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

If you have sold or transferred all your shares in Boill Healthcare Holdings Limited (the “**Company**”), you should at once hand this circular with the enclosed proxy form to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Boill Healthcare Holdings Limited

保集健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1246)

- (1) PROPOSALS FOR GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES;**
- (2) RE-ELECTION OF RETIRING DIRECTORS;**
- (3) RE-APPOINTMENT OF AUDITOR;**
- (4) PROPOSED ADOPTION OF THE SHARE SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting (the “**2023 AGM**”) of the Company to be held at 9/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong on Wednesday, 27 September 2023 at 11:00 a.m. is set forth on pages 38 to 42 of this circular.

A proxy form is enclosed with this circular. Such proxy form is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.boillhealthcare.com.hk). Irrespective of whether you are able to attend and vote at the 2023 AGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding the 2023 AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof (as the case may be) should you so desire.

28 July 2023

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DEFINITIONS

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

“2023 AGM”	the annual general meeting of the Company to be convened and held at 9/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong on Wednesday, 27 September 2023 at 11:00 a.m., the notice of which is set out on pages 38 to 42 of this circular or any adjournment thereof;
“Actual Selling Price”	the proceeds from the sale of the Award Shares net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs;
“Adoption Date”	the date of fulfillment of the condition set out in the paragraph headed “25. CONDITION OF THE SHARE SCHEME” of Appendix III to this circular;
“AGM Notice”	the notice convening the 2023 AGM set out on pages 38 to 42 of this circular;
“Articles of Association” or “Articles”	the memorandum and articles of association of the Company, as amended from time to time by resolution of the Shareholders;
“associates”	has the meaning ascribed thereto under the Listing Rules;
“Auditor”	the independent auditor of the Company;
“Award”	an award granted under the Share Scheme, which may be a Share Option or a Share Award;
“Award Shares”	new Shares underlying an Award;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon;
“Board”	the board of Directors;
“Buy-back Mandate”	a general and unconditional mandate proposed to be granted at the 2023 AGM to the Directors to exercise all the powers of the Company to buy back Shares of not exceeding 10% of the total number of the issued Shares as at the date of passing of such resolution, for such period until the conclusion of the next annual general meeting of the Company or such earlier period as set out in resolution no. 8 in the AGM Notice;
“close associate”	has the same meaning ascribed to it under the Listing Rules;

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“Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Company”	Boill Healthcare Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares in which are listed on the Stock Exchange (stock code: 1246);
“controlling shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Eligible Participants”	an Employee Participant or Related Entity Participant, and for the purposes of the Share Scheme, the Offer may be made to a vehicle (such as a trust or a private company) or similar arrangement for the benefit of a specified Eligible Participant subject to the fulfilment of requirements of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable);
“Employee Participants”	the directors and employees (whether full-time, part-time or other employment arrangement) of any member of the Group (including persons who are granted Awards under the Share Scheme as inducement to enter into employment contracts with any member of the Group);
“Exercise Period”	in respect of any Award, the period to be determined and notified by the Company to the Grantee thereof at the time of making an Offer provided that such period shall not go beyond the day immediately prior to the tenth (10 th) anniversary of the offer date with respect of the relevant Award;
“Exercise Price”	with respect to a particular Share Option, the price per Share at which the relevant Grantee may subscribe for the Shares on the exercise of the particular Share Option;
“Exercised Award Shares”	such number of Award Shares that have been exercised by a Grantee upon vesting of an Award;
“Existing Share Option Scheme”	the share option scheme of the Company adopted on 22 September 2013;
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Share Scheme;

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“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general and unconditional mandate proposed to be granted at the 2023 AGM to the Directors to exercise all the powers of the Company to allot, issue, or otherwise deal with additional Shares up to 20% of the total number of the issued Shares as at the date of passing of such resolution, for such period until the conclusion of the next annual general meeting of the Company or such earlier period as set out in resolution no. 7 in the AGM Notice;
“Issue Price”	in respect to a particular Share Award, the price per Share at which the relevant Grantee is required to pay to subscribe for the Shares comprising the Share Award;
“Latest Practicable Date”	21 July 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Minimum Period”	with respect to an Award, the period commences on the offer date and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof;
“Offer”	an offer to an Eligible Participant for the grant of an Award;
“Related Entity Participants”	the directors and employees (whether full-time, part-time or other employment arrangement) of the holding companies, fellow subsidiaries or associated companies of the Company
“Remuneration Committee”	the remuneration committee of the Company;
“Scheme Mandate Limit”	has the meaning defined in the paragraph headed “7. SCHEME LIMITS AND ADDITIONAL APPROVALS” of Appendix III to this circular;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong, as amended, supplemented or otherwise modified from time to time;

DEFINITIONS

“Share Award”	an Award which vests as a right to subscribe for Award Shares at the Issue Price during the Exercise Period pursuant to the Share Scheme;
“Share Option”	an Award which vests as a right to subscribe for Award Shares at the Exercise Price during the Exercise Period pursuant to the Share Scheme;
“Share Scheme”	the share scheme proposed to be adopted by the Company at the 2023 AGM;
“Share(s)”	share(s) of HK\$0.25 each in the capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such sub-division, consolidation, re-classification or re-construction;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Codes on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time; and
“Termination Date”	close of business of the Company on the date which falls on the date immediately prior to the tenth (10 th) anniversary of the Adoption Date, or such earlier date as the Share Scheme is terminated in accordance of the terms thereunder;
“Trust(s)”	has the meaning defined in the paragraph headed “2. ADMINISTRATION OF THE SHARE SCHEME” of Appendix III to this circular; and
“%”	per cent.

The translation into Chinese language of this circular is for reference only. In case of any inconsistency, the English version shall prevail.

LETTER FROM THE BOARD



Boill Healthcare Holdings Limited

保集健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1246)

Executive Directors:

Mr. Qiu Dongfang (*Chairman*)
Mr. Zhang Sheng Hai
Ms. Yu Yixing

Non-executive Directors:

Mr. Chui Kwong Kau
Mr. Qiu Bin

Independent non-executive Directors:

Mr. Chan Chi Keung, Billy
Mr. Wang Zhe
Mr. Yi Baxian

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:*

Room 2101
21/F, Wing On Centre
No.111 Connaught Road Central
Sheung Wan
Hong Kong

28 July 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND BUY-BACK SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) RE-APPOINTMENT OF AUDITOR;
(4) PROPOSED ADOPTION OF THE SHARE SCHEME AND
TERMINATION OF THE EXISTING SHARE OPTION SCHEME; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in connection with the resolutions to be proposed at the 2023 AGM relating to, *inter alia*, (i) the granting of general mandates to issue and buy back Shares; (ii) the re-election of the retiring Directors; (iii) the re-appointment of the Auditor; (iv) the adoption of Share Scheme; and (v) the AGM Notice at which the above resolutions will be proposed to be considered and, if thought fit, approved. The AGM Notice is set forth on pages 38 to 42 of this circular.

LETTER FROM THE BOARD

2. GRANTING OF THE ISSUE MANDATE AND THE BUY-BACK MANDATE

At the 2023 AGM, the Directors propose to seek the approval of the Shareholders to grant the Directors the Issue Mandate and the Buy-back Mandate.

Issue Mandate

The Company's existing mandate to issue Shares was approved by its then Shareholders at the Company's annual general meeting held on 9 September 2022. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the 2023 AGM.

An ordinary resolution will be proposed at the 2023 AGM to grant the Issue Mandate to the Directors. Based on 1,358,000,000 Shares in issue as at the Latest Practicable Date and on the assumption that no further Shares are issued and no Shares are bought back and cancelled after the Latest Practicable Date and up to the date of the 2023 AGM, the Directors will be allowed to allot, issue or otherwise deal with up to a maximum number of 271,600,000 new Shares if the Issue Mandate is granted at the 2023 AGM, which will remain in effect until the earlier of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles, the Companies Act or any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "**Relevant Period**"). The Directors have no immediate plan for the issue by the Company of any new Shares pursuant to the Issue Mandate.

