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

If you have sold or transferred all your shares in Link-Asia International MedTech Group Limited (the “Company”), you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, licenced securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Link-Asia International MedTech Group Limited

環亞國際醫療科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1143)

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS AND
APPOINTMENT OF DIRECTOR,
(3) TERMINATION OF THE 2020 SHARE OPTION SCHEME,
(4) ADOPTION OF THE 2023 NEW SHARE OPTION SCHEME,
(5) ADOPTION OF THE 2023 SHARE AWARD PLAN
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company (the “AGM”) to be held on 8 June 2023 (Thursday) at 10:30 a.m. at Units 5906–5912, 59th Floor, The Center, 99 Queen’s Road Central, Hong Kong is set out on pages AGM-1 to AGM-6 of this circular. A form of proxy for use for the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

This circular together with the form of proxy will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.link-asia.com.hk).

11 May 2023

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DEFINITIONS

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

“2020 Share Option Scheme”	the share option scheme of the Company adopted on 10 March 2020;
“2023 Share Award Plan”	means the share award plan proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix IV to this circular;
“2023 Share Option Scheme”	means the share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular;
“Adoption Date”	8 June 2023, being the date on which the 2023 Share Option Scheme and the 2023 Share Award Plan are proposed to be adopted by the Company at the AGM;
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held on 8 June 2023 (Thursday) at 10:30 a.m. at Units 5906–5912, 59th Floor, The Center, 99 Queen’s Road Central, Hong Kong;
“AGM Notice”	the notice convening the AGM set out on pages AGM-1 to AGM-6 of this circular;
“Articles”	the articles of association of the Company;
“associates”	has the same meaning as defined in the Listing Rules;
“Award”	a provisional award of the Awarded Shares made in accordance with the rules of the 2023 Share Award Plan;
“Award Notice”	the notice to be sent to the Trustee upon the making of an Award containing the particulars as provided in the paragraph headed “Administration and Operation” in Appendix IV;
“Awarded Share(s)”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award;
“Board”	the board of Directors;

DEFINITIONS

“Company”	Link-Asia International MedTech Group Limited (環亞國際醫療科技集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange (Stock Code: 1143);
“connected person(s)”	has the same meaning as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Participant(s)”	means: (a) Employee Participant(s); (b) Related Entity Participant(s); and (c) Service Provider(s), and for the purpose of the 2023 Share Option Scheme and the 2023 Share Award Plan, the options or awards may be made to a vehicle (such as 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 Participant”	any director or employee (whether full time or part time, including any executive director and including any person who has entered into an employment contract with the Group or any of its Subsidiaries, provided that the commencement date of his tenure under the employment contract shall fall on a date before the vesting date and such employment contract shall remain valid and subsisting up to and including the vesting date, and provided further that, such person shall not be regarded as an Employee Participant if he dies before the commencement date of his tenure under the employment contract) of the Company or any Subsidiary;
“Grantee”	any Eligible Participant who accepts the offer to accept an option in accordance with the terms of the 2023 Share Option Scheme, and where the context permits, any person who is entitled to any such option in consequence of the death of the original Grantee (being an individual);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares set out as resolution no. 4 in the AGM Notice;
“Latest Practicable Date”	9 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Committee”	means the listing sub-committee of the board of directors of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum”	the memorandum of association of the Company;
“Original Trustee”	Tricor Trust (Hong Kong) Limited, a company incorporated under the laws of Hong Kong;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Region;
“Proposed Amendments”	the proposed amendments to the Memorandum and the Articles as set out in Appendix III of this circular;
“Related Entity”	the holding companies, fellow subsidiaries or associated companies of the Company;
“Related Entity Participant”	any director or employee (whether full time or part time but excludes any former employee unless such former employee otherwise qualifies as an Eligible Participant) of the holding companies, fellow subsidiaries or associated companies of the Company;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares set out as resolution no. 5 in the AGM Notice;
“Scheme Limit” or “Scheme Mandate Limit” or “Plan Mandate Limit”	a limit on the total number of Shares which may be allotted and issued in respect of all options and awards to be granted under all share scheme(s)/plan(s), which must not exceed 10% of the issued Shares as at the date of approval of this limit by the Shareholders at a general meeting;

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“Selected Participant(s)”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or his personal representative pursuant to the 2023 Share Award Plan;
“Service Provider”	means any person (whether a natural person, a corporate entity or otherwise) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including but not limited to person(s) who work for the Company as independent contractors (including advisers, consultants, distributors, contractors, suppliers, agents and service providers of any member of the Group) where the continuity and frequency of their services are akin to those of employees, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity;
“Service Provider Sub-limit”	a sub-limit on the total number of Shares which may be allotted and issued in respect of all options and awards to be granted under all share scheme(s) to the Service Providers, which must not exceed 1% of the issued Shares as at the date of approval of this sub-limit by the Shareholders at a general meeting;
“SFO”	Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong;
“Share(s)”	share(s) of HK\$0.2 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of (a) Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers;
“Trustee”	the Original Trustee or such trustee or trustees (if any) as shall be from time to time appointed by the Company for the administration of Shares and other trust assets to be held by the Trustee for the implementation of the 2023 Share Award Plan; and
“%”	percent.



Link-Asia International MedTech Group Limited

環亞國際醫療科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1143)

Executive Directors:

Mr. Lin Dailian (*Chairman*)
Mr. Liu Zhiwei
Mr. Li Yinxiang
Ms. Lin Xiaoshan

Independent Non-executive Directors:

Mr. Chak Chi Shing
Mr. Li Huiwu
Mr. Yang Weidong

Registered Office:

Windward 3,
Regatta Office Park,
PO Box 1350,
Grand Cayman,
KY1-1108,
Cayman Islands

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

Suites 3501&3513-14,
35th Floor, Tower 6,
The Gateway, Harbour City,
Tsim Sha Tsui, Kowloon,
Hong Kong

11 May 2023

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS AND
APPOINTMENT OF DIRECTOR,
(3) TERMINATION OF THE 2020 SHARE OPTION SCHEME,
(4) ADOPTION OF THE 2023 NEW SHARE OPTION SCHEME,
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INTRODUCTION

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the AGM relating to: (a) the granting of the Issue Mandate to the Directors to issue Shares; (b) the granting of the Repurchase Mandate to the Directors to repurchase Shares; (c) the granting of the extension mandate to extend the Issue Mandate by an

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amount representing the total number of any Shares repurchased under the Repurchase Mandate; (d) the re-election and appointment of Directors; (e) the termination of the 2020 Share Option Scheme; (f) the adoption of the 2023 Share Option Scheme ; and (g) the adoption of the 2023 Share Award Plan.

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 7 June 2022, ordinary resolutions were passed to grant general mandates to the Directors (i) to issue additional Shares not exceeding 20% of issued share capital of the Company as at the date of passing the relevant resolutions; (ii) to repurchase Shares not exceeding 10% of the issued share capital of the Company as at the date of passing the relevant resolutions; and (iii) to extend the general mandate to issue Shares to include the aggregate number of shares repurchased by the Company. Unless otherwise renewed, the existing mandates to issue and repurchase Shares will lapse at the conclusion of the AGM.

Ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM; and
- (ii) to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, a total of 172,529,185 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company prior to the AGM, the Company will be allowed to issue a maximum of 34,505,837 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM, and to repurchase up to a maximum 17,252,918 Shares, representing 10% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

An explanatory statement containing information regarding the Repurchase Mandate is set out in the Appendix I to this circular.

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RE-ELECTION OF DIRECTORS

In accordance with Article 112 of the Articles of Association, Mr. Liu Zhiwei, Mr. Li Yinxiang, Mr. Li Huiwu and Mr. Yang Weidong will retire at the AGM and, being eligible, will offer themselves for re-election at the AGM. Particulars of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

TERMINATION OF THE 2020 SHARE OPTION SCHEME, ADOPTION OF THE 2023 SHARE OPTION SCHEME AND ADOPTION OF THE 2023 SHARE AWARD PLAN

Termination of the 2020 Share Option Scheme

The 2020 Share Option Scheme was approved and adopted by the Shareholders at the extraordinary general meeting of the Company held on 10 March 2020. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules have been amended with effect from 1 January 2023. In light of the above, the Company proposes to terminate the 2020 Share Option Scheme and adopt the 2023 Share Option Scheme to replace the 2020 Share Option Scheme.

For illustration purpose, the maximum number of Shares which may be issued upon exercise of all options to be granted under the existing scheme mandate limit of the 2020 Share Option Scheme which was refreshed on 31 May 2021 is 51,353,857 Shares. Since the adoption of the 2020 Share Option Scheme and up to the Latest Practicable Date, and taking into account the Right Issues which completed on 23 November 2021 and the share consolidation of the Company which took effect on 30 March 2023, the Company has granted options relating to 8,998,969 Shares under the 2020 Share Option Scheme representing approximately 5.16% of the total issued Shares as at the Latest Practicable Date, of which options relating to 3,098,279 Shares are valid and outstanding, and options relating to 5,332,800 Shares had been exercised, options relating to 567,890 Shares had been lapsed.

The follow table sets out information of the Company's outstanding options as at the Latest Practicable Date:

Name and category of participant	Date of grant	Exercise period	Exercise price per share	Balance as at the Latest Practicable Date
Mr. Lin Dailian, Executive Director	28 January 2021	28 July 2021 to 27 January 2026	HK\$3.46	533,309 Shares
Mr. Wang Guozhen, vice president of the Company (<i>Note</i>)	28 January 2021	28 July 2021 to 27 January 2026	HK\$3.46	533,309 Shares
Employees	28 January 2021	28 January 2022 to 27 January 2026	HK\$3.46	2,031,661 Shares

Note: Mr. Wang Guozhen has resigned as an executive Director but has appointed as vice president of the Company with effect from 4 April 2023.

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The Company has no intention to grant any additional options under the 2020 Share Option Scheme from the Latest Practicable Date to the date of the AGM.

Pursuant to the terms of the 2020 Share Option Scheme, the Board may at any time terminate the operation of the 2020 Share Option Scheme, and in such event, no further options will be offered but the provisions of the 2020 Share Option Scheme shall remain in force in all other respects to the extent necessary to give effect to the exercise of the options granted prior to the termination.

The Company does not have any share option or share award plan other than the 2020 Share Option Scheme.

