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

If you have sold or transferred all your shares in Perfect Medical Health Management Limited (the “Company”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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PERFECT MEDICAL HEALTH MANAGEMENT LIMITED

完美醫療健康管理有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1830)

PROPOSED GRANT OF SHARE OPTIONS TO DIRECTOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting (the “EGM”) of Perfect Medical Health Management Limited (the “Company”) to be held at Room Emerald, 48/F, Langham Place Office Tower, 8 Argyle Street, Mong Kok, Hong Kong on Friday, 26 August 2022 at 12 noon or any adjournment thereof is set out on pages 15 to 17 of this circular. A form of proxy is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof, should you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

Please refer to page 1 of this circular for the measures to be implemented at the EGM by the Company against the pandemic to protect the attendees from the risk of infection of the Novel Coronavirus (“COVID-19”), including:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no distribution of corporate gifts and no serving of refreshments and drinks
- appropriate distancing and spacing in line with the guidance from the Hong Kong government will be maintained and as such, the Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding
- compliance with the “LeaveHomeSafe” mobile app requirements and the Vaccine Pass Direction

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. The Company wishes to advise Shareholders that you may appoint the Chairman of the meeting as your proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

10 August 2022

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PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing COVID-19 pandemic and recent requirements for prevention and control of its spread (as per guidelines issued by the Hong Kong government at <https://www.coronavirus.gov.hk/eng/index.html>), the Company will implement necessary preventive measures at the EGM to protect attending Shareholders, proxy and other attendees from the risk of infection, including:

- (i) Compulsory body temperature check will be conducted on every Shareholder, proxy and other attendees at the entrance of the EGM venue. Any person with a body temperature of over 37.2 degrees Celsius may be denied entry into the EGM venue or be required to leave the EGM venue.
- (ii) Attendees are required to prepare his/her own surgical face masks and wear the same inside the EGM venue at all times, and to maintain a safe distance between seats.
- (iii) No corporate gifts will be distributed and no refreshments and drinks will be served.
- (iv) Appropriate distancing and spacing in line with the guidance from the Hong Kong government will be maintained and as such, the Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding.
- (v) Compliance with the “LeaveHomeSafe” mobile app requirements and the Vaccine Pass Direction under the Prevention and Control of Disease (Vaccine Pass) Regulation (Chapter 599L, Laws of Hong Kong) applicable to persons entering the EGM venue imposed by the Hong Kong government.

To the extent permitted under law, the Company reserves the right to deny entry into the EGM venue or require any person to leave the EGM venue in order to ensure the safety of the attendees at the EGM.

In the interest of all attendees’ health and safety, the Company wishes to advise all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions duly completed, Shareholders may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

The proxy form, which can also be downloaded from the Company’s website (www.perfectmedical.com), is enclosed to this circular. If you are not a registered Shareholder (i.e., if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time;
“Board”	the board of Directors;
“Companies Act”	The Companies Act, Cap. 22 (Revised) of the Cayman Islands;
“Company”	Perfect Medical Health Management Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Exchange;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at Room Emerald, 48/F, Langham Place Office Tower, 8 Argyle Street, Mong Kok, Hong Kong on Friday, 26 August 2022 at 12 noon or any adjournment thereof;
“EGM Notice”	the notice convening the EGM set out on pages 15 to 17 of this circular;
“Exchange”	The Stock Exchange of Hong Kong Limited;
“Grantee”	Dr. Au-Yeung Kong, the chairman, executive director, chief executive officer and a controlling shareholder of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	those Shareholders other than Dr. Au-Yeung Kong, his associate(s) and all the core connected person(s) of the Company;
“Latest Practicable Date”	5 August 2022 being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange;
“Option(s)”	the option(s) granted or to be granted under the Share Option Scheme to subscribe for Shares in accordance with the terms thereof;

DEFINITIONS

“Proposed Grant”	the conditional grant of 9,988,000 Options to Grantee to subscribe for 9,988,000 Shares under the Share Option Scheme on 18 July 2022, which is subject to the approval of Independent Shareholders at the EGM;
“Remuneration Committee”	the remuneration committee of the Company;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Option Scheme”	the share options scheme of the Company adopted by the Company on 13 August 2021;
“%”	per cent.



