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If you have sold or transferred all your shares in Kaisa Health Group Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

- (1) PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS;**
(2) GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES;
(3) PROPOSED ADOPTION OF THE SHARE SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING
-

Capitalised terms used in the lower portion of this cover page shall have the same respective meanings as those defined in this section headed “Definitions” of the circular.

A notice convening 2026 Annual General Meeting of the Company to be held at Conference Room Luxe Lab, 20/F., Office Plus @Sheung Wan, Nos. 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Monday, 29 June 2026 at 11:00 a.m. is set out on pages 48 to 53 of this circular. A form of proxy for use at the 2026 Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.kaisahealth.com>).

Whether or not you are able to attend the 2026 Annual General Meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2026 Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude the shareholders of the Company from attending and voting in person at the meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

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DEFINITIONS

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

“2015 Share Option Scheme”	the share option scheme of the Company adopted on 8 June 2015
“2025 Annual Report”	the annual report of the Company for the Year
“2026 Annual General Meeting”	the AGM to be held at Conference Room Luxe Lab, 20/F., Office Plus @Sheung Wan, Nos. 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Monday, 29 June 2026 at 11:00 a.m., of which the notice is set out on pages 48 to 53 of this circular
“Actual Sale Proceeds”	the proceeds from the sale of the Award Shares net of stamp duty, brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable levies and costs
“Adoption Date”	being the date on which the Share Scheme is conditionally adopted by the Shareholders
“AGM(s)”	the annual general meeting(s) of the Company
“associate”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auditors”	the auditors of the Company for the time being
“Award”	an award granted or to be granted under the Share Scheme, which may be a Share Option or a Share Award
“Award Shares”	new or existing Shares underlying an Award, including treasury shares of the Company that are transferred out of treasury by the Company
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“Bye-laws”	the bye-laws of the Company as amended, supplemented or modified from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“close associate(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Company”	Kaisa Health Group Holdings Limited 佳兆業健康集團控股有限公司, a company incorporated in Bermuda with limited liability, whose issued Shares are listed and traded on the Main Board of the Stock Exchange (Stock code: 876)
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant”	Employee Participants or Related Entity Participants, 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 Participants”	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 an inducement to enter into employment contracts with any member of the Group) and “Employee Participant” means any one of them
“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 (10 th) 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
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Share Scheme, his permitted transferee or (where the context so permits his Personal Representative
“Group”	the Company and its subsidiaries

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INEDs”	the independent non-executive Directors
“Issue Mandate”	a general and an unconditional mandate proposed to be granted at the 2026 Annual General Meeting to the Directors to exercise the power of the Company during the relevant period to allot, issue and deal with new Shares (including any sale or transfer of treasury shares out of treasury), of up to 20% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	1 June 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minimum Period”	with respect to an Award, the period commences on the Offer Date and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof
“month”	means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that: (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month
“Nomination Committee”	the nomination committee of the Board
“Offer”	an offer to an Eligible Participant for the grant of an Award (as may be amended and/or supplemented by the Board from time to time in its absolute discretion)
“Offer Date”	the date on which an Offer is made to an Eligible Participant

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“Personal Representative”	with respect to an Eligible Participant or a Grantee, the person who has the authority to deal with the relevant Eligible Participant’s or Grantee’s estate in accordance with the laws of succession applicable in respect of the death of the relevant Eligible Participant or Grantee
“PRC”	the People’s Republic of China
“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
“Related Entity Participants”	the directors and employees (whether full-time, part-time or other employment arrangement) of the holding company or fellow subsidiaries of the Company
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general and an unconditional mandate proposed to be granted at the 2026 Annual General Meeting to the Directors to exercise the power of the Company during the relevant period to repurchase Shares up to a maximum of 10% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing of the relevant resolution granting such mandate
“Returned Shares”	unvested Award Shares held by a Trustee in respect of Share Awards which have lapsed or have been cancelled in accordance with the terms of the Share Scheme
“Scheme Mandate Limit”	has the meaning ascribed to it in the paragraph headed “7. SCHEME LIMIT AND ADDITIONAL APPROVALS” in Appendix III to this circular
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as may be amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares of HK\$0.00125 each in the share capital of the Company (including treasury shares, if any), or, if there has been a sub-division, consolidation, re-classification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such sub-division, consolidation, re-classification or reconstruction

DEFINITIONS

“Share Award”	an Award which vests as a right to purchase or receive Award Shares pursuant to the Share Scheme
“Share Buy-back Mandate”	the general and unconditional mandate to repurchase the fully paid up Shares (excluding treasury shares) up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the ordinary resolution in relation thereof
“Share Option”	an Award 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 2026 Annual General Meeting, under which Share Award(s) and Share Option(s) may be granted
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs as may be amended, supplemented or otherwise modified from time to time
“Termination Date”	5:00 p.m. (Hong Kong time) on the date which falls on the date immediately prior to the tenth (10 th) anniversary of the Adoption Date, or such earlier date as the Share Scheme is terminated in accordance with the terms thereunder
“treasury shares”	has the meaning ascribed to it under the Listing Rules
“Trust(s)”	has the meaning defined in the paragraph headed “2. ADMINISTRATION OF THE SHARE SCHEME” in Appendix III to this circular
“Trustee(s)”	the trustee(s) of the Trust(s) from time to time
“Year”	the financial year ended 31 December 2025
“%”	per cent.

LETTER FROM THE BOARD



Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

Executive Directors:

Mr. Kwok Ying Shing (*Chairman*)
Mr. Luo Jun (*Vice Chairman and Chief Executive Officer*)
Ms. Luo Tingting (*Vice Chairperson*)
Mr. Liu Lihao
Mr. Xie Binhong
Mr. Ye Haoda

Independent Non-executive Directors:

Dr. Liu Yanwen
Dr. Lyu Aiping
Ms. Li Zhiying

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head Office and Principal Place of
Business in Hong Kong:*

30/F., The Center,
99 Queen's Road Central,
Central, Hong Kong

5 June 2026

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS;
(2) GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES;
(3) PROPOSED ADOPTION OF THE SHARE SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the 2026 Annual General Meeting for, among other matters, (i) the re-election of the retiring Directors; (ii) the grant of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate; and (iii) the proposed adoption of the Share Scheme. In compliance with rule 10.06(1)(b) of the Listing Rules, this circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions in relation thereto at the 2026 Annual General Meeting.

LETTER FROM THE BOARD

2. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were six executive Directors, namely Mr. Kwok Ying Shing (“**Mr. Kwok**”), Mr. Luo Jun (“**Mr. Luo**”), Ms. Luo Tingting (“**Ms. Luo**”), Mr. Liu Lihao (“**Mr. Liu**”), Mr. Xie Binhong (“**Mr. Xie**”) and Mr. Ye Haoda (“**Mr. Ye**”); and three INEDs, namely Dr. Liu Yanwen (“**Dr. Liu**”), Dr. Lyu Aiping (“**Dr. Lyu**”) and Ms. Li Zhiying (“**Ms. Li**”).

Reference is made to the announcement of the Company dated 18 July 2025 in relation to, among others, the appointment of Mr. Ye as an executive Director. In accordance with paragraph 83 of the Bye-laws, Mr. Ye, the new appointed director shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the 2026 Annual General Meeting.

In accordance with paragraph 84 of the Bye-laws, Mr. Kwok, Dr. Lyu and Ms. Li shall retire from office by rotation, and being eligible, will offer themselves for re-election as Directors at the 2026 Annual General Meeting.