Adoption of the 2023 Share Option Scheme

The purpose of the 2023 Share Option Scheme is to recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group, and to provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the principal objectives of (a) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and (b) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group. A summary of the principal rules of the 2023 Share Option Scheme is set out in Appendix III to this circular. The Directors believe that the provisions as well as such other terms as may be determined by the Board, will serve to protect the value of the Company as well as to achieve the purpose of the 2023 Share Option Scheme.

None of the Directors is a trustee of the 2023 Share Option Scheme or has a direct or indirect interest in the trustees of the 2023 Share Option Scheme (if any). There is no trustee appointed for the purposes of the 2023 Share Option Scheme.

It is proposed that subject to the approval of the Shareholders at the AGM of the adoption of the 2023 Share Option Scheme and the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which fall to be allotted and issued upon the exercise of the Options that may be granted under the 2023 Share Option Scheme, the 2023 Share Option Scheme will take effect.

Adoption of the 2023 Share Award Plan

The purpose and objective of the 2023 Share Award Plan, which involves the issue or repurchase of Shares, are: (i) to recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and to give incentives thereto in order to retain them for continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

The reason for the Company to adopt the 2023 Share Award Scheme is because it provides for the award of Awarded Shares to Eligible Participants, who are not required to pay for those Shares either on grant or on vesting of the award.

LETTER FROM THE BOARD

A summary of the principal rules of the 2023 Share Award Plan is set out in Appendix IV to this circular. The Directors believe that the provisions as well as such other terms as may be determined by the Board, will serve to protect the value of the Company as well as to achieve the purpose of the 2023 Share Award Plan.

None of the Directors is a trustee of the 2023 Share Award Plan or has a direct or indirect interest in the trustees of the 2023 Share Award Plan. Tricor Services Limited has been appointed as trustee for the purposes of the 2023 Share Award Plan.

It is proposed that subject to the approval of the Shareholders at the AGM of the adoption of the 2023 Share Award Plan and the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which fall to be allotted and issued upon the exercise of the Options that may be granted under the 2023 Share Award Plan, the 2023 Share Award Plan will take effect.

Other Details of the 2023 Share Option Scheme and the 2023 Share Award Plan

Eligible Participants

The rules of the 2023 Share Option Scheme and 2023 Share Award Plan enable the Company to grant options and awards to Eligible Participants including Employee Participants, Service Providers and Related Entity Participants. For the avoidance of doubt, the Service Providers exclude placing agents or financial advisers providing advisory services to the Group for fundraising, mergers or acquisitions; and professional service providers such as auditors or valuers who provide assurance or are required to perform their services to the Group with impartiality and objectivity.

The Board may determine the Employee Participants' eligibility by considering all relevant factors as appropriate and take into account criteria based on the nature of the contributions made by Service Providers and Related Entity Participants before granting options or share awards to them. The Board in determining whether the Service Providers are eligible to participate in the 2023 Share Option Scheme and 2023 Share Award Plan will consider whether such services are in line with the Company's business need and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, having regard to the Group's key business and market focuses from time to time.

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be determined by the Board from time to time. For details of the eligibility of each category of eligible participants, please refer to Appendix III and Appendix IV to this circular.

The executive Directors are of the view that the eligibility of employee participants, Related Entity Participants and Service Providers to participate in the 2023 Share Option Scheme and the 2023 Share Award Scheme is consistent with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme. The independent non-executive Directors also share the same view as the executive Directors because this will enable the Group to preserve its cash resources and use share incentives to encourage persons both inside and

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outside of the Group to contribute to the Group and align the mutual interests of each party, as the Company on one hand and the Employee Participants, Related Entity Participants and Service Providers on the other hand, by holding on to equity incentives, will mutually benefit from the long-term growth of the Group.

As of the Latest Practicable Date, the Group has not granted any options to any Related Entity Participants nor Service Providers under the 2020 Share Option Scheme. Although the Company has not granted any options to such Related Entity Participants or Service Providers under the 2020 Share Option Scheme, the Board also considers that it is still appropriate to have the flexibility in granting options/awards instead of cash reward or other settlement to the Related Entity Participants or Service Providers since the grant of options/awards will offer incentives that are more long-lasting and promising than one-off payments and allow the Group to more efficiently allocate its financial resources by retaining more cash.

The executive Directors are of the view that apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including Related Entity Participants and Service Providers) who have contributed to the Group or may contribute to the Group in the future. Grant of options and awards to Related Entity Participants and Service Providers would not only align the interest of the Group with such grantees, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long-term relationship with the Group. The independent non-executive Directors also share the same view as the executive Directors, and are of the view that based on the reasons above, through the grant of options and/or awards, the interest of such Related Entity Participants and Service Providers will be aligned with that of the Group in promoting the growth and development of the Group's business.

In respect of the Related Entity Participants, the Company and the Related Entity Participants have always had a close working relationship. Despite that Related Entity Participants may not be directly appointed and employed by the members of the Group, such Related Entity Participants are nonetheless valuable human resources to the Group given their close corporate and collaborative relationships. They may be involved in business engagements relating to or having connections with the Group's businesses. The Company feels that it is important to recognise the contribution or future contribution of such Related Entity Participants by giving them incentive through their participation in the 2023 Share Option Scheme and 2023 Share Award Scheme. In particular, for those related entities in which the Group has significant interest, their growth and development would contribute to the financial performance of the Group, thereby allowing the Group to share and benefit from the positive results of these related entities. It is therefore in the interest of the Company and the Shareholders, and is in line with the objectives of the 2023 Share Option Scheme and 2023 Share Award Scheme to include the Related Entity Participants, who the Company can incentivise with the grant of share options and/or award shares in order to strengthen their loyalty with the Group even though they may not be directly employed by the Group, and to in turn facilitate a higher degree of collaboration and closer business relationships and ties between the related entities and the group; while the related entities may consider granting share options or award shares to those employees, given that the same employees may be utilized by the Company to assist with its projects, they would also provide service to the

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Company despite not being directly employed by the Group, and hence the Board is of the view that it would be in the Company's interest to also grant share options and/or award shares to those Related Entity Participants in recognition of their contribution to the Company.

In respect of the Service Providers, the Group has, in its ordinary and usual course of business, always relied and collaborated with independent contractors (including advisers, consultants, distributors, contractors, suppliers, agents and service providers of any member of the Group). It is believed that the Group's success is attributable to the high quality of goods and services provided by such persons, entities and suppliers. Moreover, Service Providers may not always be able to serve as full-time or part-time employees of the Group due to a variety of reasons. For example, these persons may have stepped down from employment position with the Group, or they may be experienced in their own fields and professionals with lots of business connections but cannot serve the Group as employees, or they may prefer to remain self-employed.

Amongst Service Providers, suppliers, business or joint venture partners, contractors or agents directly contribute to the long-term growth of the Group's business by providing services that are of a continuing and recurring nature in the ordinary and usual course of the Group's business. These Service Providers are closely connected to and crucial to the Group's day-to-day operations, and their contribution directly impacts the results of operations of the Group. Service Providers also include advisors and consultants with relevant expertise. Such Service Providers contribute to the long-term growth of the Group by advising or consulting on a set of specialised skills and knowledge in the business activities of the Group. As these service providers possess industry-specific knowledge or expertise and often have extensive experience and understanding of the market, they are able to provide insight on areas such as market development, technological trends and innovations, production management, as well as marketing. The strategic advice and guidance provided by engaging these Service Providers benefit the Group in its ordinary and usual course of business and often allows it to more effectively plan its future business strategies for long-term growth.

Based on the above, the executive Directors are of the view that the inclusion of the Related Entity Participants and Service Providers in the 2023 Share Option Scheme and the 2023 Share Award Scheme is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme, is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The independent non-executive Directors also share the same view as the executive Directors above because such inclusion would give the Company the flexibility to grant options and awards (instead of cash reward or other settlement) to the Related Entity Participants and Service Providers when necessary.

Scheme Limit and Service Provider Limit

The maximum total number of new Shares which may be issued upon exercise of all options and awards to be granted under the 2023 Share Option Scheme, 2023 Share Award Plan and other share schemes must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date. As at the Latest Practicable Date, there were an aggregate of 172,529,185 Shares in issue. Assuming there is no issue or repurchase of Shares from the Latest Practicable Date to the date of the AGM on which the 2023 Share Option Scheme and

LETTER FROM THE BOARD

the 2023 Share Award Plan are expected to be conditionally approved and adopted by the Shareholders, the maximum number of Shares that can be issued upon exercise of the options under the 2023 Share Option Scheme and as awarded shares under the 2023 Share Award Plan and other share schemes is 17,252,918 Shares, representing 10% of the Shares in issue.

The Board has also set the Service Provider Sublimit in respect of the total number of new Shares which may be issued upon exercise of all options and awards to be granted under the 2023 Share Option Scheme, 2023 Share Award Plan and other share schemes, to be 1% of the total number of Shares in issue on the Adoption Date. Assuming there is no issue or repurchase of Shares from the Latest Practicable Date to the date of the AGM on which the 2023 Share Option Scheme and the 2023 Share Award Plan are expected to be conditionally approved and adopted by the Shareholders, the maximum number of Shares that can be issued under the Service Provider Sublimit upon exercise of the options under the 2023 Share Option Scheme and as awarded shares under the 2023 Share Award Plan and other share schemes is 1,725,291 Shares, representing 1% of the Shares in issue.

The basis for determining the Service Provider Sublimit (namely, 1% of the total number of Shares in issue on the Adoption Date) includes (i) the potential dilution effect arising from grants to the Service Providers; (ii) the importance of striking a balance between achieving the purpose of the 2023 Share Option Scheme and the 2023 Share Award Plan and protecting the Shareholders from the dilution effect from granting a substantial amount of options and awarded shares to the Service Providers; (iii) the extent of use of Service Provider in the Group's businesses, the current payment and/or settlement arrangement with the Service Providers; (iv) the expected contribution to the development and growth of the Company attributable to the Service Providers; and (v) the fact that the Company expects that a majority of Share Options and awarded shares will be granted to the Employee Participants and as such there is a need to reserve a larger portion of the Scheme Limit for grants to the Employee Participants. Given the above, the Board considers that a Service Provider Sublimit of 1% would not lead to an excessive dilution of shareholding of the existing Shareholders and is appropriate and reasonable. Further, taking into account that (i) the Company has no other share schemes other than the 2023 Share Option Scheme and the 2023 Share Award Plan; and (ii) the assessment criteria for the selection of Service Providers as disclosed in the paragraph headed "Eligible Participants" above allows the flexibility for the Board to consider and evaluate a variety of factors at its discretion to ensure the grant of Options are to eligible Service Providers, the Board (including the independent non-executive Directors) is of the view that, the Service Provider Sublimit is in line with the Company's business needs, and aligns with the purpose of the Scheme and the long term interests of the Company and the Shareholders as a whole.