PERFECT MEDICAL HEALTH MANAGEMENT LIMITED

完美醫療健康管理有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1830)

Executive Directors:

Dr. Au-Yeung Kong (*Chairman*)
Ms. Au-Yeung Wai
Ms. Au-Yeung Hung

Registered Office:

Cricket Square, Hutchins Drive,
P.O. Box 2681,
Grand Cayman, KY1-1111,
Cayman Islands

Independent non-executive Directors:

Ms. Hsu Wai Man, Helen
Mr. Chi Chi Hung, Kenneth
Ms. Cho Yi Ping

Principal place of business in Hong Kong:
51st Floor,
Langham Place Office Tower,
8 Argyle Street, Mong Kok,
Kowloon, Hong Kong

10 August 2022

To the Independent Shareholders

Dear Sir or Madam,

**PROPOSED GRANT OF SHARE OPTIONS TO DIRECTOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the Proposed Grant of Options to Director; and (ii) the notice of the EGM.

PROPOSED GRANT OF SHARE OPTIONS TO DIRECTOR

Reference is made to the announcement of the Company dated 18 July 2022 in relation to the Proposed Grant by the Company to the Grantee to subscribe for a total of 9,988,000 Shares in accordance with the Share Option Scheme. The Proposed Grant is subject to the approval of the Independent Shareholders at the EGM.

LETTER FROM THE BOARD

Details of the Proposed Grant are as below:

Name	Position in the Company	Number of Options proposed to be granted	Approximate percentage of the Shares out of the total number of Shares in issue as at the date of Proposed Grant	Approximate percentage of the Shares out of the total number of Shares in issue as at the Latest Practicable Date
Dr. Au-Yeung Kong	Chairman, executive director, chief executive officer and a controlling shareholder of the Company	9,988,000	0.80%	0.80%

Date of Proposed Grant:	18 July 2022 (the “Date of Proposed Grant”)
Exercise price of the Options to be granted:	HK\$5.000 per Share, which is higher than the followings: <ul style="list-style-type: none">(i) the closing price of HK\$3.780 per Share as stated in the daily quotations sheet of the Exchange on 18 July 2022, being the Date of Proposed Grant;(ii) the average closing price of HK\$3.854 per Share as stated in the daily quotations sheets of the Exchange for five (5) business days immediately preceding the Date of Proposed Grant; and(iii) the nominal value of HK\$0.10 per Share
Number of the Options to be granted:	9,988,000 Options
Number of Shares to be issued upon full exercise of the Options granted:	9,988,000 Shares With reference to the exercise price of the 9,988,000 Options, the aggregate value of the Shares to be issued to the Grantee upon full exercise of the Options granted is HK\$49,940,000
Consideration for the Proposed Grant:	HK\$1.0 payable upon acceptance of the Options within one month from the Date of Proposed Grant

LETTER FROM THE BOARD

- Vesting period of the Options:
- (i) the Grantee may exercise not more than one third of his respective Options proposed granted during the period from the date upon obtaining Independent Shareholders' approval at the EGM to 15 September 2023;
 - (ii) the Grantee may exercise not more than two thirds of his respective Options proposed granted during the period from 16 September 2023 to 15 September 2024; and
 - (iii) the Grantee may exercise his respective all remaining Options proposed granted during the period from 16 September 2024 to 15 September 2025

Validity period of the Options to be granted: From the date upon obtaining the Independent Shareholders' approval at the EGM to 15 September 2025