Procedure and Process for Nomination of Directors

The nomination procedures and the process used for identifying an individual as Director or re-election of Director at a general meeting of the Company is set out in the corporate governance report of the 2025 Annual Report (the “**Corporate Governance Report**”).

Recommendation of the Nomination Committee

Dr. Lyu and Ms. Li, being an individual proposed to be re-elected as an INED at the 2026 Annual General Meeting, has confirmed his/her independence by reference to the independence guidelines set out in Rule 3.13 of the Listing Rules (the “**Independence Guidelines**”). The Board also noted that (i) Dr. Lyu and Ms. Li do not have any relationship with any Directors or chief executive and senior management, controlling shareholders or substantial shareholders of the Company, and does not serve any position within the Group save as an INED, and (ii) they has also demonstrated their ability to provide independent views on the Company’s matters. The Nomination Committee and the Board are also not aware of any circumstance that might influence the independent judgement of Dr. Lyu and Ms. Li. On this basis, the Nomination Committee and the Board are satisfied that Dr. Lyu and Ms. Li both have the required character, integrity, independence and experience to fulfil the role of INED and consider him to be independent in accordance with the Independence Guidelines.

Dr. Lyu has gained through his educational background, extensive experience and practice in the fields of Chinese Medicine allowing him to provide valuable and relevant insights to the Board. Ms. Li has gained through her educational background, extensive experience and practice in the fields of PRC laws and regulations allowing her to provide valuable and relevant insights to the Board. The expertise of Dr. Lyu and Ms. Li would benefit the Group from the relevant perspectives. The proposed re-election of Dr. Lyu and Ms. Li as an INED will increase the diversity of the Board as a whole.

LETTER FROM THE BOARD

In addition, the Nomination Committee had evaluated the performance of each of Mr. Ye, Mr. Kwok, Dr. Lyu and Ms. Li (the “**Retiring Directors**”) for the Year and the period thereafter up to the date of evaluation and found their performance satisfactory. Having duly considered their skills, knowledge, experience, expertise, and other relevant factors, the Nomination Committee is of the view that the Retiring Directors continue to be suitable candidates to serve on the Board. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the Retiring Directors stand for re-election as Directors at the 2026 Annual General Meeting. As a good corporate governance practice, each of the Retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the 2026 Annual General Meeting.

Details of the Retiring Directors proposed to be re-elected at the 2026 Annual General Meeting are set out in Appendix I to this circular.

Further information about the Board’s composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the Company’s general meetings of the Directors (including the Retiring Directors) is disclosed in the Corporate Governance Report.

3. ISSUE MANDATE

An ordinary resolution will be proposed at the 2026 Annual General Meeting, which, if passed, will give the Directors a general and an unconditional mandate to exercise the power of the Company to allot, issue and deal with new Shares including any sale or transfer of treasury shares out of treasury at any time until the next AGM following the passing of the resolution or such earlier date as stated in the resolution up to a maximum of 20% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing the resolution. Assuming that no further Shares will be issued and no Shares will be repurchased and cancelled or held in treasury prior to the 2026 Annual General Meeting and based on the issued share capital of the Company comprising 5,042,139,374 Shares as at the Latest Practicable Date, the Company would be allowed under the Issue Mandate to allot and issue a maximum of 1,008,427,874 Shares. The Issue Mandate, if granted at the 2026 Annual General Meeting, will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Bye-laws or any applicable laws of the Bermuda; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. REPURCHASE MANDATE

An ordinary resolution will be proposed at the 2026 Annual General Meeting which, if passed, will give the Directors a general and an unconditional mandate to exercise the power of the Company to repurchase Shares at any time until the next AGM following the passing of the resolution or such earlier date as stated in the resolution up to a maximum of 10% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing the resolution. Assuming that no further Shares will be issued and no Shares will be repurchased and cancelled or held in treasury prior to the 2026 Annual General Meeting and based on the issued share capital of the Company comprising 5,042,139,374 Shares as at the Latest Practicable Date, the Company would be allowed under the Repurchase Mandate

LETTER FROM THE BOARD

to repurchase a maximum of 504,213,937 Shares. The Repurchase Mandate, if granted at the 2026 Annual General Meeting, will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Bye-laws or any applicable laws of the Bermuda; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement as required under rule 10.06(1)(b) of the Listing Rules to provide the requisite information regarding the Repurchase Mandate is set out in Appendix II to this circular.

5. EXTENSION OF ISSUE MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2026 Annual General Meeting to extend the Issue Mandate by including the number of Shares repurchased under the Repurchase Mandate.

6. PROPOSED ADOPTION OF THE SHARE SCHEME

6.1 Introduction

On 8 June 2015, the Company adopted the 2015 Share Option Scheme, which has expired on 7 June 2025.

As at the Latest Practicable Date, there were 62,000,000 outstanding share options granted and yet to be exercised under the 2015 Share Option Scheme, with exercise period ending on 21 July 2030. Save for such outstanding options, the Company does not have any other outstanding share options granted and yet to be exercised.

The Company had no other subsisting share schemes which have not expired as at the Latest Practicable Date.

The Directors propose to adopt the Share Scheme to replace the 2015 Share Option Scheme which has expired on 7 June 2025, to enable the Company to grant share options and/or share awards to selected eligible persons as incentives or rewards for their contribution or potential contribution to the development and long-term growth of the Group, as well as to attract and retain talents. The Company may issue new Shares and/or utilise existing Shares and/or treasury shares (if any) to satisfy grants of the Awards under the Share Scheme.

The adoption of the Share Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at the 2026 Annual General Meeting. 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 allotted and issued pursuant to the granting, vesting or exercise of the Awards that may be granted pursuant to the Share Scheme.

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

LETTER FROM THE BOARD

6.2. Purpose

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

6.3. Conditions

The conditions for the adoption of the Share Scheme are set out in the paragraph headed “25. CONDITIONS OF THE SHARE SCHEME” in Appendix III to this circular.

6.4. Eligible Participants

The Eligible Participants are the Employee Participants and the Related Entity Participants. 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.

Employee Participants

The Board (including the independent non-executive Directors) is of the view that the non-executive Directors (including the independent non-executive Directors) should be included as Employee Participants. As at the Latest Practicable Date, the Company has not formulated any plan or intention to grant any Award to the independent non-executive Directors or any of their respective associates under the Share Scheme. However, the Board believes that the inclusion of independent non-executive Directors as Eligible Participants is justified on the basis of the following:

- (i) the non-executive Directors (including the independent non-executive Directors) play a vital role in shaping and overseeing the strategic direction and governance of the Group by contributing their expertise, objective insights and independent judgement. The involvement of non-executive Directors (including the independent non-executive Directors) enhances decision-making, governance and accountability of the Board, which are essential for the Group’s sustainable development, long-term growth and stability;
- (ii) 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 for the following reasons: (a) the independent non-executive Directors will be required to continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (b) 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); and (c) the Board will be mindful of the recommended best practice E.1.9 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of Awards to the independent non-executive Directors;

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

The Board (including the independent non-executive Directors) is of the view that the inclusion of Employee Participants as Eligible Participants, the criteria of selection of the Eligible Participants and the inclusion of non-executive Directors (including 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.

