

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**IVD Medical Holding Limited**

**華檢醫療控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1931)**

**SUPPLEMENTAL ANNOUNCEMENT  
ISSUE OF NEW SHARES UNDER GENERAL MANDATE  
PURSUANT TO THE SHARE AWARD SCHEME**

References are made to (i) the announcement of IVD Medical Holding Limited (the “**Company**”) dated 19 May 2020 relating to the adoption of the share award scheme by the Company on 19 May 2020 (the “**Scheme**”) (the “**May Announcement**”); and (ii) the announcement of the Company dated 15 December 2020 relating to the issue of new Shares under the General Mandate pursuant to the Scheme (the “**December Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall bear the same meanings as those defined in the May Announcement and the December Announcement.

As stated in the December Announcement, on 15 December 2020, the Board resolved to allot and issue 30,000,000 new Shares (the “**Awarded Shares**”) to the Trustee under the General Mandate granted by the Shareholders at the AGM in order to grant awards to the Proposed Grantees pursuant to the Scheme, subject to the listing approval by the Stock Exchange in respect of the Awarded Shares. No resolutions was passed by the Board at that time as to the allocation of the 30,000,000 Awarded Shares, namely the list of the Proposed Grantees, the entitlement of each Proposed Grantee and the vesting conditions (if any) of each grant.

The Company would like to provide the following supplemental information on the grant of the Awarded Shares in light of the latest development in this matter.

## GRANT OF THE AWARDED SHARES

On 29 March 2021, the Board resolved to grant the Awarded Shares (the “Grant”) to 405 Selected Employees (the “Grantees”) in accordance with the terms of the Scheme at nil consideration. Each of the Grantees is an employee of the Company or its subsidiaries, and details of the Grant are set out as follows:

<b>Number of the Awarded Shares granted to each Grantee</b>	<b>Number of Grantees</b>	<b>Total Number of the Awarded Shares granted to such Grantees</b>
Under or equal to 50,000	264	6,652,000
50,001 to 100,000	84	5,876,000
100,001 to 200,000	39	5,439,000
200,001 to 500,000	13	3,748,000
500,001 to 1,000,000	3	2,781,000
1,000,001 to 2,000,000	1	1,989,000
2,000,001 to 3,000,000	–	–
3,000,001 to 4,000,000	1	3,515,000
Over 4,000,000	–	–
<b>Total</b>	<b>405</b>	<b>30,000,000</b>

The number of the Award Shares granted to each Grantee is determined with reference to the following factors:

- (i) the seniority of the relevant Grantee and his/her remuneration package;
- (ii) the future quantitative and qualitative contribution to the Group by the relevant Grantee;
- (iii) the employee performance review of the relevant Grantee for the year ended 31 December 2020; and
- (iv) the operational and financial performance of the Group for the year ended 31 December 2020.

None of the Grantees is a connected person of the Company or an associate (each term as defined under the Listing Rules) of such person.

Subject to the approval to be granted by the Stock Exchange in relation to the listing of, and permission to deal in the Awarded Shares and acceptance by the Grantees of the Grant, the Grant shall be vested in the Grantees (i.e. the Awarded Shares shall be granted to the Grantees) on 1 April 2022 in accordance with the terms and conditions of the Scheme.

The Grant has been approved by the Board (including the independent non-executive Directors) and the Remuneration Committee of the Company and the Grant is not subject to Shareholders’ approval.

The total number of the Awarded Shares to be allotted and issued by the Company to the Trustee to be granted to the Grantees represents: (i) approximately 2.27% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.22% of the issued share capital of the Company as enlarged by the allotment and issue of the Awarded Shares. Based on the closing price of HK\$2.12 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value of the Award Shares in aggregate is approximately HK\$63,600,000.

## **REASONS FOR THE GRANT OF THE AWARDED SHARES**

The Scheme forms part of the incentive schemes of the Group. The Board considers that the grant of the Award Shares to the Grantees (i) shows recognition for the Grantees' continual support to the Group and (ii) provides incentives to the Grantees to make further effort in the Group's future development. It also allows the Group to attract, retain and motivate more talents for the continual operation and development of the Group.

The Directors had taken into account various alternatives, including cash bonuses and share options. Among these alternatives, the grant of the Awarded Shares is considered by the Board as appropriate given that (i) cash bonuses will incur outflow of cash from the Group thereby imposing pressure on the Group's cash flow position; (ii) share options are a less effective method to serve the purpose of providing immediate incentives as rewards to the Selected Employees' contributions to the Group, as the grantees are required to pay the exercise price upon exercise of the share options and the timing of exercise of the share options will be subject to the Share prices; and (iii) it is not an uncommon market practice for listed companies in Hong Kong to adopt share award scheme to incentivise and/or reward their key personnel and employees. In this regard, the Directors consider that the terms and conditions of the allotment and issue of the Awarded Shares are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Application will be made by the Company to the Stock Exchange for approval of the listing of, and permission to deal in, the Awarded Shares. Other than such approval to be granted by the Stock Exchange, the allotment and issue of the Awarded Shares is not subject to any other conditions or approval.

By order of the Board of  
**IVD Medical Holding Limited**  
**Ho Kuk Sing**  
*Chairman and Executive Director*

Hong Kong, 29 March 2021

*As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Ho Kuk Sing, Mr. Leung King Sun and Mr. Lin Xianya, three non-executive Directors, namely, Mr. Chen Xingang, Mr. Yang Zhaoxu and Mr. Chan Kwok King, Kingsley and three independent non-executive Directors, namely, Mr. Lau Siu Ki, Mr. Zhong Renqian and Mr. Leung Ka Sing.*