

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

If you have sold or transferred all your shares in JBM (Healthcare) Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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JBM (Healthcare) Limited

健倍苗苗 (保健) 有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2161)

**(1) PROPOSED RE-ELECTION OF DIRECTORS
AND
(2) PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES AND
SELL TREASURY SHARES
AND
(3) PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of JBM (Healthcare) Limited to be held by way of virtual meeting via the Tricor e-Meeting System at <https://spot-emeeting.tricor.hk> on Tuesday, 6 August 2024 at 9:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar 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 Annual General Meeting (i.e. not later than 9:00 a.m. on Sunday, 4 August 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting via the Tricor e-Meeting System at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.jbmhealthcare.com.hk>).

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This circular is prepared in both English and Chinese.

In the event of inconsistency, the English text of this circular will prevail.

SPECIAL ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

The Annual General Meeting will be held by way of a virtual meeting and the Shareholders will not be able to attend the Annual General Meeting in person.

Shareholders wishing to attend and vote at the Annual General Meeting virtually via the Tricor e-Meeting System should follow the instructions by using the designated URL and the login details provided on the notification letter (the “**Notification Letter**”) to be sent together with this circular, on how to access the webcast. The Shareholders can view, listen and ask questions at the live webcast of the Annual General Meeting via electronic means. You will be able to access the live webcast at the start of the Annual General Meeting until its conclusion. Shareholders **MUST NOT** forward the URL and your login details to other persons who are not the Shareholders and who are not entitled to attend the Annual General Meeting.

Shareholders who wish to attend the Annual General Meeting and exercise their voting rights can be achieved in one of the following ways:

- (1) attend the Annual General Meeting electronically via the Tricor e-Meeting System which enables live streaming and interactive platform for submitting questions and voting online via mobile phone, tablets, or computer devices; or
- (2) appoint the chairman of the Annual General Meeting or other persons as your proxy by providing their email address for receiving the designated log-in username and password to attend and vote on your behalf via the Tricor e-Meeting System.

Your proxy’s authority and instruction will be revoked if you attend and vote at the Annual General Meeting or via the Tricor e-Meeting System.

If your proxy (except when the chairman of the Annual General Meeting is appointed as proxy) wishes to attend the Annual General Meeting and vote online, you must provide a valid email address on the proxy form for the necessary arrangements. If no email address is provided, your proxy cannot attend the Annual General Meeting and vote online. The email address provided will be used by the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, for providing the login details for attending and voting at the Annual General Meeting via the Tricor e-Meeting System. If your proxy has not received the login details by email by 4:00 p.m. on Monday, 5 August 2024, you should contact the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited by email to emeeting@hk.tricorglobal.com or via telephone hotline at +852 2975 0928 during business hours (9:00 a.m. to 5:00 p.m., Monday to Friday, excluding public holidays in Hong Kong) for the necessary arrangements. Shareholders can refer to the notice of the Meeting and the Online Meeting User Guide (by scanning the QR code as printed on the Notification Letter) in relation to attending the Meeting by electronic means.

Completion and return of the form of proxy will not preclude you from attending and voting in person or via the Tricor e-Meeting System at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy shall be deemed to be revoked.

SPECIAL ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the Annual General Meeting, vote and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements. You will be asked to provide your email address which will be used by the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, for providing the login details for attending the Annual General Meeting electronically in the Tricor e-Meeting System.

If you have any questions relating to the arrangement of the Annual General Meeting, please contact the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited by email to emeeting@hk.tricorglobal.com or via telephone hotline at +852 2975 0928 during business hours (9:00 a.m. to 5:00 p.m., Monday to Friday, excluding public holidays in Hong Kong) for assistance.

Shareholders are advised to check the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.jbmhealthcare.com.hk>) for, if any, the latest announcement and information relating to the Annual General Meeting.

DEFINITIONS

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

“Adoption Date”	6 August 2024, the date on which the Share Option Scheme is conditionally adopted by resolution of the Shareholders
“Allotment Date”	the date on which Shares are allotted to a Grantee pursuant to the exercise of an Option under the Share Option Scheme
“Annual General Meeting”	the annual general meeting of the Company to be held by way of virtual meeting via the Tricor e-Meeting System at https://spot-meeting.tricor.hk on Tuesday, 6 August 2024 at 9:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 43 to 50 of this circular, or any adjournment thereof
“Applicable Laws”	any applicable laws and regulations of Hong Kong or other relevant jurisdictions (including but not limited to the Listing Rules and the Takeovers Code)
“Articles of Association”	the articles of association of the Company currently in force
“associate”	shall have the meaning ascribed to it in the Listing Rules
“Audit Committee”	the audit committee of the Company
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors or a duly authorised committee thereof
“business day”	shall have the meaning ascribed to it in the Listing Rules
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Chairman”	the chairman of the Board

DEFINITIONS

“chief executive”	shall have the meaning ascribed to it in the Listing Rules
“close associate”	shall have the meaning ascribed to it in the Listing Rules
“Company”	JBM (Healthcare) Limited (健倍苗苗(保健)有限公司), an exempted company incorporated in the Cayman Islands on 7 January 2020 with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2161)
“connected person”	shall have the meaning ascribed to it in the Listing Rules
“core connected person”	shall have the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company for the time being
“Effective Date”	the date on which the conditions referred to in paragraph 2 in Appendix III to this circular are fulfilled
“Eligible Participant”	a person who is a Participant and is determined to be qualified for the Options by the Board at its absolute discretion
“Employee”	any employee employed by any member(s) of the Group from time to time (whether full time or part time), including persons who are granted Options under the Share Option Scheme as an inducement to enter into employment contracts with any of such companies
“Exercise Period”	in respect of any particular Option, the period (which shall not be more than ten (10) years from the Grant Date) to be notified by the Board to each Grantee which the Board may in its absolute discretion determine
“Grant Date”	in respect of any particular Option, the business day on which that Option is deemed to have been granted in accordance with the Share Option Scheme

DEFINITIONS

“Grantee”	any Eligible Participant who accepts an Offer pursuant to the terms and conditions of the Share Option Scheme or (where the context permits) the Personal Representative of that Eligible Participant (being an individual)
“Grounds for Termination”	in relation to a Grantee, that (i) the Grantee’s conduct has been such as to entitle the Company or its subsidiary (as the case may be) to terminate his/her employment (or, in the case of a director, remove him/her from office), whether or not such right to terminate has been exercised, or (ii) the Grantee is bankrupt, or (iii) the Grantee has been convicted of any criminal offence involving his/her integrity or honesty
“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 People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue and/or deal with (including any sale or transfer of treasury shares out of treasury) additional Shares of not exceeding 20% of the total number of issued shares (excluding any treasury shares) of the Company as at the date of passing of the proposed ordinary resolution contained in item 10 of the notice of the Annual General Meeting
“Jacobson Pharma”	Jacobson Pharma Corporation Limited (雅各臣科研製藥有限公司), a company with limited liability incorporated under the laws of the Cayman Islands, the shares of which are listed on the Main Board (stock code: 2633)
“Jacobson Pharma Group”	Jacobson Pharma and its subsidiaries
“Latest Practicable Date”	5 July 2024, being the latest practicable date prior to the despatch of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Main Board”	Main Board of the Stock Exchange
“Model Code”	Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Nomination Committee”	the nomination committee of the Company
“Offer”	an offer of the grant of an Option by the Company to an Eligible Participant pursuant to the terms and conditions of the Share Option Scheme
“Offer Letter”	a document containing an Offer to an Eligible Participant pursuant to the terms and conditions of the Share Option Scheme
“Options”	a right to subscribe for Shares granted pursuant to the terms and conditions of the Share Option Scheme
“Other Schemes”	schemes involving the grant of awards or options over Shares of the Company, other than the Share Option Scheme
“Participant”	any director or any Employee of the Company or of any of its subsidiaries from time to time
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise any Option granted to such Grantee (to the extent not already exercised)
“Remuneration Committee”	the remuneration committee of the Company
“Scheme Mandate Limit”	the maximum number of Shares which may be issued in respect of all options and awards to be granted pursuant to the Share Option Scheme and any Other Schemes (if any) in aggregate, being 10% of the Shares in issue as at the Adoption Date (excluding any Treasury Shares)