Buy-back Mandate

An ordinary resolution will be proposed at the 2023 AGM to grant the Buy-back Mandate to the Directors. The Buy-back Mandate, if granted, will be effective until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles, the Companies Act or any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Buy-back Mandate, is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the ordinary resolution to approve the Buy-back Mandate at the 2023 AGM.

LETTER FROM THE BOARD

3. EXTENSION OF THE ISSUE MANDATE

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Buy-back Mandate, an ordinary resolution will be proposed at the 2023 AGM to extend the Issue Mandate by the addition thereto the aggregate number of Shares bought back by the Company pursuant to the Buy-back Mandate provided that such number of Shares shall not exceed 10% of the total number of issued Shares as at the date of passing such resolution.

4. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Qiu Dongfang, Mr. Zhang Sheng Hai and Ms. Yu Yixing; the non-executive Directors were Mr. Qiu Bin and Mr. Chui Kwong Kau; and the independent non-executive Directors were Mr. Chan Chi Keung, Billy, Mr. Wang Zhe and Mr. Yi Baxian.

In accordance with article 108 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three (3) years. A retiring Director shall be eligible for re-election. Accordingly, Mr. Zhang Sheng Hai, Mr. Chui Kwong Kau and Mr. Wang Zhe will retire by rotation at the 2023 AGM and, being eligible, have offered themselves for re-election as Directors at the 2023 AGM.

Re-election of independent non-executive Director

Set out below are information relating to the resolution to be proposed at the 2023 AGM for re-electing Mr. Wang Zhe as independent non-executive Director pursuant to code provision B.3.4 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

The Company has in place a nomination policy (the “**Nomination Policy**”) which sets out the selection criteria and procedures to be adopted when considering candidates to be appointed or re-elected as Directors. In assessing the re-election of Mr. Wang Zhe as independent non-executive Director, the nomination committee of the Company (the “**Nomination Committee**”) and the Board have considered his overall contribution and time commitment to the Company, and reviewed his experience and professional qualifications. In addition, the Nomination Committee has also taken into account the diversity aspects (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, industry and length of service) set out in the board diversity policy of the Company (the “**Board Diversity Policy**”). The Nomination Committee and the Board consider Mr. Wang Zhe has the reputation for integrity to act as a Director of the Company, and possesses broad and extensive experience and knowledge in the fields of business administration, management roles in the banking and finance sector to bring objective and independent judgement to the Board and contribute to diversity of the Board.

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In assessing the independence of Mr. Wang Zhe, the Nomination Committee and the Board have reviewed the annual written confirmations of independence given by Mr. Wang Zhe with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee and the Board also note that Mr. Wang Zhe does not have any relationship with any Directors, or senior management or substantial or controlling shareholders of the Company, nor in any relationships or circumstances which would interfere with the exercise of his independent judgement as an independent non-executive Director. Based on the above, the Nomination Committee and the Board are satisfied that Mr. Wang Zhe has the required character, integrity, independence and experience to fulfil the role of independent non-executive Director and remains independent in accordance with the independence guidelines set out in the Listing Rules.

Recommendation of the Nomination Committee and the Board

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of each of the above retiring Directors with reference to the Nomination Policy and the Board Diversity Policy, as well as the Company's corporate strategy and the independence of all the independent non-executive Directors.

The Nomination Committee and the Board therefore recommend the re-election of each of the above retiring Directors at the 2023 AGM.

Details of each of the above retiring Directors who are subject to re-election at the 2023 AGM are set out in Appendix II to this circular pursuant to Rule 13.51(2) of the Listing Rules.

5. RE-APPOINTMENT OF AUDITOR

The financial statements of the Group for the year ended 31 March 2023 were audited by BDO Limited whose term of office will expire upon the conclusion of 2023 AGM.

The Board proposes to re-appoint BDO Limited as the Auditor and to hold office until the conclusion of the next annual general meeting of the Company.

6. PROPOSED ADOPTION OF SHARE SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME

(1) Introduction

The Company proposes to adopt the Share Scheme in compliance with the amendments of Chapter 17 of the Listing Rules that came into effect on 1 January 2023 to replace the Existing Share Option Scheme.

No share option was granted since the adoption of the Existing Share Option Scheme and there were no share option outstanding as at the Latest Practicable Date. The Board has no intention of granting any further share options under the Existing Share Option Scheme during the period from the Latest Practicable Date up to the date of the 2023 AGM.

LETTER FROM THE BOARD

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

(2) Purpose

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

(3) Condition

The adoption of the Share Scheme is conditional upon the passing of an ordinary resolution to approve and adopt the Share Scheme by the Shareholders in a general meeting of the Company.

(4) Eligible Participants

The Eligible Participants and the criteria for determination of their eligibility are set out in the paragraph headed “3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY” in Appendix III to this circular.

The scope of the Eligible Participants is not limited to the employees of the Group and the Directors. The Board (including the independent non-executive Directors) is of the view that the Related Entity Participants and independent non-executive Directors should be included as Eligible Participants respectively on the bases of:

- (a) In relation to the Related Entity Participants, the Group is principally engaged in property development, sales of construction materials and provision of property management services. The related entities of the Group are involved in a broad spectrum of related business activities such as property investment, sales of building and decoration materials, provision of landscape engineering construction services, interior decoration services and architectural design consulting services etc., that have made contributions and may continue to contribute to the business of the Group by providing specific knowledge on certain operational areas and guidance with respect to potential expansions into new markets based on their pre-existing expertise etc., and the Related Entity Participants also possess the necessary skill, knowledge and experience to support and assist the related entities and in turn the Group’s development. Despite that the Related Entity Participants may not be directly appointed or employed by members of the Group, they are also nonetheless valuable resources of the Group given their long-standing and close working relationship with the Group, as well as their connection and involvement in property projects or other business engagements relating to the Group’s businesses from time to time.

As such, the Company wishes to recognise the importance of the past or future contribution of the Related Entity Participants and considers the inclusion of the Related Entity Participants as Eligible Participants will provide the Company with (i) the flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with such persons, and (ii)

LETTER FROM THE BOARD

opportunities to align their interests and strengthen their loyalty with the Group, and to facilitate a higher degree of collaboration and closer business ties with the Group in the long run.

- (b) In relation to the independent non-executive Directors, the Board is of the view that their objectivity and independence shall not be impaired by any potential grant of the Awards under the Share Scheme based on the following reasons: (i) the independent non-executive Directors will be required to continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; and (ii) approval by independent Shareholders will be required if any Award is to be granted to independent non-executive Directors or any of their respective associates which would result in the Shares issued and to be issued in respect of all options and awards granted to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue. The inclusion of independent non-executive Directors as Employee Participants would provide the Group with flexibility to offer non-cash incentives to the independent non-executive Directors for their continuous contributions to the Group's growth and development without compromising their objectivity and independence.

The Board (including the independent non-executive Directors) is of the view that the inclusion of Related Entity Participants and independent non-executive Directors as Eligible Participants, the criteria of selection of the Eligible Participants, and the terms of the grants are fair and reasonable and align with the purpose of the Share Scheme to recognise contributions made and to be made to the growth and development of the Group and the long term interests of the Company and the Shareholders.