Furthermore, the Board (including the independent non-executive Directors) believes that including part-time employees as Eligible Participants will drive long-term growth and profitability by enhancing engagement, retention, and inclusivity. Extending incentives to part-time employees fosters a shared success culture, recognizes contributions regardless of employment status, and motivates greater engagement and long-term commitment to performance. This approach strengthens loyalty, reduces turnover costs, and supports the Group in attracting and retaining dedicated talent across all levels. Aligning all employees with strategic goals ensures a cohesive and high-performing workforce, and promotes a unified effort towards the Group's growth and prosperity. By valuing part-time roles equally, the Group maximizes productivity and operational flexibility. The Board (including the independent non-executive Directors) is of the view that extending incentives to part-time employees will sustain growth, improve efficiency, and deliver long-term value for the Group.

Related Entity Participants

Whilst the scope of the Eligible Participants is not limited to the employees of the Group and the Directors, the Board (including the independent non-executive Directors) considers that the Related Entity Participants have made and may continue to make contributions to the Group. The proposed category of the Related Entity Participants is in line with the Company's business needs and the industry norm, desirable and necessary from a commercial perspective and shall help maintain or enhance the competitiveness of the Group. The Company and its subsidiaries are principally engaged in the dental business, including the sale and production and research and development of dental prosthetics and trading of dental implant instruments, and healthcare business, including provision of public health and medical services. The Group's development strategy centers on deepening core markets and enhancing brand value, continuously strengthening industrial layout and resource integration to enhance shareholder value. The Group's objective is to become the industry leader in high-end dental consumables and regional sports rehabilitation in the

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country. By establishing an integrated medical device and healthcare service system, the Group is leveraging synergies across its businesses to form a perfect closed-loop ecosystem. The Company is part of the Kaisa brand. Although the core principal businesses of the holding company and fellow subsidiaries are not in the healthcare sector, each of them is able to provide strategic support and practical business synergies for the Company's core businesses in dental care, hospitals and sports rehabilitation through their respective customer resources, channel networks, brand influence and overseas presence. Certain directors and/or employees of the holding company of the Company, namely Kaisa Group Holdings Ltd., and fellow subsidiaries, have contributed to the Group's growth and development, for example, by referring or introducing opportunities to the Group. They make positive impact (including support, assistance, guidance, advice, efforts and/or contributions) on the Group's business development and growth. The directors of the holding company have contributed to the Group's strategic development, operational management and business expansion, including facilitating business cooperation and partnership opportunities in the healthcare sector. While the directors of the fellow subsidiaries have supported the promotion and business development of the Group's healthcare related businesses through marketing and resource support initiatives, expanding the cross-border customer base by using the established presence by fellow subsidiaries in overseas markets such as Hong Kong and Singapore and thus increasing sales revenue. Through integration with residential community scenarios and value-added services, it can directly channel targeted customers to the Company's dental treatment, sports rehabilitation and health management businesses, thereby achieving efficient "community-to-clinic" customer conversion, significantly reducing customer acquisition costs and improving clinic visitation rates. It is therefore a key channel for the scalable expansion of the healthcare business. Given that the Board has the authority to select the appropriate participants of the Related Entity Participant that would align with the business needs and/or development of the Group and to specify the terms and conditions in respect of any Awards that may be granted, including performance targets and/or individual performance indicators relevant to the Related Entity Participant's roles and responsibilities, the Board (including the independent non-executive Directors) is of the view that such will serve to protect the value of the Company as well as achieve the purposes of motivating the Related Entity Participant to contribute to the development and growth of the Group for the benefit of the Shareholders.

The Company has not made any historical grant to any Related Entity Participants. However, as mentioned above, Related Entity Participants will play a vital role in enhancing the Group's success. They can bring a wealth of knowledge and skills and strategic connections and network that are essential for advancing the Group's business in terms of providing robust support for the Group's expansion into the domestic and international dental markets, leveraging the sales and service network of Related Entity Participants spanning key cities across the country. The Board is of the view that these Related Entity Participants will contribute to the long-term growth and sustainability of the Group's operations. Their deep understanding of market dynamics and their ability to forge relationships with key stakeholders not only will foster business development but also will enhance the Group's competitive edge. By leveraging their expertise, the Group can navigate challenges more effectively, seize new opportunities in a rapidly evolving marketplace and enhance its market position.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) is of the view that the Related Entity Participants are valuable human resources to the Group as they often possess extensive network in the market who/which can share their expertise, experience and business connections with the Group. Accordingly, the Group will directly benefit from these Related Entity Participants as they will allow the Group to gain insights, better understand its market position, competitiveness and capture new opportunities for business development. Hence, recognition of the contribution of these Related Entity Participants fulfills the purpose of the Share Scheme.

The Board considers that the inclusion of the Related Entity Participants to participate in the Share Scheme is consistent with the purpose of the Share Scheme, which enables the Company to grant Awards as incentives or rewards to attract personnel outside the Group to promote the sustainable development of the Group and align the mutual interests of each party, as the Company and the Related Entity Participants, by holding on to equity incentives, will benefit from the long-term growth of the Group. Hence, the inclusion of Related Entity Participants is in line with the purpose of the Share Scheme and the long-term interests of the Company and the Shareholders.

The Board (including the independent non-executive Directors) is of the view that the inclusion of Related Entity Participants as Eligible Participants, the criteria of selection of the Eligible Participants, and the terms of the grants 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.

6.5. 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 “19. 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 “19. RIGHTS ON A CORPORATE TRANSACTION” in Appendix III to this circular) where a strict twelve (12)-month vesting requirement would not work or 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 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.

LETTER FROM THE BOARD

As such, the Board and the Remuneration Committee are of the view that the circumstances when vesting period is shorter than the Minimum Period prescribed in the paragraphs headed “5. VESTING PERIOD” and “19. RIGHTS ON A CORPORATE TRANSACTION” in Appendix III to this circular are appropriate, fair and reasonable and align with the purpose of the Share Scheme.

6.6. Exercise Price and Purchase Price and Exercise of Awards

The basis of determination of the Exercise Price and the Purchase Price is set out in the paragraph headed “6. EXERCISE PRICE AND PURCHASE PRICE AND EXERCISE OF AWARDS” in Appendix III to this circular.

In determining the Exercise Price and Purchase Price, the Board may take into consideration matters including the market price of the Shares, the purpose of the grant of the Awards, the remuneration plans (for Employee Participants), the present contribution and expected contribution of the Eligible Participant to the profits of the Group, the general financial condition of the Group, the Group’s overall business objectives and future development plan, and any other matter which the Board considers relevant.

The Directors are of the view that such room for discretion on the Exercise Price and Purchase Price provides the Board with flexibility to stipulate, if necessary, a Purchase Price for Awarded Shares, while balancing the purpose of the Share Scheme and the interests of Shareholders.

6.7. Maximum number of Shares subject to the Share Scheme

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

As at the Latest Practicable Date, the number of issued Shares is 5,042,139,374 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 total number of Shares which may be issued upon exercise of all Awards to be granted under the Share Scheme together with all options and awards which may be granted under any other schemes for the time being of the Company would be 504,213,937 Shares, representing approximately 10% of the issued share capital of the Company (excluding treasury shares) on the date of approval of the Share Scheme.

6.8. 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, if applicable, for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

LETTER FROM THE BOARD

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 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. The Board considers that (i) setting specific performance targets ensures Awards are earned only through continued value creation, directly aligning with the Share Scheme's purpose of recognising past contributions while incentivising future growth; and (ii) the flexibility to set meaningful targets keeps the equity incentive competitive and attractive to diverse high-value contributors and supports the Share Scheme's objective of attracting suitable talent for the Group's further development.

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:

- (a) sales performance (e.g. revenue) of the Group;
- (b) operating performance (e.g. operation efficiency) of the Group;
- (c) financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group;
- (d) corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture);
- (e) personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee; and
- (f) 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 utilize 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 the Shareholders as a whole.