The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM.

LETTER FROM THE BOARD

Vesting Period

Pursuant to the 2023 Share Option Scheme and the 2023 Share Award Plan, the relevant vesting period shall not be less than twelve (12) months.

There could be a shorter vesting period at the discretion of the Board or the Committee under each of the following circumstances in relation to Grant to the Employee Participants:

1. grants of “make-whole” rewards to new employees to replace the share awards they forfeited when leaving the previous employers;
2. grants to a 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 as determined in the conditions of grant as there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, and the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances;
4. grants that are made in batches during a year for administrative and compliance reasons which may include options/awards that should have been granted earlier but had to wait for a subsequent batch, in such cases, the vesting date may be adjusted to take account of the time from which the options/awards would have been granted if not for such administrative or compliance requirements; and
5. grants with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of twelve (12) months.

Such discretion gives the Company more flexibility to (i) adapt to exceptional and justified circumstances; or (ii) attract talents or reward exceptional performers with accelerated vesting. These circumstances are also considered by the Stock Exchange to be justifiable reasons for having a shorter vesting period as set out in the Consultation Conclusions. Accordingly, the Directors (including the INEDs) are of the view that the discretion in allowing a shorter vesting period in each of the circumstances as detailed above is appropriate and in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Plan.

LETTER FROM THE BOARD

Performance target and clawback mechanism

The 2023 Share Option Scheme and the 2023 Share Award Plan will not prescribe specific performance targets that must be met before an option can be exercised or any share award can be granted or the clawback mechanism to recover or withhold any remuneration to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances. However, the rules of the 2023 Share Option Scheme and the 2023 Share Award Plan will give the Board discretion to impose such conditions on the Share Options or the share awards or prescribe such clawback mechanism where appropriate.

If performance targets are imposed, the Board may assess such performance targets against common corporate-wide or subsidiary, division, operating unit, line of business, project, geographic or individual key performance indicators, which may include cash flow; earnings; earnings per share; market value added or economic value added; profits; return on assets; return on equity; return on investment; sales; revenue; Share price; total Shareholder return; customer satisfaction metrics; reviews; and such other goals as the Board may determine from time to time.

If a clawback mechanism is imposed, the Board will take into account individual circumstances when devising such mechanism such as the role of the holder of the options/awards, the purpose of the grant (for example whether as recognition of past contribution or as incentive to motivate such holder of the options/awards to contribute to the Group in the future on an ongoing basis), whether it would be particularly burdensome and complicated to implement the clawback mechanism, whether there are any tax implications etc.

The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the Eligible Participants' contribution or potential contribution. Further, by allowing the Company to grant options/awards under the 2023 Share Option Scheme and 2023 Share Award Plan at a price which will be determined on a fair basis according to market value of the Shares and to impose such clawback mechanism and/or require the Eligible Participant to achieve such performance targets as may be stipulated in the offer letter on a case by case basis, the Company may be in a better position to retain such Eligible Participants to continue serving the Company whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group, and therefore aligns with the purpose of the 2023 Share Option Scheme and 2023 Share Award Plan.

Exercise price

The Exercise Price for any Share under the 2023 Share Option Scheme shall be a price determined by the Board at its absolute discretion and notified to each Grantee and shall not be less than the highest of: (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a Business Day; (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant of the relevant option; and (c) the nominal value of a Share on the date of grant.

LETTER FROM THE BOARD

DOCUMENTS ON DISPLAY

Copies of the 2023 Share Option Scheme and the 2023 Share Award Plan will be published on websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.link-asia.com.hk>) for a period of not less than 14 days before the date of the AGM and will be made available for inspection at the AGM.

AGM

A notice convening the AGM to be held on 8 June 2023 (Thursday) at 10:30 a.m. at Units 5906–5912, 59th Floor, The Center, 99 Queen’s Road Central, Hong Kong is set out on pages AGM-1 to AGM-6 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein. Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. Therefore, the resolutions set out in the AGM Notice will be required to be voted by way of poll.

The Company will be closed from 2 June 2023 (Friday) to 8 June 2023 (Thursday), both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share register of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 1 June 2023 (Thursday).

You will find enclosed a form of proxy for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM, or any adjourned meeting thereof should you so desire.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the adoption of the 2023 Share Option Scheme and 2023 Share Award Plan. As such, no Shareholder is required to abstain from voting under the Listing Rules on the relevant resolutions to be proposed at the AGM.

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

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate, and the re-election of the Directors and the Proposed Amendments are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions as set out in the AGM Notice at the AGM.

By Order of the Board
Link-Asia International MedTech Group Limited
Lin Dailian
Chairman and Executive Director

This appendix includes an explanatory statement required by the Stock Exchange to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors in the AGM.

1. LISTING RULES RELATING TO REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. FUNDING AND IMPACT OF REPURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. Any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purpose of the purchase or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital. In accordance with the laws of the Cayman Islands, the shares so repurchased would be treated as cancelled.

As compared with the financial position of the Company as at 31 December 2022 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

3. REASONS FOR REPURCHASES

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

4. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 172,529,185 Shares.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of AGM, the Directors would be authorised to exercise the powers of the Company to repurchase a maximum of 17,252,918 Shares, being 10% of the issued share capital of the Company.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and articles of association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code.

As a result, a Shareholder or a group of Shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

So far as the Directors are aware based on the register of substantial shareholders maintained by the Company pursuant to Section 336 of Part XV of the SFO as at the Latest Practicable Date, the exercise of the Repurchase Mandate in full will not give rise to any obligation on any Shareholder (and parties acting in concert with he/she/it, if any) to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that results in a public shareholding of less than the minimum public float requirement of 25% of the total issued share capital of the Company.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the proposed Repurchase Mandate is granted, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company did not purchase any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 calendar months prior to the Latest Practicable Date:

	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
April	0.104	0.097
May	0.103	0.098
June	0.108	0.098
July	0.103	0.099
August	0.106	0.102
September	0.089	0.081
October	0.08	0.065
November	0.052	0.05
December	0.056	0.055
2023		
January	0.161	0.145
February	0.15	0.139
March	2.23	2.05
April	2.18	1.69
May (up to the Latest Practicable Date)	2.38	2.2

Set out below are details of the Directors proposed to be re-elected at the AGM.

Mr. Li Yinxiang, Executive Director

Mr. Li Yinxiang (“**Mr. Li**”), aged 55, has over 30 years of working experience in agricultural by products, electronic equipment sales, trading and production industries. Before joining the Group, Mr. Li worked as the general manager of a company mainly engaged in network technology development and household appliances in Jiangsu Province, the PRC, mainly responsible to manage the company’s daily operations, including but not limited to technology development, product sales and review of the company’s financial statements. He has extensive experience in sales planning, production management and corporate management and has extensive personal networks in different industries.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li (i) has not held any other directorships at present or in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have other major appointments and professional qualifications; (ii) has no interest in the Shares within the meaning of Part XV of the SFO; and (iii) does not have any relationships with any other Directors, senior management or any substantial or controlling shareholders of the Company.

Mr. Li has entered into a service agreement as an executive Director with the Company for an initial term of two years and is subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Company’s articles of association. Mr. Li is entitled to the remuneration of HK\$0.36 million per annum as specified in his service agreement and discretionary bonus, which is determined by the Board (the decision of which was based on the recommendation of the remuneration committee) with reference to his duties and responsibilities in the Company, the prevailing market rate and the remuneration policy of the Company. Such remuneration is subject to review by the remuneration committee and the Board from time to time. As a Director, Mr. Li is subject to retirement by rotation and re-election in accordance with the Company’s articles of association.

In addition, Mr. Li is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Li, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

Mr. Liu Zhiwei, Executive Director

Mr. Liu Zhiwei (“**Mr. Liu**”), aged 53, obtained a Specialist Certificate of General Higher Education in Clinical Medicine from Sun Yat-sen University of Medical Sciences in 1992, a Bachelor’s Degree in Clinical Medicine in Chinese and Western Medicine from Hunan University of Chinese Medicine in 2015 and an EMBA degree from Jilin University in 2017. In addition, Mr. Liu is currently an executive vice president of the Meixian Chamber of Commerce in the PRC. Prior to joining the Group, he was the chairman of Shenzhen Xinxin Medical Technology Development Co., Ltd.* (深圳市新鑫醫療科技發展有限公司) and the chairman of Yuanta Chinese Medicine Chain (Shenzhen) Co., Ltd. Mr. Liu has over 30 years of experience in Chinese medical business and over 20 years of experience in the operation and management of Chinese medicine healthcare institutions. He also has solid theoretical knowledge in the field of Chinese medicine technology and health preservation by food.

Save as disclosed above, as at the Latest Practicable Date, Mr. Liu (i) has not held any other directorships at present or in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have other major appointments and professional qualifications; (ii) has no interest in the Shares within the meaning of Part XV of the SFO; and (iii) does not have any relationships with any other Directors, senior management or any substantial or controlling shareholders of the Company.

Mr. Liu has entered into a service agreement as an executive Director with the Company for an initial term of three years and is subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Company’s articles of association. Mr. Liu is entitled to the remuneration of HK\$1 million per annum as specified in his service agreement and discretionary bonus, which is determined by the Board (the decision of which was based on the recommendation of the remuneration committee) with reference to his duties and responsibilities in the Company, the prevailing market rate and the remuneration policy of the Company. Such remuneration is subject to review by the remuneration committee and the Board from time to time. As a Director, Mr. Liu is subject to retirement by rotation and re-election in accordance with the Company’s articles of association.