The Board engaged Consulting Group Limited (the "Valuer") as an independent valuer to conduct a valuation of the 9,988,000 Options. The Black-Scholes model is implemented by applying computational methods such as the Black-Scholes option pricing formula, Binomial/Trinomial Tree and Monte Carlo Simulation. In this case, the Binomial Tree method is adopted because of its capability to model the early exercise feature and its superior computational efficiency. No performance target was required to be achieved before the Options can be exercised. As such, the Valuer has applied the Black-Scholes Model (B-S Model) to assess the fair value of the Options, and the total fair value of the 9,988,000 Options to be granted amounted to HK\$9.1 million by applying the model on 18 July 2022 (definitive computation will be completed upon the Date of Grant). Specific assumptions and parameters are listed as follows:

Valuation Date	18/7/2022
Stock Price	HK\$3.780
Exercise Price	HK\$5.000
Expected Life-time	3.16 year
Risk-free Interest Rate	2.54%
Expected Dividend Yield	6.35%
Expected Volatility	58.67%
Exercise Multiple	1.9

LETTER FROM THE BOARD

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions, the valuation model and considerations of various factors that are relevant to the Options, included but not limited to the major assumptions. The Valuer has also considered various risks and uncertainties that might have potential and material impact on the conclusion of value. Further, while the above assumptions, the valuation model and consideration of such matters are considered by the Valuer to be reasonable, they can be inherently subjective and may be subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company and the Valuer, and can be inherently subjective and may cause material uncertainty to the conclusion of value of the Options. The Remuneration Committee is of the view that this valuation is fair, practicable and reasonable to the Shareholders.

The Shares to be allotted and issued upon the exercise of the Options shall rank *pari passu* in all respects with the fully paid Shares in issue as of the date when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holder has the same rights in relation to voting, dividend, transfer and other rights as the Shares in issue in accordance with the Articles of Association. The Options themselves, however, do not carry any right to voting, dividend, transfer or other rights (including those arising on the liquidation of the Company) prior to their being exercised and the underlying Shares being issued.

During the 12-month period prior to the Proposed Grant, totalling 3,147,000 Options were granted and exercised, in which (1) 709,000 Options were granted to and exercised by the Grantee on 18 August 2021 and 19 August 2021 respectively; and (2) each of 1,219,000 Options were granted to and exercised by Ms. Au-Yeung Wai and Ms. Au-Yeung Hung, both are executive director of the Company, on 8 July 2022 and 15 July 2022 respectively, details are set out in the announcements of the Company dated 18 August 2021 and 8 July 2022.

Save as disclosed above, no Option has been granted (including to the Grantee) within the 12-month period prior to the Proposed Grant. None of the Directors (including the Grantee) is a trustee of the Share Option Scheme nor has a direct or indirect interest in the trustee(s).

The Board confirms the Grantee has abstained from voting in respect of the Board resolution in the Board meeting to approve the Proposed Grant to himself. In accordance with Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme, the Proposed Grant has been approved by the independent non-executive Directors on 18 July 2022.

LETTER FROM THE BOARD

Listing Rules Implications

Pursuant to Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme, where any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of his/her associates (as defined in the Listing Rules), would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such grant of Options must be approved by the Independent Shareholders in a general meeting at which the grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

Given that the total number of Shares to be issued upon exercise of the Options offered to be granted to the Grantee (being substantial shareholder of the Company), would in the 12-month period up to and including the Date of Grant represents in aggregate over 0.1% of the Shares in issue and having an aggregate value in excess of HK\$5,000,000 based on the average closing price of HK\$3.854 per Share for five (5) business days immediately preceding 18 July 2022, pursuant to the Listing Rules, the grant of the Options to the Grantee is conditional upon the approval by the Independent Shareholders at the EGM. The Grantee, his associate(s) and all core connected person(s) shall abstain from voting in favour at the EGM in respect of the resolution approving the Proposed Grant.

As at the Latest Practicable Date, to the extent that it is aware by the Board having made all reasonable enquires, Dr. Au-Yeung Kong, Ms. Au-Yeung Wai, Ms. Au-Yeung Hung, Sure Sino Investments Limited, Earlson Holdings Limited and Market Event Holdings Limited are core connected persons of the Company, with totalling 923,357,383 Shares in issue, representing 74.38% of the issued share capital of the Company as at the Latest Practicable Date, and are thus required to abstain from voting in favour on the resolution contained the Proposed Grant of the notice of the EGM.