Specifically, despite the Company has not granted any share options to the Related Entities Participants and Employee Participants (including independent non-executive Directors) under the Existing Share Option Scheme, the Board believes the inclusion of such participants in the Share Scheme fits the purpose of the Share Scheme and is fair and reasonable and in the interests of the Company and the Shareholders because (i) equity-based remuneration continues to be an important means of (X) ensuring alignment between the interests of Shareholders, Board members (including the independent non-executive Directors) and related entities of the Group in promoting the development of the Group and (Y) incentivizing and promoting the past and future contributions of the Related Entity Participants and independent non-executive Directors as explained above; and (ii) it is common to include related entity participants and independent non-executive directors as eligible persons of share schemes among public companies.

The proposed category of the Related Entity Participants are in line with the Company's business needs and the industry norm, desirable and necessary from a commercial perspective and shall help maintain or enhance the competitiveness of the Group. Through the grant of the Awards, the Eligible Participants and the Group will share a common goal in the growth and development of the Group's business, and Eligible Participants will reap additional rewards through their contribution.

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(5) Vesting Period

The vesting period of the Awards is set out in the paragraph headed “5. VESTING PERIOD” in Appendix III to this circular. The paragraph also sets out circumstances in which the Board may grant Awards with a vesting period shorter than the Minimum Period. The paragraph headed “19. RIGHTS ON A CORPORATE TRANSACTION” in Appendix III to this circular further sets out circumstances in which the Board may in its discretion accelerate the vesting dates of Awards, which may result in a vesting period shorter than the Minimum Period.

The Board and the Remuneration Committee are of the view that (i) there are certain limited instances (for example in circumstances set out in the paragraphs headed “5. VESTING PERIOD” and “19. RIGHTS ON A CORPORATE TRANSACTION” of Appendix III to this circular) where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holder(s) of the Awards; (ii) there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting period or in exceptional circumstances where justified; and (iii) the Company should be allowed to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition. It should have the flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances.

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

(6) Maximum number of Shares subject to the Share Scheme

The total number of Shares which may be issued in respect of all Awards which may be granted under the Share Scheme is set out in the paragraph headed “7. SCHEME LIMITS AND ADDITIONAL APPROVALS” in Appendix III to this circular.

As at the Latest Practicable Date, the number of issued Shares was 1,358,000,000 Shares. Assuming that there will be no change in the number of issued Shares between the Latest Practicable Date and the Adoption Date, the total number of Shares which may be issued upon exercise of all Awards to be granted under the Share Scheme together with all options and awards which may be granted under any other schemes for the time being of the Company would be 135,800,000 Shares, representing approximately 10% of the issued share capital of the Company on the date of approval of the Share Scheme.

(7) Performance targets and clawback mechanism

The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award, including conditions and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

LETTER FROM THE BOARD

The Board believes that this will provide the Board with more flexibility in setting out the terms and conditions of the Awards under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group. The Board also considers that it may not always be appropriate to impose performance targets nor prescribe a clawback mechanism particularly when the purpose of granting Awards is to motivate and incentivize employees, and it is impractical to expressly set out a generic set of performance targets in the Share Scheme, as each Grantee will play different roles and contribute in diverse ways to the Group.

Specifically, the Board may, at its discretion, require at the time of grant any particular Grantee to achieve such performance targets as the Board may then specify in the grant before any Awards granted under the Share Scheme to such Grantee can be exercised. If performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate, sales performance (e.g. revenue), operating performance (e.g. operation efficiency) and financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group, as well as corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture) and personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee, the satisfaction of which shall be assessed and determined by the Board at its discretion.

Generally, the Company will also utilize its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

On the other hand, if the clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, if a Grantee's employment has been terminated summarily, or has been convicted of any criminal offence involving his or her integrity or honesty, or has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements), any outstanding Share Awards not yet vested shall be immediately forfeited, unless the Board determines otherwise at its discretion.

(8) Others

As at the Latest Practicable Date, the Company has no concrete plans or intention to grant Awards to the Eligible Participants under the Share Scheme in the twelve (12)-month period immediately after its adoption.

LETTER FROM THE BOARD

The Company understands that whilst the Share Scheme is not restricted to executives and employees of the Group, the adoption of the Share Scheme would not constitute an offer to public and be subject to prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

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

The Company will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the Share Scheme.

Save for the Existing Share Option Scheme which will be terminated upon the adoption of the Share Scheme, the Company has no other share schemes to provide incentives to employees or other eligible participants.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had any material interest in the adoption of the Share Scheme. Accordingly, no Shareholder is required to abstain from voting on the resolution approving the adoption of the Share Scheme.

(9) Application for Listing

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any Award that may be granted under the Share Scheme.

(10) Document on display

A copy of the Share Scheme will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.boillhealthcare.com.hk for a period of not less than 14 days before the date of the 2023 AGM and will also be made available for inspection at the 2023 AGM.

7. 2023 AGM AND PROXY ARRANGEMENT

A notice convening the 2023 AGM to be held at 9/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong on Wednesday, 27 September 2023 at 11:00 a.m. is set forth on pages 38 to 42 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the AGM Notice will be put to the vote by way of a poll.

A proxy form for use by the Shareholders at the 2023 AGM is enclosed with this circular. Irrespective of whether you are able to attend and vote at the 2023 AGM in person, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the

LETTER FROM THE BOARD

Company's branch share registrar and transfer office in Hong Kong, 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 the holding of the 2023 AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from subsequently attending and voting at the 2023 AGM or any adjournment thereof (as the case may be) should you so desire and in such event, the proxy form shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the 2023 AGM.

8. CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the 2023 AGM, the register of members of the Company will be closed from 21 September 2023 to 27 September 2023, both days inclusive, during which period no transfer of Shares will be registered. All transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for the registration no later than 4:30 p.m. on 20 September 2023.

9. RECOMMENDATION

The Directors consider that the resolutions as set out in the AGM Notice are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the 2023 AGM as set out in the AGM Notice.

10. 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.

Yours faithfully,
For and on behalf of the Board
Boill Healthcare Holdings Limited
Qiu Dongfang
Executive Director and Chairman

This appendix serves as an explanatory statement as required under the Listing Rules to provide the requisite information to Shareholders for consideration of the Buy-back Mandate pursuant to Rule 10.06(1)(b) of the Listing Rules.

1. ISSUED SHARES

As at the Latest Practicable Date, the total number of Shares in issue was 1,358,000,000. Subject to the passing of the relevant resolution to approve the Buy-back Mandate and on the basis that no further Shares are allotted and issued or bought back and cancelled between the Latest Practicable Date and the date of the 2023 AGM, the Directors will be allowed to buy back a maximum of 135,800,000 Shares, representing 10% of the issued share capital of the Company as at the date of the 2023 AGM, during the Relevant Period.

2. SOURCE OF FUNDS

The Directors propose that the buy-back of Shares under the Buy-back Mandate would be financed by the Company's internal resources. In buying back the Shares, the Company may only apply funds which are legally available for such purposes in accordance with the Articles, the Listing Rules and the applicable laws and regulations of the Cayman Islands. Any buy-back of Shares by the Company may only be made if the value of the Company's assets exceeds its liabilities and the Company is able to pay its debts as they fall due. The Company will not purchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

3. REASONS FOR SHARE BUY-BACK

Although the Directors have no present intention of exercising the proposed Buy-back Mandate, the Directors believe that the flexibility afforded by the proposed Buy-back Mandate would be beneficial to the Company and the Shareholders as a whole. An exercise of the Buy-back Mandate may, depending on market conditions at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such buy-back of Shares will benefit the Company and the Shareholders as a whole.

4. SHARE PRICES

During the previous twelve months before the Latest Practicable Date, the highest and lowest trade prices of the Shares on the Stock Exchange were as follows:

	Share Price	
	Highest HK\$	Lowest HK\$
2022		
July	0.149	0.130
August	0.148	0.130
September	0.149	0.130
October	0.130	0.120
November	0.120	0.090
December	0.100	0.083
2023		
January	0.110	0.090
February	0.101	0.088
March	0.110	0.086
April	0.100	0.081
May	0.095	0.055
June	0.070	0.052
July (up to and including the Latest Practicable Date)	0.060	0.048

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Mandate and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

As at the Latest Practicable Date, none of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined under the Listing Rules) have any present intention to sell any Shares to the Company under the Buy-back Mandate if the same is approved by the Shareholders at the 2023 AGM.

