
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **ClouDr Group Limited** 智雲健康科技集團*, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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ClouDr Group Limited

智雲健康科技集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9955)

(1) PROPOSED ADOPTION OF THE 2025 SHARE SCHEME; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting of ClouDr Group Limited 智雲健康科技集團* to be held at Room 16A, Level 16, 41 Connaught Road Central, Central, Hong Kong, China on Thursday, January 2, 2025 at 10:00 a.m. is set out on pages 33 to 35 of this circular. A proxy form for use at the Extraordinary General Meeting is also enclosed. The circular together with the form of proxy are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cloudr.cn).

Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. before 10:00 a.m. on Tuesday, December 31, 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof (as the case may be) if they so wish and in such event, the form of proxy shall be deemed to be revoked. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury shares of the Company, if any, shall abstain from voting at the Company's general meeting.

* For identification purpose only

December 11, 2024

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DEFINITIONS

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

“2025 Share Scheme”	the share scheme of the Company proposed to be approved by Shareholders at the EGM, a summary of the principal terms of which is set out in Appendix I to this circular
“Adoption Date”	the date on which the 2025 Share Scheme is approved by the Shareholders at the EGM
“Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Award(s)”	award(s) granted under the 2025 Share Scheme by the Board to grantee(s), which may take the form of a Share Option or a Share Award
“Award Letter”	the letter issued by the Company to a grantee in respect of an Award under the 2025 Share Scheme in such form as the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award
“Award Shares”	new Shares (including treasury shares) underlying an Award
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“chief executive”	shall have the meaning given to it in the Listing Rules
“Company”	ClouDr Group Limited (formerly known as 91health Group Limited), an exempted company with limited liability incorporated in the Cayman Islands on August 24, 2015

DEFINITIONS

“Consolidated Affiliated Entity(ies)”	collectively, Hangzhou Kangming and its subsidiaries, Chengdu Zhiyun Internet Hospital and Tianjin Zhiyun, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Contractual Arrangements
“Contractual Arrangement(s)”	the series of contractual arrangements entered into between, among others, 91health Hangzhou, Hangzhou Kangming and its subsidiaries, and the Registered Shareholders, as detailed in the section headed “Contractual arrangements” in the Prospectus
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving the proposed adoption of the 2025 Share Scheme
“Eligible Participant”	an eligible participant under the 2025 Share Scheme, which may be an Employee Participant, a Related Entity Participant or a Service Provider Participant
“Employee Participant”	any person who is an employee (whether full-time or part-time), director or officer of any member of the Group, including persons who are granted Awards under the 2025 Share Scheme as an inducement to enter into employment contracts with any member of the Group; provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment

DEFINITIONS

“Exercise Period”	the period during which a grantee may exercise the Share Option awarded under the 2025 Share Scheme
“Exercise Price”	the price per Share at which a grantee may subscribe for Shares upon the exercise of a Share Option awarded under the 2025 Share Scheme
“Grant Date”	the date on which the grant of an Award is made to a grantee, being the date of the Award Letter in respect of such Award
“Group”	the Company, its subsidiaries and the Consolidated Affiliated Entities from time to time, and the expression “member of the Group” shall be construed accordingly
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	in respect of any Share Award, the price per share a grantee is required to pay to subscribe for the Shares constituting the Share Award under the 2025 Share Scheme
“Latest Practicable Date”	November 30, 2024, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Post-IPO Share Award Scheme”	the post-IPO share award scheme approved and adopted by the Company on June 10, 2022

DEFINITIONS

“PRC”	the People’s Republic of China and for the purposes of this circular only, except where the context requires otherwise, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pre-IPO Equity Incentive Scheme”	the pre-IPO equity incentive scheme approved and adopted by the Company on August 24, 2015
“Prospectus”	the prospectus of the Company dated June 23, 2022
“Related Entity”	(i) a holding company of the Company; (ii) subsidiaries of the holding company of the Company other than members of the Group; or (iii) an associated company of the Company
“Related Entity Participant”	any person who is an employee (whether full-time or part-time), director or officer of a Related Entity
“Related Income”	any cash dividends or other distributions declared and paid in respect of Shares
“Remuneration Committee”	the remuneration committee of the Board
“RSU”	the restricted share units
“Scheme Administrator”	the Board and/or any committee of the Board or other persons to whom the Board has delegated its authority in accordance with the Scheme Rules
“Scheme Mandate Limit”	shall have the meaning set out in the Scheme Rules, as increased, refreshed or renewed from time to time in accordance with the Scheme Rules
“Scheme Rules”	the rules relating to the 2025 Share Scheme as amended from time to time
“senior manager”	shall have the meaning ascribed to it under Rule 17.01A of the Listing Rules

