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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your securities in **Evergrande Health Industry Group Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**EVERGRANDE HEALTH  
INDUSTRY GROUP**

**EVERGRANDE HEALTH INDUSTRY GROUP LIMITED**

**恒大健康產業集團有限公司**

*(a company incorporated in Hong Kong with limited liability)*

**(Stock code: 708)**

**(1) RE-APPOINTMENT OF DIRECTORS;  
(2) GENERAL MANDATES TO ISSUE NEW SHARES AND  
BUY BACK SHARES; AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM of the Company to be held at Taishan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 26 June 2020 at 3:00 p.m. is set out on pages 13 to 16 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or adjournment thereof.

Please see page 1 of this circular for precautionary measures that the Company will implement at the AGM in consideration of the continuing risk posed by coronavirus disease (COVID-19), including:

- compulsory wearing of face masks and any attendees who do not wear face masks may be requested to leave or denied entry into the AGM venue;
- compulsory hand sanitizing before entry into the AGM venue;
- body temperature checks/screening before entry into the waiting area outside the AGM venue; and
- **no** food and beverage service and **no** handing out of gift coupons or souvenirs.

**The Company would like to remind all Shareholders that physical attendance at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person. Completion and return of the proxy forms will not preclude the Shareholders from attending and voting in person at the meeting or any adjournment thereof should they subsequently so wish, and in such case, the proxy forms previously submitted shall be deemed to be revoked.**

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## PRECAUTIONARY MEASURES FOR AGM

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In consideration of the continuing risk posed by the coronavirus disease (COVID-19) and to manage the potential health risks of persons attending the AGM, the Company will implement the following precautionary measures at the AGM:

- (1) All attendees must wear face masks at all times inside the AGM venue or at the waiting area outside the AGM venue. Any attendees who do not wear face masks may be requested to leave or denied entry into the AGM venue.
- (2) All attendees must clean their hands with alcohol-based hand sanitizer before entering the AGM venue.
- (3) Body temperature checks/screening will be conducted on all persons before they enter the waiting area outside the AGM venue. Any person with a body temperature of over 37.2 degrees Celsius may be requested to leave or denied entry into the AGM venue.
- (4) No food and beverage service will be provided and there will be no handing out of gift coupons or souvenirs.
- (5) Attendees may need to confirm that (i) he/she has not travelled outside of Hong Kong within 14 days immediately before the AGM (“**Recent Travel History**”); (ii) he/she is not subject to any HKSAR Government prescribed quarantine requirement; (iii) to his/her knowledge, he/she has not, within 14 days immediately before the AGM, had close contact with any person under quarantine or with Recent Travel History; and (iv) he/she has no flu-like symptoms. Any person who fails to provide the required confirmation, or if he/she has shown flu-like symptoms, may be requested to leave or denied entry into the AGM venue.
- (6) Only a limited number of seats will be available, with no standing arrangement, in the AGM venue in order to ensure social distancing and therefore, where necessary, the Company may limit the number of attendees entering the AGM venue.

The Company will continue to monitor how the COVID-19 outbreak develops and may adopt additional measures.

The Company reminds attendees that they should carefully consider their own health/personal circumstances before they decide to attend the AGM in person. The Company would like to remind all Shareholders that physical attendance at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person. Completion and return of the proxy forms will not preclude the Shareholders from attending and voting in person at the meeting or any adjournment thereof should they subsequently so wish, and in such case, the proxy forms previously submitted shall be deemed to be revoked.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Taishan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 26 June 2020 at 3:00 p.m.
“Articles of Association”	the Articles of Association of the Company
“Business Day”	a day on which the Stock Exchange is open for the business of dealing in securities
“associate”	shall have the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors of the Company
“Buy-back Mandate”	a general mandate proposed to be granted to the Directors to enable them to buy back Shares not exceeding 10% of the number of Shares in issue as at the date of passing the Buy-back Resolution at the AGM
“Buy-back Resolution”	the proposed ordinary resolution as referred to in resolution number 5(B) of the notice of AGM
“CG Code”	The Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules
“Company”	Evergrande Health Industry Group Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general mandate proposed to be granted to the Directors to the effect that any Shares bought back under the Buy-back Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its Subsidiaries