As at the Latest Practicable Date, no core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company or has undertaken not to do so if the Buy-back Mandate is approved by the Shareholders at the 2023 AGM.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as 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.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Shareholders interested in more than 5 per cent. of the issued share capital of the Company were as follows:

Name of Shareholder	Capacity/Nature of interest	Long/short position	No. of Shares held	Approximate percentage of shareholding (Note 1)
Mr. Qiu Dongfang (“Mr. Qiu”)	Interest in controlled corporation (Note 2)	Long position	710,600,000	52.33%
China Huarong Asset Management Co., Ltd.* (中國華融資產管理股份有限公司) (“China Huarong Asset”)	Person having a security interest in shares (Note 3)	Long position	710,600,000	52.33%
China Huarong International Holdings Ltd. (“China Huarong International”)	Person having a security interest in shares	Long position	710,600,000	52.33%
Boill International Co., Limited (“Boill International”)	Beneficial owner (Note 2)	Long position	450,600,000	33.18%
Shanghai Jiafu Investment Co., Ltd.* (上海佳富投資有限公司) (“Shanghai Jiafu”)	Interest in controlled corporation (Note 2)	Long position	450,600,000	33.18%
Boill Holding Group Co., Ltd.* (保集控股集團有限公司) (“Boill Holding”)	Interest in controlled corporation (Note 2)	Long position	450,600,000	33.18%
Liyao Investment Limited (“Liyao”)	Beneficial owner (Note 2)	Long position	260,000,000	19.15%
Mr. Cai Weijie	Beneficial owner	Long position	83,238,000	6.13%

Note 1: Based on 1,358,000,000 Shares in issue as at the Latest Practicable Date.

Note 2: Boill International was wholly-owned by Boill Holding, which in turn was held as to 10.95%, 1.22% and 87.83% by Mr. Qiu, Ms. Huang Jian (“Ms. Huang”), and Shanghai Jiafu, an entity held as to 98.7% and 1.3% by Mr. Qiu and Ms. Huang, respectively. Ms. Huang is the spouse of Mr. Qiu. Liyao was wholly-owned by Mr. Qiu. Accordingly, Mr. Qiu was deemed to be interested in 450,600,000 Shares held by Boill International and 260,000,000 Shares held by Liyao.

Note 3: China Huarong International was controlled as to 15.16% by Huarong Zhiyuan Investment & Management Co., Ltd. and 84.84% by China Huarong Asset. Huarong Zhiyuan Investment & Management Co., Ltd. was controlled as to 100% by China Huarong Asset. Accordingly, China Huarong Asset was also deemed to be interested in the Shares as China Huarong International was interested.

* For identification purpose only

In the event that the Directors exercise the Buy-back Mandate in full, Mr. Qiu Dongfang and parties acting in concert with him would be interested in 58.14% of the issued share capital of the Company, which, in the opinion of the Directors, would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors has no intention to exercise the Buy-back Mandate to an extent which would render any Shareholder or a group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

In addition, the Directors will not buy back Shares if such buy-back would result in the number of the listed securities of the Company which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

7. MATERIAL ADVERSE CHANGE

As compared with the financial position of the Company as at 31 March 2023 (being the date to which the latest audited accounts of the Company have been made up), there might be a material adverse effect on the working capital or gearing position of the Company in the event that the Buy-back Mandate were to be carried out in full during the Relevant Period.

However, the Directors do not intend to exercise the Buy-back 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 of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

8. SHARE BUY-BACK MADE BY THE COMPANY

The Company has not bought back any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

The following sets out the details of the Directors who will retire and, being eligible, offer themselves for re-election at the 2023 AGM pursuant to the Articles.

EXECUTIVE DIRECTOR

1. Mr. Zhang Sheng Hai (張生海)

Mr. Zhang Sheng Hai (“**Mr. Zhang**”), aged 46, has been appointed as an executive Director with effect from 14 August 2017. Mr. Zhang holds a business administration diploma from China University of Geosciences and a business administration degree from Southwest University of Science and Technology. Mr. Zhang has over 10 years of experience in real estate industry and has extensive experience in construction and management of real estate development.

Mr. Zhang is currently the general manager of Nanchang Shenbiao Real Estate Development Co., Limited, a wholly owned subsidiary of Boill Holding. He joined Boill Holding in 1994 and served as deputy manager, manager and general manager for various subsidiaries of Boill Holding during the period from 1994 to 2016. Mr. Zhang has been a director for various subsidiaries of Boill Holding since 2016.

Save as stated herein, as at the Latest Practicable Date, Mr. Zhang (i) had not previously held and was not holding any other positions with the Group; (ii) did not hold any other directorships in any listed public companies in the last three years or other major appointments and qualifications; (iii) did not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Zhang entered into a director’s service contract with the Company, pursuant to which, the appointment of Mr. Zhang as an executive Director is for an initial term of 3 years commencing from 1 January 2019, which will be automatically renewed for successive one-year periods, subject to termination by either party giving subject to retirement and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Zhang is entitled to a monthly emolument of HK\$10,000 and a discretionary bonus which was determined by the Board upon the recommendation of the remuneration committee of the Company (the “**Remuneration Committee**”) with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed above, the Board is not aware of any other matters in relation to the re-election of Mr. Zhang that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

NON-EXECUTIVE DIRECTOR

2. Mr. Chui Kwong Kau (崔光球)

Mr. Chui Kwong Kau (“**Mr. Chui**”), aged 56, has been appointed as a non-executive Director with effect from 6 March 2015. He has over 25 years of experience in financial management, accounting and auditing fields.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Mr. Chui has been appointed as an executive director of Yuk Wing Group Holdings Limited (Stock Code: 1536) since 4 June 2021 and a non-executive director of Wan Kei Group Holdings Limited (stock code: 1718) since 7 January 2021, both being companies whose shares are listed on the Stock Exchange, and an executive director of Hong Kong Life Sciences and Technologies Group Limited (stock code: 8085, the securities of which had been listed on the GEM of the Stock Exchange until 14 September 2020) since 30 November 2009.

Mr. Chui had been an independent non-executive director of Aurum Pacific (China) Group Limited (Stock Code: 8148) from 17 March 2010 to 16 March 2016, an executive director of China Energy Development Holdings Limited (Stock Code: 228) from 5 October 2005 to 30 June 2016 and a non-executive director of DeTai New Energy Group Limited (Stock Code: 559) from 1 December 2015 to 19 March 2020.

Mr. Chui was an executive director of Ming Lam Holdings Limited (“**Ming Lam Hldgs**”) (Stock Code: 1106) from 17 July 2019 to 14 August 2020. Mr. Chui was informed that Ming Lam Hldgs was ordered to be wound up by the High Court of Hong Kong on 31 August 2020.

Mr. Chui was a non-executive director of Hsin Chong Group Holdings Limited (“**HCGH**”) (stock code: 404) from 23 May 2015 to 29 March 2019 whose securities were listed on the main board of the Stock Exchange until 31 December 2019. HCGH was wound up by an order of the Supreme Court of Bermuda dated 20 January 2020. On 11 April 2022, the Listing Committee of the Stock Exchange issued a statement to, among other things, publicly criticize certain former members of the board of HCGH including Mr. Chui that, they breached their duties of skill, care and diligence under Rule 3.08(f) and their Declaration and Undertaking with regard to Directors given to the Stock Exchange in the form set out in Appendix 5B to the Listing Rules to comply with the Listing Rules to the best of their ability and to use their best endeavours to procure the compliance with the Listing Rules by HCGH. For further details, please refer to the regulatory announcement issued by the Stock Exchange on the website of the Stock Exchange on 11 April 2022 (https://www.hkex.com.hk/News/Regulatory-Announcements/2022/220411news?sc_lang=en) and the Company's announcement dated 19 April 2022.

