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MODERN DENTAL GROUP LIMITED
現代牙科集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 3600)

PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

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The 2015 Share Option Scheme adopted by the Company on 15 December 2015 upon the listing of the Shares on the Stock Exchange has expired upon the 10th anniversary of its unconditional adoption. Upon the expiration of the 2015 Share Option Scheme, no further options can be offered or granted but the provisions of the 2015 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted or exercised prior thereto. As at the date of this announcement, there are in aggregate 23,250,000 outstanding options under the 2015 Share Option Scheme, which shall continue to be valid and exercisable during the prescribed exercise period in accordance with the 2015 Share Option Scheme.

In view of the expiration of the 2015 Share Option Scheme, on 26 March 2026, the Board resolved to propose for adoption the New Share Option Scheme in accordance with Chapter 17 of the Listing Rules to provide incentives or rewards to the Participants for their contribution or potential contribution to the growth and development of the Group.

GENERAL

Application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Option which may be granted under the New Share Option Scheme.

The proposed adoption of the New Share Option Scheme is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM.

A circular containing, among other things, details of the New Share Option Scheme (including the principal terms of the New Share Option Scheme) and the notice of the AGM, will be disseminated to the Shareholders in accordance with the requirements of the Listing Rules in due course.

As at the date of this announcement, the New Share Option Scheme is subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

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The key terms of the New Share Option Scheme are set out below.

Purpose

The purpose of the New Share Option Scheme is to (i) recognize and reward the contributions that the Participants have made to the Group; (ii) provide incentive to or reward Participants for their contribution to, and continuing efforts to, work towards the growth and development of, and promote the interests of, the Group; and (iii) attract and retain talents to promote the sustainable development of the Group.

The basis of eligibility of any of the Participants to the grant of Options shall be determined by the Board from time to time on the basis of the Board's opinion as to his/her contribution or potential contribution to the development and growth of the Group.

Conditions

The New Share Option Scheme is conditional on:

(a) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Options; and

(b) the passing of the resolution(s) by the Shareholders at the AGM to (1) approve and adopt the New Share Option Scheme; (2) authorise the Board to grant Options under the New Share Option Scheme; and (3) authorise the Board to allot and issue Shares pursuant to the exercise of any Options to be granted pursuant to the New Share Option Scheme.

Duration

Subject to the fulfillment of the conditions above and the termination provisions in the New Share Option Scheme, the New Share Option Scheme shall be valid and effective until close of business on the date which falls 10 years after the Adoption Date, after which period no further Options shall be granted but the provisions of the New Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

Participants

The Board may at its discretion grant Options to the Participant(s), being any directors and employees of the Company or its subsidiaries (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with the Group) who, in the sole opinion of the Board, will contribute or have contributed to the Group.

In assessing the eligibility of the Participant(s), the Board will consider all relevant factors as appropriate, including the following principal factors: (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities; (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (c) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development; (d) his/her educational and professional qualifications, and knowledge in the industry; and (e) the incentivization effect of granting Options to him/ her as a motivation to continue to contribute towards the betterment of the Group.

Grant of Options

Subject to the terms of the New Share Option Scheme, the Board shall be entitled but shall not be bound at any time within the period of l0 years after the Adoption Date to make an Offer to any Participant, taking into account such factors as the Board may at its discretion consider appropriate, as the Board may in its absolute discretion select to subscribe for such number of Shares, being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof, as the Board may determine at the Subscription Price.

Option Price

An acceptance of the Offer must be accompanied by payment of the option price in the amount of HK$1.0, which shall be not refundable and shall not in any circumstances be, or be deemed to be, a part payment of the Subscription Price.

Restrictions on granting Options

No Offer shall be made after an inside information (as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)) event has occurred or an inside information matter has been the subject of a decision or inside information has come to the Company's knowledge, until (and including) the trading day after such inside information has been published. In particular, during the period commencing 30 days immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company 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 (ii) 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 actual publication of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. An Offer may not be made to a Participant who is subject to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") during the periods or times in which such Participant is prohibited from dealing in the Shares pursuant to the Model Code, or any corresponding code or securities dealing restrictions adopted by the Company.