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or modified from time to time
“Share(s)”	ordinary share(s) of the Company with nominal value of HK\$0.01 each or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Option Scheme”	the Share Option Scheme which is proposed to be adopted by the Company at the Annual General Meeting, the principal terms of which are set out in Appendix III to this circular
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company (excluding any Treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting
“Shareholder(s)”	registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	shall have the meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“Treasury Shares”	Shares repurchased and held by the Company in treasury, as authorised by the laws of the Cayman Islands and the articles of association of the Company which, for the purpose of the Listing Rules, include Shares repurchased by the Company and held or deposited in CCASS for sale on the Stock Exchange
“%”	per cent

LETTER FROM THE BOARD



JBM (Healthcare) Limited

健倍苗苗 (保健) 有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2161)

Executive Directors:

Mr. Wong Yat Wai, Patrick

(also as Chief Executive Officer)

Dr. Cheng Celine Heung Kwan

Non-executive Directors:

Mr. Sum Kwong Yip, Derek

(also as Chairman)

Mr. Yim Chun Leung

Mr. Yeung Kwok Chun, Harry

Independent Non-executive Directors:

Mr. Chan Kam Chiu, Simon

Mr. Luk Ting Lung, Alan

Mr. Lau Shut Lee, Tony

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Corporate Headquarters and

Principal Place of Business in

Hong Kong:

Units 808-811, 8th Floor

C-Bons International Centre

108 Wai Yip Street, Kwun Tong

Kowloon, Hong Kong

11 July 2024

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED RE-ELECTION OF DIRECTORS
AND
(2) PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES AND
SELL TREASURY SHARES
AND
(3) PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 6 August 2024.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. Wong Yat Wai, Patrick and Dr. Cheng Celine Heung Kwan as executive Directors; Mr. Sum Kwong Yip, Derek, Mr. Yim Chun Leung and Mr. Yeung Kwok Chun, Harry as non-executive Directors and Mr. Chan Kam Chiu, Simon, Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony as independent non-executive Directors.

In accordance with Articles 84.(1) and 84.(2) of the Articles of Association, Mr. Wong Yat Wai, Patrick, Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony shall retire at the Annual General Meeting. In accordance with Article 83.(3) of the Articles of Association, Dr. Cheng Celine Heung Kwan who has been appointed by the Board on 9 March 2024 shall hold office until the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

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 the above-mentioned Directors with reference to the nomination principles and criteria set out in the Company's board diversity policy, director nomination policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee of the Company has recommended to the Board on re-election of all the above-mentioned Directors, who are due to retire at the Annual General Meeting.

On the re-appointment of Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony as independent non-executive Directors, the Nomination Committee considered, and the Board shared the same views, that at all times during his period of directorship with the Company, Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony have properly discharge his duties and responsibilities as an independent non-executive Director and has made positive contribution to the development to the Company through independent, constructive and informed comments and participation at the business and other affairs relating to the Group. In addition, the Company received a confirmation of independence pursuant to Rule 3.13 of the Listing rules from each of the independent non-executive Directors. In this regard, the Board is satisfied that Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony are the person of integrity and stature and believes that their re-election and continued appointment will allow the Board as well as the Company to continuously benefit from the sharing of their invaluable experience, contribution and participation.

Details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 1 August 2023, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company (excluding any Treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting (i.e. a total of 83,381,000 Shares on the basis that no further Shares are issued or repurchased before the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

With effect from 11 June 2024, the Listing Rules have been amended to remove the requirement to cancel repurchased shares and to adopt a framework to govern the resale of Treasury Shares. In view of the changes to the Listing Rules, if the Company purchases any Shares pursuant to the Share Repurchase Mandate, the Company will either (i) cancel the Shares repurchased and/or (ii) hold such Shares in treasury, subject to market conditions and the Company's capital management needs at the relevant time any repurchases of Shares are made. If the Company holds any Shares in treasury, any sale or transfer of Shares in treasury will be subject to the ordinary resolution in item 9 of the notice of Annual General Meeting and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES AND SELL TREASURY SHARES

At the annual general meeting of the Company held on 1 August 2023, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares (including any sale or transfer of Treasury Shares out of treasury) of not exceeding 20% of the total number of issued Shares of the Company (excluding any Treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 10 of the notice of the Annual General Meeting (i.e. a total of 166,762,000 Shares on the basis that no further Shares are issued or repurchased before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED ADOPTION OF SHARE OPTION SCHEME

The Company has adopted a share award scheme on 18 January 2021 (which is amended on 21 September 2023). Such scheme is funded by existing Shares of the Company only. The Company intends to adopt the Share Option Scheme to provide more flexibility to the Company to grant appropriate awards to the Participants to attract suitable personnel for further development of the Group and reward their contribution to the Group.

Purpose

The purpose of the Share Option Scheme is (a) to recognise and reward the contribution of the Participants for the growth and development of the Group and to provide them with incentives in order to retain them for the continual operation, development and long-term growth of the Group; and (b) to attract suitable personnel for further development of the Group.

Scheme Mandate Limit

As at the Latest Practicable Date, there were 833,810,000 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit will be 83,381,000 Shares, which represents 10% of the total number of Shares in issue on the Adoption Date (excluding Treasury Shares).

LETTER FROM THE BOARD

Eligible Participants

Eligible Participants of the Share Option Scheme include any director or any Employee of the Company or any of its subsidiaries from time to time and are determined to be qualified for the Options by the Board at its absolute discretion.

When determining eligibility of a Participant, careful consideration on various criteria will be made in assessing his/her contribution to the long term growth of the Group so as to serve the purpose of the Share Option Scheme, including, among others, the seniority, position, expertise, professional qualification, performance, time commitment, responsibilities and length of service of the person with the Group.

As at the Latest Practicable Date, the Company has not formulated any plan or intention to grant any Option to the independent non-executive Directors under the Share Option Scheme. However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of Shareholders and all Board members, including the independent non-executive Directors; (ii) it is common to include independent non-executive Directors as eligible persons of share option schemes among public companies; and (iii) independent non-executive Directors may provide crucial contributions to the Group's development and business in providing valuable insight and advices to the Company with their deep industry knowledge and professional background, as well as their vital role in maintaining a sound corporate governance framework and supervising the internal control system within the Group, the Board believes the inclusion of independent non-executive Directors as Eligible Participants and the flexibility to grant Options to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Options under the Share Option Scheme for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Option is to be granted to independent non-executive Directors or any of their respective associates would result in the total number of Shares issued and to be issued in respect of all options and awards granted to such person in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue (excluding any Treasury Shares); and (iii) the Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of Options to the independent non-executive Directors.

LETTER FROM THE BOARD

Grant of Options

Subject to the provisions of the Share Option Scheme and the Applicable Laws, the Board may, on a case-by-case basis when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto in addition to those expressly set forth in the Share Option Scheme as it may think fit, including, inter alia, the vesting period of the Options, the performance targets which must be achieved before an Option can be exercised under the terms of the Share Option Scheme.