Save as stated herein, as at the Latest Practicable Date, Mr. Chui (i) had not previously held and was not holding any other positions with the Group; (ii) did not hold any other directorships in any listed public companies in the last three years or other major appointments and qualifications; (iii) did not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Chui entered into a director's service contract with the Company, pursuant to which the appointment of Mr. Chui as a non-executive Director is for an initial term of 3 years commencing from 1 May 2019, which will be automatically renewed for successive one-year periods, subject to termination by either party giving subject to retirement and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Chui is entitled to an annual emolument of HK\$120,000 which was determined by the Board upon the recommendation of the Remuneration Committee with reference to his duties and responsibilities and the prevailing market conditions.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Save as disclosed above, the Board is not aware of any other matters in relation to the re-election of Mr. Chui that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTOR

3. Mr. Wang Zhe (王喆)

Mr. Wang Zhe (“**Mr. Wang**”), aged 62, has been appointed as an independent non-executive Director with effect from 14 August 2017. He graduated from Southwestern University of Finance and Economic with a master’s degree in business administration. He is an economist and currently the secretary general for Association of Shanghai Internet Financial Industry, the vice chairman for Shanghai Financial Association, an independent director of Shanghai Pudong Development Bank Co., Ltd. (a company whose shares are listed on the Shanghai Stock Exchange with stock code: 600000) and external supervisor of China Everbright Bank Company Limited (stock code: 6818). Since September 1985, Mr. Wang has served as the deputy section chief for the General Office of the People’s Bank of China, manager and general manager for the Shenzhen Branch of China Gold Coin Incorporation, vice president for the Shenzhen Branch of China CITIC Bank, deputy general manager for China Gold Coin Incorporation, general manager, director-general and party secretary for Shanghai Gold Exchange and party secretary for China Foreign Exchange Trading System.

Save as stated herein, as at the Latest Practicable Date, Mr. Wang (i) had not previously held and was not holding any other positions with the Group; (ii) did not hold any other directorships in any listed public companies in the last three years or other major appointments and qualifications; (iii) did not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Wang entered into a letter of appointment with the Company, pursuant to which, the appointment of Mr. Wang as independent non-executive Director is for an initial term of 3 years commencing from 14 August 2017 which will be automatically renewed for successive one-year periods, subject to termination by either party giving subject to retirement and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Wang is entitled to an annual emolument of HK\$120,000 which was determined by the Board upon the recommendation of the Remuneration Committee with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed above, the Board is not aware of any other matters in relation to the re-election of Mr. Wang that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The following is a summary of the principal terms of the Share Scheme to be approved and adopted by ordinary resolution at the 2023 AGM, but such summary does not form part of, nor was it intended to be, part of the Share Scheme, nor should it be taken as affecting the interpretation of the rules of the Share Scheme:

1. PURPOSE

The purpose of the Share Scheme is to provide incentive to the Eligible Participants in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

2. ADMINISTRATION OF THE SHARE SCHEME

The Share Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the Share Scheme or its interpretation or application or effect shall (save as otherwise provided in the Share Scheme and in the absence of manifest error) be final and binding. For the avoidance of doubt, subject to compliance with the requirements of the Listing Rules and the provisions of the Share Scheme, the Board shall have the right to (i) interpret and construe the provisions of the Share Scheme; (ii) determine the persons who will be offered Awards under the Share Scheme, and the number of Shares and the Exercise Price or Issue Price in relation to such Awards; (iii) make such appropriate and equitable adjustments to the terms of Awards granted under the Share Scheme as it may deem necessary; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Share Scheme.

Subject to compliance with the Listing Rules, the authority to administer the Share Scheme may be delegated by the Board to a committee of the Board or to any other person(s) deemed appropriate at the sole discretion of the Board.

The Company may establish one or more trusts (“**Trust(s)**”) which will be independent of the Company and appoint one or more trustee(s) to hold Shares for the purposes of: (i) holding Award Shares allotted and issued by the Company and reserved for specified Eligible Participants; (ii) settling Awards; and (iii) taking other actions for the purposes of administering and implementing the Share Scheme. The trustee of the Trust shall be instructed by the Company.

The trustee of the Trust holding unvested Award Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders’ approval under the Listing Rules.

3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY

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

In determining the basis of eligibility for Employee Participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include: (1) the performance of the Employee Participant; (2) the skill, knowledge, experience, expertise and other personal qualities of the Employee Participant, (3) time commitment, responsibilities or employment conditions of the Employee Participant according to the prevailing market practice and industry standard; (4) the length of employment with the Group; and (5) the contribution or potential contribution of the Employee Participant to the development and growth of the Group.

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

- (a) the actual degree of involvement of the Related Entity Participant in and/or cooperation with the Group and length of collaborative relationship such Related Entity Participant has established with the Group;
- (b) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group;
- (c) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialized into further business relationships;
- (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share;
- (e) the amount of support, assistance, guidance, advice, efforts and contributions which the Related Entity Participant has exerted and given towards the success of the Group or the Related Entity Participant which is likely to be able to give or make towards the success of the Group in the future; and
- (f) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.

4. OFFER AND ACCEPTANCE

Subject to and in accordance with the provisions of the Share Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period commencing on the Adoption Date and ending on the Termination Date (both dates inclusive), to make an Offer to such Eligible Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit, provided that no such Offer shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or any of the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine specifying the terms of the Award which may include number of Award Shares, the Issue Price or Exercise Price (as applicable), the vesting criteria and conditions, the Exercise Period, and if any, minimum performance targets that must be achieved and the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants, and any such other details as the Company may consider necessary, and requiring the Grantee to undertake to hold the Award on the terms of the offer letter and be bound by the provisions of the Share Scheme. An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including the Eligible Participant's personal representative) for a period of twenty-one (21) days from the date of the offer. For the avoidance of doubt, the Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award, including conditions and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the Award Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 or such other amount (if any) as may be determined by the Board as consideration for the grant thereof, is received by the Company.

Any Offer may be accepted by an Eligible Participant in respect of less than the number of Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. The relevant Award Shares offered but not accepted shall lapse.

5. VESTING PERIOD

Save for the circumstances prescribed below and in paragraph 19(a), an Award must be held by the Grantee for a period that is not shorter than the Minimum Period before the Award can be exercised.

The Board may at its absolute discretion grant Awards to Employee Participants only with a vesting period shorter than the Minimum Period in the following specific circumstances:

- (1) grants of "make-whole" Awards to new joiners to replace the award shares they forfeited when leaving the previous employers;
- (2) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (3) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;

- (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria,

each of which are considered appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (1) and (4)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (2) and (3)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (4)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (5)); and (e) in exceptional circumstances where justified (sub-paragraphs (1) to (5)), which is consistent with the purpose of the Share Scheme.

6. EXERCISE PRICE AND ISSUE PRICE AND EXERCISE OF AWARDS

- (a) The Exercise Price shall, subject to any adjustment made pursuant to the terms of the Share Scheme, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:
 - (1) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day;
 - (2) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the offer date; and
 - (3) the nominal value of the Share on the offer date.
- (b) The Issue Price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the offer letter. For the avoidance of doubt, the Board may determine the Issue Price to be nil.
- (c) Where an Award is to be granted under paragraph 8 or paragraph 9, for the purposes of the paragraph (a)(1) and paragraph (a)(2) above, the date of the meeting of the Board (or its authorized committee for the administration of the Share Scheme) or the Remuneration Committee (as the case may be) at which the Offer was proposed shall be taken to be the offer date for the relevant Award, and the provisions as set above shall apply *mutatis mutandis*.
- (d) Subject to the terms of the Share Scheme and the fulfillment of all terms and conditions as set out in the Offer, including the attainment of any performance targets stated therein (if any), an Award shall be exercisable in whole or in part by the Grantee (or, in the case of death of the Grantee, by the Grantee's personal representative) giving notice in writing to the Company stating that the Award is thereby exercised and the number of Award Shares in respect of which it is so exercised.