LETTER FROM THE BOARD

Effect on Shareholding Structure of the Company upon Exercise of the Options

As at the Latest Practicable Date, there is no outstanding Option pursuant to the Share Option Scheme. The shareholding structure of the Company (a) as at the Latest Practicable Date; and (b) immediately upon exercise of 9,988,000 Options granted under the Proposed Grant are as follows:

<i>Name of Shareholders</i>	(a) As at the Latest Practicable Date		(b) Immediately upon exercise of 9,988,000 Options granted under the Proposed Grant	
	<i>Number of Shares held</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares held</i>	<i>Approximate % of shareholding</i>
Dr. Au-Yeung Kong (<i>Note 1 & 4</i>)	96,922,747	7.808	106,910,747	8.543
Ms. Au-Yeung Wai (<i>Note 2 & 4</i>)	1,219,000	0.098	1,219,000	0.097
Ms. Au-Yeung Hung (<i>Note 3 & 4</i>)	12,851,000	1.035	12,851,000	1.027
Sure Sino Investments Limited (<i>Note 4</i>)	451,511,223	36.371	451,511,223	36.081
Earlson Holdings Limited (<i>Note 4</i>)	204,578,313	16.480	204,578,313	16.348
Market Event Holdings Limited (<i>Note 4</i>)	156,275,100	12.588	156,275,100	12.488
Other Public Shareholders	<u>318,046,517</u>	<u>25.620</u>	<u>318,046,517</u>	<u>25.415</u>
Total	<u>1,241,403,900</u>	<u>100.000</u>	<u>1,251,391,900</u>	<u>100.000</u>

Notes:

1. Dr. Au-Yeung Kong personally owns 96,922,747 Shares and also deemed to be interested in the 812,364,636 Shares owned by Sure Sino Investments Limited.
2. Ms. Au-Yeung Wai personally owns 1,219,000 Shares and also deemed to be interested in the 812,364,636 Shares owned by Sure Sino Investments Limited.
3. Ms. Au-Yeung Hung personally owns 12,851,000 Shares and also deemed to be interested in the 812,364,636 Shares owned by Sure Sino Investments Limited.
4. Sure Sino Investments Limited beneficially owns 451,511,223 Shares and also it owns the entire issued share capital of Earlson Holdings Limited and Market Event Holdings Limited. By virtue of the SFO, Sure Sino Investments Limited is deemed to be interested in the 204,578,313 Shares held by Earlson Holdings Limited and 156,275,100 Shares held by Market Event Holdings Limited, respectively. As Dr. Au-Yeung Kong, Ms. Au-Yeung Wai and Ms. Au-Yeung Hung beneficially own the entire issued share capital of Sure Sino Investments Limited, Dr. Au-Yeung Kong, Ms. Au-Yeung Wai and Ms. Au-Yeung Hung are deemed to be interested in the 812,364,636 Shares held by Sure Sino Investments Limited by virtue of the SFO.

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Reasons for the Proposed Grant

The purpose of the Proposed Grant is to provide incentive and rewards to recognize the significant efforts and contribution of Dr. Au-Yeung Kong in the development and transformation of the Group's business in the past 18 years, which led the Group to grow into a renowned premium medical and aesthetic medical enterprise with business spanning across Hong Kong, the PRC, Australia and Singapore. Dr. Au-Yeung Kong founded the Group in 2003 and has in-depth knowledge and experience in the medical and aesthetic medical industry. With his over 18 years of experience in this industry, Dr. Au-Yeung Kong possesses the essential leadership skills to manage the Group. Owing to the continuous effort and contributions of Dr. Au-Yeung Kong, the Company have successfully transformed from a small beauty parlour in Hong Kong into a multinational aesthetic medical corporate. Dr. Au-Yeung Kong is principally responsible for overall management, strategic development and major decision-making for the Group. The Board considers that the granting of the Options would demonstrate to Dr. Au-Yeung Kong that his efforts and contributions to the Group are valued and will be rewarded and will serve as an incentive to motivate Dr. Au-Yeung Kong to bring the Company's development to new height.