Save as may be determined by the Board and provided in the Offer Letter, there is no performance target attached to the Options. Where no performance targets are to be imposed upon Grantee in the relevant offer letter of the grant of the Options, the Board would have considered the Grantee's past contributions to the Group in determining the grant of the Options to such Grantee which would serve as a reward to the Grantee for his/her past contributions to the Group and help to maintain high-calibre employees in the Group. Where performance targets are to be imposed upon Grantees in the relevant offer letter of the grant of Options, the Board aims to incentivize the Grantee to continue to contribute to the Group. In determining the performances target, the Board may have regard to the purpose of the Share Option Scheme with reference to factors including but not limited to, key performance indicators in respect of the Group as a whole, its principal businesses and operations, geographic markets and/or performance of Eligible Participant(s), which may include earnings; earnings per share; profits; return on assets; return on equity; sales; revenue; Share price; total Shareholder return; and such other goals as the Board may determine from time to time. The Board will compare the actual performance against the performance target when vesting the Options to the Grantees. The Board believes that this will provide the Board with more flexibility in setting out the terms and conditions of the Options under particular circumstances of each grant. As such, by providing the Board with the discretion to impose specific performance targets as and when appropriate depending on the role of each Eligible Participant, it will facilitate the Board to offer meaningful incentive to attract and retain quality personnel that are valuable to the development of the Group, and such arrangement is fair and reasonable to the Company and the Shareholders as a whole.

The vesting period for Options under the Share Option Scheme shall not be less than 12 months. To ensure the practicability in fully attaining the purpose of the Share Option Scheme, the Board and the remuneration committee are of the view that:

- (a) there are certain instances where a strict twelve-month vesting requirement would not work or would not be fair to the holder of the Option, such as those set out in paragraphs 5.8 (a) and (c) in the Appendix III to this circular; and

LETTER FROM THE BOARD

- (b) for compliance and administrative purposes, there is a need for a shorter vesting period which may include (A) Options that should have been granted earlier but had to wait for a subsequent batch to reduce administrative work and expenses of the Group; and (B) Options that should have been granted earlier but had to wait until inside information has been announced or until the end of the dealing prohibition period in relation to publication of financial results under the Listing Rules in order to comply with the rules of the Share Option Scheme, the Listing Rules and the relevant laws and regulations.

Hence, the Board and the remuneration committee of the Company are of the view that the shorter vesting period prescribed in the paragraph 5 in the Appendix III to this circular is in line with the market practice and is appropriate and aligns with the purpose of the Share Option Scheme.

As for the clawback mechanism, upon the occurrence of the events including the failure of the Grantee to perform duties effectively or is involved in misconduct, breach of any non-competition or non-disclosure agreement entered into with the Group, the contravention of the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the Articles of Association by the Grantee, the involvement of the Grantee in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company, the sanction by the Stock Exchange and/or subject to any disciplinary actions imposed by the Securities and Futures Commission or conviction of any criminal offence to the Grantee, and the failure of the Grantee to discharge, or discharge properly his or her duties or fail to comply with the Company's internal policy and/or his/her employment agreement which result in serious loss in asset of the Company and other serious and adverse consequence, the Board may propose that no further Option shall be granted to a specific Grantee and the Options granted shall claw back and lapse automatically. The Board is of the view with such clawback mechanism in place, the Company would be able to claw back the equity incentives granted to Grantees culpable of misconduct, which is in line with the purpose of the Share Option Scheme and the interest of the Shareholders in general.

Grantees are entitled to subscribe for the number of Shares at the Exercise Price, which shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the Offer; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the Offer; and (c) if applicable, the nominal value of the Shares on the date of the Offer. The Directors consider that such basis for determining the Exercise Price will serve to preserve the value of the Company, while encouraging the Grantees to acquire proprietary interests in the Company and serving the purpose of the Share Option Scheme.

As at the Latest Practicable Date, the Company has no intention to use Treasury Shares for the Shares Option Scheme.

LETTER FROM THE BOARD

Based on the above, the Board considers that the adoption of the Share Option Scheme is in the interests of the Company and the Shareholders as a whole, and would enable the purpose of the Share Option Scheme as set out above to be achieved.

As at the Latest Practicable Date, the Company had no plan or intention to grant Options under the Share Option Scheme in the next 12 months.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution approving the adoption of the Share Option Scheme at the Annual General Meeting. 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 Option Scheme.

The Share Option Scheme does not have a trustee and hence none of the Directors is and will be a trustee of the Share Option Scheme.

A summary of the principal terms of the Share Option Scheme is set out in the Appendix III to this circular. This serves as a summary of the terms of the Share Option Scheme but does not constitute the full terms of the same.

An ordinary resolution will be proposed at the Annual General Meeting for the adoption of the Share Option Scheme.

Transfer of Option

An Option shall be personal to the Grantee. No Option shall be transferred or assigned, and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest over or in relation to any Option in favour of any third party. Any breach of the foregoing shall entitle the Company to cancel any Options, or any part thereof, granted to such Grantee to the extent not already exercised without incurring any liability on the part of the Company. As the Options serve as a reward to the Grantee for his/her past contributions to the Group and to incentivize the Grantee to continue to contribute to the Group, if the Grantee in any way transfer the Options, the Board considers that the Options no longer serve its original purpose and the Options not already exercised shall be cancelled.

Conditions

The Share Option Scheme shall take effect upon (a) the passing of the necessary resolution(s) by the Shareholders in general meeting for approving the adoption of the Share Option Scheme, and (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Options in accordance with the terms of the Share Option Scheme.

LETTER FROM THE BOARD

Document on Display

A copy of the Share Option Scheme will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jbmhealthcare.com.hk) for display for a period of not less than fourteen (14) days before the date of the Annual General Meeting and the Share Option Scheme will be made available for inspection at the Annual General Meeting.

Application for Listing

Application will be made to the Listing Committee 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 Option that may be granted under the Share Option Scheme.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 43 to 50 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules. None of the Shareholders is required to abstain from voting on any resolutions to be proposed at the Annual General Meeting pursuant to the Listing Rules and/or the Articles of Association.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.jbmhealthcare.com.hk>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 9:00 a.m. on Sunday, 4 August 2024) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting via the Tricor e-Meeting System at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

7. 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.

Your attention is drawn to the additional information set out in the appendices to this circular.

8. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, granting of the Share Repurchase Mandate and the Issuance Mandate are 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 relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
JBM (Healthcare) Limited
Wong Yat Wai, Patrick
Executive Director and Chief Executive Officer

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Wong Yat Wai, Patrick

Mr. Wong Yat Wai, Patrick (“Mr. Wong”), aged 61, was appointed as a Director on 7 January 2020 and has been re-designated as an executive Director and the chief executive officer of the Company since 22 September 2020. He is responsible for the commercial operations of our Group and for overseeing our local and overseas business and the strategic development of our consumer healthcare products. Mr. Wong joined Jacobson Pharma Group in October 2017. He has over 34 years of experience in the healthcare business sector, with 18 years in the pharmaceutical industry and another 14 years in the medical devices sector.

Prior to joining us, Mr. Wong served as a senior business consultant and was later promoted to the executive director heading up the global medical devices business for Daewoong Pharmaceuticals Co., Ltd., a South Korean company, from September 2014 to July 2017, where he was based in Hong Kong and was responsible for business development covering markets in Asia, the Middle East and South America. From March 2014 to August 2014, he worked at KCI Hong Kong Holding Limited as vice president of medical and science affairs – Asia PAC. From October 2003 to September 2013, he held various roles at Coloplast (Hong Kong) Limited, including acting as the Asia export manager, the market director since April 2004, the general manager for Asian emerging markets since October 2008 until he took on the role as regional marketing director or China and Japan in 2009. Between July 1996 and September 2003, he worked at Ferring Pharmaceuticals Limited as marketing manager – Hong Kong. From March 1993 to April 1995, he was the OTC generic department marketing manager at Mekim Limited. Mr. Wong worked at Fandasy Co., Ltd., where the last position he held was sales manager, from August 1987 to February 1993.