LETTER FROM THE BOARD

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 Awards not yet vested and Awards vested but not exercised shall immediately lapse, unless the Board determines otherwise at its discretion.

6.9. Others

As at the Latest Practicable Date, the Company has no concrete plans or specific intention to grant Awards to the Eligible Participants under the Share Scheme immediately after its adoption.

Pursuant to the Note (1) to Rule 17.03(2) of the Listing Rules, the Company has sought legal advice on the prospectus requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in relation to the Share Scheme proposed to be adopted and understands that exemptions may be available from the prospectus registration requirements, provided that the grant of Awards by the Company under the Share Scheme to the Eligible Participants fall within the said exemptions, and in which case the adoption of the Share Scheme would not constitute an offer to public, and the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) would not be applicable.

None of the Directors is and will be trustee of the Share Scheme nor has a direct or indirect interest in the trustee.

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

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.

As at the Latest Practicable Date, save for the 2015 Share Option Scheme, which has expired on 7 June 2025, the Company has no other 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 2026 Annual General Meeting.

6.10. 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.

LETTER FROM THE BOARD

6.11. Document on display

A summary of the principal terms of the Share Scheme is set out in Appendix III to this circular. A copy of the Share Scheme will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.kaisahealth.com>) for display for a period of not less than 14 days before the date of the 2026 Annual General Meeting and the Share Scheme will be made available for inspection at the 2026 Annual General Meeting.

7. RE-APPOINTMENT OF AUDITORS

ZSZH (HK) Fuson CPA Limited (formerly known as SFAI (HK) CPA Limited) will retire as the independent auditor of the Company at the Annual General Meeting and, being eligible, offer itself for re-appointment.

Upon the recommendation of the Audit Committee and in accordance with Rule 13.88 of the Listing Rules, the Board proposed to pass an ordinary resolution to re-appoint ZSZH (HK) Fuson CPA Limited (formerly known as SFAI (HK) CPA Limited) as the independent auditor of the Company and to hold office from the conclusion of the Annual General Meeting until the next annual general meeting of the Company and to authorize the Board to fix its remuneration for the year ending 31 December 2026. The estimated audit fee in relation to annual audit agreed with the auditor is approximately RMB1.1 million which is determined by the Board and the Audit Committee of the Company with reference to the market rates, scope of work and audit timetable. The estimated audit fee has been determined based on the facts and circumstances as at the Latest Practicable Date and on the assumptions that there will be no material change in the Group's operations, accounting policies or regulatory environment and any possible acquisition during the financial year.

8. 2026 ANNUAL GENERAL MEETING

The notice of the 2026 Annual General Meeting is set out on pages 48 to 53 of this circular.

At the 2026 Annual General Meeting, resolutions will be proposed to approve, among other matters, (i) the re-election of the Retiring Directors; (ii) the grant of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate; and (iii) the proposed adoption of the Share Scheme by way of poll. An announcement on the poll results will be published by the Company after the 2026 Annual General Meeting.

LETTER FROM THE BOARD

A form of proxy for use in connection with the 2026 Annual General Meeting is enclosed with this circular. If you are not able or do not intend to attend the 2026 Annual General Meeting but wish to exercise your right as a Shareholder, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2026 Annual General Meeting or the adjournment thereof to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy shall not preclude you from attending, speaking and voting in person at the 2026 Annual General Meeting should you so desire. If you attend, speak and vote at the 2026 Annual General Meeting, the instrument appointing your proxy will be deemed to have been revoked.

9. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders' eligibility to attend and vote at the 2026 Annual General Meeting, the register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2026 Annual General Meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Tuesday, 23 June 2026. The record date for the purpose of ascertaining Shareholders' right to attend, speak and vote at the 2026 Annual General Meeting will be Monday, 29 June 2026.

10. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company 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 to be proposed at the 2026 Annual General Meeting and contained in the notice of the 2026 Annual General Meeting will be voted by way of a poll by the Shareholders. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

11. RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

12. RECOMMENDATION

The Directors consider that the resolutions to be proposed at the 2026 Annual General Meeting and as set out in the notice of the said meeting for approving, among others, (i) the re-election of the Retiring Directors; (ii) the grant of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate; and (iii) the proposed adoption of the Share Scheme are in the best interests of the Company and the Shareholders as a whole and therefore, recommend you to vote in favour of all the relevant resolutions to be proposed at the 2026 Annual General Meeting.

13. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

14. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
Kaisa Health Group Holdings Limited
Kwok Ying Shing
Chairman and Executive Director

Details of the Retiring Directors proposed to be re-elected at the 2026 Annual General Meeting are set out below:

Mr. Ye Haoda, aged 33, has been appointed as an executive Director since 18 July 2025. Mr. Ye is the assistant to the President of Kaisa Group, and is responsible for the capital market, finance, legal affairs and medical services of Kaisa Group. Mr. Ye joined Kaisa Group in 2018 and served as deputy general manager of the secretarial group to the board of director and the general manager of the investment and financing department. Mr. Ye obtained a master's degree from Newcastle University, United Kingdom.

Mr. Ye entered into service contract with the Company for a term of three years commencing on 18 July 2025, which can be terminated by either party giving not less than three months' notice in writing. The service contract was automatically renewed if no notice is given for both Mr. Ye and the Company. During the year ended 31 December 2025, the total remuneration paid to Mr. Ye was approximately HK\$326,665. Mr. Ye did not hold any other directorship in public companies, the securities of which are listed on any securities market in Hong Kong or overseas, in the last three years.

Mr. Ye does not have any relationship with the Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Kwok Ying Shing, aged 61, has been appointed as an executive Director, the chairman of the Board (the “**Chairman**”) and the chairman of the nomination committee of the Board (the “**Nomination Committee**”) with effect from 26 February 2019. Mr. Kwok resigned as the Chairman and the chairman of the Nomination Committee and a member of the Remuneration Committee and remained as an executive Director from 9 April 2020. Mr. Kwok has reappointed as the Chairman and the Chairman of the Nomination Committee since 10 October 2022. Mr. Kwok acted as a member of the Remuneration Committee since 14 June 2024. Mr. Kwok is a substantial shareholder of Kaisa Group Holdings Ltd. (“**Kaisa Group**”), a company listed on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (Stock Code: 1638), and a controlling shareholder of the Company. Mr. Kwok is also the chairman of the board of directors of Kaisa Capital Investment Holdings Limited, a company listed on the Stock Exchange (Stock Code: 936), and the co-chairman of the board of directors of Sing Tao News Corporation Limited, a company listed on the Stock Exchange (Stock Code: 1105). Mr. Kwok has extensive experience in real estate development, investment and financing management. Mr. Kwok is primarily responsible for our overall corporate strategies, planning and business development.

Mr. Kwok entered into service contract with the Company for an initial term of three years commencing on 26 April 2019, which can be terminated by either party giving not less than three months’ notice in writing. The service contract was automatically renewed if no notice is given for both Mr. Kwok and the Company. During the year ended 31 December 2025, the total remuneration paid to Mr. Kwok was approximately HK\$105,000.