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## DEFINITIONS

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“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“HKICPA”	shall have the meaning ascribed to it under the section headed “APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT” in this circular
“ICAEW”	shall have the meaning ascribed to it under the section headed “APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT” in this circular
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of Shares in issue as at the date of passing the relevant resolution at the AGM
“Latest Practicable Date”	22 May 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Chau”	shall have the meaning ascribed to it under the section headed “APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT” in this circular
“Mr. Shi”	shall have the meaning ascribed to it under the section headed “APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT” in this circular
“Nomination Committee”	the nomination committee of the Company
“Nomination Policy”	the nomination policy of the Company
“PYNEH”	shall have the meaning ascribed to it under the section headed “APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT” in this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and “Subsidiaries” shall be construed accordingly
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollar
“%”	per cent.



EVERGRANDE HEALTH  
INDUSTRY GROUP

**EVERGRANDE HEALTH INDUSTRY GROUP LIMITED**

**恒大健康產業集團有限公司**

*(a company incorporated in Hong Kong with limited liability)*

**(Stock code: 708)**

*Executive Directors:*

Mr. Shi Shouming (*Chairman*)

Mr. Peng Jianjun

Mr. Qin Liyong

*Registered office:*

23rd Floor, China Evergrande Centre

38 Gloucester Road

Wanchai

Hong Kong

*Independent Non-executive Directors:*

Mr. Chau Shing Yim, David

Mr. Guo Jianwen

Mr. Xie Wu

27 May 2020

*To the Shareholders:*

Dear Sir or Madam,

**(1) RE-APPOINTMENT OF DIRECTORS;  
(2) GENERAL MANDATES TO ISSUE NEW SHARES AND  
BUY BACK SHARES; AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM and to give you the notice of AGM. Resolutions to be proposed at the AGM include, *inter alia*: (i) the re-appointment of Directors; and (ii) the grant of each of the Issue Mandate, Buy-back Mandate and Extension Mandate.

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## LETTER FROM THE BOARD

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### RE-APPOINTMENT OF DIRECTORS

#### **Retirement by rotation and re-appointment of Directors pursuant to Article 81(1) of the Articles of Association**

In accordance with Article 81(1) of the Articles of Association, Mr. Shi Shouming (“**Mr Shi**”) and Mr. Chau Shing Yim, David (“**Mr Chau**”) shall retire by rotation at the AGM and shall then be eligible for re-appointment at the AGM.

Details of the above Directors to be re-appointed at the AGM are set out in Appendix I to this circular.

#### **Re-appointment of Mr. Chau as independent non-executive Director**

Set out below are information relating to the ordinary resolution to be proposed at the AGM for re-electing Mr. Chau as an independent non-executive Director pursuant to code provision A.5.5 of the CG Code.

The Company has in place the Nomination Policy which sets out the selection criteria and procedures to be adopted when considering candidates to be appointed or re-elected as Directors. In assessing the re-appointment of Mr. Chau as an independent non-executive Director, the Nomination Committee and the Board have considered his overall merits and contribution to the Company, and reviewed, among others, his expertise and professional qualifications to determine whether Mr. Chau satisfies the selection criteria under the Nomination Policy. The Nomination Committee and the Board consider that Mr. Chau would continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Mr. Chau, being an independent non-executive Director eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. During his term of appointment, he has demonstrated his ability to provide an independent view to the Company’s matters. The Nomination Committee is of the view that Mr. Chau is able to continue to fulfill his role as an independent non-executive Director.