Mr. Wong graduated from the Hong Kong Polytechnic University in November 1987, where he received his professional diploma in Occupational Therapy. He subsequently obtained a master’s degree in Medical Sciences from the University of Hong Kong in November 2000.

Mr. Wong has entered into a service agreement with the Company for a term commencing from 22 September 2023 to 31 March 2026, which shall continue unless terminated earlier by either party serving on the other party at least three months’ notice in writing, subject to retirement by rotation and re-election at the annual general meeting pursuant to the Listing Rules and the Articles of Association. Mr. Wong will hold the office only until the Annual General Meeting and be subject to re-election in accordance with Articles 84.(1) and 84.(2) of the Articles of Association.

Under the service agreement with the Company, Mr. Wong is entitled to a remuneration of HK\$181,230 per month that incorporating a monthly housing allowance of HK\$56,000, and also guaranteed Chinese New Year bonus equivalent to one month of his remuneration. For the financial year ended 31 March 2024, Mr. Wong's total remuneration was HK\$2,386,000, comprising salary, allowances, discretionary bonus and retirement scheme contributions, which was determined at the discretion of the Company and subject to the Company's financial performance and his contribution to the Company. The emolument of Mr. Wong was determined by the Board, upon recommendation by the Remuneration Committee with reference to the prevailing marketing benchmark as well as his roles and duties with the Group.

As at the Latest Practicable Date, Mr. Wong had interest of 620,862 Shares in the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, Mr. Wong (1) has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (2) does not hold any other position with the Company or other members of the Group; and (3) does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information of Mr. Wong that is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Wong that need to be brought to the attention of the Shareholders.

(2) Dr. Cheng Celine Heung Kwan

Dr. Cheng Celine Heung Kwan ("Dr. Cheng"), aged 62, has been appointed as an executive Director on 9 March 2024. Dr. Cheng has around 30 years of experience in sterile and non-sterile manufacturing, quality assurance and Good Manufacturing Practice, specialising in quality management system and reengineering for pharmaceutical and biological products. She currently serves as the Chief Compliance & Technology Officer of Jacobson Pharma. Dr. Cheng is primarily responsible for overseeing the quality system integrity, driving technological development and advancing the manufacturing know-how of Jacobson Pharma Group.

She earned a Bachelor's degree in Pharmacy (with honours) and her Ph.D. in pharmacology from the University of Bradford, United Kingdom ("UK") in 1986 and 1990 respectively, and subsequently served as a post-doctoral research fellow at the University of Bradford. She also obtained a Master of Business Administration degree (with distinction) from the City University of Hong Kong in 2006.

Dr. Cheng is a registered pharmacist in both Hong Kong and the UK and is a fellow of the College of Pharmacy Practice of Hong Kong. She is a registered authorised person with the Pharmacy and Poison Board of Hong Kong (the "PPBHK") and served as a member of its various committees. She is currently a member of the Postgraduate Pharmacy Training and Development Committee and the Expert Advisory Group on Bioavailability and Bioequivalence Studies of the PPBHK. She is also a member of the Expert Panel on the Designation of Designated Local Research Institutions at the Innovation and Technology Commission of Hong Kong.

Dr. Cheng has extensive teaching experience. She was an Adjunct Associate Professor at the School of Professional and Continuing Education of the University of Hong Kong from July 2005 to June 2008 and has been an Adjunct Associate Professor at the School of Pharmacy of The Chinese University of Hong Kong since June 2001.

Dr. Cheng has entered into a letter of appointment with the Company for a term of three years commencing on 9 March 2024, which shall continue unless terminated earlier by either party serving on the other party one month's notice in writing, subject to retirement by rotation and re-election at the annual general meeting pursuant to the Listing Rules and the Articles of Association. Dr. Cheng will hold the office only until the Annual General Meeting and be subject to re-election in accordance with Articles 83.(3) of the Articles of Association.

Under her letter of appointment with the Company, Dr. Cheng is entitled to receive a remuneration of HK\$200,000 per annum (subject to review by the remuneration committee of the Board from time to time). For the financial year ended 31 March 2024, Dr. Cheng's total remuneration was HK\$12,000. The director's fee of Dr. Cheng was determined by the Board, upon recommendation by the Remuneration Committee with reference to the prevailing market benchmark as well as his roles and duties within the Group.

As at the Latest Practicable Date, Dr. Cheng does not hold any interest in Shares or underlying Shares of the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, Dr. Cheng (1) has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (2) does not hold any other position with the Company or other members of the Group; and (3) does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information of Dr. Cheng that is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Dr. Cheng that need to be brought to the attention of the Shareholders.

(3) Mr. Luk Ting Lung, Alan

Mr. Luk Ting Lung, Alan (“Mr. Luk”), aged 62, has been appointed as an independent non-executive Director of the Company since 18 January 2021, the chairman of the Remuneration Committee and the member of the Audit Committee and the Nomination Committee since 4 February 2021, and the chairman of Audit Committee since 9 March 2024. Mr. Luk has over 37 years of experience in the financial services industry. He is responsible for providing independent advice and judgment to our Board.

Since 12 August 2022, Mr. Luk served as the responsible officer and managing director of Winner Zone Family Office Limited, a licensed insurance broker company. With effect from December 2021, Mr. Luk served as the responsible officer, chief executive officer and chief investment officer of Winner Zone Asset Management Limited, a company licensed to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

From November 2010 to September 2021, Mr. Luk has been the head of private banking and trust services at Hang Seng Bank Ltd., a company whose shares are listed on the Stock Exchange (stock code: 0011), where he is primarily responsible for the overall management of the private banking and trust services. He also previously served as the head of investment advisory at Hang Seng Bank Ltd. from November 2008 to October 2010.

From November 1999 to October 2008, Mr. Luk had held various roles at American Express Bank Ltd., Hong Kong, including serving as its alternate chief executive. His responsibilities included balance sheet management, investment product sales and development, the establishment of risk management systems and internal controls over the bank’s activities and operations. Before that, Mr. Luk had worked at Schroders Asia Ltd., Hong Kong from June 1990 to November 1999, with his last held position there as assistant director, during which he was involved in managing its dealing and trading activities. Previously, Mr. Luk had worked at HSBC Investment Bank Asia Limited (formerly known as Wardley Limited) from March 1984 to June 1990, with his last held position there as a bond trader.

Mr. Luk received his master’s degree in Business Administration from Murdoch University, Perth, Australia in July 1999 through distance learning. He then obtained his master of science degree in Global Finance jointly conferred by the Hong Kong University of Science and Technology and the New York University Leonard N. Stern School of Business, U.S. in May 2009.

Mr. Luk has entered into a letter of appointment with the Company for a term commencing from 19 January 2024 to 31 March 2026, which shall continue unless terminated earlier by either party serving on the other party one month's notice in writing, subject to retirement by rotation and re-election at the annual general meeting pursuant to the Listing Rules and the Articles of Association. Mr. Luk will hold the office only until the Annual General Meeting and be subject to re-election in accordance with Articles 84.(1) and 84.(2) of the Articles of Association.

Under his letter of appointment with the Company, Mr. Luk is entitled to receive a fee of HK\$200,000 per annum. For the financial year ended 31 March 2024, Mr. Luk's director's fee was HK\$195,847. The director's fee of Mr. Luk was determined by the Board, upon recommendation by the Remuneration Committee with reference to the prevailing market benchmark as well as his roles and duties within the Group.

As at the Latest Practicable Date, Mr. Luk does not hold any interest in Shares or underlying Shares of the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, there is no information of Mr. Luk that is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Luk that need to be brought to the attention of the Shareholders.

(4) Mr. Lau Shut Lee, Tony

Mr. Lau Shut Lee, Tony ("Mr. Lau"), aged 55, has been appointed as an independent non-executive Director of the Company since 18 January 2021, a member of the Audit Committee, the Remuneration Committee and the Nomination Committee since 4 February 2021. Mr. Lau has over 16 years of experience in the e-commerce and technology industries. He is responsible for providing independent advice and judgment to our Board.