In addition, Mr. Liu is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Liu, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

Mr. Li Huiwu, Independent Non-Executive Director

Mr. Li Huiwu (“**Mr. Li**”), aged 45, was appointed as an independent non-executive Director of the Company with effect from 14 October 2019. He has approximately 16 years of experience in financial accounting, internal audit and risk management. From December 2003 to July 2006, Mr. Li worked in Zhongruihua Hengxin CPA Company (中瑞華恒信會計師事務所有限公司) and was a project manager when he left the firm. From August 2006 to July 2017, Mr. Li held various senior positions in the internal audit department in certain companies listed on the Shanghai Stock Exchange where he was mainly responsible for internal control and risk management matters. Mr. Li obtained a bachelor degree in accounting from Wuhan Polytechnic University (武漢理工大學), the PRC in June 2002. He is currently an affiliated member of The Association of International Accountants (AIA) and a certified tax planner (註冊納稅籌劃師) and a certified intermediate accountant (中級審計師) in the PRC.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li (i) has not held any other directorships at present or in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have other major appointments and professional qualifications; (ii) has no interest in the Shares within the meaning of Part XV of the SFO; and (iii) does not have any relationships with any other Directors, senior management or any substantial or controlling shareholders of the Company.

In respect of the proposed re-election of Mr. Li, the nomination committee of the Company has carefully considered the independence confirmation received from Mr. Li during which he had been an independent non-executive director and the criteria as set out in Rule 3.13 of the Listing Rules and Mr. Li has not engaged in any executive management of the Group. The nomination committee of the Company had also evaluated the performance of Mr. Li during the year ended 31 December 2022 based on the nomination policy of the Company, and found his performance satisfactory to be re-elected. Mr. Li has provided valuable contributions to the Company and demonstrated his ability to provide independent advice to affairs of the Company as a member of the audit committee of the Company. His extensive experience and professional work experience have enabled him to provide valuable insights to the Board. In addition, his educational background and diversity of work experience as disclosed above have enabled him to provide valuable and diverse views, contributing to the diversity of the Board.

Mr. Li has entered into an appointment letter as an independent non-executive Director with the Company for an initial term of three years and is subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Company’s articles of association. Mr. Li is entitled to a directors’ fee of HK\$240,000 per annum as specified in his letter of appointment, which is determined by the Board (the decision of which was based on the recommendation of the Remuneration Committee) with reference to his duties and responsibilities with the Company, the prevailing market rate and the remuneration policy of the Company. Such remuneration is subject to review by the Remuneration Committee and the Board from time to time.

In addition, Mr. Li is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Li, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

Mr. Yang Weidong, Independent Non-Executive Director

Mr. Yang Weidong (“**Mr. Yang**”), aged 49, was appointed in April 2020. Mr. Yang graduated from Hefei Institute of Economics and Technology with a bachelor’s degree in economics and management in 1995. He has more than 15 years of experience in business management and sales management. Mr. Yang served as the regional sales director of Hangzhou Sunyard System Engineering Co., Ltd from 2001 to 2005. Since August 2005, he has been serving as the deputy general manager of Hangzhou Teamax Technology Group Co., Ltd (the “**Teamax Technology**”), a wholly-owned subsidiary of Teamax Smart City Technology Co., Ltd. (Stock Code: SZ00662, “**Teamax Smart**”) listed on the Shenzhen Stock Exchange, and he is responsible for sales management and pre-sale supporting. Mr. Yang has held the supervisor position served as the chairman of the board of supervisors of Teamax Smart since June 2016 and since June 2019, respectively.

Mr. Yang was previously a director of Teamax Technology, a limited liability company incorporated in the People’s Republic of China, and its principal activities include technology development, technical services and consulting. Neither Teamax Technology nor any of its subsidiaries is related to the Company or any of its subsidiaries. Mr. Yang ceased to act as a director of Teamax Technology with effect from 25 October 2019. According to the notice dated 14 January 2020 published by Hangzhou Binjiang District People’s Court (杭州市濱江區人民法院), a bankruptcy and liquidation application filed by Bank of Jiangsu Co., Ltd., Hangzhou Branch (江蘇銀行股份有限公司杭州分行) against Teamax Technology (the “**Proceedings**”) was accepted on 27 November 2019 pursuant to a default in repayment of principal of RMB48 million and related interests by Teamax Technology. As at the date of this circular, the liquidation is in progress.

Mr. Yang confirmed that he is not a party of such Proceedings and is not aware of any actual or potential claim that has been or will be made against him as a result of the above. So far as the Company is aware, Mr. Yang was not aware or informed of the loan when Teamax Technology entered into the relevant loan agreement(s), and there is no evidence that the Proceedings involved any act of dishonesty, fraudulence or issue of integrity on the part of Mr. Yang, which would affect his suitability as a Director of a listed company; and Mr. Yang has not personally received any correspondences from the relevant regulatory authorities in connection with any investigation by any judicial, regulatory or governmental authority in relation to the Proceedings. Accordingly, the nomination committee of the Company considers that Mr. Yang is competent and suitable to act as a director pursuant to Rules 3.08 and 3.09 of the Listing Rules and he possesses the experience, skill and character to be the independent non-executive Director of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yang (i) has not held any other directorships at present or in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have other major appointments and professional qualifications; (ii) has no interest in the Shares within the meaning of Part XV of the SFO; and (iii) does not have any relationships with any other Directors, senior management or any substantial or controlling shareholders of the Company.

In respect of the proposed re-election of Mr. Yang, the nomination committee of the Company has carefully considered the independence confirmation received from Mr. Yang during which he had been an independent non-executive Director and the criteria as set out in Rule 3.13 of the Listing Rules and Mr. Yang has not engaged in any executive management of the Group. The nomination committee of the Company had also evaluated the performance of Mr. Yang during the year ended 31 December 2022 based on the nomination policy of the Company, and found his performance satisfactory to be re-elected. Mr. Yang has provided valuable contributions to the Company and demonstrated his ability to provide independent advice to affairs of the Company as a member of the audit committee of the Company. His extensive experience and professional work experience have enabled him to provide valuable insights to the Board. In addition, his educational background and diversity of work experience as disclosed above have enabled him to provide valuable and diverse views, contributing to the diversity of the Board.

Mr. Yang has entered into an appointment letter as an independent non-executive Director with the Company for an initial term of three years and is subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Company's articles of association. Mr. Yang is entitled to a directors' fee of HK\$240,000 per annum as specified in his letter of appointment, which is determined by the Board (the decision of which was based on the recommendation of the Remuneration Committee) with reference to his duties and responsibilities with the Company, the prevailing market rate and the remuneration policy of the Company. Such remuneration is subject to review by the Remuneration Committee and the Board from time to time.

In addition, Mr. Yang is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Yang, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

PRINCIPAL TERMS OF 2023 SHARE OPTION SCHEME

The following is a summary of the principal terms of the 2023 Share Option Scheme to be adopted by way of ordinary resolution at the AGM, save that this Appendix does not and is not intended to form part of the 2023 Share Option Scheme, nor is deemed to form an interpretation affecting the rules of the 2023 Share Option Scheme.

1. PURPOSE OF THE 2023 SHARE OPTION SCHEME

- (a) The 2023 Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that Eligible Participants (as defined under paragraph (c) below) had made or may make to the Group.
- (b) The 2023 Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives:
 - (i) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and
 - (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.
- (c) For the purpose of the 2023 Share Option Scheme, “**Eligible Participants**” means any person who satisfies the eligibility criteria in paragraph 2 below.

2. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY

- (a) The Board may at its discretion grant Options to any (i) Employee Participant; (ii) Related Entity Participant; and (iii) Service Provider.
- (b) In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility).
- (c) Each grant of Options to a Connected Person of the Company or any of his/her/its Associate must be approved by the independent non-executive Directors of the Company (excluding any such independent non-executive Directors who is a proposed Grantee of an Option) and in accordance with the requirements of the Listing Rules.

- (d) Any person whom the Board has resolved to be qualified to become an Eligible Participant must remain eligible during the period when any Option granted to him remains outstanding. In assessing such Grantee's eligibility and continuing eligibility under the 2023 Share Option Scheme, the following non-exhaustive factors, and the views, if any, of the independent non-executive Directors shall be given due and careful consideration by the Board:
- (i) the present and expected contribution of the relevant Grantee to the profits of the Group;
 - (ii) the general financial condition of the Group;
 - (iii) the Group's overall business objectives and future development plan; and
 - (iv) any other matter which the Board considers relevant.
- (e) In addition and without prejudice to paragraph (d) only Service Providers of the following categories may qualify as Grantee:
- (i) supplier of products or services, including suppliers, advisers, consultants, agents or other professional firms with expertise in the research, development, production, marketing and/or sales. When considering eligibility of, and terms of Grant to the Service Providers under this category, the Board will consider, among other things: (i) the nature, scope and frequency of products and/or services supplied; (ii) the reliability and quality of products and/or services supplied; and (iii) their potential and/or actual contribution or significance to the financial performance and business development of the Group, evaluated in terms of the revenue generated from such supply, the aggregate supply volume, the procurement cost, the contract value and the relative concentration in the particular supply category for the relevant engagement period (or the corresponding growth rate comparing with that of the preceding period); or
 - (ii) business partners, including distributors, joint venture partners or other contractual parties, which may be entities that collaborate with the Group on continuing or discrete consulting projects. When considering eligibility of, and terms of Grant to the Service Providers under this category, the Board will consider, among other things: (a) the nature, scope and frequency of products and/or services supplied; (b) the reliability and quality of products and/or services supplied; and (c) their potential and/or actual contribution or significance to the financial performance and business development of the Group, evaluated in terms of the revenue generated from such engagement, the expenses in establishing and maintaining collaboration, the contract value and the number or variety of deliverables produced from such engagement for the relevant engagement period (or the corresponding growth rate comparing with that of the preceding period),

who are, or anticipated to be going forward, significant suppliers of products or services or business partners, or otherwise significant to the Group's business. Such persons may be remunerated with equity incentives to align the long-term interests of such persons with the Group. The Board will also consider whether the frequency of the services provided by a Service Provider is akin to that of its regular employees taking into account the following factors:

- (i) the type(s) of services the Service Provider had performed for the Group in the past;
- (ii) the industry experience of the Service Provider;
- (iii) the period of engagement of the Service Provider; and
- (iv) the Service Provider's contribution and/or future contribution to the development and growth of the Group with reference to, among other metrics, research and development, engineering or technical contribution, the design, development, manufacturing or distribution of products/services provided by the Group, or otherwise will contribute significantly to the growth of the Group's financial or business performance, based on quantitative performance indicators to be determined by the Board or the Committee on a case-by-case basis. For the avoidance of doubt, Service Providers exclude placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions and professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

3. GRANT OF OPTIONS

- (a) On and subject to the terms of the 2023 Share Option Scheme, the Board shall be entitled at any time on a Business Day within 10 years commencing on the effective date of the 2023 Share Option Scheme to offer the grant of an Option to any Eligible Participants as the Board may in its absolute discretion select in accordance with the eligibility criteria as set out in paragraph 2 above.
- (b) An offer shall be deemed to have been accepted and an Option to which the offer relates shall be deemed to have been granted and accepted and to have taken effect when the Company, within 21 days from the date on which an Option is offered to an Eligible Participant, receives the duly signed offer letter from the Grantee together with the number of Shares in respect of which the offer is accepted clearly stated therein and a non-refundable payment of HK\$1.00 (or such other sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof.

