Scheme**”) in the form tabled at the AGM, marked “A” and for the purpose of identification signed by a Director, be and are hereby approved and adopted, and the Directors be and are hereby authorised, (i) to grant share options and share awards in accordance with the rules of the Share Scheme; (ii) to allot, issue, and deal with from time to time such number of award shares as may be required to be issued pursuant to the exercise of the options and awards under the Share Scheme; (iii) to purchase and deal with such number of shares of the Company from the open market as may be required pursuant to the grant or exercise of options and awards under the Share Scheme; (iv) to administer the Share Scheme; (v) to appoint and give instructions to one or more trustee(s) for the purpose of the Share Scheme; (vi) to modify and/or amend the Share Scheme from time to time provided that such modification or amendment is effected in accordance with the terms of the Share Scheme and subject to the Listing Rules; and (vii) to do such

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acts and things and enter into such transactions, arrangements and agreements as the Directors may in their sole discretion consider necessary, desirable or expedient in order to give full effect to and implement the Share Scheme; and

- (b) the total number of shares of the Company which may be issued in respect of all options and awards to be granted under the Share Scheme and any other share schemes of the Company as may from time to time be adopted by the Company shall not exceed such number of shares of the Company as equals 10 per cent. of the issued shares of the Company (excluding any treasury shares of the Company) as at the date of passing of this resolution.”

By Order of the Board

**China Health Technology Group Holding Company Limited**

**Professor Fei Phillip**

*Chairman and Executive Director*

Hong Kong, 9 December 2025

*Registered Office:*

PO Box 1350

Windward 3

Regatta Office Park

Grand Cayman

KY1-1108

Cayman Islands

*Principal Place of Business in Hong Kong:*

Unit 12, 12/F, Tower A,

New Mandarin Plaza,

No. 14 Science Museum Road,

Tsim Sha Tsui,

Kowloon,

Hong Kong

*Notes:*

1. The register of members of the Company will be closed from Wednesday, 24 December 2025 to Wednesday, 31 December 2025, both days inclusive, during which period no transfer of shares will be registered for the purpose of determining who will be entitled to attend and vote at the AGM. In order to be entitled to attend and vote at the AGM to be held on Wednesday, 31 December 2025, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, 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. on Tuesday, 23 December 2025.
2. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. 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.

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3. A form of proxy for use of the AGM is enclosed. Whether or not you intend to attend the AGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the AGM or any adjournment thereof, should he so wish and, in such event, the form of proxy shall be deemed to be revoked.
4. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
5. In the case of joint holders of Shares, any one of such holders may vote at the AGM, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one such joint holders are present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
6. In relation to proposed Resolutions no. 5 and 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under any scrip dividend scheme which may be approved by the shareholders of the Company.
7. In relation to proposed Resolution no. 6 above, the Directors wish to state that they will exercise the powers conferred thereby to buy back shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.