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Jinhai International Group Holdings Limited

今海國際集團控股有限公司

(Incorporated in the Cayman Islands with members' limited liability)

(Stock Code: 2225)

GRANT OF OPTIONS UNDER SHARE OPTION SCHEME

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

The Company wishes to announce that on 9 January 2024, the Board (except Mr. Wang who had abstained from voting in respect of the grant of Options to him) resolved to grant an aggregate of 129,250,000 Options to the Grantees in accordance with the terms of the Share Option Scheme, of which 71,087,500 Options were conditionally granted to Mr. Liu, 6,462,500 Options were granted to Mr. Wang and 51,700,000 Options were granted to nine other full-time employees of the Group, subject to acceptance. The Conditional Grant is subject to the approval by the Shareholders at the EGM.

Details of the Options granted or conditionally granted are set out below:

Date of Grant	:	9 January 2024
Number of Options Granted	:	129,250,000 Options (each Option shall entitle the Grantee to subscribe for one Share)
Exercise Price of Options Granted	:	HK\$2.54 per Share, which represents the highest of: (i) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days (as defined in the Listing Rules) immediately preceding the Date of Grant, being HK\$2.46; (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Date of Grant, being HK\$2.54; and (iii) the nominal value of HK\$0.01 per Share
Closing Price of Shares on Date of Grant	:	HK\$2.54 per Share
Exercise Period of Options	:	The Options shall be valid for 10 years from the Date of Grant and lapse at the expiry of such period.

Vesting Period of Options : The Options shall be vested and become exercisable in three tranches as set out in the table below (upon fulfilment of any additional vesting condition(s), such as performance target as specified in this announcement):

Tranche	Vesting Date	Percentage of Options to be vested
First	30 April 2025	20%
Second	30 April 2026	30%
Third	30 April 2027	50%

Performance Target : The vesting of each tranche of the Options to the Grantees above is subject to satisfaction of the performance targets for the full fiscal year immediately before the vesting date of each tranche to be determined by the Board based on the internal assessment system of the Group.

Since the Grantees are all full-time employees of the Group, the assessment will be based on the Grantee's overall performance, performance of the team or department that the Grantee belongs to and the performance of the Group.

Clawback Mechanism : As set out in the Share Option Scheme, the Options granted or conditionally granted are subject to, among others, (i) clawback mechanism at the discretion of the Board (and the Remuneration Committee, in the case of grant of Options to Directors and senior management of the Group) in the event of misconduct (such as: (a) any material misstatements or omissions in the Company's financial statements by a Grantee; (b) any violation by a Grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such Grantee of the Group's trade secrets, intellectual property or proprietary information; (c) any termination of employment contracts by a Grantee without notice or payment in lieu of notice; (d) any conviction of any criminal offence by a Grantee involving integrity or honesty; or (e) any conduct of a Grantee that has material adverse effect to the reputation or interests of the Group); and (ii) lapse of Options upon occurrence of certain events as stipulated in the Share Option Scheme, including but not limited to cessation of employment of the Grantees.

Financial Assistance : There is no arrangement for the Group to provide any financial assistance to the Grantees to facilitate the subscription of Shares under the Share Option Scheme.

All the Grantees are Directors or full-time employees of the Group as follows:

Name/class of Grantee	Position	Number of Options Granted or Conditionally Granted
Mr. Wang	Executive Director and chief executive officer of the Group	6,462,500
Mr. Liu	Director and general manager of Jinhai Medical and chief technical officer of the Group	71,087,500
Other nine full-time employees		<u>51,700,000</u>
Total		<u><u>129,250,000</u></u>

LISTING RULES IMPLICATION

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Options to Mr. Wang has been approved by the independent non-executive Directors. Mr. Wang had abstained from voting in respect of the grant of Options to him.

Pursuant to Rule 17.03D of the Listing Rules and the terms of the Share Option Scheme, if the grant of Options to a Grantee would result in the Shares in issue and to be issued in respect of all Options and awards granted to such Grantee by the Company during the 12-month period up to and including the date of such grant (excluding any Options and awards lapsed in accordance with the terms of the Share Option Scheme) in aggregate over 1% of the relevant class of Shares in issue (the “1% Individual Limit”), then the Company must convene a separate general meeting to seek Shareholders’ approval (at which the Grantee and its close associates, or in the case of the Grantee who is a connected person, its associates, must abstain from voting). As the total number of Shares to be issued upon exercise of the above Options proposed to be granted to Mr. Liu exceeds the 1% Individual Limit, the grant of the above Options to Mr. Liu must be subject to approval by the Shareholders at a general meeting pursuant to Rule 17.03D of the Listing Rules, where Mr. Liu and his respective associates shall abstain from voting on the relevant resolution(s) at the EGM pursuant to the Listing Rules.

A circular containing, among other things, (i) further details of the grant of the Options to Mr. Liu; and (ii) a notice of the EGM will be despatched to the Shareholders under the Listing Rules in due course.

Save as disclosed above, as at the date of this announcement, none of the Grantees is (i) a Director, chief executive or substantial shareholder of the Company, or an associate of any of the abovementioned; (ii) a participant whose Options granted and to be granted within any 12-month period under Rule 17.03D of the Listing Rules exceed the 1% Individual Limit; or (iii) a related entity participant, or a service provider whose Options granted and to be granted to him/her within any 12-month period is in excess of 0.1% of the issued Shares.

Subject to the approval by Shareholders at the EGM in respect of the proposed grant of Options to Mr. Liu, following the grant of the Options above, there will be no more Shares available for future grant under the current scheme mandate of the Share Option Scheme.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Jinhai International Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2225)
“Conditional Grant”	the conditional grant of the Options to Mr. Liu
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Date of Grant”	9 January 2024, being the date on which the grant of the Options is made to the Grantees
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving the Conditional Grant
“Grantee(s)”	Mr. Liu, Mr. Wang and nine other full-time employees of the Group
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinhai Medial”	Shanghai Jinhai Medical Technology Co., Ltd.* (上海今海醫療科技有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Mr. Liu”	Mr. Liu Lei (劉鏞), a director and general manager of Jinhai Medical and chief technical officer of the Group as at the date of this announcement

“Mr. Wang”	Mr. Wang Zhenfei (王振飛), an executive Director and chief executive officer of the Group as at the date of this announcement
“Option(s)”	right granted for the subscription of Share(s) pursuant to the Share Option Scheme
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Share Option Scheme”	the share option scheme adopted by the Company on 29 December 2023
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

* for identification purpose only

By Order of the Board
Jinhai International Group Holdings Limited
Chen Guobao
Chairman of the Board and executive Director

Hong Kong, 9 January 2024

As at the date of this announcement, the Board comprises eight Directors, of which three are executive Directors, namely Mr. Chen Guobao, Mr. Wang Zhenfei and Mr. Li Yunping; two are non-executive Directors, namely Mr. Wang Huasheng and Mr. Yu Mingyang; and three are independent non-executive Directors, namely Mr. Yan Jianjun, Mr. Fan Yimin and Ms. Yang Meihua.