

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



Honliv Healthcare Management Group Company Limited

宏力醫療管理集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9906)

ADOPTION OF THE 2022 RESTRICTED SHARE UNIT SCHEME

The Company is pleased to announce that on 22 August 2022, the Board considered and approved the 2022 restricted share unit scheme (the “**Scheme**”). The Scheme will not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. The Scheme will not involve any issue of new Shares. No Shareholders’ approval will be required for the adoption of the Scheme.

A summary of the principal terms of the Scheme is set out in this announcement.

SUMMARY OF THE SCHEME RULES

I. Purposes of the Scheme

The purposes of the Scheme are to recognize and motivate the contributions made by the Participants and give incentives thereto in order to retain them, as well as to attract suitable personnel for further development of the Group.

II. Administration

The Scheme will be subject to the administration of the Committee.

The Company has appointed the Trustee to assist with the administration and vesting of the Awards. The Trustee will hold the Shares and the income derived therefrom (if any) in accordance with the Scheme and subject to the terms of the trust deed to be executed by the Company. The Trustee is a professional trust service provider in Hong

Kong and, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is independent from the Company and its connected persons as at the date of this announcement.

Pursuant to the Scheme, the Committee may from time to time instruct the Trustee to purchase existing Shares (on-market and/or off-market). The Company shall provide to the Trustee such funds from the Company's resources as the Committee may in its absolute discretion determine to make such purchases of Shares. The Shares so purchased shall be allocated to each selected Participant at such time and at such amount and with such vesting conditions as the Committee may from time to time determine and notify the Trustee in writing accordingly.

III. Duration

The Scheme will be valid and effective for a period of 10 years commencing on the Adoption Date.

IV. Maximum Limit

The aggregate amount of existing Shares to be purchased by the Trustee under the Scheme shall not exceed 2% of the Company's total issued share capital as of the Adoption Date (being no more than 12,000,000 Shares). The Shares acquired for the share pool will be funded out of the Company's resources. The maximum number of Shares which may be subject to an Award or Awards to a selected Participant shall not in aggregate exceed 1% of the total issued share capital of the Company as of the Adoption Date.

At no time shall the Trustee be holding more than 10% of the total number of Shares in issue from time to time. The Shares held by the Trustee will be regarded as public float unless the Trustee becomes a core connected person of the Company or would otherwise cease to be regarded as member of the public under the Listing Rules.

As at the date of this announcement, no RSUs had been granted under the RSU Scheme.

V. Eligible Persons for the Scheme

Pursuant to the Scheme, the Committee may, from time to time, at its absolute discretion select any Participant for participation in the Scheme and make a Grant to such selected Participant during the Term, after taking into account various factors (including contributions made by such Participant to the Company's performance) as it deems appropriate.

The Participants may include connected persons of the Company (e.g. the Directors). The grant of RSU(s) to the connected persons of the Company will constitute a connected transaction which will be subject to the applicable requirements under Chapter 14A of the Listing Rules.

Where the Trustee becomes or is deemed to be a connected person of the Company under Rule 14A.12(1)(b) of the Listing Rules or for any other reasons, the Company shall comply with all applicable requirements under Chapter 14A of the Listing Rules in respect of the transactions with such Trustee.

VI. Awards

The Committee may at any time during the Term make a Grant to any selected Participant at its absolute discretion. A Grant shall be made to a Participant by a notice of Grant setting out, among other things, the terms and conditions of such Grant. Any Grant to any director, chief executive or substantial shareholder of the Group must first be approved by the independent non-executive directors of the Company.

If a Participant accepts the Grant, he/she is required to sign the acceptance notice and return it to the Company within the period specified and in a manner prescribed in the notice of Grant. Each Participant shall pay RMB1.00 as the award price to accept the Awards granted to such Participant.

Where any grant of Awards to a director (other than an independent non-executive director) or chief executive of the Company, or any of their associates (as defined in the Listing Rules) would result in the Shares allocated in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Scheme) 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 relevant class of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

Where any grant of Awards to an independent non-executive director or a substantial shareholder of any member of the Group, or any of their respective associates (as defined in the Listing Rules) would result in the Shares allocated in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Scheme) 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 relevant class of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

VII. Vesting and Lapse

Subject to compliance with the requirements of the Listing Rules, the Committee has the sole discretion to determine, adjust and re-determine if deemed necessary or desirable by the Committee, the vesting period and vesting conditions for any grant of Award(s) to any Grantee. At a minimum, such vesting period shall not be less than 24 months from the date of the Grant and, unless waived by the Remuneration Committee having due regard to the purpose of the Scheme, the Grantee shall pass his/her annual performance review for the year immediately prior to the fulfillment of the corresponding vesting period. All of such vesting conditions (including payment of any exercise price) and periods (including the vesting date) shall be set out in the relevant notice of Grant issued to each Grantee. The Committee may determine at its sole discretion, the exercise price as may be applicable to each RSU.

For the purposes of vesting of the RSU(s), the Committee may direct and procure the Trustee to release from the Trust the RSU(s) to the Grantee by transferring the number of the RSUs to the Grantee in such manner as determined by it from time to time, subject to the restrictions disclosed below. The Committee will send a vesting notice to the relevant Grantee and upon receiving such notice, the Grantee must execute certain documents set out in such notice for the purposes of vesting of the RSU(s). The Committee shall thereafter inform the Trustee of the number of the RSU(s) or the amount of Cash Equivalent to be transferred, paid and/or released to the Grantee in the manner as determined by the Committee.