Since March 2015, Mr. Lau has served as the managing director of Maersk E-Commerce (HK) Limited (formerly known as Fung Omni Services (HK) Limited), where the principal business is to provide e-commerce and omni-channel commerce services. For this role, Mr. Lau has been primarily responsible for the overall management of the e-commerce marketing services and technology innovation. Before joining Maersk E-Commerce (HK) Limited, Mr. Lau also held multiple positions at Fireswirl Technologies Inc., previously known as Redstone Capital Corp., including acting as chief executive officer from December 2008 to September 2015, chairman of the board of directors from October 2007 to March 2015 and chief technology officer from August 2006 to September 2015. Mr. Lau's responsibilities at Fireswirl Technologies Inc. included technology development, product strategy, and business development.

Mr. Lau obtained his bachelor's degree in Electronics Systems and Microcomputer Engineering from the University of Glasgow, UK, in July 1990.

Mr. Lau has entered into a letter of appointment with the Company for a term commencing from 19 January 2024 to 31 March 2026, which shall continue unless terminated earlier by either party serving on the other party one month's notice in writing, subject to retirement by rotation and re-election at the annual general meeting pursuant to the Listing Rules and the Articles of Association. Mr. Lau will hold the office only until the Annual General Meeting and be subject to re-election in accordance with Article 84.(1) and 84.(2) of the Articles of Association.

Under his letter of appointment with the Company, Mr. Lau is entitled to receive a fee of HK\$200,000 per annum. For the financial year ended 31 March 2024, Mr. Lau's director's fee was HK\$195,847. The director's fee of Mr. Lau was determined by the Board, upon recommendation by the Remuneration Committee with reference to the prevailing market benchmark as well as his roles and duties within the Group.

As at the Latest Practicable Date, Mr. Lau does not hold any interest in Shares or underlying Shares of the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, Mr. Lau (1) has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (2) does not hold any other position with the Company or other members of the Group; and (3) does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information of Mr. Lau that is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Lau that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 833,810,000 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, i.e. being 833,810,000 Shares, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a maximum of 83,381,000 Shares, representing 10% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchase of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2024) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month and Year	Price per Share	
	Highest HK\$	Lowest HK\$
July 2023	1.29	1.05
August 2023	1.21	0.94
September 2023	1.15	0.77
October 2023	1.19	0.95
November 2023	1.17	1.06
December 2023	1.09	0.92
January 2024	1.06	0.96
February 2024	1.02	0.93
March 2024	1.00	0.86
April 2024	0.95	0.86
May 2024	1.04	0.86
June 2024	1.07	0.93
July 2024 (up to the Latest Practicable Date)	1.05	1.03

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. In addition, the Company has confirmed that neither the Explanatory Statement nor the proposed share repurchase has any unusual features.

As stated in “3. Proposed Granting of General Mandate to Repurchase Shares” in the Letter from the Board, if the Company purchases any Shares pursuant to the Share Repurchase Mandate, the Company will either (i) cancel the Shares repurchased and/or (ii) hold such Shares in treasury, subject to market conditions and the Company’s capital management needs at the relevant time any repurchases of Shares are made.

To the extent that any Treasury Shares are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company’s own name as Treasury Shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

7. EFFECT OF TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder’s interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Directors are aware, the shareholding of the substantial Shareholder are as follows:

Name	Nature of Interests	Number of Shares held ^(Note 1)	Approximate percentage of shareholding in the Company (%)
Lincoln's Hill Development Limited ("Lincoln's Hill") ^(Note 2)	Beneficial owner	322,834,578	38.72
Kingshill Development Group Inc. ^(Note 2)	Interest in controlled corporation	322,834,578	38.72
UBS Trustees (B.V.I.) Limited ^(Note 2)	Interest in controlled corporation Trustee	322,834,578	38.72
Queenshill Development Limited ^(Note 2)	Beneficial owner	120,951,318	14.51
Mr. Sum Kwong Yip, Derek ("Mr. Sum") ^(Note 2)	Interest in controlled corporation Settlor of trust Beneficial owner Beneficiary of trusts	512,823,346	61.50

Notes:

- (1) All shares are held in long position.
- (2) Lincoln's Hill is wholly-owned by Kingshill Development Group Inc. under The Kingshill Trust, a discretionary trust established by Mr. Sum (as the settlor) with Mr. Sum and his family members as the discretionary beneficiaries. Kingshill Development Group Inc. is in turn wholly-owned by UBS Trustees (B.V.I.) Limited (the trustee of The Kingshill Trust) through its nominee, UBS Nominees Limited. By virtue of the SFO, (i) each of Kingshill Development Group Inc., UBS Trustees (B.V.I.) Limited and Mr. Sum is deemed to be interested in the Shares in which Lincoln's Hill is interested; and (ii) Mr. Sum is the sole shareholder of Queenshill Development Limited. By virtue of the SFO, Mr. Sum is deemed to be interested in the 120,951,318 shares held by Queenshill Development Limited. For the purpose of the Takeovers Code, Mr. Sum is taken to have an interest in a total of 512,823,346 Shares, representing approximately 61.50% of the total number of Shares.

In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the aggregate shareholding of Mr. Sum would be increased to 68.34% of the issued Shares.

The Directors have no intention to exercise the Share Repurchase Mandate such that the number of Shares held by the public will fall below 25% of the total number of issued Shares, being the minimum public float requirement under the Listing Rules.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company repurchased a total of 32,012,000 Shares of the Company on the Stock Exchange and the details are set out below.

Date of Repurchase	No. of Shares	Price Per Share	
		Highest HK\$	Lowest HK\$
15 January 2024	800,000	1.02	1.00
16 January 2024	14,400,000	1.05	1.00
17 January 2024	16,462,000	1.05	1.03
28 March 2024	12,000	0.90	0.89
5 April 2024	28,000	0.92	0.92
9 April 2024	130,000	0.89	0.89
10 April 2024	10,000	0.90	0.90
11 April 2024	170,000	0.90	0.89

The Shares Repurchased from January 2024 to April 2024 were subsequently cancelled on 27 February 2024 and 24 April 2024 respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Reporting Period and up to the Latest Practicable Date.

The following is a summary of the principal terms of the Share Option Scheme. It does not form part of, nor is it intended to be part of the Share Option Scheme and it should not be taken as affecting the interpretation of the Share Option Scheme.

1. PURPOSE OF SHARE OPTION SCHEME

The purpose of the Share Option Scheme is (a) to recognise and reward the contribution of the Participants for the growth and development of the Group and to provide them with incentives in order to retain them for the continual operation, development and long-term growth of the Group; and (b) to attract suitable personnel for further development of the Group.

2. CONDITIONS OF THE SHARE OPTION SCHEME

The Share Option Scheme shall take effect upon the fulfillment of the following conditions: (a) the passing of the necessary resolution(s) by the Shareholders in general meeting for approving the adoption of the Share Option Scheme; and (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Options in accordance with the terms and conditions of the Share Option Scheme.

3. DURATION

The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Effective Date and shall expire on the 10th anniversary thereof (unless otherwise terminated in accordance with the terms thereof), after which no further Options may be offered or granted under the Share Option Scheme but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the terms and conditions of the Share Option Scheme.

4. ELIGIBLE PARTICIPANTS

Eligible participants of the Share Option Scheme include the Participants which include any director or any Employee of the Company or any of its subsidiaries from time to time and are determined to be qualified (or, where applicable, continues to be qualified) for the Options by the Board in its absolute discretion. When determining the eligibility of a Participant, careful consideration on various criteria will be made in assessing his/her contribution to the long term growth of the Group so as to serve the purpose of the Share Option Scheme, including, among others, the seniority, position, expertise, professional qualification, performance, time commitment, responsibilities and length of service of the person with the Group.