Mr. Chau holds directorship in six other listed companies in Hong Kong in addition to his proposed directorship in the Company. Code provision A.5.5 of the CG Code provides, amongst other things, that where the Board proposes a resolution to elect an individual as an independent non-executive Director at a general meeting and the proposed director will be holding his seventh (or more) listed company directorship, the Company should set out in the circular the reasons why the Board believes the individual would still be able to devote sufficient time to the Board.

Mr. Chau serves as a chairman of the audit committee, the remuneration committee, the Nomination Committee and the corporate governance committee of the Company, respectively. During the past year, he attended and actively participated in the discussions in all of the 8 board meetings, 2 audit committee meetings, 2 remuneration committee meetings and 2 Nomination

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## LETTER FROM THE BOARD

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Committee meetings which he was eligible to attend. On that basis, the Board is of the view that Mr. Chau can devote sufficient time to the Board and attention to the affairs of the Company and that Mr. Chau's directorship outside the Company would not affect him in maintaining his current role in, and his functions and responsibilities for, the Company.

On basis of the above, the Board supports the re-appointment of Mr. Chau and recommends Shareholders to vote in favour of the relevant resolution at the upcoming AGM.

### **GENERAL MANDATES TO ISSUE NEW SHARES AND BUY BACK SHARES**

At the last annual general meeting of the Company held on 20 June 2019, ordinary resolutions were passed, among other things, to grant general mandates to the Directors to:

- (i) issue up to 20% of the total number of Shares in issue (i.e. maximum of 1,728,000,000 Shares);
- (ii) buy-back Shares on the Stock Exchange representing up to 10% of the total number of Shares; and
- (iii) extend the general mandate for issuing Shares as mentioned in paragraph (i) above by an amount representing any Shares repurchased by the Company pursuant to the general mandate to repurchase Shares as mentioned in paragraph (ii) above.

No Shares have been issued or bought back pursuant to the above mandates. Such mandates will lapse at the conclusion of the AGM. It is therefore proposed to seek approval from the Shareholders at the AGM to grant fresh general mandates to Directors.

At the AGM, ordinary resolutions will be proposed that the Directors to be granted:

- (A) the Issue Mandate to allot, issue and deal with the Shares of not exceeding 20% of the total number of Shares in issue as at the date of the AGM (i.e. of not exceeding 1,728,000,000 Shares assuming no further Shares will be issued or bought back between the Latest Practicable Date and the date of the AGM);
- (B) the Buy-back Mandate to buy back fully paid up Shares of not exceeding 10% of the total number of the Shares in issue as at the date of the AGM; and
- (C) the Extension Mandate to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares bought back under the Buy-back Mandate.

Such resolutions are set out in resolutions 5(A), 5(B) and 5(C) in the notice of AGM respectively.

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## LETTER FROM THE BOARD

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An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the proposed Buy-back Resolution is set out in Appendix II to this circular.

### **ANNUAL GENERAL MEETING**

The notice of AGM is set out on pages 15 to 18 of this circular. Resolutions in respect of, among other things, the re-appointment of Directors, the Issue Mandate, the Buy-back Mandate and the Extension Mandate will be proposed at the AGM. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time of the AGM or adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or adjournment thereof. In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders to be taken at the AGM shall be conducted by way of poll.

### **RECOMMENDATION**

The Directors are of the opinion that the proposed ordinary resolutions for the re-appointment of Directors, the Issue Mandate, the Buy-back Mandate, the Extension Mandate and the re-appointment of PricewaterhouseCoopers as auditor of the Group are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of all relevant resolutions to be proposed at the AGM.

### **GENERAL INFORMATION**

Your attention is also drawn to the additional information set out in Appendix I (Details of the Directors Proposed for Re-Appointment) and Appendix II (Explanatory Statement to the Buy-back Mandate) to this circular.

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## LETTER FROM THE BOARD

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### 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 Group. 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.