The Proposed Grant was determined by the Board and the Remuneration Committee with reference to the roles of Dr. Au-Yeung Kong, his full engagement to the Company and his contributions in the Company. Owing to the continuous effort and contributions of Dr. Au-Yeung Kong, the Group has continued to excel ourselves under the impact of the pandemic, with the Group's revenue increased by 23.9% to a historical high of HK\$1,350.0 million. During the last year, the Group has expanded its penetration in strategic locations at office premises and shopping malls covering a total of 322,000 square feet, representing an increase of 39% year-on-year. As a result of the cost control measures imposed by the Group through the leadership of Dr. Au-Yeung Kong, the Group recorded an increase of 7.2% for the profit attributable to the equity holders to the Company at HK\$305.2 million. The Directors are of the view that Dr. Au-Yeung Kong is the main contributor for the Company being able to achieve remarkable results while the global economy suffered a severe blow from Pandemic, and therefore propose to grant the Share Options to Dr. Au-Yeung Kong in recognition of his contribution and to encourage Dr. Au-Yeung Kong to continue making contribution to the Company's business and financial performance.

The purpose of the Share Option Scheme is to provide the parties working for the interests of the Group with an opportunity to obtain an equity interest in the Company, thus linking their interest with the interests of the Group and thereby providing them with an incentive to work better for the interests of the Group.

The current Options granted to Dr. Au-Yeung Kong, with the higher premium of (i) approximately 32.3% over the closing price of a Share on the Date of Proposed Grant, and (ii) approximately 29.7% over the average closing price of a Share for the five trading days preceding the Date of Proposed Grant, would serve to incentivise Dr. Au-Yeung Kong to improve the performance of the Group in the medium to long term, which is also expected to benefit the Shareholders as a whole through enhancement of the share price of the Company. Although no specific performance target is set before the Options to be exercised, Dr. Au-Yeung Kong would only benefit from the Proposed Grant if the share

LETTER FROM THE BOARD

price of the Company achieved higher than the exercise price. Given the leading role played by Dr. Au-Yeung Kong in the Group, the Board believes that the Group will be able to grasp potential business opportunities by leveraging his experience, business networks and management skills, which will be of critical importance in leading the Group to implement its strategic plan. It is considered that the premium exercise price would align Dr. Au-Yeung Kong's personal interest with the performance of the Group, which serve as purpose of the Share Option Scheme and thereby better motivate Dr. Au-Yeung Kong to serve for the interest of the Group.

Compared with other alternative means to incentivise Dr. Au-Yeung Kong, the Board considered that the Proposed Grant are more appropriate as they will not impose a substantial financial burden on the Group, but will only incur the share-based payment expenses which are non-monetary in nature. Further, the exercise of Options under the Proposed Grant will lead to an increase of the Company's equity (assuming that the Options under the Proposed Grant are exercised in full), which in turn will provide additional working capital to the Group. Accordingly, the Board concluded that the Proposed Grant would not have any material adverse impact on the Group's financial results.

In addition, the Proposed Grant to Dr. Au-Yeung Kong can serve to align the interests of Dr. Au-Yeung Kong with the interests of the Company and the Shareholders as a whole. The Board considers that the economic benefits of the Share Options depend upon the increase in share price of the Company to be driven by improving performance of the Group at which time all the Shareholders also stand to benefit. The Proposed Grant can effectively incentivise Dr. Au-Yeung Kong to devote himself to increase profitability of the Group, thereby raising share price and share value for the Company and the Shareholders, enabling him to enjoy potential unlimited upside when the share price of the Company goes up, which will then benefit the Shareholders as a whole.