Save as disclosed above, Mr. Kwok did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the last three years nor did and does he hold any other positions in the Group in the past and at present, or hold other major appointments and professional qualifications. In addition, save as aforesaid, Mr. Kwok does not have any relationship with any other Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Mr. Kwok has the following interests in the shares or underlying shares of the Company pursuant to SFO:

Long position in the Shares

Name	Capacity/nature of interest	Number of Shares interested/held	Approximate percentage of the issued Shares of the Company
Mr. Kwok Ying Shing	Interest of controlled corporation	308,000,000 (Note 1)	6.11%
	Interest of spouse	2,020,000 (Note 2)	0.04%

Note 1: According to the information available to the Company, Ying Hua Holdings Limited is a company incorporated in the BVI and is wholly owned by KS Holdings 2 Limited. KS Holdings 2 Limited is the trustee of 308,000,000 Shares under a discretionary trust of which Mr. Kwok Ying Shing is the founder. Under the SFO, KS Holdings 2 Limited and Mr. Kwok Ying Shing is each deemed to be interested in the Shares held by Ying Hua Holdings Limited.

Note 2: Mr. Kwok Ying Shing is deemed to be interested in the 2,020,000 Shares of the Company beneficially owned by his spouse, Ms. Chan Nog.

Dr. Lyu Aiping, aged 62, has been appointed as an independent non-executive Director since 5 March 2018, he has been appointed as a member of the Remuneration Committee and the Nomination Committee since 2 August 2019 and acted as a chairman of the Remuneration Committee since 4 March 2021. Dr. Lyu is currently the Vice President (Research and Development) and the Chair Professor. Dr. Lyu is also a member of the Chinese Pharmacopoeia Commission. Dr. Lyu obtained his Bachelor Degree from Jiangxi University of Traditional Chinese Medicine his Master and Ph.D. degrees in China Academy of Traditional Chinese Medicine. Dr. Lyu is focusing on the translational research in Chinese medicine and the development of new drugs based on Chinese medicine and has extensive experience in strategic planning and research for Chinese medicine development and the standardisation of Chinese medicine.

Dr. Lyu entered into a letter of appointment with the Company respectively for a term of two years commencing from 5 March 2018, which can be terminated by either party giving not less than one month advance notice in writing. The letter of appointment has been renewed for a term of two years commencing from 5 March 2020, 5 March 2022 respectively and renewed for a term of three years commencing from 5 March 2024. During the year ended 31 December 2025, the total remuneration paid to Dr. Lyu was approximately HK\$262,500.

Dr. Lyu has the following interests in the shares or underlying shares of the Company pursuant to SFO:

Share options of the Company

Number of share options held	Number of underlying Shares	Exercise price	Approximately percentage of the issued share capital of the Company
6,000,000	6,000,000	HK\$0.196	0.12%

Save as disclosed above, Dr. Lyu did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the last three years nor did and does he hold any other positions in the Group in the past and at present, or hold other major appointments and professional qualifications. In addition, Dr. Lyu does not have any relationship with any other Directors, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Lyu was not interested or deemed to be interested in any interests in the Shares or underlying shares of the Company pursuant to Part XV of the SFO.

Ms. Li Zhiying (formerly named as Ms. Li Yonglan), aged 47, has been appointed as an independent non-executive Director since 6 March 2021 and appointed as a member of the Nomination Committee since 27 June 2025. Ms. Li is currently the deputy chief lawyer of the investment banking and legal affairs department of the Beijing Jingshi (Shenzhen) Law Firm since April 2020. From December 2008 to March 2020, Ms. Li worked as a lawyer in the Zhong Yin Law Firm in Beijing. From January 2006 to November 2008, Ms. Li served as the chief consultant of the online legal platform, China Civil and Commercial Law. From August 2003 to December 2005, Ms. Li was a legal assistant of Beijing Lixing Law Firm. Ms. Li was appointed as an independent non-executive director of Aerospace CH UAV Co., Ltd (航天彩虹無人機股份有限公司), a listed company in the Shenzhen Stock Exchange (Stock code: 002389), since 27 April 2022. Ms. Li obtained a bachelor's degree in Laws from the China Agricultural University in June 2003.

Ms. Li entered into a letter of appointment with the Company respectively for a term of two years commencing from 6 March 2021, which can be terminated by either party giving not less than one month advance notice in writing. The letter of appointment has been renewed for a term of two years commencing from 6 March 2023 and has been renewed for a term of one year commencing from 6 March 2025. During the year ended 31 December 2025, the total remuneration paid to Ms. Li was approximately HK\$250,000.

Save as disclosed above, Ms. Li did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the last three years nor did and does she hold any other positions in the Group in the past and at present, or hold other major appointments and professional qualifications. In addition, save as aforesaid, Ms. Li does not have any relationship with any other Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, each of the Retiring Directors has confirmed with respect to him/her that as at the Latest Practicable Date, (i) he/she had not held any directorship in the last three years in any public company, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he/she did not hold other positions in the Company or other members of the Group; and (iii) he/she did not have any interests in the shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Each of the Retiring Directors has confirmed that (i) there is no other information that is required to be disclosed pursuant to any of the requirements of rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (ii) there are no other matters which need to be brought to the attention of the Shareholders in connection with his/her re-election.

This explanatory statement contains the information required under rule 10.06(1)(b) of the Listing Rules to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully-paid share capital of the Company comprised 5,042,139,374 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased and cancelled prior to the 2026 Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 504,213,937 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period from the date on which such resolution is passed until the date of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required by the Bye-laws or any applicable laws of the Bermuda to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting, whichever occurs the earliest.

If the Company repurchases Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased Shares; and/or (ii) held such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made.

To the extent that any treasury shares are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as treasury shares. These measures may include approval by the Board that (i) the Company would not (or would procure its licensed securities dealer not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the treasury shares deposited with CCASS; (ii) in the case of dividends or distributions, the Company will 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; and (iii) take any other appropriate 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.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. As considered by the Directors, the Repurchase Mandate would give the Company additional flexibility as the repurchase of Shares may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share if all or part of the Shares repurchased are cancelled and it will be made only when the Directors believe that such repurchase will be in the best interests of the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In making repurchases, the Company may only apply funds legally available for such purposes in accordance with the Bye-laws and the applicable laws of the Bermuda. A listed company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the laws of the Bermuda, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Bye-laws and subject to the provisions of the laws of the Bermuda. Any premium payable on redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Bye-laws and subject to the provisions of the laws of the Bermuda.

4. IMPACT ON WORKING CAPITAL OR GEARING POSITION

On the basis of the consolidated financial position of the Company as at 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares in issue at the Latest Practicable Date, the Directors consider that there might be an adverse impact on the working capital position and/or gearing position of the Company in the event that the Repurchase Mandate is exercised in full. However, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse impact on the working capital position or gearing position of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICE

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

Month	Highest HK\$	Lowest HK\$
2025		
June	0.024	0.013
July	0.028	0.018
August	0.030	0.019
September	0.073	0.022
October	0.110	0.040
November	0.105	0.059
December	0.088	0.068
2026		
January	0.211	0.070
February	0.219	0.154
March	0.200	0.084
April	0.127	0.102
May	0.107	0.082
June (the Latest Practicable Date)	0.094	0.081

6. POWER, INTENTION AND UNDERTAKING

The Directors will so far as the same may be applicable, only exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Bermuda.

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 in the event that the Repurchase Mandate is approved by the Shareholders at the 2026 Annual General Meeting.

No core connected person has 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 Repurchase Mandate is granted by the Shareholders.

7. TAKEOVERS CODE

If, as a result of a repurchase of Shares exercised by the Company pursuant to the Repurchase Mandate a Shareholder's proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances.