5. GRANT OF OPTIONS

- 5.1 Subject to the terms and conditions of the Share Option Scheme, the Board shall be entitled at any time on a business day within a period of 10 years commencing on the Effective Date to make an Offer or Offers to any Eligible Participant(s) as the Board may in its absolute discretion select.
- 5.2 An Offer shall be made to an Eligible Participant in writing on a business day in such form as the Board may from time to time determine.
- 5.3 An Offer cannot be accepted by an Eligible Participant who ceases to be qualified as an Eligible Participant after the Offer has been made.
- 5.4 An Offer shall be deemed to have been accepted when the Company receives a duplicate Offer Letter duly signed from the Grantee together with a remittance of HK\$1.00 (or such other nominal sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof. Such remittance shall in no circumstances be refundable. Once accepted, the Option shall be deemed to have been granted as from the date on which it was offered to the relevant Eligible Participant. No Offer shall be capable of or open for acceptance after the expiry of 10 years from the Effective Date.
- 5.5 Unless otherwise stated in the Offer Letter, any Offer may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted in the manner set out in the Offer Letter or the Eligible Participant ceases to be qualified after the Offer has been made, the Offer shall be deemed to have been irrevocably declined and lapsed automatically without notice.
- 5.6 Subject to the provisions of the Share Option Scheme and the Applicable Laws, the Board may, on a case-by-case basis and at its absolute discretion when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto in addition to those expressly set forth in the Share Option Scheme as it may think fit (which shall be stated in the Offer Letter), including, inter alia, vesting period of the Option, performance targets which must be achieved before an Option can be exercised, and clawback mechanism for the Company to recover or withhold any Options granted to any Grantee.
- 5.7 Save as may be determined by the Board and provided in the Offer Letter, there is no performance target nor clawback mechanism attached to the Options.

- 5.8 Where no performance targets are to be imposed upon Grantee in the relevant offer letter of the grant of the Options, the Board would have considered the Grantee's past contributions to the Group in determining the grant of the Options to such Grantee which would serve as a reward to the Grantee for his/her past contributions to the Group and help to maintain high-calibre employees in the Group. Where performance targets are to be imposed upon Grantees in the relevant offer letter of the grant of Options, the Board aims to incentivize the Grantee to continue to contribute to the Group. In determining the performances target, the Board may have regard to the purpose of the Share Option Scheme with reference to factors including but not limited to, key performance indicators in respect of the Group as a whole, its principal businesses and operations, geographic markets and/or performance of Eligible Participant(s), which may include earnings; earnings per share; profits; return on assets; return on equity; sales; revenue; Share price; total Shareholder return; and such other goals as the Board may determine from time to time. The Board will compare the actual performance against the performance target when vesting the Options to the Grantees.
- 5.9 A clawback mechanism under which upon the occurrence of any of the following in relation to the Grantee, the Board may propose that no further Options shall be granted to such Grantee and shall clawback the options granted to such Grantee and such Options shall lapse automatically:
- (a) the Grantee has failed to perform duties effectively or is involved in misconduct or malfeasance or has breached any non-competition or non-disclosure agreement entered into with the Group;
 - (b) the Grantee has contravened the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the Bye-Laws;
 - (c) the Grantee has, during his/her tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company;
 - (d) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission or has been convicted of any criminal offence; or
 - (e) the Grantee has failed to discharge, or failed to discharge properly, his/her duties or fail to comply with the Company's internal policy and/or his/her employment agreement and thereby resulting in serious loss in asset to our Company and other serious and adverse consequence.

5.10 The vesting period of any particular Option shall not be less than 12 months except in the following circumstances:

- (a) grants of “make-whole” Options to new joiners to replace the share awards or share options they forfeited when leaving their previous employers;
- (b) grants that are made in batches during a year for administrative and compliance reasons; or
- (c) grants of Options with a mixed or accelerated vesting schedule such as where the Share Options may vest evenly over a period of 12 months.

5.11 The Board shall not make any Offer:

- (a) after inside information (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time) has come to its knowledge until (and including) the trading day after the Company has announced such inside information pursuant to the relevant requirements of the Applicable Laws; or
- (b) during the period commencing one month immediately before the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to announce its results for any year or half year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, or during any period of delay in publication of a results announcement.

6. EXERCISE PRICE

The Exercise Price in respect of any particular Option (subject to adjustment in accordance with the terms of the Share Option Scheme) shall be a price determined by the Board and stated in the Offer Letter, and shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the Offer; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the Offer; and (c) if applicable, the nominal value of the Shares on the date of the Offer.

7. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee. No Option shall be transferred or assigned, and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest over or in relation to any Option in favour of any third party. Any breach of the foregoing shall entitle the Company to cancel any Options, or any part thereof, granted to such Grantee to the extent not already exercised without incurring any liability on the part of the Company.

8. EXERCISE OF OPTIONS

8.1 Subject to the relevant Exercise Period and the other terms and conditions of the grant, an Option shall be exercised in whole or in part by the Grantee by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised.

8.2 Each such notice shall be accompanied by a payment for the full amount of the Exercise Price for the Shares in respect of which the notice is given or such payment shall be settled in such other way as directed by the Board. Within 28 business days (excluding any period(s) of closure of the Company's share register) after receipt of the notice together with remittance of the relevant Exercise Price in full and, where appropriate, receipt of the certificate given by the Auditor or an independent financial adviser, the Company shall allot and issue the relevant number of Shares to the Grantee credited as fully paid.

9. RIGHTS OF TERMINATION DUE TO TERMINATION OF EMPLOYMENT

In the event of the Grantee ceasing to be an Employee (including any executive Director) or officer (including any non-executive Director and independent non-executive Director) of the Company or any member of the Group for any reason, other than his/her death, ill health, disability or the termination of his/her employment or office on one or more of Grounds for Termination, the Option shall lapse on the date of such cessation (which date shall be his/her last actual date of employment or office) unless the Board otherwise determine in which event the Options (to the extent vested and exercisable and not already exercised as at the date of cessation of employment) shall be exercisable within such period as the Board may determine in its absolute discretion.

10. RIGHTS ON DEATH

In the event of death of the Grantee (being an individual) before exercising the Option in full, his/her Personal Representative(s) may exercise the Option (to the extent exercisable and not already exercised as at the date of his/her death) either in full or in part within 12 months following his/her death or such longer period as the Board may determine.

11. RIGHTS ON TERMINATION DUE TO DISABILITY

In the event of the Grantee being a Participant at the time of the grant of the relevant Option ceasing to be a Participant by reason of ill-health or disability, the Grantee may exercise the Option (to the extent vested and exercisable and not already exercised as at the date of such cessation) either in full or in part within 12 months following the date of such cessation (which date shall be his/her last actual date of employment or office) or such longer period as the Board may determine.

12. RIGHTS ON A GENERAL OFFER

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the holders of Shares (or all such holders other than the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite resolutions of Shareholders in general meeting (in the case of a scheme of arrangement), the Company shall forthwith give notice thereof to all Grantees, and thereupon the Grantees may exercise the Options (to the extent vested and exercisable and not already exercised as at the date on which the offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite resolutions of Shareholders in general meeting (in the case of a scheme of arrangement)) either in full or in part at any time up to the close of such offer (or any revised offer) or such other date as the Board shall determine (in the case of a takeover offer) or within such period as shall be notified by the Company to the Grantees (in the case of a scheme of arrangement).

13. RIGHTS ON WINDING UP

In the event of a notice being given by the Company to its Shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to all Grantees, and thereupon the Grantees may exercise the Options (to the extent vested and exercisable and not already exercised as at the date of the notice to the Grantee) either in full or in part not later than four business days (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed shareholders' meeting, and the Company shall, as soon as possible and in any event no later than one business day (excluding any period(s) of closure of the Company's

share register) immediately preceding the date of the proposed shareholders' meeting, allot and issue such number of Shares to the Grantees which falls to be issued upon such exercise.

14. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any scheme of arrangement referred to in paragraph 12 above or any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme, and thereupon the Grantees may exercise the Options (to the extent vested and exercisable and not already exercised as at the date of the notice to the Grantee) either in full or in part not later than four business days (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed meeting, and the Company shall, as soon as possible and in any event no later than one business day (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed meeting, allot and issue such number of Shares to the Grantees which falls to be issued upon such exercise.

15. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Articles of Association and the Applicable Laws in force as at the Allotment Date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the Allotment Date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made on or after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the Allotment Date. The rights of the Shares are not attached to those Options before the exercise of such Options.

16. LAPSE OF OPTIONS

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

- (a) the expiry of the Exercise Period;
- (b) the expiry of any of the periods referred to in paragraphs 9 to 14 above;
- (c) subject to paragraph 13, the date of the commencement of the winding-up of the Company;
- (d) the date when the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 14;

- (e) the date on which the Grantee ceases to be an Employee (including any executive Director) or officer (including any non-executive Director and independent non-executive Director) of the Company or any member of the Group by reason of the termination of his employment or office on Grounds of Termination. A resolution of the Board or the board of directors of the relevant member of the Group to the effect that the employment or office of a Grantee has or has not been terminated on one or more of the Grounds for Termination or that one or more of the Grounds for Termination has arisen in respect of the employment or office of a Grantee shall be conclusive and binding on the Grantee and, where appropriate, the Grantee's Personal Representative(s);
- (f) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the Option, unless otherwise resolved to the contrary by the Board; and
- (g) the date on which the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to the terms of the Share Option Scheme.

17. SCHEME MANDATE LIMIT

- 17.1 Subject to paragraphs 17.2 and 17.3 below, the total number of Shares which may be issued in respect of all options and awards to be granted under the Share Option Scheme and Other Schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date (excluding any Treasury Shares) (i.e. 83,381,000 Shares)¹ provided that if the Company conducts a share consolidation or subdivision 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 the Share Option Scheme and Other Schemes 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 subdivision shall be the same, rounded to the nearest whole Share. Options lapsed in accordance with the terms of the Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

¹ Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit will be 833,810,000 Shares, which represents 10% of the total number of Shares in issue on the Adoption Date

17.2 Subject to paragraph 17.3, the Company may seek approval by its Shareholders in general meeting for renewing the Scheme Mandate Limit (the “**Renewal Mandate**”) from time to time, provided that:

- (a) if the Renewal Mandate is sought within three years from the Adoption Date or the date on which the last Renewal Mandate was granted (as the case may be), any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, Directors (excluding the Independent Non-Executive Director) and the chief executive of the Company and their respective associates) shall abstain from voting in favour of the relevant resolution at the general meeting; and the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules, unless the Renewal Mandate is sought immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of Shares in issue) upon renewal is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share;
- (b) the total number of Shares which may be issued in respect of all options and awards to be granted under the Share Option Scheme and Other Schemes after renewal of the Scheme Mandate Limit shall not exceed 10% of the Shares in issue as at the date on which the Renewal Mandate is obtained (excluding any Treasury Shares);
- (c) if the Company conducts a share consolidation or subdivision after the Renewal Mandate is obtained, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the Share Option Scheme and Other Schemes under the renewed Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share; and
- (d) the Company shall send a circular to its Shareholders containing the number of Options and awards that were already granted under the then existing Scheme Mandate Limit and the reason for the renewal.

- 17.3 The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) provided that:
- (a) the Options in excess of the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) shall be granted only to the Eligible Participants specifically identified by the Company before such Shareholders' approval is sought;
 - (b) the Company shall issue a circular to its Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such specified Eligible Participant, and the purpose of granting Options to each such specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose;
 - (c) the number and terms of Options to be granted to each such specified Eligible Participant shall be fixed before such Shareholders' approval; and
 - (d) for the purpose of calculating the minimum Exercise Price in respect of any Options to be so granted to each such specified Eligible Participant, the date of the Board meeting for proposing such grant shall be taken as the date of the Offer of such Options.

18. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of Option to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted under the Share Option Scheme and Other Schemes to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the Share Option Scheme and Other Schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue as at the date of such grant (excluding any Treasury Shares), such grant shall be subject to the following requirements:

- (a) approval of the Shareholders in general meeting with such Eligible Participant and his or her close associates (or associates if such Eligible Participant is a connected person of the Company) abstaining from voting;
- (b) the Company shall send a circular to its Shareholders disclosing the identity of such Eligible Participant, the number and terms of the further Options to be granted (and those Options and awards granted to such Eligible Participant in the 12-month period), the purpose of granting further Options to such Eligible Participant and an explanation as to how the terms of the further Options serve such purpose;

- (c) the number and terms of the further Options to be granted to such Eligible Participant shall be fixed before the Shareholders' approval mentioned in (a) above; and
- (d) for the purpose of calculating the minimum Exercise Price in respect of the further Options to be so granted to such Eligible Participant, the date of the Board meeting for proposing such grant of further Options shall be taken as the date of the Offer of such Options.

19. GRANT OF OPTIONS TO CONNECTED PERSONS

Without prejudice to the provisions summarised in paragraph 5, (a) any grant of Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates shall be approved by the Independent Non-Executive Director (excluding any Independent non-executive Director who is the proposed Grantee of such Options); and (b) where any grant of Options 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 under the Share Option Scheme or Other Schemes (excluding any Options lapsed in accordance with the terms of the Share Option Scheme) 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 (excluding any Treasury Shares), such further grant of Options shall be approved by the Shareholders in general meeting. The Company shall send a circular to its Shareholders containing such information as required under the Applicable Laws and Rule 17.04(5) of the Listing Rules. The relevant Grantee, his or her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

20. EFFECT OF ALTERATIONS TO SHARE CAPITAL

- 20.1 In the event of any alteration in the capital structure of the Company while any Option remains exercisable, and such event arises from a capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of capital of the Company (other than issue of Shares as consideration in respect of a transaction while any Option remains exercisable), the Board may, if it deems appropriate, direct that such corresponding adjustments (if any) be made (i) in the number of Shares subject to the Options so far as unexercised; and/or (ii) the Exercise Price.
- 20.2 Any adjustments required shall be made in accordance with the following requirements:
 - (a) the adjustments shall give a Grantee the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that Grantee was previously entitled;

- (b) the adjustments shall be made in accordance with the Listing Rules and any other requirements or guidance by the Stock Exchange from time to time, if applicable; and
- (c) no adjustment shall be made of which would be to enable a Share to be issued at less than its nominal value.
- 20.3 Save in the case of capitalisation issue, the Auditors or an independent financial adviser appointed by the Company shall certify the Directors in writing that the adjustments satisfy the requirements set out above.
- 20.4 To the extent not otherwise determined by the Board in accordance with the above, the default method of adjustment for various alternations in share capital events are set out below:

Capitalization issue or bonus issue and rights issue or open offer of Shares

New number of Options = Existing number of Options x F

New Exercise Price = Existing Exercise Price x $\frac{1}{F}$

Where:

$$F = \frac{\text{CUM}}{\text{TEEP}}$$

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

$$\text{TEEP (Theoretical Ex Entitlement Price)} = \frac{\text{CUM} + [M \times R]}{1 + M}$$

M = Entitlement per Existing Share under rights issue or open offer

R = Subscription price for rights issue or open offer

Subdivision or consolidation of Shares

New Number of Options = Existing Number of Options x F

New Exercise Price = Existing Exercise Price x $\frac{1}{F}$

Where F = Subdivision or consolidation factor

Such adjustments will be made in according with the requirements under Appendix 1 to Frequently Asked Questions FAQ13 – No. 16 published by the Stock Exchange.