- (c) Subject to the provisions of the 2023 Share Option Scheme, the Listing Rules and other applicable rules and regulations, the Board may, on a case by case basis and at its discretion when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the 2023 Share Option Scheme as it may think fit (which shall be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing):
- (i) the continuing eligibility of the Grantee under the 2023 Share Option Scheme, and in particular, where the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria, the Option (to the extent it has not already been exercised) shall lapse;
 - (ii) the continuing compliance of any such terms and conditions that may be attached to the grant of the Option, failing which the Option (to the extent it has not already been exercised) will lapse unless otherwise resolved to the contrary by the Board;
 - (iii) in the event that the Eligible Participant is a corporation (whether incorporated or unincorporated), that any material change of the management and/or shareholding of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2023 Share Option Scheme;
 - (iv) in the event that the Eligible Participant is a trust, that any change of the beneficiary of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2023 Share Option Scheme;
 - (v) in the event that the Eligible Participant is a discretionary trust, that any material change of the discretionary objects of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2023 Share Option Scheme;
 - (vi) conditions, restrictions or limitations relating to the achievement of operating or financial targets; and
 - (vii) if applicable, the satisfactory performance of certain obligations by the Grantee.
- (d) Without prejudice to the generality of the foregoing and subject to the Listing Rules and paragraph 5, the Board may grant Options in respect of which the Subscription Price for the Shares under the 2023 Share Option Scheme is fixed at different prices for different periods during the applicable Option period.

- (e) The Board shall not offer the grant of an Option to any Eligible Participants:
- (i) after an inside information has come to the Company's knowledge and until such inside information has been announced pursuant to the relevant requirements of the Listing Rules; or
 - (ii) within the period commencing one month immediately preceding the earlier of:
 - (1) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (2) the deadline for the Company to publish an announcement of its result for any year, 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. The period during which no Option may be granted will cover any period of delay in the publication of a results announcement.
- (f) The Options held by Grantees are not equal to the Shares and do not confer the rights related to voting, share allotment and dividends.

4. GRANT OF OPTIONS TO CONNECTED PERSONS

Without prejudice to paragraph 3, any grant of Options to any Director, Chief Executive or Substantial Shareholder or any their respective Associates must be approved by all of the independent non-executive Directors excluding, for all purposes, any independent non-executive Director who is a proposed Grantee.

Where any grant of Options to a Substantial Shareholder or an independent non-executive Director or their respective Associates would result in the total number of the Shares issued and to be issued in respect of all options (including the Options) an awards granted to such person under the 2023 Share Option Scheme and all other share schemes in any 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such grant of Options must be approved by the Shareholders of the Company in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules. The Grantee, his Associates and all Core Connected Persons of the Company must abstain from voting in favour at such general meeting. The Company must send a circular to its shareholders containing the information required under the Listing Rules.

5. SUBSCRIPTION PRICE OF SHARES

The Subscription Price for any Share under the 2023 Share Option Scheme will be a price determined by the Board at its absolute discretion and notified to each Grantee and will be not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a Business Day; (ii) an amount equivalent to the average closing price of the Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant of the relevant Option; and (iii) the nominal value of a Share on the date of the grant. The Subscription Price shall also be subject to any adjustments made in a situation contemplated under paragraph 11.

6. MAXIMUM NUMBER OF SHARES

- (a) Subject to paragraph (d), the maximum number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other share schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date (the "**Scheme Mandate Limit**").
- (b) Subject to paragraph (a) above, the maximum number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other share schemes to Service Providers must not, in aggregate exceed 1% of the number of Shares in issue as at the Adoption Date (the "**Service Provider Sub-limit**").
- (c) The Board may seek separate Shareholders' approval in general meeting to grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such relevant information from time to time required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.
- (d) The Company may seek approval by the Shareholders in general meeting for refreshing the Overall Scheme Limit and the Service Provider Sub-limit after three (3) years from the date of the first Shareholders' approval for such limits or for the last refreshment (as the case may be). Any refreshment within any three-year period must be approved by the Shareholders, with any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) abstaining from voting in favour of the relevant resolution at the general meeting. The total number of Shares which may be issued in respect of all options and awards to be granted under all of the share scheme(s) under the scheme mandate as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshed scheme mandate.

- (e) The maximum number of Shares issued or to be issued in respect of all options and awards granted to a Grantee at any one time or in aggregate under the 2023 Share Option Scheme and all other share schemes (excluding any options and awards lapsed in accordance with the terms of the respective share schemes) in any 12-month period up to and including the date of such relevant grant should not exceed 1% of the issued share capital of the Company (the “**Individual Limit**”). Where any Grant to a Grantee may result in exceeding the Individual Limit, the Company shall not grant such Options unless it is separately approved by the Shareholders in general meeting, with such Grantee and his close associates (or Associates if the Grantee is a Connected Person) abstaining from voting.
- (f) The maximum number of Shares referred to in this paragraph shall be adjusted, in such manner as the auditors of the Company or the independent financial adviser of the Company shall certify as fair and reasonable in accordance with paragraph 11 below.

7. TIME OF EXERCISE OF OPTION

- (a) Subject to certain restrictions contained in the 2023 Share Option Scheme, an Option may be exercised in accordance with the terms of the 2023 Share Option Scheme and the terms of grant thereof at any time during the applicable Option period, which is not more than 10 years from the date of grant of Option.
- (b) There is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the 2023 Share Option Scheme. However, at the time of granting any Option, the Board may, on a case-by-case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the Options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

8. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option (where the Grantee is a company, any change of its major shareholder or any substantial change in its management as determined by the Board at its sole discretion will be deemed to be a sale or transfer of interest as aforesaid, if so determined by the Board at its sole discretion). Any breach of the foregoing by a Grantee shall entitle the Company to cancel, revoke or terminate any Option granted to such Grantee to the extent not already exercised.

9. RIGHTS ON CEASING TO BE AN ELIGIBLE PARTICIPANT

Where an Option was granted subject to certain continuing conditions, restrictions or limitations on the Grantee's eligibility and the Board resolves that the Grantee has failed or otherwise is or has been unable to meet such continuing eligibility criteria, the Option (to the extent it has not already been exercised) shall lapse.

10. RIGHTS ON DEATH/CEASING EMPLOYMENT

- (a) If the Grantee (being an individual) dies before exercising the Option in full, his or her legal personal representative(s) may exercise the Option up to the Grantee's entitlement (to the extent exercisable as at the date of his/her death and not exercised) within a period of 12 months following his/her death or such longer period as the Board may determine.
- (b) Subject to sub-paragraphs (c) and (d), in the event of the Grantee who is an Employee Participant ceasing to be an Employee Participant for any reason other than his/her death, disability or the termination of his/her employment on one or more of the grounds specified in paragraph 16(f), the Grantee may exercise the Option (to the extent exercisable as at the date of the relevant event and not exercised) within 30 days following such cessation.
- (c) If the Grantee is an Employee Participant at the time of the grant of the relevant Option(s) and his/her employment or service to the Company is terminated on the ground of disability, the Grantee may exercise the Option (to the extent exercisable as at the date on which such Grantee ceases to be an Employee Participant) within 6 months following such cessation or such longer period as the Board may determine.
- (d) If the Grantee is an Employee Participant at the time of the grant of the relevant Option(s), in the event that such Grantee shall cease to be an Employee Participant but becomes, or continues to be, a Related Entity Participant or a Service Provider, then the Option (to the extent exercisable as at the date on which such Grantee ceases to be an Employee Participant and not exercised) shall be exercised within 3 months following the date of such cessation or such longer period as the Board may determine.
- (e) If the Grantee is a Related Entity Participant or a Service Provider but not an Employee Participant, in the event that such Grantee shall cease to be a director, consultant, customer, supplier, agent, business or joint venture partner or adviser of or contractor to the Group for any reason other than his/her death (in the case of a Grantee being an individual) or disability, then the Option(s) (to the extent exercisable as at the date of such cessation and not exercised) shall be exercised within thirty (30) days following the date of such cessation or such longer period as the Board may determine.

11. EFFECTS OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the 2023 Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then, in any such case the Company shall instruct the independent financial adviser appointed by the Company or the auditors to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (a) the number or nominal amount of Shares to which the 2023 Share Option Scheme relates;
- (b) the Exercise Price of any Option; and/or
- (c) (insofar as it is/they are unexercised, unless the relevant Grantee elects to waive such adjustment) the number of Shares comprised in an Option or which remains comprised in an Option,

and an adjustment as so certified by the independent financial adviser or the auditors shall be made, provided that:

- (a) any such adjustment shall give the Grantee the same proportion of the issued share capital of the Company as that to which he was previously entitled rounded to the nearest whole share;
- (b) 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 (if any);
- (c) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (d) any such adjustment shall be in compliance with the Listing Rules and such applicable rules, codes, guidance notes and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchange.

In respect of any adjustment referred to in paragraph 11, other than any adjustment made on a capitalisation issue, the independent financial adviser or the Auditors must confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

12. RIGHTS ON A TAKEOVER

If a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Grantee shall be entitled to exercise the Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code).

13. RIGHTS ON A SCHEME OF ARRANGEMENT

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Subscription Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than two Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise credited as fully paid and registered the Grantee as holder thereof.

14. RIGHTS ON A VOLUNTARY WINDING UP

In the event notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Subscription Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than two Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise.

15. RIGHTS ATTACHING TO SHARES UPON EXERCISE OF AN OPTION

The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force as at the allotment date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the allotment date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made after 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 on or before the allotment date. Any Share allotted upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof.