An unvested RSU shall lapse and be cancelled automatically upon certain events, including the termination of the Grantee's employment or service with the Company. The Committee may in its absolute discretion decide that any RSU shall not be cancelled or determined subject to such conditions or limitations as the Committee may decide. In certain circumstances such as when the Grantee's employment or services with the Group is terminated for cause, the Company shall have a right to instruct the Trustee to repurchase the Shares from the Grantee at the higher of (1) the par value of the Shares on the date the RSUs were granted; and (2) the exercise price (if any) paid by the Grantee for vesting of the relevant RSUs.

VIII. Restrictions

A Grant must not be made after inside information has come to the Company's knowledge until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, no Award may be granted during the period commencing one month immediately preceding the earlier of:

- (a) 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 the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of 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. Such period will cover any period of delay in the publication of a results announcement.

Where any Award is proposed to be granted to a director of any members of the Group, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

- (a) sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (b) thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

In the course of administering the Scheme, the Committee will also comply with the applicable provisions of the Model Code for Securities Transactions by Directors of Listed Issuers set forth in Appendix 10 of the Listing Rules and applicable rules on insider dealing. The Committee who is in possession of unpublished inside information shall not give instructions to the Trustee to acquire any Shares for the Scheme.

IX. No Assignment of the RSUs

Unless a waiver is granted by the Stock Exchange pursuant to Rule 17.03(17) of the Listing Rules, an Award shall be personal to the Grantee and shall not be assignable or transferable by the Grantee provided that following the Grantee's death, the Committee shall, in its absolute discretion, determine that the RSUs under the Award(s) made to

the deceased Grantee shall be deemed to have vested immediately prior to his death. Such vested RSUs may, subject to the provisions of the Scheme, be transferred by a will or by the laws of testacy and distribution.

X. Voting Rights and Entitlements

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust.

No Participant shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award pursuant to the Scheme, unless and until such Shares underlying the Award are actually transferred to the Participant upon the vesting and exercising the RSU(s) according to the Scheme.

Unless otherwise specified by the Committee in its entire discretion in the notice of Grant, the Participants do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award.

XI. Administration

The Scheme shall be subject to the administration of the Committee (pursuant to the delegation by the Board) and the decision of the Committee shall be final and binding on all parties. In the course of administering the Scheme, the Committee should consult the Remuneration Committee and seek its view and approval as and when necessary or desirable, taking into account the requirements and restrictions of the Listing Rules and any applicable laws.

XII. Termination

The Scheme shall terminate on the earlier of (i) the expiry of the period of 10 years from the Adoption Date; or (ii) such date of early termination as determined by the Board or Committee provided that no further RSUs will be offered after such termination but in all other respects the provisions of the Scheme shall remain in full force and effect in respect of RSUs which are granted during the life of the Scheme and which remain unvested immediately prior to the termination of the operation of the Scheme.

XIII. Scheme Costs

The Company shall bear the costs of establishing and administering the Scheme, including the fees of the Trustee. The administration of the Scheme and the acquisition of Shares will not be funded from the proceeds of the Global Offering.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Adoption Date”	22 August 2022, being the date on which the Company adopted the Scheme
“Award”	an award of RSUs granted to a Participant pursuant to the Scheme; an award may include, if so specified by the Committee in its entire discretion in a notice of grant, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares underlying an Award from the date the Award is granted to the date that it vests
“Board”	the board of directors of the Company or a duly authorized administrator thereof or such other committee or sub-committee as the Board may authorize
“Committee”	the 2022 ESOP scheme management committee as appointed by the Board
“Company”	Honliv Healthcare Management Group Company Limited, an exempted company with limited liability incorporated in the Cayman Islands on January 6, 2016 and listed on the Main Board of the Stock Exchange (stock code: 9906)
“core connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Global Offering”	the offer of Shares for subscription as described in the prospectus of the Company dated June 24, 2020
“Grant”	the offer of the grant of an Award made in accordance with the Scheme
“Grantee”	any Participant who accepts a Grant in accordance with the terms of the Scheme, or (where the context so permits) any person who is entitled to any Award in consequence of the death of the original Grantee

“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Participants”	employees or officers (including executive, non-executive and independent non-executive directors) of the Group, including any prospective employees (who receives the Grant as an inducement to join the Group)
“PRC”	means the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Taiwan and Macau Special Administrative Region
“Remuneration Committee”	the remuneration committee of the Company
“RSU(s)”	restricted share unit(s), a conditional right when the Award vests whereby the Grantee shall be entitled to obtain either Shares or an equivalent value in cash (“ Cash Equivalent ”) with reference to the market value of the Shares on or about the date of vesting, as determined by the Committee in its absolute discretion
“Shares”	ordinary shares of HK\$0.0001 each in the share capital of the Company, or if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares forming part of the ordinary equity share capital of the Company of such nominal amount as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term”	the period of 10 years commencing from the Adoption Date (subject to the termination provisions as set forth in the paragraph headed “XII. Termination” of this announcement)

“Trust” the trust constituted by the trust deed to service the Scheme

“Trustee” THE CORE TRUST COMPANY LIMITED, the trustee appointed by the Company for the purpose of the Trust

By order of the Board
Honliv Healthcare Management Group Company Limited
Mr. Qin Yan
Chairman

Hong Kong, 22 August 2022

As at the date of this announcement, the Board comprises Mr. Qin Yan, Dr. Teng Qingxiao and Mr. Wang Zhongtao as the executive Directors, Mr. Qin Hongchao as the non-executive Director and Mr. Zhao Chun, Mr. Sun Jigang and Mr. Jiang Tianfan as the independent non-executive Directors.