21. ALTERATION OF THE SHARE OPTION SCHEME

- 21.1 Any change to the terms of the Options granted to a Grantee (except where the changes take effect automatically under the existing terms of the Share Option Scheme) shall 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 Options was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be).
- 21.2 The Share Option Scheme may be altered in any respect by resolution of the Board save for the following alterations which may be effected only with the prior approval of the Shareholders in general meeting:
- (a) any alterations to the terms and conditions of the Share Option Scheme which are of a material nature;
 - (b) any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants; and
 - (c) any change to the authority of the Board to alter the terms of the Share Option Scheme, provided always that the amended terms of the Share Option Scheme shall continue to comply with the relevant provisions of the Listing Rules and any other Applicable Laws.

22. CANCELLATION OF SHARE OPTIONS

Any Option may be cancelled in whole or in part and at any time if agreed between the Company and the relevant Grantee, with effect from the date of cancellation as agreed between the Company and the Grantee.

23. TERMINATION OF THE SHARE OPTION SCHEME

The Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event, no further Options may be offered or granted under the Share Option Scheme but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior to the termination or otherwise as may be required in accordance with the terms and conditions of the Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



JBM (Healthcare) Limited

健倍苗苗 (保健) 有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2161)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of JBM (Healthcare) Limited (the “**Company**”) will be held at by way of virtual meeting on Tuesday, 6 August 2024 at 9:00 a.m. for the following purposes:

1. To receive, consider and approve the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 March 2024.
2. To declare a final dividend of HK4.05 cents per share for the year ended 31 March 2024.
3. To re-elect Mr. WONG Yat Wai, Patrick as an executive director of the Company.
4. To re-elect Dr. CHENG Celine Heung Kwan as an executive director of the Company.
5. To re-elect Mr. LUK Ting Lung, Alan as an independent non-executive director of the Company.
6. To re-elect Mr. LAU Shut Lee, Tony as an independent non-executive director of the Company.
7. To authorise the board of directors (the “**Board**”) to fix the respective directors’ remuneration.
8. To re-appoint Messrs. KPMG as auditors until the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase shares in the capital of the Company (the **“Shares”**) in accordance with all applicable laws, rules and regulations;
- (b) the total number of Shares of the Company may be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued Shares of the Company (excluding any Treasury Shares) as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of Shares of the Company after the date of passing of this resolution);
- (c) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company on behalf of the Company during the Relevant Period (as defined in paragraph (d) below) to procure the Company to purchase its Shares at a price determined by the directors of the Company; 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined in paragraph (d) below) to allot, issue and deal with additional Shares in the capital of the Company (including any sale or transfer of Treasury Shares (which shall have the meaning ascribed to it under the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong (“the “**Stock Exchange**”) coming into effect on 11 June 2024) out of treasury) or securities convertible into shares, or option, warrants or similar right to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period (as defined in paragraph (d) below) which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below);
 - (ii) the exercise of subscription rights under a share option scheme of the Company or Shares issued to satisfy awards granted under the share award scheme 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 on Shares in accordance with the articles of association of the Company; and
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any securities of the Company which carry the right to subscribe or are convertible into Shares;

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 20% of the total number of Shares in issue as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of Shares is conducted after the approval in (a) above is granted, the maximum number of Shares that may be issued under the approval in paragraph (a) above as a percentage of the total number of issued Shares (excluding any Treasury Shares) at the date immediately before and after such consolidation or subdivision shall be the same; 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

11. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued or any Treasury Shares sold or transferred or agreed conditionally or unconditionally to be sold or transferred by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company (excluding any Treasury Shares) as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

12. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any options which may be granted under the Share Option Scheme of the Company (the “**Share Option Scheme**”) (a copy of which has been produced to this meeting and marked “A” and for the purpose of identification, initialed by the chairman of the Annual General meeting), the Share Option Scheme be and is hereby approved and adopted;
- (b) the total number of Shares to be allotted and issued pursuant to (a) above, together with any issue of Shares upon the exercise of any options and awards granted under 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 to 10% of the Shares in issue as at the date of passing of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) the Directors be and are hereby authorised to do all such acts and to enter into all such arrangements as may be necessary or expedient in order to give full effect to the Share Option Scheme including but without limitation to: (i) administer the Share Option Scheme under which options will be granted to participants eligible under the Share Option Scheme to subscribe for Shares; (ii) modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme relating to modification and/or amendment; (iii) grant options to subscribe for Shares under the Share Option Scheme and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the Share Option Scheme and subject to the Listing Rules; (iv) make application at the appropriate time or times to the Listing Committee of the Stock Exchange and any other stock exchanges upon which the issued Shares may, for the time being, be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the options under the Share Option Scheme; and (v) consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Option Scheme.”

By Order of the Board
JBM (Healthcare) Limited
Wong Yat Wai, Patrick
Executive Director and Chief Executive Officer

Hong Kong, 11 July 2024

Notes:

1. Shareholders wishing to attend and vote at the Annual General Meeting virtually via the Tricor e-Meeting System should follow the instructions by using the designated URL and the login details provided on the notification letter (the “**Notification Letter**”) to be sent together with the circular, on how to access the webcast. The Shareholders participating in the Annual General Meeting via electronic means will be counted towards the quorum and will be able to cast their vote and view, listen and ask questions at the live webcast of the Annual General Meeting. You will be able to access the live webcast at the start of the Annual General Meeting until its conclusion. Shareholders **MUST NOT** forward the URL and your login details to other persons who are not the Shareholders and who are not entitled to attend the Annual General Meeting.

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Shareholders who wish to attend the Annual General Meeting and exercise their voting rights can be achieved in one of the following ways:

- i. attend the Annual General Meeting electronically via the Tricor e-Meeting System which enables live streaming and interactive platform for submitting questions and voting online; or
- ii. appoint the chairman of the Annual General Meeting or other persons as your proxy by providing their email address for receiving the designated log-in username and password to attend and vote on your behalf via the Tricor e-Meeting System.

Your proxy's authority and instruction will be revoked if you attend and vote at the Annual General Meeting via the Tricor e-Meeting System.

Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the Annual General Meeting, vote and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements. You will be asked to provide your email address which will be used by the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, for providing the login details for attending the Annual General Meeting electronically in the Tricor e-Meeting System.

2. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.jbmhealthcare.com.hk>) in accordance with the Listing Rules.
3. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and on a poll, vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him. A proxy need not be a shareholder of the Company. Every shareholder present via the Tricor e-Meeting System or by proxy shall be entitled to one vote for each share held by him.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible not less than 48 hours before the time appointed for the meeting (i.e. not later than 9:00 a.m. on Sunday, 4 August 2024) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting at the meeting via Tricor e-Meeting System and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 31 July 2024 to Tuesday, 6 August 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 30 July 2024.
6. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the register of members of the Company will be closed from Monday, 19 August 2024 to Tuesday, 20 August 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 16 August 2024.

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7. In case of joint holders of shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.
8. In case the above annual general meeting is anticipated to be affected by black rainstorms or tropical cyclone with warning signal no. 8 or above, please refer to the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.jbmhealthcare.com.hk>) for announcement on bad weather arrangement for the annual general meeting.

As at the date of this notice, the Board comprises Mr. Sum Kwong Yip, Derek as the Chairman and non-executive Director, Mr. Wong Yat Wai, Patrick (also as Chief Executive Officer) and Dr. Cheng Celine Heung Kwan as executive Directors, Mr. Yim Chun Leung and Mr. Yeung Kwok Chun, Harry as non-executive Directors, and Mr. Chan Kam Chiu, Simon, Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony as independent non-executive Directors.