As at the Latest Practicable Date, to the best knowledge of the Directors, the controlling Shareholder Kaisa Group Holdings Limited ("**Kaisa Group**") was beneficially interested in 2,167,600,491 Shares, representing approximately 42.99% of the aggregate number of issued Shares. In the event that the Directors exercised in full the power under the Repurchase Mandate to repurchase Shares with all the Shares repurchased being cancelled, the interest of Kaisa Group in the issued Shares will be increased to approximately 47.77% and such an increase would give rise to an obligation of Kaisa Group and its associates to make a mandatory offer under Rules 26 and 32 of the Takeovers Code, in respect of all the remaining issued Shares not owned by Kaisa Group will be regarded as having acquired in any period of 12 months additional Shares carrying more than 2% of the voting rights of the Shareholders at a general meeting of the Company. However, the Directors do not have any plan or intend to repurchase Shares to such extent as would result in any of the takeover obligations abovementioned. Save as disclosed above, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

Moreover, the Directors have no intention to exercise the power to repurchase Shares to the extent that the number of Shares held by the public would be reduced to less than 25% of the aggregate number of issued Shares or such level of the minimum public float requirement stipulated under the Listing Rules from time to time.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

9. GENERAL

Neither does this explanatory statement nor the proposed repurchase of Shares have any unusual features.

The following is a summary of the principal terms of the Share Scheme to be approved and adopted by ordinary resolution at the 2026 Annual General Meeting, 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 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

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 provisions of the Share Scheme, the Board shall have the right to (1) interpret and construe the provisions of the Share Scheme; (2) 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; (3) make such appropriate and equitable adjustments to the terms of Awards granted under the Share Scheme as it may deem necessary; and (4) 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) for the purposes of: (i) holding Award Shares upon Trust(s) which are reserved for specified Eligible Participants; (ii) 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 other actions for the purposes of administering and implementing the Share Scheme. The Trustee(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).

The Company shall not give instruction to any Trustee 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 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 and the Related Entity 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:

- (a) the performance;
- (b) the skill, knowledge, experience, expertise and other personal qualities;
- (c) time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (d) the length of employment with the Group; and
- (e) the contribution or potential contribution to the development and growth of the Group.

In determining the basis of eligibility for Related Entity Participants, the Board would take into account, among others:

- (a) the actual degree of involvement of the Related Entity Participant in and/or cooperation with the Group and the length of collaborative relationship such Related Entity Participant has established with the Group;
- (b) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group;
- (c) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialized into further business relationships;

- (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share;
- (e) the amount of support, assistance, guidance, advice, efforts and contributions which the Related Entity Participant has exerted and given towards the success of the Group or the Related Entity Participant which is likely to be able to give or make towards the success of the Group in the future; and
- (f) the materiality and nature of the business relation of the holding company or fellow subsidiaries with the Group and the Related Entity Participant's contribution in such holding company or fellow subsidiaries which may benefit the core business of the Group through a collaborative relationship.

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 Board may consider necessary (as may be amended and/or supplemented by the Board in its absolute discretion, 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 provisions 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. For the avoidance of doubt, the Board may at its discretion specify any terms or conditions 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. Subject to paragraph 8(6), such terms or conditions of the Offer Letter specified and approved by the Board at the grant may be subsequently amended and/or supplemented by the Board in its absolute discretion.

An Offer 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.

5. VESTING PERIOD

Save for the circumstances prescribed below, 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 Awards granted to an Employee Participant, the Board may at its absolute discretion determine a vesting period shorter than the Minimum Period or no vesting period is applicable 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 with performance-based vesting conditions in lieu of time-based vesting criteria;
- (4) 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;
- (5) 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
- (6) grants of Awards with a total vesting and holding period of more than twelve (12) months.

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 the terms of the Share Scheme, 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 sub-paragraph (a)(1) or sub-paragraph (a)(2) above, the date of the meeting of the Board (or its authorized 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 as set above shall apply *mutatis mutandis*.
- (d) Subject to the terms of the Share Scheme and the fulfilment of all terms and conditions as set out in the Offer Letter, 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 (or transfer from the treasury shares) the relevant number of Shares to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such other person as the Grantee may designate and notify to the Company or the Trustee (as applicable) in writing not less than 7 Business Days in advance) credited as fully paid and instruct the Share Registrar to issue to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such designee, as applicable) a share certificate for the Shares so allotted and issued, and if applicable, subject to the Grantee having provided or procured to be provided to the Company and/or the Share Registrar the relevant documents as may be required by the Company and/or the Share Registrar, use its best commercial efforts to arrange for the Shares to be deposited into the Central Clearing and Settlement System of Hong Kong;
 - (2) arrange for the Exercised Award Shares to be transferred to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such other person as the Grantee may designate and notify to the Company or the Trustee (as applicable) in writing not less than 7 Business Days in advance) credited as fully paid and issue to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such designee, as applicable) a share certificate in respect of the Shares so transferred;
 - (3) pay to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such other person as the Grantee may designate and notify to the Company or the Trustee (as applicable) in writing not less than 7 Business Days in advance) by remittance to the bank account designated and provided by or on behalf of 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 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 or such other person as the Grantee may designate and notify to the Company or the Trustee (as applicable) in writing not less than 7 Business Days in advance), following which, the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such designee, as applicable) shall be entitled to future dividends paid or payable on the Exercised Award Shares and the Grantee (or the Grantee's Personal Representative or such designee, as applicable) will have a one-time option to request the Company to cause payment to or to the order of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's Personal Representative or such designee, as applicable) by remittance to the bank account designated and provided by or on behalf of the Grantee, the Actual Sale Proceeds from on-market sale of the Exercised Award Shares through the facilities of the Stock Exchange at prevailing market prices.

7. SCHEME LIMIT AND ADDITIONAL APPROVALS

The Scheme Mandate Limit

- (1) The total number of Shares which may be issued (excluding any transfer of treasury shares of the Company) 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(s) (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.

Share consolidation or sub-division

- (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 upon exercise of all (i) the Awards to be granted under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company 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 must send a circular to the Shareholders 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 beyond 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 must send a circular to the Shareholders containing the name of each of the specified Eligible Participants who may be granted such Awards, the number and terms of the Awards to be granted to each Eligible Participant, and 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 OF THEIR RESPECTIVE ASSOCIATES

- (1) Any grant of an Award to any of the Director, 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)
 - (i) 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 of the Company) in respect of all options and awards granted under the Share Scheme and any other schemes of the Company (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) 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), or
 - (ii) 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 of the Company) in respect of all Share Awards granted under the Share Scheme and any other schemes of the Company (excluding any Share 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 must send a circular to the Shareholders. 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 Rule 17.04(4) of 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.

9. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of an Award to an Eligible Participant would result in the Shares issued and to be issued (including any transfer of treasury shares of the Company) in respect of all options and awards granted to such Eligible Participant under the Share Scheme and any other schemes of the Company (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), such grant 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 must send a circular to the Shareholders 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, a Share Option may be exercised in whole or in part at any time during the period stipulated in the Offer Letter, 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 Share Option.

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:

- (a) sales performance (e.g. revenue) of the Group;
- (b) operating performance (e.g. operation efficiency) of the Group;
- (c) financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group;
- (d) corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture); and
- (e) personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee; and
- (f) 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 utilize 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 the Shareholders as a whole.

On the other hand, 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:

- (a) a Grantee's employment has been terminated summarily;
- (b) a Grantee has been convicted of any criminal offence involving his or her integrity or honesty;
- (c) 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); or
- (d) the occurrence of other circumstances described in paragraph 14 or 17,

any outstanding Awards not yet vested shall immediately lapse, unless the Board determines otherwise at its discretion. If the Board exercises such discretion, it may give (but is not obliged to) the relevant Grantee written notice and the Board's interpretation of and determination shall be final, conclusive and binding.