Yours faithfully,  
By Order of the Board  
**Evergrande Health Industry Group Limited**  
**Shi Shouming**  
*Chairman*

The biographies of the Directors proposed for re-appointment at the AGM are set out below:

### EXECUTIVE DIRECTOR

**Mr. Shi Shouming (“Mr. Shi”)**, aged 46, has more than 20 years of experience in corporate management and management of project development and operation. He graduated from Sichuan University with a bachelor’s degree in management engineering. Prior to joining the Company, he was the president of Hengda Real Estate Group, a subsidiary of China Evergrande Group (Stock Code: 3333), the controlling shareholder of the Company. He served in various capacities, including the vice president, and the general manager of the corporate development centre and investment centre of Hengda Real Estate Group, and the chairman of the Hohhot company, the Hainan company, the Beijing limited company and the Sichuan company of Hengda Real Estate Group. He was appointed as the president of Hengda Real Estate Group in March 2017.

As at the Latest Practicable Date, Mr. Shi was interested in 21,370,000 options to subscribe for shares, and 2,480,000 shares, in China Evergrande Group, an associated corporation of the Company within the meaning of Part XV of the SFO; and did not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Chau Shing Yim, David (“Mr. Chau”)**, aged 56, has over 20 years of experience in corporate finance and was formerly a partner of one of the big four accounting firms in Greater China, holding the position as its Head of Merger and Acquisition and Corporate Advisory. Mr. Chau is a member of the Institute of Chartered Accountants of England and Wales (“ICAEW”), and was granted the Corporate Finance Qualification of the ICAEW. He is also a member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and was an ex-committee member of the Disciplinary Panel of the HKICPA. Mr. Chau is a member as well as director of the Hong Kong Securities Institute and the Chairman of Corporate Outreach Committee. Mr. Chau is a member of the Hospital Governing Committee of the Pamela Youde Nethersole Eastern Hospital (“PYNEH”) and the Trustee of the PYNEH Charitable Trust. He is also a member of the Jinan Municipal Committee of the Chinese People’s Political Consultation Conference.

Mr. Chau is currently an independent non-executive director of BC Technology Group Limited (Stock Code: 863), China Evergrande Group (Stock Code: 3333), the Company (Stock Code: 708), HengTen Networks Group Limited (Stock Code: 136), IDG Energy Investment Group Limited (Stock Code: 650), Lee & Man Paper Manufacturing Limited (Stock Code: 2314) and Man Wah Holdings Limited (Stock Code: 1999). All the aforesaid companies are listed on the Stock Exchange.

Mr. Chau was also an independent non-executive director of Richly Field China Development Limited (Stock Code: 313) from February 2014 to September 2018 and Asia Grocery Distribution Limited (Stock Code: 8413) from March 2017 to August 2018. All the aforesaid companies are listed on the Stock Exchange.

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**APPENDIX I            DETAILS OF THE DIRECTORS PROPOSED FOR RE-APPOINTMENT**

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As at the Latest Practicable Date, Mr. Chau was interested in 1,000,000 shares in China Evergrande Group, an associated corporation of the Company within the meaning of Part XV of the SFO; and did not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above (as applicable), as at the Latest Practicable Date, each of the Directors proposed to be re-appointed:

- (a) had not held any other directorships in any other listed public companies in the last three years and did not have any relationship with any Director, senior management or substantial or controlling shareholder of the Company;
- (b) did not have any interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO;
- (c) did not hold any other position in the Company or any of its Subsidiaries; and
- (d) had no other information that was required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor was there any matter that needed to be brought to the attention of the Shareholders in relation to her/his re-appointment as a Director.

**LISTING RULES**

The Listing Rules permit a company with a primary listing on the Stock Exchange to buy back its own securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

**(i) Shareholders' approval**

All proposed buy-backs of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction.

**(ii) Source of funds**

Buy-backs must be funded out of funds legally available for the purpose in accordance with a company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

**(iii) Maximum number of shares to be bought back**

A maximum of 10% of the outstanding fully paid share capital at the date of passing the Buy-back Resolution may be bought back by the Company on the Stock Exchange.