16. LAPSE OF OPTIONS

An Option (to the extent such Option has not already been exercised) shall lapse and not be exercisable on the earliest of:

- (a) the expiry of the Option period;
- (b) the expiry of the periods referred to in paragraph 10;
- (c) the date of commencement of the winding-up of the Company;
- (d) the date on which the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 13;
- (e) the date on which the Grantee ceases to be an Eligible Participant due to the following reasons:
 - (i) the Grantee's service or employment with the Group has been terminated by any member of the Group, any Related Entity or any Service Provider for cause, and "cause" means:
 - (1) dishonesty or serious misconduct, whether or not in connection with his/her employment; willful disobedience or non-compliance with the terms of his/her employment or service contract with any member of the Group, any Related Entity, any Service Provider or any lawful orders or instructions given by any member of the Group, any Related Entity or any Service Provider as the case may be;
 - (2) incompetence or negligence in the performance of his/her duties; or
 - (3) doing anything in the conclusive opinion of the Board adversely affects his/her ability to perform his/her duties properly or brings the Company or the Group, any Related Entity or any Service Provider into disrepute;
 - (ii) the Grantee has been summarily dismissed by any member of the Group, any Related Entity or any Service Provider;

- (iii) the Grantee has been convicted for any criminal offence involving his/her integrity or honesty;
 - (iv) the Grantee has been charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations in force from time to time; or
 - (v) the Grantee or his associate has committed any breach of any contract entered into between the Grantee or his associate on one part and any member of the Group on the other part or has any legal dispute with the Company as the Board may in its absolute discretion determine;
- (f) the happening of any of the following events, unless otherwise waived by the Board:
- (i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the asset or undertaking of the grantee (being a corporation);
 - (ii) the Grantee (being a corporation) has ceased or suspended payment of its debts, become unable to pay its debts (within a meaning of section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any similar provisions under the Companies Law) or otherwise become insolvent;
 - (iii) there is unsatisfied judgment, order or award outstanding against the Grantee or the Company has reason to believe that the Grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts;
 - (iv) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-paragraphs (i), (ii) and (iii) above;
 - (v) a bankruptcy order has been made against the grantee or any Director of the Grantee (being a corporation) in any jurisdiction; or
 - (vi) a petition for bankruptcy has been presented against the Grantee or any Director of the Grantee (being a corporation) in any jurisdiction;
- (g) the date on which a situation as contemplated under paragraph 8 arises;
- (h) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the Option, unless otherwise resolved to the contrary by the Board; or
- (i) the date on which the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to paragraph 9.

17. CANCELLATION OF OPTIONS GRANTED

The Board shall have the absolute discretion to cancel any Options granted at any time if the Grantee so agreed provided where an Option is cancelled and a new Option is proposed to be granted to the same Grantee, the issue of such new Option may only be made with available but unissued Shares in the authorised share capital of the Company, and available ungranted Options (excluding for this purpose all the cancelled Options) within the limits referred to in paragraph 6.

18. PERIOD OF THE 2023 SHARE OPTION SCHEME

Options may be granted to Eligible Participants under the 2023 Share Option Scheme during the period of 10 years commencing on the effective date of the 2023 Share Option Scheme.

19. ALTERATION TO 2023 SHARE OPTION SCHEME AND TERMINATION

- (a) The 2023 Share Option Scheme may be altered in any respect by a resolution of the Board except that those specific provisions relating to matters contained in Chapter 17 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) which cannot be altered to the advantage of Grantees or prospective Grantees except with the prior approval of the Shareholders in general meeting.
- (b) Any alteration to the terms and conditions of the 2023 Share Option Scheme which is of a material nature must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme.
- (c) The Company by resolution in general meeting or the Board may at any time terminate the operation of the 2023 Share Option Scheme and in such event no further Options will be offered but the provisions of the 2023 Share Option Scheme shall remain in force in all other respects. In particular, all Share Options granted prior to such termination and yet to be exercised shall continue to be valid and exercisable in accordance with the terms of the 2023 Share Option Scheme.
- (d) The amended terms of the 2023 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (e) Any change to the authority of the Board in relation to any alteration to the terms of the 2023 Share Option Scheme must first be approved by the Shareholders in general meeting.

- (f) Any change to the terms of Options granted must be approved by the Board, the remuneration committee, the independent non-executive Director and/or the Shareholders if the initial Options were approved by the Board, the remuneration committee, the independent non-executive Director and/or the Shareholders (as the case may be). The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme. For the avoidance of doubt, each of the Scheme Mandate Limit and the Service Provider Sub-limit can be refreshed, which is subject to prior approval from the Shareholders as specified in the provisions of the 2023 Share Option Scheme above.

20. DEALING RESTRICTIONS

The Board shall not grant any Options after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, the Board shall not grant any Options during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce 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 announcements.

No Options shall be granted during any period of delay in publishing a results announcement or during any period specified in the Listing Rules as being a period during which no Option may be granted.

For the avoidance of doubt, in compliance with the Listing Rules, a Director must not deal in any of the securities of the Company (and no Options may be granted to a Director) at any time when he possesses inside information in relation to those securities, or where clearance to deal is not otherwise conferred upon him under rule B.8 of the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules.

A Director must not deal in any securities of the Company (and no Options may be granted to a Director) on any day on which its financial results are published and:

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

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in section C of the Model Code. In any event, the director must comply with the procedure in rules B.8 and B.9 of the Model Code.

The following is a summary of the principal terms of the 2023 Share Award Plan to be adopted by way of ordinary resolution at the AGM, save that this Appendix does not and is not intended to form part of the 2023 Share Award Plan, nor is deemed to form an interpretation affecting the rules of the 2023 Share Award Plan.

1. PURPOSE OF THE 2023 SHARE AWARD PLAN

- (a) The purpose and objective of the 2023 Share Award Plan is: (i) to recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and to provide incentives in order to retain them for continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.
- (b) For the purpose of the 2023 Share Award Plan, “**Eligible Participants**” means any person who satisfies the eligibility criteria in paragraph 2 below.

2. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY

- (a) The Board may at its discretion grant an Award to any (i) Employee Participant; (ii) Related Entity Participant; and (iii) Service Provider.
- (b) Each Award to a Connected Person of the Company or any of his/her/its Associate must be approved by the independent non-executive Directors of the Company (excluding any such independent non-executive Directors who is a proposed Selected Participant of an Award) and in accordance with the requirements of the Listing Rules.
- (c) In determining the Awarded Shares to be granted to any Selected Participant, the Board shall consider, including but not limited to, the following matters:
 - (i) the present and expected contribution of the relevant Selected Participant to the profits of the Group;
 - (ii) the general financial condition of the Group;
 - (iii) the Group’s overall business objectives and future development plan; and
 - (iv) any other matter which the Board considers relevant.

(d) In addition and without prejudice to paragraph (c) only Service Providers of the following categories may qualify as Selected Participants:

- (i) supplier of products or services, including suppliers, advisers, consultants, agents or other professional firms with expertise in the research, development, production, marketing and/or sales. When considering eligibility of, and terms of Award to the Service Providers under this category, the Board will consider, among other things: (i) the nature, scope and frequency of products and/or services supplied; (ii) the reliability and quality of products and/or services supplied; and (iii) their potential and/or actual contribution or significance to the financial performance and business development of the Group, evaluated in terms of the revenue generated from such supply, the aggregate supply volume, the procurement cost, the contract value and the relative concentration in the particular supply category for the relevant engagement period (or the corresponding growth rate comparing with that of the preceding period); or
- (ii) business partners, including distributors, joint venture partners or other contractual parties, which may be entities that collaborate with the Group on continuing or discrete consulting projects. When considering eligibility of, and terms of Award to the Service Providers under this category, the Board will consider, among other things: (a) the nature, scope and frequency of products and/or services supplied; (b) the reliability and quality of products and/or services supplied; and (c) their potential and/or actual contribution or significance to the financial performance and business development of the Group, evaluated in terms of the revenue generated from such engagement, the expenses in establishing and maintaining collaboration, the contract value and the number or variety of deliverables produced from such engagement for the relevant engagement period (or the corresponding growth rate comparing with that of the preceding period),

who are, or anticipated to be going forward, significant suppliers of products or services or business partners, or otherwise significant to the Group's business. Such persons may be remunerated with equity incentives to align the long-term interests of such persons with the Group. The Board will also consider whether the frequency of the services provided by a Service Provider is akin to that of its regular employees taking into account the following factors:

- (i) the type(s) of services the Service Provider had performed for the Group in the past;
- (ii) the industry experience of the Service Provider;
- (iii) the period of engagement of the Service Provider; and

- (iv) the Service Provider's contribution and/or future contribution to the development and growth of the Group with reference to, among other metrics, research and development, engineering or technical contribution, the design, development, manufacturing or distribution of products/services provided by the Group, or otherwise will contribute significantly to the growth of the Group's financial or business performance, based on quantitative performance indicators to be determined by the Board or the Committee on a case-by-case basis. For the avoidance of doubt, Service Providers exclude placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions and professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

3. ADMINISTRATION AND OPERATION

The Plan shall be subject to the administration of the Board whose decisions on all matters arising in relation to the Plan or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice (i) the powers of the trustee as provided under the trust deed; and (ii) the powers of the remuneration committee or any other committee with proper authority on recommending and/or deciding the selection of the Selected Participants, the number of Awarded Shares to be awarded to the respective Selected Participants and other related matters as expressly provided under the 2023 Share Award Plan.

The Trustee may, at any time during the continuation of the plan and the trust deed, set aside the appropriate number of Awarded Shares out of a pool of issued Shares, fully paid or credited as fully paid, for the time being and from time to time held by the Trustee (or a special purpose vehicle as authorised by the Trustee) pursuant to the trust deed (the "**Shares Pool**"). The Board shall, in accordance with the rules of the 2023 Share Award Plan, be entitled to, at any time during the continuation of the 2023 Share Award Plan, make an award out of the Shares Pool to any of the Eligible Participants (excluding any excluded participant) such number of issued Shares, fully paid or credited as fully paid, as the Board shall, subject to the Max Shares Threshold (as hereinafter defined) and other limits, determine pursuant to the 2023 Share Award Plan.