- (i) Each of such notice must be accompanied by a remittance for the full amount of the Exercise Price or the Issue Price (as applicable) for the Award Shares in respect of which the notice is given.
- (ii) Within twenty-one (21) days (or such longer period if the Company in its sole discretion considers it appropriate due to applicable legal or regulatory restrictions) after receipt of the notice and the remittance, the Company shall, at its discretion, arrange for the Exercised Award Shares to be satisfied in the following methods:
 - (aa) allot and issue the relevant number of Shares to the Grantee (or, the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and instruct the share registrar to issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate for the Shares so allotted and issued;
 - (bb) arrange for the Exercised Award Shares to be transferred to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate in respect of the Shares so transferred;
 - (cc) pay to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee (or the Grantee's personal representative), the Actual Selling Price from on-market sale of the Exercised Award Shares through the facilities of the Stock Exchange at prevailing market prices; and
 - (dd) arrange for Exercised Award Shares to be issued or designated as vested shares held for the economic benefit of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative), following which, the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) shall be entitled to future dividends paid or payable on the Exercised Award Shares and the Grantee (or the Grantee's personal representative) will have a one-time option to request the Company to cause payment to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee, the difference in the prevailing market prices of the Exercised Award Shares between the vesting date and the date that the Grantee notifies the Company of exercising the one-time option.

7. SCHEME LIMITS AND ADDITIONAL APPROVALS**The Scheme Mandate Limit**

- (1) The total number of Shares which may be issued in respect of all Awards which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of the Company shall not exceed such number of Shares as equals 10% of the Shares in issue as at the Adoption Date, being 135,800,000 Shares (the “**Scheme Mandate Limit**”). Awards lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- (2) If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share.

Refreshment

- (3) (a) The Company may seek approval of the Shareholders in a general meeting of the Company to refresh the Scheme Mandate Limit under the Share Scheme on or after the third (3rd) anniversary of the date of the Shareholders’ approval for the last refreshment or the Adoption Date. The total number of Shares which may be issued upon exercise of all (i) the Awards under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company as “refreshed” must not exceed 10% of the Shares in issue as at the date of approval of the refreshment. For the purpose of seeking approval of the Shareholders under this paragraph (3), the Company must send a circular to the Shareholders containing the information required under the Listing Rules; and
- (b) any refreshment within any three (3)-year period shall be subject to independent Shareholders’ approval pursuant to Rule 17.03C(1)(b) and (c) of the Listing Rules.

Grant in excess of the Scheme Mandate Limit

- (4) The Company may seek separate approval of the Shareholders in a general meeting of the Company for granting Awards exceeding the Scheme Mandate Limit provided that the Awards in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. For the purpose of seeking approval of the Shareholders under this paragraph (4), the Company must send a circular to the Shareholders containing a generic description of the specified Eligible Participants who may be granted such Awards, the number and terms of the Awards to be granted, the purpose of granting Awards to the specified Eligible Participants with an explanation as to how the terms

of the Awards serve such purpose, and such other information as required under the Listing Rules. The number and terms (including the Exercise Price or the Issue Price) of the Awards to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

8. GRANT OF AWARDS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES

- (1) Any grant of an Award to a Director, a chief executive of the Company or substantial shareholder (as defined under the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Award).
- (2)
 - (a) Where any grant of an Award to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the Shares in issue, or
 - (b) where any grant of Share Awards (i.e., excluding grant of Share Options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all awards granted (excluding any Awards lapsed in accordance with the terms of the relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue at the date of such grant,

such grant of Award must be approved by the Shareholders in a general meeting of the Company.

- (3) The Company must send a circular to the Shareholders. The circular must contain such information required by the Listing Rules.
- (4) The Grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour of the proposed grant at the general meeting of the Company pursuant to the Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders.
- (5) Any vote taken at the general meeting of the Company to approve the grant of such Award must be taken on a poll and comply with the requirements under the Listing Rules.

- (6) Any change in the terms of Awards granted to an Eligible Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the Shareholders in the manner as set out in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the existing terms of the Share Scheme).
- (7) Applications shall be made by the Company to the Listing Committee of the Stock Exchange for the listing of and the permission to deal in any Shares that may fall to be allotted and issued under the Share Scheme.

9. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of an Award to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue, such grant must be separately approved by the Shareholders in a general meeting of the Company with such Eligible Participant and the person's close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards to be granted (and Awards previously granted to such Eligible Participant during the twelve(12)-month period), the purpose of granting the Awards to the Eligible Participant, an explanation as to how the terms of the Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price or Issue Price) of the Award to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of the meeting of the Board for proposing such grant should be taken as the offer date for the purpose of calculating the Exercise Price.

10. TIME OF EXERCISE OF OPTIONS

Subject to the terms of the Share Scheme, an Award may be exercised in whole or in part at any time during the period stipulated in the Offer, provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the offer date with respect of the relevant Award.

11. PERFORMANCE TARGET(S) AND CLAWBACK MECHANISM

The Board may at its discretion determine and provide in the offer letter at the grant of the relevant Award any performance target(s) as the Board may then specify which must be achieved by the Grantee before any of the Awards can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

Specifically, if performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate,

sales performance (e.g. revenue), operating performance (e.g. operation efficiency) and financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group, as well as corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture) and personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee, the satisfaction of which shall be assessed and determined by the Board at its discretion.

Generally, the Company will also utilize its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

On the other hand, if the clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, if a Grantee's employment has been terminated summarily, or has been convicted of any criminal offence involving his or her integrity or honesty, or has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements), any outstanding Share Awards not yet vested shall be immediately forfeited, unless the Board determines otherwise at its discretion.

12. RESTRICTIONS ON THE TIME OF OFFER

No Offer may be made:

- (1) after inside information (having the meaning defined in the SFO) has come to the knowledge of the Company until (and including) the Business Day after it has been announced pursuant to the requirements of the Listing Rules; and
- (2) during the period commencing from one (1) month immediately preceding the earlier of:
 - (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcements (or during any period of delay in publishing results announcements); and

- (3) at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules).

13. RIGHTS ARE PERSONAL TO GRANTEEES

Subject to the rules in the Share Scheme, an Award shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Award or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Award or any part thereof granted to such Grantee to the extent not already exercised.

The Stock Exchange may consider granting a waiver to allow a transfer of an Award to a vehicle (such as trust or private company) for the benefit of the Grantee and any family members of such Grantee that would continue to meet purpose of the Share Scheme and comply with the requirements of the Listing Rules.

14. RIGHTS ON CESSATION OF EMPLOYMENT OR DIRECTORSHIP

In the event that the Grantee ceases to be an Eligible Participant by reason of termination of his employment with any member of the Group on any one or more of the following grounds:

- (1) that the Grantee has been guilty of serious misconduct;
- (2) that the Grantee has been convicted of any criminal offence involving the person's integrity or honesty or in relation to any member of the Group (if so determined by the Board);
- (3) that the Grantee has become insolvent, bankrupt or has made arrangements or compositions with the Grantee's creditors generally; or
- (4) on any other ground as determined by the Board that would warrant the termination of the Grantee's employment at common law or pursuant to any applicable laws or under the Grantee's service contract with any member of the Group,

before exercising the Award in full, the Grantee's Award (to the extent not already exercised) shall automatically lapse and shall not be exercisable on the date of cessation, or such longer period as the Board may determine.