**EXERCISE OF THE BUY-BACK MANDATE**

As at the Latest Practicable Date, the total number of Shares in issue was 8,640,000,000 Shares. Subject to the passing of the Buy-back Resolution and on the basis that no further Shares are issued or bought back by the Company prior to the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 864,000,000 Shares (representing 10% of the number of Shares in issue) during the period from the date of the AGM up to: (i) the conclusion of next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of Hong Kong to be held; or (iii) the revocation, variation or renewal of the Buy-back Mandate by ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

**REASONS FOR THE BUY-BACK OF SECURITIES**

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to buy back Shares in the market. A buy-back of Shares will only be made when the Directors believe that such buy-back will benefit the Company and its Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or the earnings per share of the Company.

**FUNDING OF BUY-BACK**

Any buy-back will only be funded out of funds of the Company legally available for the purposes in accordance with its Articles of Association and the applicable laws of Hong Kong. The Company will not purchase securities 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 from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position disclosed in its latest published audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the proposed Buy-back Mandate, if so approved, were to be exercised in full at any time during the proposed buy-back period. However, the Board does not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company.

**SHARE PRICE**

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
<b>2019</b>		
May	11.30	8.08
June	9.40	7.50
July	10.50	8.34
August	8.81	6.97
September	7.89	6.97
October	7.30	6.59
November	9.38	6.93
December	8.19	7.59
<b>2020</b>		
January	8.00	6.94
February	8.67	6.97
March	8.34	4.72
April	6.40	5.63
May (up to and including the Latest Practicable Date)	6.89	5.61

**UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make a buy-back of Shares pursuant to the proposed Buy-back Mandate in accordance with the Listing Rules and all applicable laws of Hong Kong.

**EFFECT OF TAKEOVERS CODE**

If as a result of a share buy-back by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, 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.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, China Evergrande Group indirectly held 6,479,550,000 Shares, representing approximately 74.99% of the total number of Shares in issue.

In the event that the Directors exercise in full the power to buy back Shares which was proposed to be granted pursuant to the Buy-back Resolution, assuming no further Shares will be issued or bought back between the Latest Practicable Date and the date of the AGM and there is no alteration to the existing shareholding of China Evergrande Group, the shareholding of China Evergrande Group in the Company would be increased to approximately 83.33% of the total number of Shares in issue.

The Directors consider that such an increase would not give rise to an obligation on the part of China Evergrande Group to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Buy-back Mandate to the extent as would result in (a) the number of Shares in public hands falling below the prescribed minimum percentage of 25% of the total issued share capital of the Company; and (b) a requirement on China Evergrande Group to make a mandatory offer under the Takeovers Code.

**DISCLOSURE OF INTERESTS**

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention, to sell any Shares to the Company in the event that the Buy-back Mandate is approved by the Shareholders. No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares (in issue or to be issued) to the Company nor have they undertaken not to sell any of the Shares held by them (in issue or to be issued to them) to the Company in the event that the Buy-back Mandate is approved by the Shareholders.

**BUY-BACK OF SHARES MADE BY THE COMPANY**

No buy-back of Shares has been made by the Company or any of its subsidiaries (whether on the Stock Exchange or otherwise) during the past six months prior to the Latest Practicable Date.