The Board shall notify the Trustee by an Award Notice upon the making of an Award under the Plan together with, among other matters, (i) the number of Awarded Shares provisionally awarded to the relevant Selected Participant pursuant to such Award; (ii) the earliest vesting date and other subsequent date(s), if any, on which the Trustee may vest the legal and beneficial ownership of the Awarded Shares (or the relevant portions thereof) in the relevant Selected Participant; and (iii) the condition(s) and/or performance target(s), if any, that must be attained or satisfied by the relevant Selected Participant before the Awarded Shares may be transferred to and vested in such Selected Participant.

The Board shall notify the Selected Participant in writing after an Award has been provisionally made to such Selected Participant and the notice shall contain substantially the same information as that set out in the Award Notice, such as details of the Selected Participant, number of Awarded Shares, earliest vesting date, condition or performance targets, any lock-up periods etc. An Award shall be deemed to be irrevocably accepted by a Selected Participant on the date of notice notifying such Selected Participant of an Award unless within 5 Business Days after receipt of such notice, the Selected Participant notifies the Company in writing declining such award.

Upon the receipt of an Award Notice, the Trustee shall set aside from the Shares Pool the Awarded Shares provisionally awarded to the Selected Participant to whom such Award Notice relates pending the transfer and vesting of the Awarded Shares under the Award to which such Award Notice relates.

Pursuant to the rules of the 2023 Share Award Plan, the Trustee may purchase existing Shares, via on-market transactions, and/or subscribe for new Shares, each using funds allocated by the Board out of the Company's resources and/or gift contributions (whether cash or Shares) from third parties, and such purchases shall not be made with any Connected Person. The Trustee may not subscribe for Shares or purchase Shares where there are no Selected Participants. In the event that the Trustee effects any purchases by on-market transactions, the Trustee shall purchase existing Shares at the prevailing market price (subject to such maximum price as may be from time to time prescribed by the Board).

4. VESTING OF AWARDED SHARES

Subject to any general or partial offer, whether by way of takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner being made to all the Shareholders (or all Shareholders other than the offeror, any persons controlled by the offeror and any persons acting in association or concert with the offeror) becoming or being declared unconditional prior to the vesting of the Awarded Shares and lapsing of an Award as provided in the section headed "Lapse of Award" below, the Trustee shall transfer and vest in any Selected Participant, at nil consideration the legal and beneficial ownership of the Awarded Shares to which such Selected Participant is entitled under the relevant Award as soon as practicable after the latest of: (i) the earliest vesting date as specified in the Award Notice to which such Award relates; and (ii) where applicable, the date on which the condition(s) and/or performance target(s) (if any) to be attained or satisfied by such Selected Participant as specified in the related Award Notice have been attained or satisfied and notified to the Trustee by the Board in writing.

In respect of a Selected Participant who (i) died, (ii) (in the case of a Selected Participant who is an Employee Participant) retired at his normal retirement date or, (iii) (in the case of a Selected Participant who is an Employee Participant) retired at an earlier retirement date (with prior written agreement given by the Group), all the Awarded Shares of the Selected Participant shall be deemed to be vested on him (i) on the day immediately prior to his death, (ii) on the day immediately prior to his normal retirement date or, (iii) on the day immediately prior to his earlier retirement date, respectively.

5. LAPSE OF AWARD

In the event that a Selected Participant who is an Employee ceases to be an Employee by virtue of a corporate reorganisation of the Group, then any Award made to such Selected Participant shall forthwith lapse and be cancelled unless otherwise determined by the Board.

In the event (i) a Selected Participant ceases to be an Employee Participant other than death or retirement as provided in the paragraph headed “Vesting of Awarded Shares” above, or (ii) the subsidiary of the Company by which a Selected Participant is employed or, in respect of a deceased or retired Selected Participant as provided in the section headed “Vesting of Awarded Shares” above, was employed immediately prior to his death or retirement, ceases to be a subsidiary of the Company, or (iii) the Board shall at its absolute discretion determine in respect of a Selected Participant (other than a Selected Participant who is an Employee Participant) that (a) the Selected Participant or his associate has committed any breach of any contract entered into between the Selected Participant or his associate on one part and any member of the Group on the other part as the Board may in its absolute discretion determine; or (b) the Selected Participant has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (c) the Selected Participant could no longer make any contribution to the growth and development of any member of the Group by reason of the cessation of its relationship with the Group or by any other reasons whatsoever; or (iv) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) (each of these, an event of “**Total Lapse**”), the Award shall automatically lapse forthwith and all the Awarded Shares shall not vest on the relevant Vesting Date but shall become “**Returned Shares**” for the purposes of 2023 Share Award Plan.

In the event (i) a Selected Participant is found to be an excluded participant or (ii) (subject to other requirements in the event of the death of a Selected Participant) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee (or such later date as may be determined by the Trustee at its sole and absolute discretion having to all relevant circumstances) for the relevant Awarded Shares within the stipulated period (whether in the ordinary vesting pursuant to the vesting timetable set out in the plan rules or on such other dates as provided in or determined in accordance with the plan rules) (each of these, an event of “**Partial Lapse**”), the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the 2023 Share Award Plan.

The Trustee shall hold Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any excluded employees) as the Board shall in its absolute discretion at any time determine and select in writing as the Selected Participant(s).

6. VOTING AND OTHER RIGHTS

The Trustee shall not exercise the voting rights in respect of any Shares held by them for the purpose of the Plan. The Selected Participants shall not have any right to receive any Awarded Shares or any other distributions attributable thereto unless and until the Trustee has transferred and vested the beneficial ownership of such Awarded Shares to and in the Selected Participants.

7. TERMINATION

The Plan shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant.

Upon termination of the Plan: (i) Subject to the decision of the Board and in the event that the Selected Participant died or retired as provided in the section headed “Vesting of Awarded Shares” of this circular, all the Awarded Shares shall become vested in the Selected Participant on such date of termination, save in respect of the Total Lapse; (ii) Returned Shares and such non-cash income remaining in the trust fund shall be sold by the Trustee, within thirty (30) Business Days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the Plan (or such longer period as the Board may otherwise determine); (iii) Residual Cash, net proceeds of sale referred to in the preceding paragraph (ii) above, and such other funds remaining in the trust constituted by the Trust Deed (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any such Shares as described in the preceding paragraph (ii) above whatsoever (other than such interest in the proceeds of sale of the same).

8. MAXIMUM NUMBER OF SHARES

- (a) Subject to the other provisions in this paragraph 8, at any time during a financial year of the Company, the Board may determine the maximum number of Shares (“**Max Shares Threshold**”) that could be subscribed and/or purchased by the Trustee. The Board shall not instruct the Trustee to subscribe or purchase any Shares for the purpose of the 2023 Share Award Plan when such subscription or purchase will result in the Max Shares Threshold, if any, being exceeded.
- (b) Subject to paragraph (e), the maximum number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Award Plan and any other share schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date (the “**Plan Mandate Limit**”).
- (c) Subject to paragraph (b) above, the maximum number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Award Plan and any other share schemes to Service Providers must not, in aggregate exceed 1% of the number of Shares in issue as at the Adoption Date (the “**Service Provider Sub-limit**”).
- (d) The Board may seek separate Shareholders’ approval in general meeting to grant Awards beyond the Plan Mandate Limit provided that the Awards in excess of the Plan Mandate Limit are granted only to the Eligible Participants specified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such relevant information from time to time required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.
- (e) The Company may seek approval by the Shareholders in general meeting for refreshing the overall Plan Mandate Limit and the Service Provider Sub-limit after three (3) years from the date of the first Shareholders’ approval for such limits or for the last refreshment (as the case may be). Any refreshment within any three-year period must be approved by the Shareholders, with any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) abstaining from voting in favour of the relevant resolution at the general meeting. The total number of Shares which may be issued in respect of all options and awards to be granted under all of the share scheme(s) under the scheme mandate as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshed scheme mandate.

- (f) The maximum number of Shares issued or to be issued in respect of all options and awards granted to a Selected Participant at any one time or in aggregate under the 2023 Share Award Plan and all other share schemes (excluding any options and awards lapsed in accordance with the terms of the respective share schemes) in any 12-month period up to and including the date of such relevant grant should not exceed 1% of the issued share capital of the Company (the “**Individual Limit**”). Where any Award to a Selected Participant may result in exceeding the Individual Limit, the Company shall not grant such Options unless it is separately approved by the Shareholders in general meeting, with such Selected Participant and his close associates (or Associates if the Selected Participant is a Connected Person) abstaining from voting.
- (g) Where any Award to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of his associates would result in the Shares issued and to be issued in respect of all awards granted to such person under the 2023 Share Award Plan and all other share award plans (excluding any awards lapsed in accordance with the terms of the respective share award plans) in any 12-month period up to and including the date of such relevant grant, representing in aggregate over 0.1% of the issued share capital of the Company, such further Award must be approved by the Shareholders in general meeting, with such Selected Participant, his associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.
- (h) Where any Award to an independent non-executive Director or substantial shareholder of the Company, or any of his associates would result in the Shares issued and to be issued in respect of all options and awards granted to such person under the 2023 Share Award Plan and all other share schemes (excluding any options or awards lapsed in accordance with the terms of the respective share schemes) in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the issued share capital of the Company, such Award must be approved by the Shareholders in general meeting, with such Selected Participant, his associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.
- (i) The maximum number of Shares referred to in this paragraph shall be adjusted, in such manner as the auditors of the Company or the independent financial adviser of the Company shall certify as fair and reasonable in accordance with paragraph 10 below.

9. RIGHTS ARE PERSONAL TO SELECTED PARTICIPANT

An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so provided that the Selected Participant may assign the Award to a company beneficially wholly-owned by the Selected Participant. Any breach of the foregoing by any Selected Participant shall entitle the Company to cancel the Award made to such Selected Participant.

10. REORGANISATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company, such as capitalisation issue, rights issue, consolidation, sub-division and reduction of the share capital of the Company, the Board may make equitable adjustments that it considers appropriate, at its sole discretion, including:

- (a) make arrangements for the grant of substitute Awarded Shares of equivalent fair value to an award in the purchasing or surviving company;
- (b) reach such accommodation with the Selected Participant as it considers appropriate, including the payment of cash compensation to the Selected Participant equivalent to the fair value to an Awarded Share to the extent not vested; or
- (c) permit the continuation of an Awarded Share in accordance with its original terms. For the avoidance of doubt, the issue of securities by the Company as consideration in a transaction may not be regarded as a circumstance requiring such equitable adjustments.