In the event that the Grantee, by reason of the Grantee's employment with any member of the Group, ceases to be an Eligible Participant by reason of retirement as an employee in accordance with the Grantee's contract of employment, or the termination of the Grantee's employment with the Company provided that none of the events which would be a ground for termination of the Grantee's employment or directorship set out in the paragraph above arises, before exercising the Award in full, the Grantee may exercise the Award (to the extent vested but not already exercised) in whole or in part within (a) three (3) months in the case of

voluntary termination by the Grantee, or (b) six (6) months in the case of termination by reason of retirement, following the date of such cessation, or such longer period as the Board may determine and such Award to the extent not so exercised shall lapse at the end of the abovementioned period.

15. RIGHTS ON DEATH

In the event that the Grantee ceases to be an Eligible Participant by reason of the person's death before exercising the Award in full (and if the Grantee is an Employee Participant, provided that none of the events which would be a ground for termination of the person's employment or directorship under paragraph 14 above arises):

- (a) in the case of Share Options, the Grantee's personal representative may exercise the Share Options (to the extent vested but not already exercised) in whole or in part in accordance with the provisions of paragraph 6 within one hundred and eighty (180) days following the date of death, or such longer period as the Board may determine, and any Share Options not exercised shall lapse at the end of the abovementioned period;
- (b) in the case of Share Awards, any outstanding Share Awards not yet vested shall immediately lapse, and the Company shall deliver (i) such number of vested but not yet delivered Award Shares or (ii) such amount which is equal to the Actual Selling Price less any Issue Price (as applicable) (hereinafter referred to as "Benefits") of such Share Awards at its discretion to the Grantee's estate within two (2) years following the date of death, or such other period as the Board may determine, or if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall lapse.

16. RIGHTS ON INJURY, DISABILITY OR ILL-HEALTH

In the event that the Grantee, by reason of the Grantee's employment with any member of the Group, ceases to be an Eligible Participant by reason of injury, disability or ill-health before exercising the Award in full, the Grantee may exercise the Award (to the extent vested but not already exercised) in whole or in part in accordance with the terms of the Share Scheme within six (6) months following the date of such cessation, or such longer period as the Board may determine and to the extent such Award not so exercised shall lapse at the end of the abovementioned period.

17. RELATED ENTITY PARTICIPANT

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

- (1) in the case of the Grantee who is a Related Entity Participant, that he/she ceases to be associated with the Related Entity as a result of resignation, termination, dismissal or retirement;
- (2) that there has been a breach of contract entered into between the Grantee and any member of the Group;

- (3) that the Grantee's engagement or appointment has been terminated in the sole and absolute opinion of the Board;
- (4) that the Board, in its sole and absolute opinion, believes that the Grantee is no longer contributing to the development or success of the Group, or has become a competitor of any member of the Group;
- (5) that the Grantee has become bankrupt or insolvent or made any arrangement or composition with his creditors generally;
- (6) that the Grantee has committed any serious misconduct, or
- (7) that the Grantee has been convicted of any criminal offence (other than an offence which, in the sole and absolute opinion of the Board, does not bring the Grantee or any member the Group into disrepute),

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

18. RIGHTS ON CESSATION FOR OTHER REASONS

In the event that the Grantee ceases to be an Eligible Participant for any reason other than the reasons specified in paragraph 14 to paragraph 17 above, the Grantee's Award (to the extent vested but not already exercised) shall lapse and shall not be exercisable on the date of cessation provided that in each case, the Board may, in its absolute discretion, decide that such Award or any part thereof shall not so lapse or determine such conditions or limitations to which the exercise of such Award will be subject to.

19. RIGHTS ON A CORPORATE TRANSACTION

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

20. CANCELLATION OF AWARDS

Subject to the terms of the Share Scheme, the Board may cancel any Award granted but unexercised (and whether or not vested) on such terms and conditions and with the consent of the relevant Grantee, as the Board may in its absolute discretion see fit and in a manner that complies with all applicable legal requirements for such cancellation. Where the Company cancels any outstanding Awards (whether or not vested) and makes a new grant to the same Grantee, such new grant may only be made under the Share

Scheme with the available limit approved by the Shareholders as set out in paragraph 7 above. The Awards cancelled (whether or not vested) will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

21. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Award remains exercisable or whilst the Share Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), then, in respect of any such adjustments (other than any made on a capitalisation issue) the Company shall instruct the auditors or independent financial adviser to certify in writing to the Board the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (1) the number or nominal amount of Shares to which the Share Scheme or any Awards relates (insofar as it is/they are unexercised); and/or
- (2) the Exercise Price or Issue Price of any unexercised Award,

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

- (a) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- (b) any such adjustment shall be made on the basis that a Grantee shall be given the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe had the person exercised all the Awards held by him immediately prior to such event (as interpreted in accordance with FAQ No. 072-2020 or any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time);
- (c) the issue of securities of the Company for cash or as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (d) in respect of any such adjustments, the auditors or the independent financial adviser must confirm to the Board in writing that the adjustments satisfy the requirements set out in the above, the requirements of Rule 17.03(13) of the Listing Rules, FAQ 072-2020, any relevant provisions of the Listing Rules and any guidance/interpretation of the Listing Rules issued by the Stock Exchange and the note thereto from time to time.

Subject to the above principles and certification procedures, and any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time, the default method of adjustment is set out below:

- (1) In the case of a capitalisation issue or rights issue, the Company would calculate the adjusted number of Awards and adjusted exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section A(a) and A(b), respectively, of the “APPENDIX TO SUPPLEMENTARY GUIDANCE ON MAIN BOARD LISTING RULE 17.03(13)” (the “**Supplemental Guidance**”) to FAQ No. 072-2020 published by the Stock Exchange, set out below:

New number of Awards = Existing Awards x F

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

Where

F = CUM / TEEP

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

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

M = Entitlement per existing

Share R = Subscription price

- (2) In the case of a consolidation, subdivision or reduction of share capital, the Company would calculate the adjusted number of Awards and exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section B of the Supplemental Guidance, set out below:

New number of Awards = Existing Awards x F

$$\text{New exercise price} = \text{Existing exercise price} \times \frac{1}{F}$$

Where F = Subdivision or consolidation or reduction factor

Any dispute arising in connection with the number of Shares of an Award and any of the matters referred to this section shall be referred to the decision of the Company's auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final, conclusive and binding on all persons who may be affected thereby.

22. RANKING OF SHARES

Awards do not carry any right to vote at any general meeting of the Company, nor any right to dividends, transfer or other rights, including those arising on the liquidation of the Company. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Shares underlying an Award are issued and delivered to the Grantee pursuant to the vesting and exercise of such Award.

Shares allotted and issued upon the exercise of an Award will be subject to all the provisions of the Articles and will rank *pari passu* in all respects with the other existing Shares in issue on the date of allotment and issue of the relevant Shares (the "**Allotment Date**") other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. The Shares allotted and issued upon the exercise of an Award shall not carry any right of a Shareholder (including voting rights) until registration of the Grantee as the holder thereof on the register of members of the Company.

23. DURATION OF THE SHARE SCHEME

The Share Scheme shall be valid and effective until the Termination Date, after which period no further Awards will be granted but the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any Awards granted on or prior to the Termination Date or otherwise as may be required in accordance with the provisions of the Share Scheme.