DEFINITIONS

“Service Provider Participant(s)”	persons providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Scheme Administrator pursuant to criteria set out in the Scheme Rules
“Service Provider Sublimit”	shall have the meaning set out in the Scheme Rules, as increased, refreshed or renewed from time to time in accordance with the Scheme Rules
“Share(s)”	ordinary share(s) in the share capital of our Company, currently with a par value of US\$0.00001 each
“Shareholders”	holder(s) of Share(s) from time to time
“Share Award”	an Award which vests in the form of the right to subscribe for and/or be issued such number of Shares as the Scheme Administrator may determine at the Issue Price in accordance with the terms of the 2025 Share Scheme
“Share Option”	an Award which vests in the form of the right to subscribe for such number of Shares as the Scheme Administrator may determine during the exercise period at the Exercise Price in accordance with the terms of the 2025 Share Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it in the Listing Rules
“treasury shares”	shall have the meaning given to it in the Listing Rules
“Trust”	any trust or similar arrangement established for the purposes of implementing and administering the 2025 Share Scheme

DEFINITIONS

“Trust Deed”	the deed constituting and/or governing any Trust or such other governing documents or custodian arrangements entered into between the Company and any Trustee as the Scheme Administrator considers appropriate
“Trustee”	any trustee or other third party appointed by the Company to hold Shares under a Trust pursuant to a Trust Deed
“US\$”	United States dollars, the lawful currency of the United States
“Vesting Date”	the date on which an Award (or part thereof) is to vest in the relevant grantee following which the grantee may exercise the Award, as determined from time to time by the Scheme Administrator pursuant to the Scheme Rules

References to time and dates in this circular are to Hong Kong time and dates.



ClouDr Group Limited

智雲健康科技集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9955)

Executive Directors:

Mr. Kuang Ming (匡明)

(Chairman and Chief Executive Officer)

Ms. Zuo Yinghui (左穎暉)

Registered Office:

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Independent non-executive Directors:

Dr. Hong Weili (洪偉力)

Mr. Zhang Saiyin (張賽音)

Mr. Ang Khai Meng

Headquarters in the PRC:

Rooms 201, 2/F, Building 12

No. 998 Wenyi West Road (Haichuang Yuan)

Wuchang Street, Yuhang District, Hangzhou,

Zhejiang Province, China

Principal Place of Business in Hong Kong:

5/F, Manulife Place

348 Kwun Tong Road

Kowloon, Hong Kong

December 11, 2024

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED ADOPTION OF THE 2025 SHARE SCHEME;
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with further information in respect of, among other matters, the proposed adoption of the 2025 Share Scheme, and to give the Shareholders notice of the EGM at which resolutions will be proposed for the Shareholders to consider and, if thought fit, approve the aforesaid matters.

LETTER FROM THE BOARD

2. PROPOSED ADOPTION OF THE 2025 SHARE SCHEME

Existing Share Schemes and Termination of the Post-IPO Share Award Scheme

The Company has two existing share schemes, namely the Pre-IPO Equity Incentive Scheme and the Post-IPO Share Award Scheme. Please refer to the Prospectus and the Company's annual reports for a summary of the principal terms of the Pre-IPO Equity Incentive Scheme and the Post-IPO Share Award Scheme.

The Pre-IPO Equity Incentive Scheme was approved and adopted on August 24, 2015. All grant of awards under the Pre-IPO Equity Incentive Scheme were satisfied by existing Shares and no new Shares were issued pursuant to grant under the Pre-IPO Equity Incentive Scheme.