Any equitable adjustments required above must give the Selected Participant the same proportion of the equity capital, rounded to the nearest whole share, as that to which that Selected Participant was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value (if any). In respect of any such equitable adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements set out in this paragraph.

11. RIGHTS ATTACHING TO SHARES UPON VESTING OF AWARD

The Shares to be allotted and issued upon the vesting of the Award shall be subject to all the provisions of the memorandum and articles of the Company for the time being in force as at the allotment date and shall rank pari passu in all respects with the existing fully paid Shares in issue on the date when such Awarded Shares are vested and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made after 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 on or before the allotment date. A holder shall have no rights (including any right to dividend or other distribution) in respect of Shares subject to the Award until the Shares are allotted and issued to him/her under the terms of the 2023 Share Award Plan.

12. CANCELLATION OF AWARDS

Subject to this rules of the 2023 Share Award Plan, any Award granted but not cancelled may not be cancelled or forfeited except with the written consent of the relevant Selected Participant and the prior approval of the Directors. Where the Company cancels and/or forfeits Awards and makes a new grant to the same Selected Participant, such new grant may only be made under the 2023 Share Award Plan within the available Plan Mandate Limit and Service Provider Sub-limit. The Awards cancelled and/or forfeited will be regarded as utilised for the purpose of calculating the Plan Mandate Limit and the Service Provider Sub-limit.

13. PERIOD OF THE 2023 SHARE AWARD PLAN

The 2023 Share Award Plan shall be valid and effective for a term of ten (10) years commencing from the Adoption Date.

14. ALTERATION TO 2023 SHARE AWARD PLAN AND TERMINATION

- (a) Subject to paragraph 14(b), the rules of the 2023 Share Award Plan may be altered by the prior sanction of a resolution passed by the Board together with the prior written consent of the Trustee, provided that no such alteration shall operate to affect adversely any rights of any Selected Participant in respect of his Awarded Shares which remain unvested except with the consent in writing of the majority of the Selected Participants whose Awarded Shares remained unvested on that date (but, for the avoidance of doubt, excluding for this purpose any such Shares in respect of which that date is a Vesting Date) as would be required of the holders of Shares under the Articles for a variation of the rights attached to such Shares.

- (b) Any alteration, amendment or waiver to the 2023 Share Award Plan (i) of a material nature; (ii) relates to the matters set out in rule 17.03 of the Listing Rules to the advantage of the Selected Participants or the Eligible Participants; or (iii) relates to the authority of the Board or Trustee to alter the 2023 Share Award Plan, shall be approved by the Shareholders. The Board shall have the right to determine whether any proposed alteration, amendment or waiver is material, and such determination shall be conclusive.
- (c) Any change to the terms of Awarded Shares granted must be approved by the Board, the remuneration committee, the independent non-executive Director and/or the Shareholders if the initial Awarded Shares was approved by the Board, the remuneration committee, the independent non-executive Director and/or the Shareholders (as the case may be). The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the 2023 Share Award Plan. For the avoidance of doubt, each of the Plan Mandate Limit and the Service Provider Sub-limit can be refreshed, which is subject to prior approval from the Shareholders as specified in the provisions of the 2023 Share Award Plan above.
- (d) The 2023 Share Award Plan may be altered in any respect by a resolution of the Board except that those specific provisions relating to matters contained in Chapter 17 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) which cannot be altered to the advantage of Grantees or prospective Grantees except with the prior approval of the Shareholders in general meeting.

15. TERMINATION

- (a) The 2023 Share Award Plan shall terminate on the earlier of the 10th anniversary date of the Adoption Date and such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder.
- (b) If, at the date of the termination of the 2023 Share Award Plan, the Trustee holds any Shares which has not been set aside in favour of any Selected Participant or retains any unutilised funds, then the Trustee shall, within thirty (30) Business Days of receiving actual notice of such termination (or such longer period as the Board may otherwise determine), sell such Shares and forthwith after the sale remit the proceeds of sale together with such unutilised funds to the Company.

- (c) Upon termination of the 2023 Share Award Plan:
- (i) (1) no further grant of Award or Awarded Shares may be made under the 2023 Share Award Plan; and (2) all the Awards of the Selected Participant granted under the 2023 Share Award Plan shall continue to be valid and effective and become vested in the Selected Participant according to the terms and conditions of the Award;
 - (ii) Returned Shares and such non-cash income remaining in the trust fund (but not constituting to other distributions attributable to any particular Selected Participants) shall be sold by the Trustee, within thirty (30) Business Days of receiving actual notice of such termination of the 2023 Share Award Plan (or such longer period as the Board may otherwise determine);
 - (iii) Residual Cash, net proceeds of sale referred to in subparagraph (ii) above and such other funds remaining in the trust constituted by the Trust Deed shall be remitted to the Company forthwith after the sale.

16. DEALING RESTRICTIONS

The Board shall not grant any Awards after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, the Board shall not grant any Awards nor instruct the Trustee to acquire Shares for the Directors and other awardees during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce 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 announcements.

No Awards shall be granted and no instruction may be given to the Trustee to acquire Shares for the Directors and other awardees during any period of delay in publishing a results announcement or during any period specified in the Listing Rules as being a period during which no Award may be granted.

For the avoidance of doubt, in compliance with the Listing Rules, a Director must not deal in any of the securities of the Company (also, no Awards may be granted to a Director and no instruction may be given to the Trustee to acquire Shares for the Directors and other awardees) at any time when he possesses inside information in relation to those securities, or where clearance to deal is not otherwise conferred upon him under rule B.8 of the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules.

A Director must not deal in any securities of the Company (also, no Awards may be granted to a Director and no instruction may be given to the Trustee to acquire Shares for the Directors and other awardees) on any day on which its financial results are published and:

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

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in section C of the Model Code. In any event, the director must comply with the procedure in rules B.8 and B.9 of the Model Code.

NOTICE OF ANNUAL GENERAL MEETING



Link-Asia International MedTech Group Limited

環亞國際醫療科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1143)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of Link-Asia International MedTech Group Limited (the “**Company**”) will be held on 8 June 2023 (Thursday) at 10:30 a.m. at Units 5906–5912, 59th Floor, The Center, 99 Queen’s Road Central, Hong Kong for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated accounts and reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 December 2022.
2. To re-appoint McMillan Woods (Hong Kong) CPA Limited as auditors of the Company and the board of directors of the Company (the “**Board**”) be authorised to fix their remuneration.
3. (a) To re-elect Mr. Li Yinxiang and Mr. Liu Zhiwei as executive Directors of the Company and the Board be authorised to fix their director’s remuneration
(b) To re-elect Mr. Li Huiwu and Mr. Yang Weidong as an independent non-executive Director of the Company and the Board be authorised to fix their director’s remuneration
4. “**THAT:**
(A) subject to paragraph (C) of this resolution 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 allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might or would require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional shares in the capital of the Company) during or after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the Share Option Scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“**Relevant Period**” means the period from the time of the 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 by the laws of the Cayman Islands or the Articles to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution 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 to procure the Company to repurchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“**Relevant Period**” means the period from the time of the 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 by the laws of the Cayman Islands or the Articles to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of Resolutions 4 and 5 as set out in this notice convening the AGM of which this Resolution forms part, the general mandate granted to the Directors pursuant to Resolution 4 as set out in this notice convening the AGM of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in this notice convening the AGM of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

7. “**THAT:**
 - (a) subject to and conditional upon the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be allotted and issued pursuant to the exercise of the share options which may be granted under the share option scheme of the Company (the “**2023 Share Option Scheme**”), a copy of which is tabled at the AGM marked “A” and signed by the chairman of the AGM for the purpose of identification, the 2023 Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with the Shares pursuant to the exercise of any option granted thereunder and to take all such acts and enter into all such transactions, arrangements and agreements as they may consider necessary or expedient to implement or give full effect to the 2023 Share Option Scheme;
 - (b) the Scheme Mandate Limit (as defined in the 2023 Share Option Scheme) of 10% of the number of Shares in issue as at the date of passing of this resolution be and is hereby approved and adopted; and
 - (c) conditional upon the 2023 Share Option Scheme becoming effective, the existing share option scheme of the Company as adopted on 10 March 2020 (the “**2020 Share Option Scheme**”) be and is hereby terminated (without prejudice to the rights and benefits of and attached to any outstanding options which have been granted under the 2020 Share Option Scheme prior to the date of the passing of this resolution).”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT:**
- (a) subject to and conditional upon the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be allotted and issued pursuant to the share awards which may be granted under the share award plan of the Company (the “**2023 Share Award Plan**”) and the rules thereunder, a copy of which is tabled at the AGM marked “B” and signed by the chairman of the AGM for the purpose of identification, the 2023 Share Award Plan be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with the Shares pursuant to the share awards which may be granted thereunder and the rules thereunder and to take all such acts and enter into all such transactions, arrangements and agreements as they may consider necessary or expedient to implement or give full effect to the 2023 Share Award Plan;
 - (b) the Plan Mandate Limit (as defined in the 2023 Share Award Plan) of 10% of the number of Shares in issue as at the date of passing of this resolution be and is hereby approved and adopted.”
9. “**THAT** the Service Provider Sublimit (as defined in the 2023 Share Option Scheme and the 2023 Share Award Plan) on the total number of Shares that may be issued in respect of all share options or share awards to be granted to Service Providers (as defined in the 2023 Share Option Scheme and the 2023 Share Award Plan) under the 2023 Share Option Scheme, the 2023 Share Award Plan or all other share schemes of the Company (i.e. 1% of the shares of the Company in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

By Order of the Board
Link-Asia International MedTech Group Limited
Lin Dailian
Chairman and Executive Director

Hong Kong, 11 May 2023

Notes:

1. Any member of the Company entitled to attend and vote at the AGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.

NOTICE OF ANNUAL GENERAL MEETING

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The register of members of the Company will be closed from 2 June 2023 (Friday) to 8 June (Thursday) 2023, both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 1 June 2023 (Thursday).
4. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
5. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the AGM or any adjournment thereof in cases where the AGM was originally held within 12 months from such date.
6. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
7. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person (or in the case of a member being a corporation, its duly authorised representative) at the meeting or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
8. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 5 as set out in this notice is enclosed.
9. Details of the Directors proposed to be re-elected as Directors of the Company at the AGM are set out in Appendix II to this circular.
10. A form of proxy for use at the AGM is enclosed.