Subscription Price

The Subscription Price in respect of any Option shall be a price determined by the Board (subject to any necessary consent or approval being obtained) and notified to a Participant and shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a Business Day; and (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the date of grant of the Options; provided that in the event of fractional prices, the Subscription Price per Share shall be rounded upwards to the nearest whole cent.

Scheme mandate limit

At the time of adoption by the Company of the New Share Option Scheme, the aggregate number of Shares which may be issued upon exercise of all Options or option(s) or share award(s) to be granted under the New Share Option Scheme or all schemes existing at such time of the Company must not in aggregate exceed 10% of the total number of issued Shares (excluding treasury shares, if any) as at the Adoption Date.

Maximum entitlement of each Participant

No Option shall be granted to any Participant if, at the relevant time of grant, the number of Shares issued and to be issued upon exercise of all Options or options or share awards (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the relevant Participant in the 12-month period up to and including the Offer Date of the relevant Option would exceed 1% of the total number of issued Shares in issue (excluding treasury shares, if any) at such time, unless such grant has been duly approved by the independent Shareholders in general meeting.

Where an Option is to be granted to a substantial shareholder or an independent non-executive Director (or any of their respective associates), and the grant will result in the number and value of the number of Shares issued and to be issued upon exercise of all Options or share awards (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the relevant Participant in the 12-month period up to and including the Offer Date of the relevant Option exceeding 0.1% of the total number of Shares in issue (excluding treasury shares, if any) at the relevant time of grant (excluding any Options lapsed in accordance with the terms of the New Share Option Scheme), such grant shall not be valid unless approved by the independent Shareholders in general meeting.

Grant of Options to connected persons

Where an Option is to be granted to any director, chief executive or any substantial shareholder of the Company or any of their respective associates, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed Grantee of the Option.

Exercise of Options

Subject to, among other things, the fulfilment of all terms and conditions attached to the Options, including the attainment of performance targets, (if any), an Option may be exercised according to the terms of the New Share Option Scheme and the relevant offer letter in whole or in part by the Grantee (or his/her personal representative(s)) before its expiry by giving notice in writing to the Company stating that the Option is to be exercised and the number of Shares in respect of which it is exercised, provided that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. Such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given.

Time of exercise of Options

An Option may be exercised during a period to be determined and notified by the Board to the Grantee during which the Option may be exercised, which period shall commence on the Offer Date and expire in any event not later than the last day of the 10-year period after the Offer Date (subject to the provisions for early termination in the New Share Option Scheme).

Vesting condition and performance target

The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to a Participant (including, without limitation, as to performance criteria or condition which must be satisfied by the Participant and/or the Company and/or its subsidiaries, before an Option may be exercised), provided that such criteria or conditions shall not be inconsistent with any other terms and conditions of the New Share Option Scheme and the Listing Rules.

The Board may, in 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 Options granted under the New Share Option Scheme to such Grantee can be exercised. If performance targets are imposed on a Grantee upon the grant of Options, the Board will have regard to the purpose of the New Share Option Scheme in assessing such performance targets with reference to all relevant factors as and when appropriate.

Vesting period

A Grantee is required to hold an Option for not less than 12 months from the Offer Date before it can be exercised. A vesting period shorter than 12 months may be granted to the Participants at the discretion of the Board (or the Remuneration Committee where the arrangements relate to grants of Options to the directors and/or senior management of the Company) in any of the following specific circumstances: (i) grants of "make-whole" Options to Participants who newly joined the Group to replace the share awards or options they forfeited when leaving the previous employers; (ii) grants of Options with specific and objective performance-based vesting conditions in lieu of most time-based vesting criteria; (iii) grants that are made in batches during a year for administrative or compliance reasons, which may include Options that should have been granted earlier but had to wait for a subsequent batch, in such cases, the vesting date may be adjusted to take account of the time from which the Options would have been granted if not for such administrative or compliance requirements; and (iv) grants of Options with a mixed or accelerated vesting schedule such that the Options may vest evenly over a period of 12 months.