The basis of determining the terms and conditions of the Proposed Grant

With reference to the terms of reference of the Remuneration Committee, the Remuneration Committee is delegated with the responsibility to determine the specific remuneration package of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments. The Remuneration Committee shall consider factors such as time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration. Further, the remuneration policies for the executive Directors are as follows: (i) the amount of remuneration payable to the executive Directors will be determined on a case by case basis depending on the experience, responsibility, workload and the time devoted to the Group by the relevant Director; and (ii) the executive Directors may be granted, at the discretion of the Board, share options of the Company, as part of the remuneration package.

In light of the Group's upcoming global expansion strategy, Dr. Au-Yeung Kong is responsible for the important role of marketing and medical expert, the Board (including the independent non-executive Directors) and the Remuneration Committee, consider it is

LETTER FROM THE BOARD

now appropriate to propose grant of Option to Dr. Au-Yeung Kong to further motivate him to continue leading the Group. The Proposed Grant represents the medium to long-term incentive portion of Dr. Au-Yeung Kong remuneration package in facing the difficulties under the Pandemic. The Proposed Grant of 9,988,000 Share Options (representing approximately 0.80% of the total Shares in issue as at the Date of Grant) reflects the level of commitment and value for the respective position of Dr. Au-Yeung Kong is the Group's Chairman and the founder of the Group. Furthermore, the Remuneration Committee and the Board considered that the first batch Options under the Proposed Grant could be immediately vested without subject to the vesting condition due to the fact that there would be a gain of immediate incentive value to Dr. Au-Yeung Kong upon an increase in the price of the Shares, as a recognition to his past contribution. With over 18 years of leading the Group to excellent business milestones, Dr. Au-Yeung Kong's contributions as a whole benefit the Group and provide a significant momentum to increase value for the Company as well as driving the Company's long-term business growth, which are also in the interests of the Shareholders.

Although no specific performance target is set before the Options to be exercised, it is considered that the exercise price of the Proposed Grant set at HK\$5.000, with the higher premium than the closing price of a Share on the Date of Proposed Grant and average closing price of a Share for the five trading days preceding the Date of Proposed Grant. As such, the economic benefits of share options depend upon the increase in Share price to be driven by improving the overall management business synergies and operational performances of the Group where all Shareholders also stand to benefit.

In addition, there are no clawback mechanism for the Proposed Grant as the objective of the share option to recognise and reward Dr. Au-Yeung Kong's significant contribution. In the view of Dr. Au-Yeung Kong outstanding leadership under the Pandemic and premium exercise price of Proposed Grant, the Remuneration Committee was of the view that it is not necessary to have clawback mechanism, and the vesting periods are fair and reasonable and consistent with the objectives of the Share Option Scheme.

Taking into account that (i) Dr. Au-Yeung Kong's contribution to the Company was significant; (ii) the stability of key personnel is crucial to the further development of the Group; and (iii) the dilution effect of the Proposed Grant is insignificant, less than 0.21%, the Remuneration Committee is of the view that the Proposed Grant (including the number of the Options) should be a part of his remuneration package and an incentive to encourage Dr. Au-Yeung Kong for his continued investments and contributions to the Group in the future, and the Proposed Grant is in line with the Company's remuneration policies and, therefore, the Remuneration Committee has recommended the Board to approve the Proposed Grant.

The Board (including the independent non-executive Directors) considers that the grant of 9,988,000 Options with an approximately 3 years validity period, would be ideal to encourage Dr. Au-Yeung Kong to strive for long term value creation for the Group.

In view of the above, the Proposed Grant is considered to be in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held at Room Emerald, 48/F, Langham Place Office Tower, 8 Argyle Street, Mong Kok, Hong Kong on Friday, 26 August 2022 at 12 noon is set out on pages 15 to 17 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

PROXY ARRANGEMENT

A proxy form for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of the Exchange and the Company. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

VOTING BY POLL AT THE EGM

Pursuant to Article 66 of the Articles of Association and the requirement of Rule 13.39 of the Listing Rules, every resolution submitted to the EGM shall be determined by voting by poll except where the chairman of the EGM, 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 hand.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 23 August 2022 to Friday, 26 August 2022 (both dates inclusive) during which period no transfer of Shares will be registered. In order to attend and vote at the EGM, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) for registration no later than 4:30 p.m. on Monday, 22 August 2022.