As at the Latest Practicable Date, the number of Shares underlying all grants and all outstanding grants under the Pre-IPO Equity Incentive Scheme was 83,045,528 and 12,426,907, respectively. Details of outstanding grants under the Pre-IPO Equity Incentive Scheme as at the Latest Practicable Date (which were all in the form of RSUs) are as follows:

				Unvested and untransferred RSUs as of the Latest Practicable Date	
Grantees in category	Role	Date of Grant	Vesting Period	Purchase Price (per Share)	
Directors					
Mr. Kuang Ming	Executive Director,	January 1, 2020	4 years	HK\$0.01	249,835
	Chief Executive Officer	December 30, 2022	4 years	HK\$0.01	2,000,000
Ms. Zuo Yinghui	Executive Director	January 1, 2021	4 years	HK\$0.01	175,000
Other grantees in aggregate	Other employees	Between 2018 and 2022	4 years	HK\$0.01	6,289,290
		Between 2015 and 2021	Between immediately available and 4 years	HK\$0.01 to HK\$18.28	3,218,532
		September 1, 2022	4 years	HK\$0.01 to HK\$3.92	454,250
		December 15, 2022	4 years	HK\$0.01	40,000
Total					12,426,907

LETTER FROM THE BOARD

The Post-IPO Share Award Scheme was conditionally adopted by our Company on June 10, 2022. The grants under the Post-IPO Share Award Scheme may be satisfied by new Shares or existing Shares. The aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme (excluding award shares which have been forfeited in accordance with the Post-IPO Share Award Scheme) will not exceed 58,703,821 Shares without Shareholders' approval subject to an annual limit of 3% of the total number of issued Shares at the relevant time.

As at the Latest Practicable Date, the number of Shares underlying all grants and all outstanding grants under the Post-IPO Share Award Scheme was 29,454,743 and 12,665,532, respectively. Details of outstanding grants under the Post-IPO Share Award Scheme as at the Latest Practicable Date (which were all in the form of share awards to be satisfied by existing Shares) are as follows:

					Unvested and untransferred share awards as of the Latest Practicable Date
Grantees in category	Role	Date of Grant	Vesting Period	Purchase Price (per Share)	
Director					
Ms. Zuo Yinghui	Executive Director	December 30, 2022	2 years	HK\$0.01	30,000
Other grantees in aggregate	Other employees	December 30, 2022	2 or 4 years	HK\$0.01	,8,793,240
		July 1, 2023	4 years	HK\$0.01	2,841,250
		March 1, 2024	Immediately available	HK\$0.01	971,042
		April 1, 2024	Between immediately available to 2 years	HK\$0.01	30,000
Total					12,665,532

As at the Latest Practicable Date, there were no Shares issued to the trustee regarding the Post-IPO Share Award Scheme which were (a) without underlying grants or (b) for awards granted but subsequently lapsed.

According to the terms of the Post-IPO Share Award Scheme, the scheme may be early terminated as determined by the Board, provided that such termination shall not affect any subsisting rights of any selected participants thereunder (provided further that for the avoidance of doubt, the change in the subsisting rights of a selected participant as aforementioned refers solely

LETTER FROM THE BOARD

to any change in the rights in respect of the award shares already granted to a selected participant thereunder). Accordingly, the Board has determined that, conditional upon and with effect from the 2025 Share Scheme taking effect, the Post-IPO Share Award Scheme shall be terminated.

As (i) the Pre-IPO Equity Incentive Scheme does not involve issuance of any new Shares and (ii) the Post-IPO Share Award Scheme will be terminated with effect from the 2025 Share Scheme taking effect as disclosed above, the Company does not expect to make any further grants involving the issue of new Shares under the Pre-IPO Equity Incentive Scheme and the Post-IPO Share Award Scheme after the adoption of the 2025 Share Scheme. For the avoidance of doubt, all outstanding grants under the Pre-IPO Equity Incentive Scheme and the Post-IPO Share Award Scheme shall continue to be valid and exercisable and/or vested in accordance with the terms of such grants.

The 2025 Share Scheme

On December 6, 2024, the Board resolved to propose the adoption of the 2025 Share Scheme. The 2025 Share Scheme will constitute a share scheme funded by issuance of new Shares under Chapter 17 of the Listing Rules and, pursuant to Rule 17.02(1)(a) of the Listing Rules, its adoption will be subject to, among others, the approval of the Shareholders in general meeting.

In proposing the adoption of the 2025 Share Scheme, the Board has considered various factors, including: (i) the scheme mandate under the Post-IPO Share Award Scheme will be fully utilized soon and the remaining shares available for grant under the Post-IPO Share Award Scheme will not be sufficient to meet the Company's need for grant of share awards in the near future; (ii) that the terms of the 2025 Share Scheme would allow the Company to broaden the types of equity incentives it can utilize by allowing the grant of both share options and share awards, whereas the Pre-IPO Equity Incentive Scheme and the Post-IPO Share Award Scheme of the Company only allowed the Company to issue either RSUs or stock options to the eligible participants under those plans; and (iii) that the terms of the 2025 Share Scheme could be able to comply with the amended requirements in Chapter 17 of the Listing Rules that took effect on January 1, 2023.