The Awards that are clawed back will lapse and will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and may be used to grant to other Eligible Participants.

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 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;
- (2) during the period commencing thirty (30) days immediately before the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving 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 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 the underlying Award Shares of which have not already been vested. For this purpose, a determination by the Board to the effect that a breach of this paragraph has occurred shall be final and conclusive.

Subject to obtaining an appropriate waiver from the Stock Exchange, an Award may be transferred to a vehicle (such as trust or private company) for the benefit of the Grantee and/or any family members of such Grantee that would continue to meet the 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 or directorship with any member of the Group on any one or more of the following grounds:

- (a) that the Grantee has committed any serious misconduct;
- (b) 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);
- (c) that the Grantee has become insolvent, bankrupt or has made arrangements or compositions with the Grantee's creditors generally;
- (d) that there has been a breach of contract entered into between the Grantee and any member of the Group; or
- (e) 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,

the Grantee's Award (to the extent not yet vested) shall immediately lapse unless the Board determines otherwise at its discretion.

In the event that the Grantee ceases to be an Eligible Participant by reason of 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), in each case provided that none of the events which would be a ground for termination of the Grantee's employment or directorship set out in the paragraph above arises, before exercising the Award in full, the Grantee may (subject to compliance with the vesting period requirement under paragraph 5) exercise the Award (to the extent not already exercised) in whole or in part within twelve (12) months following the date of such retirement, or such longer period as the Board may determine, after which any such Awards (to the extent not vested during such period) shall lapse.

In the event that the Grantee ceases to be an Eligible Participant by reason of the termination of the Grantee's employment or directorship with the Group or any Related Entity, on grounds other than those set out in paragraph 15 or paragraph 16, any Award not yet vested shall immediately lapse, unless the Board determines otherwise at its discretion.

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 Grantee's employment or directorship under paragraph 14 above arises, or if the Grantee is a Related Entity Participant, provided that none of the events which would be a ground for termination of the Grantee's employment or directorship under paragraph 17):

- (a) in the case of Share Options, the Grantee's Personal Representative may (subject to compliance with the vesting period requirement under paragraph 5) exercise the Share Options (to the extent 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;
- (b) in the case of Share Awards, any outstanding Share Awards not yet vested shall immediately lapse, and the Company shall negotiate with the administrator of the Grantee's estate within twenty-four (24) months after the Grantee's death on the alternative compensation for the Grantee's estate for the relevant Share Awards that have lapsed in accordance with this paragraph. Any such alternative compensation shall be determined by the Company at its sole and absolute discretion, which shall be final and binding. Notwithstanding the foregoing, if the Company determines at its sole and absolute discretion that the Share Awards will continue to be vested in the Grantee's estate, the Company shall deliver (i) such number of 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 twenty-four (24) months 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, RETIREMENT OR
TERMINATION OF EMPLOYMENT OR DIRECTORSHIP**

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 performance of duty as employee or director of any member of the Group or any Related Entity (evidenced to the satisfaction of the Board), or (ii) the Grantee's retirement as an employee of the Group or any Related Entity in accordance with the Grantee's contract of employment (evidenced to the satisfaction of the Board), in each case provided that if the Grantee is an Employee Participant, none of the events which would be a ground for termination of the Grantee's employment or directorship under paragraph 14 above arises, or if the Grantee is a Related Entity Participant, provided that none of the events which would be a ground for termination of the Grantee's employment or directorship under paragraph 17 arises, before exercising the Award in full, the Grantee may (subject to compliance with the vesting period requirement under paragraph 5) exercise the Award (to the extent not already exercised) in whole or in part in accordance with the terms of the Share Scheme within twelve (12) months following the date of such injury, disability, ill-health or retirement, or such longer period as the Board may determine, after which any such Awards (to the extent not vested during such period) shall lapse.

In the event that the Grantee ceases to be an Eligible Participant by reason of the termination of the Grantee's employment or directorship with the Group or any Related Entity, on grounds other than those set out in paragraph 15 or the immediately preceding paragraph in this paragraph 16, any Award not yet vested shall immediately lapse, unless the Board determines otherwise at its discretion.

17. RELATED ENTITY PARTICIPANTS

In the event that the Grantee who is a Related Entity Participant ceases to be an Eligible Participant by reason of any one or more of the following grounds:

- (a) in the case of the Grantee who is a Related Entity Participant, that he/she ceases to be associated with the Related Entity as a result of resignation, termination, dismissal or retirement;
- (b) that there has been a breach of contract entered into between the Grantee and any member of the Group or any Related Entity;
- (c) that the Grantee's engagement or appointment has been terminated in the sole and absolute opinion of the Board;
- (d) that the Board, in its sole and absolute opinion, believes that the Grantee is no longer contributing to the development or success of the Group, or has become a competitor of any member of the Group;
- (e) that the Grantee has become bankrupt or insolvent or made any arrangement or composition with his/her creditors generally;
- (f) that the Grantee has committed any serious misconduct;

- (g) that the Grantee has been convicted of any criminal offence (other than an offence which, in the sole and absolute opinion of the Board, does not bring the Grantee or any member the Group into disrepute);
- (h) the entity of which the relevant Grantee is a director or employee (whether full-time, part-time or other employment arrangement) ceases to be a Related Entity; or
- (i) on any other ground as determined by the Board that would warrant the termination of the Grantee's engagement or appointment in the sole and absolute opinion of the Board,

the Award (to the extent vested but not already exercised) shall lapse and shall not be exercisable on the date of the Board's determination.

18. 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 17 above, the Grantee's Award (to the extent not yet vested) shall immediately lapse 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.

19. RIGHTS ON A CORPORATE TRANSACTION

- (a) If there is an event of change in control of the Company as the result of a merger, scheme of arrangement or general offer, or in the event of a dissolution or liquidation of the Company, the Board shall at its sole discretion determine whether the vesting dates of any Awards to Employee Participants will be accelerated and/or determine such conditions or limitations to which the vesting of such Award will be subject (subject to compliance with the vesting period requirement under paragraph 5).
- (b) For the purpose of paragraph 19(a), "control" shall have the meaning as specified in the Takeovers Code.

20. CANCELLATION OF AWARDS

Subject to the terms of the Share Scheme, the Board may, with the consent of the relevant Grantee, cancel any Award granted but the underlying Award Shares of which have not yet been vested, on such terms and conditions as the Board may in its absolute discretion see fit and in a manner that complies with all applicable legal requirements for such cancellation.

Where the Company cancels any outstanding Awards 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 will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

21. 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, sub-division or consolidation 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 or nominal amount 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 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:

$$\text{New number of Awards} = \text{Existing Awards} \times F$$

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

Where:

$$F = \frac{\text{CUM}}{\text{TEEP}}$$

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

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

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, set out below:

$$\text{New number of Awards} = \text{Existing Awards} \times F$$

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

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.

22. 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 Bye-laws 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.

23. DURATION OF THE SHARE SCHEME

The Share Scheme shall be valid and effective for the period commencing on the Adoption Date and expiring on 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.

24. 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:

- (a) 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 in a general meeting of the Company;
- (b) 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);
- (c) 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; and
- (d) the amended terms of the Share Scheme or the Awards shall remain in compliance with Chapter 17 of the Listing Rules.