Rights attached to Options

An Option shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so, except as permitted under the Listing Rules provided that the purpose of the New Share Option Scheme will be met and the requirements of Chapter 17 of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable) will be complied. Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee.

The Shares to be allotted upon the exercise of an Option shall not carry voting rights or any right of a Shareholder in respect of Shares until completion of the registration of the Grantee (or such other person nominated by the Grantee) as the holder thereof.

Lapse of Options

The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:

1. the expiry date relevant to that Option as may be determined by the Board;

2. the expiry of any of the periods referred to in the New Share Option Scheme regarding the death, permanent disability or retirement of the Grantee, general offer by way of a take-over, general offer by way of a scheme of arrangement or creditors or voluntarily winding up the Company;

3. the date on which the scheme of arrangement of the Company for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies becomes effective;

4. the date of commencement of the winding-up of the Company; or

5. the date on which the Grantee ceases to be a Participant by reason of a clawback of his/her Options or reasons other than the abovementioned.

Alteration

The New Share Option Scheme may be altered in any respect by resolution of the Board except that: (a) any alteration to the provisions of the New Share Option Scheme which are of a material nature; and (b) any alteration to the provisions of the New Share Option Scheme relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of the Grantees; must be approved by a resolution of the Shareholders in general meeting.

Any change to the terms of the Options granted to a Participant 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 Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), unless the alterations take effect automatically under the existing terms of the New Share Option Scheme.

Termination

The Company, by resolution in general meeting, or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Option will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect and Options granted prior to such termination shall either continue to be valid and exercisable or any Options exercised but remain outstanding (i.e. where the Shares corresponding to such Options have not been issued) prior thereto or otherwise as may be required in accordance with the New Share Option Scheme.

GENERAL

Application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Option which may be granted under the New Share Option Scheme.

The proposed adoption of the New Share Option Scheme is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM.

A circular containing, among other things, details of the New Share Option Scheme (including the principal terms of the New Share Option Scheme) and the notice of the AGM, will be disseminated to the Shareholders in accordance with the requirements of the Listing Rules in due course.

As at the date of this announcement, the New Share Option Scheme is subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

"2015 Share Option Scheme"	the share option scheme adopted by the Company on 15 December 2015
"Adoption Date"	the date upon which the New Share Option Scheme is conditionally adopted by resolutions passed by the Shareholders at the AGM
"AGM"	the annual general meeting of the Company to be convened and held by the Company for the Shareholders to consider, and if thought fit, approve, amongst others, the proposed adoption of the New Share Option Scheme
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day"	any day on which securities are traded on the Stock Exchange
"chief executive"	has the meaning ascribed to it under the Listing Rules

"Company"	Modern Dental Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Grantee"	any Participant who accepts an Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits) his personal representative(s)
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"New Share Option Scheme"	the share option scheme proposed for adoption by the Company at the AGM, in its present or any amended form
"Offer"	an offer of the grant of an Option made in accordance with the New Share Option Scheme
"Offer Date"	the date on which an Offer is made to a Participant, which must be a Business Day
"Option(s)"	option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme and the offer letter thereof
"Participant(s)"	any directors and employees of the Company or its subsidiaries (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with the Group) who, in the sole opinion of the Board, will contribute or have contributed to the Group

"PRC"	the People's Republic of China
"Remuneration Committee"	the remuneration committee of the Board
"Shares"	ordinary shares of USD0.01 each in the capital of the Company
"Shareholders"	the holders of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	a subsidiary (within the meaning of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong) of the Company for the time being
"Subscription Price"	the price at which each Share subject to an Option may be subscribed for on the exercise of that Option
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"USD"	United States dollar, the lawful currency of the United States of America
"%"	per cent.

By order of the Board
Modern Dental Group Limited
Chan Ronald Yik Long
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the board of directors of the Company comprises Chan Ronald Yik Long, Chan Yik Yu, Chan Kwun Pan and Chan Chi Yuen as executive Directors, Chan Kwun Fung, as non-executive Director and Cheung Wai Bun Charles J.P., Chan Yue Kwong Michael and Yau Ka Po as independent non-executive Directors.