DIRECTORS' RESPONSIBILITY

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

All the independent non-executive Directors (excluding all executive Directors, namely Dr. Au-Yeung Kong, Ms. Au-Yeung Wai and Ms. Au-Yeung Hung, who are required to abstain from voting on the resolution to approve the Proposed Grant) consider that the terms of the Proposed Grant are fair and reasonable so far as the Independent Shareholders are concerned, and that the Proposed Grant is in the interests of the Company and the Shareholders as a whole, and therefore, recommend the Independent Shareholders, to vote in favour of the Proposed Grant as an ordinary resolution to be proposed at the EGM as set out in the EGM Notice.

By order of the Board
Perfect Medical Health Management Limited
Dr. Au-Yeung Kong
Chairman



PERFECT MEDICAL HEALTH MANAGEMENT LIMITED

完美醫療健康管理有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1830)

**PRECAUTIONARY MEASURES
FOR THE EXTRAORDINARY GENERAL MEETING**

Please refer to page 1 of the circular of the Company dated 10 August 2022 for the measures to be implemented at the Extraordinary General Meeting by the Company against the pandemic to protect the attendees from the risk of infection of the Novel Coronavirus (“COVID-19”), including:

- **compulsory body temperature check**
- **compulsory wearing of surgical face mask**
- **no distribution of corporate gifts and no serving of refreshments and drinks**
- **appropriate distancing and spacing in line with the guidance from the Hong Kong government will be maintained and as such, the Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding**
- **compliance with the “LeaveHomeSafe” mobile app requirements and the Vaccine Pass Direction**

Any person who does not comply with the precautionary measures may be denied entry into the Extraordinary General Meeting venue. The Company wishes to advise Shareholders that you may appoint the Chairman of the meeting as your proxy to vote on the relevant resolutions at the Extraordinary General Meeting as an alternative to attending the Extraordinary General Meeting in person.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Perfect Medical Health Management Limited (the “Company”) will be held at Room Emerald, 48/F, Langham Place Office Tower, 8 Argyle Street, Mong Kok, Hong Kong on Friday, 26 August 2022 at 12 noon for the purposes of considering and, if thought fit, posing the following resolution with or without amendments as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** the grant of 9,988,000 share options of the Company to Dr. Au-Yeung Kong, the Chairman, chief executive officer, executive director and controlling shareholder of the Company, to subscribe for 9,988,000 shares of the Company (the “Shares”) at the exercise price of HK\$5.000 per Share and on the terms and conditions as set out in the circular of the Company dated 10 August 2022 be and is hereby approved, confirmed and ratified and that any one director of the Company is hereby authorized to do all such acts and/or execute all such documents as may be necessary or expedient in order to give full effect to such grant and exercise of the Options.”

By order of the Board
Perfect Medical Health Management Limited
Dr. Au-Yeung Kong
Chairman

Hong Kong, 10 August 2022

Executive Directors:

Dr. Au-Yeung Kong (*Chairman*)
Ms. Au-Yeung Wai
Ms. Au-Yeung Hung

Independent non-executive Directors:

Ms. Hsu Wai Man, Helen
Mr. Chi Chi Hung, Kenneth
Ms. Cho Yi Ping

Notes:

1. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. The instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any), under which it is signed or a certified copy of such power or authority shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
4. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened.
5. Where there are joint holders of any share, any one of such joint holder may vote either in person or by proxy in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. The register of members of the Company will be closed from Tuesday, 23 August 2022 to Friday, 26 August 2022 (both dates inclusive) during which period no transfer of shares will be registered. In order to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) for registration no later than 4:30 p.m. on Monday, 22 August 2022.
7. A form of proxy for use at the EGM is enclosed.