24. ALTERATIONS TO THE TERMS OF THE SHARE SCHEME

The Share Scheme may be altered in any respect by a resolution of the Board provided

that:

- (1) any alteration to the terms and conditions of the Share Scheme which is of a material nature or any alteration in relation to any matter contained in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders in a general meeting of the Company;
- (2) any change to the terms of Awards granted to a Grantee must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) (except any changes which take effect automatically under the terms of the Share Scheme);

- (3) any change to the authority of the Directors or the administrator of the Share Scheme to alter the terms of the Share Scheme must be approved by the Shareholders of the Company in a general meeting of the Company;
- (4) the amended terms of the Share Scheme or the Awards shall remain in compliance with Chapter 17 of the Listing Rules; and
- (5) no such alteration shall operate to affect adversely the terms of issue of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the memorandum of association of the Company and the articles being for a variation of the rights attached to Shares.

25. CONDITION OF THE SHARE SCHEME

The Share Scheme is conditional upon the passing of the necessary ordinary resolution at a general meeting of the Company approving the adoption of the Share Scheme.

26. LAPSE OF AWARDS

An Award shall lapse automatically (to the extent vested but not already exercised) on the earliest of:

- (a) subject to paragraph 14 to paragraph 19, expiry of the Exercise Period;
- (b) the date on which the Grantee commits a breach of paragraph 13;
- (c) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraph 14 to paragraph 19; and
- (d) the date of the commencement of the winding-up of the Company.

27. TERMINATION

The Company by an ordinary resolution in a general meeting of the Company may at any time terminate the operation of the Share Scheme. In such event, no further Awards will be offered but in all other respects, the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Scheme and the Awards granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Scheme.

28. MISCELLANEOUS

The Company will bear the costs of establishing and administering the Share Scheme.

The terms of the Share Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

NOTICE OF 2023 AGM



Boill Healthcare Holdings Limited

保集健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1246)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the “**Meeting**”) of Boill Healthcare Holdings Limited (the “**Company**”) will be held at 9/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong on Wednesday, 27 September 2023 at 11:00 a.m., to consider and, if thought fit, to pass with or without amendments, the following:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors (the “**Directors**”, each a “**Director**”) and the independent auditor of the Company for the year ended 31 March 2023.
2. To re-elect Mr. Zhang Sheng Hai as an executive Director.
3. To re-elect Mr. Chui Kwong Kau as a non-executive Director.
4. To re-elect Mr. Wang Zhe as an independent non-executive Director.
5. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
6. To re-appoint BDO Limited as the independent auditor of the Company and to authorise the Board to fix their remuneration.
7. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of HK\$0.25 each in the share capital of the Company (the “**Share(s)**”) or securities convertible into such Shares or options, warrants, or similar right to subscribe for any Shares or convertible securities of the Company and to make or grant offers, agreements and options (including but not limited

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to bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such powers subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such powers (including but not limited to the power to allot, issue or otherwise deal with the additional Shares in the capital of the Company) during or after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any options granted under any 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 and/or any eligible persons thereunder of Shares or rights to subscribe for Shares in the capital of the Company; (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend pursuant to the articles of association of the Company (the “**Articles of Association**”) from time to time; or (iv) an issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20% of the total number of issued Shares 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 passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Board to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or

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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).”

8. **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back Shares in the share capital of the Company listed on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Listing Rules as amended from time to time or of any other 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 buy back its shares at a price determined by the Directors;
- (c) the aggregate number of Shares bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of issued Shares as at the time of the passing of 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 passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting.”

9. **“THAT** conditional upon the passing of resolutions nos. 7 and 8 as set out in this notice convening the Meeting of which this resolution forms part (the **“Notice”**), the general mandate granted to the Directors pursuant to resolution no. 7 as set out in this Notice be and is hereby extended by the addition thereto the aggregate number of Shares bought back by the Company

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under the authority granted pursuant to resolution no. 8 as set out in this Notice, provided that such number of Shares shall not exceed 10% of the total number of issued Shares as at the date of passing this resolution.”

10. **“THAT:**

- (1) the rules of the new share scheme of the Company (the **“Share Scheme”**) (a copy of which is tabled at the meeting and marked **“A”** and initialled by the chairman of the meeting for identification purpose) be and are hereby approved and adopted, and the Directors be and are hereby authorised, (i) to grant share options and share awards in accordance with the rules of the Share Scheme; (ii) to allot, issue, and deal with from time to time such number of award shares as may be required to be issued pursuant to the exercise of the awards under the Share Scheme; (iii) to administer the Share Scheme; (iv) to modify and/or amend the Share Scheme from time to time provided that such modification or amendment is effected in accordance with the terms of the Share Scheme and subject to the Listing Rules; and (v) to do such acts and things and enter into such transactions, arrangements and agreements as the Directors may in their sole discretion consider necessary, desirable or expedient in order to give full effect to and implement the Share Scheme;
- (2) the total number of Shares which may be issued in respect of all options and awards to be granted under the Share Scheme and any other share schemes of the Company as may from time to time be adopted by the Company shall not exceed such number of Shares as equals 10 per cent. of the Shares in issue as at the date of passing of this resolution; and
- (3) conditional upon the Share Scheme becoming effective, the existing share option scheme of the Company adopted on 22 September 2013 (the **“Existing Share Option Scheme”**) be and is hereby terminated with effect from the adoption of the Share Scheme (without prejudice to the rights and benefits of and attached to any outstanding options which have been granted under the Existing Share Option Scheme prior to the date of the passing of this resolution).”

By order of the Board
Boill Healthcare Holdings Limited
Qiu Dongfang
Executive Director and Chairman

Hong Kong, 28 July 2023

Notes:

1. A proxy form for use at the Meeting is enclosed.

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2. Any member of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more Shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
3. The proxy form shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised on its behalf.
4. Where there are joint registered holders of any Shares, any one of such persons may vote at the above Meeting or any adjournment thereof (as the case may be), either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above Meeting personally or by proxy, 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.
5. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company's branch registrar and transfer office in Hong Kong, 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 Meeting or any adjournment thereof (as the case may be).
6. No proxy form shall be valid after the expiration of 12 months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in a case where the meeting was originally held within 12 months from such date.
7. Delivery of the proxy form shall not preclude a shareholder from attending and voting in person at the Meeting and, in such event, the proxy form shall be deemed to be revoked.
8. In order to establish entitlements to attend and vote at the Meeting, the register of members of the Company will be closed from 21 September 2023 to 27 September 2023, both days inclusive, during which period no transfer of Shares will be registered. All transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for the registration no later than 4:30 p.m. on 20 September 2023. Shareholders whose names appear on the register of members of the Company on 27 September 2023 will be entitled to attend and vote at the Meeting.
9. In relation to the proposed resolution no. 6 above, the Board concurs with the view of the audit committee of the Company and has recommended that BDO Limited be re-appointed as the independent auditor of the Company.
10. An explanatory statement as required by the Listing Rules in connection with the buy-back mandate under resolution no. 8 above is set out in Appendix I to the circular of the Company dated 28 July 2023.
11. Details of the retiring Directors proposed to be re-elected as Directors of the Company at the Meeting are set out in Appendix II to the circular of the Company dated 28 July 2023.
12. If tropical cyclone warning signal number 8 or above or "extreme conditions" caused by super typhoon, or a black rainstorm warning signal is in effect any time and remains in force 2 hours before the time of the Meeting, the Meeting will be postponed. The Company will publish an announcement on the website of the Company at <http://www.boillhealthcare.com.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk> to notify shareholders of the date, time and place of the rescheduled meeting.
13. As at the date of this notice, the Board comprises (i) three executive Directors, namely Mr. Qiu Dongfang, Mr. Zhang Sheng Hai and Ms. Yu Yixing; (ii) two non-executive Directors, namely Mr. Chui Kwong Kau and Mr. Qiu Bin; and (iii) three independent non-executive Directors, namely, Mr. Chan Chi Keung, Billy, Mr. Wang Zhe and Mr. Yi Baxian.