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## NOTICE OF ANNUAL GENERAL MEETING

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## EVERGRANDE HEALTH INDUSTRY GROUP

### EVERGRANDE HEALTH INDUSTRY GROUP LIMITED

### 恒大健康產業集團有限公司

*(a company incorporated in Hong Kong with limited liability)*

**(Stock code: 708)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Evergrande Health Industry Group Limited (the “**Company**”) will be held at Taishan Room, Level 5 , Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 26 June 2020 at 3:00 p.m. for the following purposes:

1. To receive and adopt the Audited Consolidated Financial Statements of the Company for the twelve months ended 31 December 2019 together with the Reports of the Directors and Independent Auditor (“**Auditor**”) thereon.
2. To re-appoint Mr. Shi Shouming as an executive Director and to authorize the Board of Directors of the Company (“**Board**” or “**Directors**”) to fix the Director’s remuneration.
3. To re-appoint Mr. Chau Shing Yim, David as an independent non-executive Director and to authorize the Board to fix the Director’s remuneration.
4. To re-appoint PricewaterhouseCoopers as Auditor and to authorise the Board to fix their remuneration.
5. As special business to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

5(A) “**THAT:**

- (i) subject to sub-paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot and issue additional shares in the Company and to make or grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in sub-paragraph (i) of this resolution, otherwise than pursuant to a Rights Issue or the exercise of subscription or conversion rights under any warrants of the Company or any securities which are convertible into shares of the Company or any share option scheme, shall not exceed 20% of the number of shares of the Company in issue on the date of this resolution and this approval shall be limited accordingly; and
- (iii) for the purposes of this resolution: “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company (the “**Articles of Association**”) or any applicable laws to be held; and (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution in general meeting.
- (iv) “**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such 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, any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

5(B) “**THAT:**

- (i) subject to sub-paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to buy back issued shares of the Company, subject to and in accordance with all applicable laws and the Articles of Association, be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of shares of the Company which may be bought back by the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under The Code on Takeovers and Mergers and Share Buy-backs pursuant to paragraph (i) of this resolution shall not exceed 10% of the number of the shares of the Company in issue as at the date of this resolution and the authority shall be limited accordingly; and

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(iii) for the purposes of this resolution: “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution in general meeting.”

5(C) “**THAT** conditional upon resolution no. 5(B) above being passed, the aggregate number of shares of the Company which are bought back by the Company under the authority granted to the Directors as mentioned in resolution no. 5(B) above shall be added to the total issued share of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 5(A) above.”

Yours faithfully,  
By Order of the Board  
**Evergrande Health Industry Group Limited**  
**Shi Shouming**  
*Chairman*

Hong Kong, 27 May 2020

Registered office:  
23rd Floor, China Evergrande Centre  
38 Gloucester Road  
Wanchai  
Hong Kong

*Notes:*

- (i) A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one, or if he/she is a holder of more than one share, or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- (ii) In order to be valid, the form of proxy must be in writing under the hand of the appointor or his/her attorney duly authorized in writing, or if the appointor is a corporation, either under its common seal, or under the hand of an officer or attorney duly authorized on its behalf, and must be deposited at the Company’s share registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (iii) Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding of such share.

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- (iv) For the purpose of ascertaining shareholders' right to attend and vote at the above meeting, the register of members of the Company will be closed and the relevant details are set out below:

Latest time to lodge transfer: 4:30 p.m. on 19 June 2020 (Friday)

Book closure: 22 June 2020 (Monday) to 26 June 2020 (Friday)

Record date: 26 June 2020 (Friday)

During the above closure period, no transfer of shares will be registered. In order for a shareholder of the Company to be eligible to attend and vote at the above meeting, all relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's Share Registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong before the above latest time to lodge transfer.

- (v) Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting.

Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, all resolutions set out in this notice will be decided by poll at the above meeting. Where the chairman of the meeting in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted, such resolution will be decided by a show of hands.

- (vi) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 1:00 p.m. and before the above meeting time, the meeting will be postponed. The Company will post an announcement on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.evergrandehealth.com](http://www.evergrandehealth.com)) to notify shareholders of the date, time and place of the rescheduled meeting.

- (vii) In consideration of the continuing risk posed by the coronavirus disease (COVID-19) and to manage the potential health risks of persons attending the above meeting, the Company will implement certain precautionary measures at the above meeting. For further details, please refer to the circular of the Company dated 27 May 2020.