25. CONDITIONS OF THE SHARE SCHEME

The adoption of the Share Scheme is conditional upon:

- (a) the passing of an ordinary resolution to approve and adopt the Share Scheme by the Shareholders in a general meeting of the Company; and
- (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal, in the Shares which may fall to be allotted and issued pursuant to the granting, vesting or exercise of the Awards that may be granted under the Share Scheme.

26. LAPSE OF AWARDS

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

- (a) subject to paragraph 14 to paragraph 19, the expiry of the Exercise Period;
- (b) the date on which the Grantee commits a breach of paragraph 13;
- (c) the expiry of any of the periods referred to in paragraph 14 to paragraph 19; and
- (d) the date of the grant of a winding-up order against the Company.

27. TERMINATION

The Company by the approval of the Board 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.

28. MISCELLANEOUS

The Company will 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.

NOTICE OF ANNUAL GENERAL MEETING



Kaisa Health Group Holdings Limited
佳兆業健康集團控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Kaisa Health Group Holdings Limited (the “**Company**” and the “**Meeting**”, respectively) will be held at Conference Room Luxe Lab, 20/F., Office Plus @Sheung Wan, Nos. 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Monday, 29 June 2026 at 11:00 a.m. for the following ordinary business:

1. To consider and receive the audited consolidated financial statements of the Company and its subsidiaries, the report of the directors of the Company (the “**Directors**”) and the report of the independent auditor of the Company (the “**Auditor**”) for the year ended 31 December 2025;
2. To re-elect the following retiring Directors, each as a separate resolution:
 - 2.1 Mr. Ye Haoda as an executive Director;
 - 2.2 Mr. Kwok Ying Shing as an executive Director;
 - 2.3 Dr. Lyu Aiping as an independent non-executive Director; and
 - 2.4 Ms. Li Zhiying as an independent non-executive Director;
3. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
4. To re-appoint ZSZH (HK) Fuson CPA Limited (formerly known as SFAI (HK) CPA Limited) as the Auditor and authorise the Board to fix its remuneration;

NOTICE OF ANNUAL GENERAL MEETING

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

5A. **“THAT**

- (a) subject to paragraph (c) below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**), the exercise by the directors of the Company (the **“Directors”**) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the **“Shares”**) (including any sale or transfer of treasury shares (which shall have the meaning ascribed thereto under the Listing Rules)) or securities convertible into or exchangeable for Shares, or options, for similar rights to subscribe for any Shares and to make or grant offers, agreements, options and rights of exchange or conversion, which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion, which might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any option under the share option scheme of the Company adopted for the grant or issue to the eligible participants of the Company and/or any of its subsidiaries and/or associated companies of options to subscribe for or rights to acquire Shares; or (iii) the exercise of the rights of subscription or conversion under the terms of any instruments or other securities which may be issued by the Company carrying rights to subscribe for or purchase Shares; and/or (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (the **“Bye-laws”**), shall not exceed 20 per cent. of the aggregate number of the Shares in issue (excluding any treasury Shares) as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of 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 to be held by the Bye-laws, the Companies Act (as revised) of the Bermuda or any applicable laws; or
- (iii) the date upon which the authority set out in this resolution is revoked, varied or renewed by way of ordinary resolution by the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of Shares, or offer or issue of options or other similar instruments giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register of shareholders on a fixed record date in proportion to their then holdings of Shares (subject to such exclusions 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, or any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).

Any reference to a/an allotment, issue, grant or offer of, or dealing in, the Shares shall include the sale or transfer of treasury shares in the capital of the Company (to, amongst others, satisfy any obligation upon the conversion or exercise of any convertible securities, options or similar rights to subscribe for Shares) to the extent permitted by, and subject to the provisions of, the Listing Rules and applicable laws and regulations.”

5B. “THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the shares in the capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Act (as revised) of the Bermuda or other applicable Laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to purchase the Shares at a price determined by the Directors;
- (c) the aggregate number of the Shares which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate number of the issued Share (excluding any treasury shares) as at the date of passing this resolution, and the said authority shall be limited accordingly; and
- (d) for the purpose of this resolution:

“**Relevant Period**” shall have the same meaning as ascribed to it under the resolution set out in paragraph 5A(d) of the notice convening this meeting.”

5C. “**THAT** conditional upon the passing of the resolutions set out in paragraphs 5A and 5B of the notice convening this meeting (the “**Notice**”), the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with the shares in the capital of the Company (the “**Shares**”) pursuant to the resolution set out in paragraph 5A of the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of the Shares repurchased and cancelled by the Company under the authority granted pursuant to the resolution set out in paragraph 5B of the Notice provided that such amount shall not exceed 10 per cent. of the aggregate number of the issued Shares as at the date of passing this resolution.”

6. “**THAT:**

- (a) the share scheme of the Company (the “**Share Scheme**”) (a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) 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 Share Scheme; (ii) to allot, issue, and deal with (including any transfer of treasury shares of the Company) 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 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 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

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of Shares which may be issued (including any transfer of treasury shares of the Company) 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 as equals 10% of the Shares in issue (excluding treasury shares) as at the date of passing of this resolution.”

By Order of the Board
Kaisa Health Group Holdings Limited
Kwok Ying Shing
Chairman and Executive Director

Hong Kong, 5 June 2026

Notes:

1. Any shareholder of the Company (the “**Shareholder**”) entitled to attend, speak and vote at the Meeting or its adjournment meeting is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) or more proxies to attend, speak and vote instead of him/her/it. A proxy need not be a Shareholder but must be present in person at the Meeting. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which such proxy is so appointed.
2. In order to be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the office of the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or the adjournment thereof. Completion and return of the form of proxy will not preclude a Shareholder from attending, speaking and voting in person at the meeting or the poll concerned if he/she/it so wishes and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. For determining the entitlement of the Shareholders to attend and vote at the Meeting, the register of members of the Company (the “**Register**”) will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both dates inclusive), during which period no transfer of Shares will be effected. To qualify for attending, speaking and voting at the Meeting, non-registered Shareholders must lodge all transfer documents, accompanied by the relevant share certificates with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 23 June 2026. The record date for the purpose of ascertaining Shareholders’ right to attend, speak and vote at the 2026 Annual General Meeting will be Monday, 29 June 2026.
4. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above 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. For this purpose, seniority shall be determined by the order in which the name stands first in the Register in respect of the joint holding.
5. All the resolutions set out in this Notice shall be decided by poll.

NOTICE OF ANNUAL GENERAL MEETING

6.
 - (a) Subject to paragraph (b) below, if a Typhoon Signal No. 8 or above is hoisted, an announcement of “extreme conditions” is made by the government of Hong Kong or a Black Rainstorm Warning Signal is expected to be in force at any time three hours before the Meeting, the Meeting will be postponed and the Shareholders will be informed of the date, time and venue of the postponed Meeting by an announcement posted on the respective websites of the Company and the Stock Exchange.
 - (b) If a Typhoon Signal No. 8 or above, an announcement of “extreme conditions” by the government of Hong Kong or a Black Rainstorm Warning Signal is cancelled three hours before the time fixed for holding the Meeting and where conditions permit, the Meeting will be held as scheduled.
 - (c) The Meeting will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force.
 - (d) After considering their own situations, the Shareholders should decide on their own as to whether they would attend the Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.
7. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.
8. As at the date hereof, the Board comprises Mr. Kwok Ying Shing (Chairman), Mr. Luo Jun, Ms. Luo Tingting, Mr. Liu Lihao, Mr. Xie Binhong and Mr. Ye Haoda as executive Directors; and Dr. Liu Yanwen, Dr. Lyu Aiping and Ms. Li Zhiying as independent non-executive Directors.