The purposes of the 2025 Share Scheme are (i) to provide the Company with a flexible means of remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to Eligible Participants; (ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire shareholding interests in the Company; and (iii) to encourage Eligible Participants to contribute to the long-term growth and profitability of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 587,038,219 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 maximum number of Shares issuable pursuant to the 2025 Share Scheme and any other schemes of the Company (if any) in aggregate will be 58,703,821 Shares, being 10% of the total number of Shares in issue on the date of approval of the 2025 Share Scheme.

The 2025 Share Scheme shall become effective upon fulfillment of the following conditions:

- (a) the passing of a resolution by the Shareholders to approve the adoption of the 2025 Share Scheme; and
- (b) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to Awards.

Explanation of the terms of the 2025 Share Scheme

Please see the Appendix to this circular for:

- (a) a summary of the principal terms of the 2025 Share Scheme. This summary serves as an overview of these terms and does not constitute the full reproduction of the terms or a comprehensive list of all the rules under the 2025 Share Scheme; and
- (b) *in italics and as notes to the summary*, the views of the Directors and Remuneration Committee as to the appropriateness and reasonableness of particular terms and how they align with the purpose of the 2025 Share Scheme.

Document on display

A copy of the Scheme Rules of the 2025 Share Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the Scheme Rules of the 2025 Share Scheme will be made available for inspection at the EGM.

3. EGM AND PROXY ARRANGEMENT

A notice convening the EGM to be held at Room 16A, Level 16, 41 Connaught Road Central, Central, Hong Kong, China on Thursday, January 2, 2025 at 10:00 a.m. is set out on pages 33 to 35 of this circular. The EGM will be convened for the purpose of considering and, if thought fit, approving, among others, the adoption of the 2025 Share Scheme.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules and article 13.6 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the EGM will demand a poll for each and every resolution put forward at the EGM. The Company will appoint scrutineers to handle vote-taking procedures at the EGM. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

To the extent that the Company is aware having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had a material interest in the proposed resolutions and as such, no Shareholder is required to abstain from voting on the resolutions at the EGM.

A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cloudr.cn). Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e., no later than 10:00 a.m. on Tuesday, December 31, 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meeting if they so wish.

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, December 30, 2024 to Thursday, January 2, 2025, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, 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 Hong Kong share registrar, 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, December 27, 2024.

4. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Directors consider that the proposed adoption of the 2025 Share Scheme is in the best interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of the resolutions to be proposed at the EGM.

Yours faithfully,

By Order of the Board

ClouDr Group Limited

Kuang Ming

Chairman, Executive Director and

Chief Executive Officer

The following is a summary of the principal terms of the Scheme Rules to be considered and approved by Shareholders at the EGM. It does not form part of, nor is it intended to be part of, the Scheme Rules. The Directors reserve the right at any time prior to the EGM to make amendments to the 2025 Share Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspect with the summary set out in this Appendix.

- Purpose:** The purpose of the 2025 Share Scheme is (i) to provide the Company with a flexible means of remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to Eligible Participants; (ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire shareholding interests in the Company; and (iii) to encourage Eligible Participants to contribute to the long-term growth and profitability of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole. In the 2025 Share Scheme, references to new Shares include treasury shares, and references to the issue of Shares include the transfer of treasury shares. The Company may use treasury shares to satisfy the exercise of vesting of Awards under the 2025 Share Scheme.
- Awards:** An Award may take the form of a Share Option or a Share Award, which shall be funded by Award Shares.
- Scheme administration:** The 2025 Share Scheme shall be administered by the Scheme Administrator, being the Board and/or any committee of the Board or other persons to whom the Board has delegated its authority in accordance with the Scheme Rules.
- Eligible Participants:** Eligible Participants under the 2025 Share Scheme shall include:
- (i) **Employee Participants**, namely, any person who is an employee (whether full-time or part-time), director or officer of any member of the Group, including persons who are granted Awards under the 2025 Share Scheme as an inducement to enter into employment contracts with any member of the Group; provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment;

- (ii) **Related Entity Participants**, being any person who is an employee (whether full-time or part-time), director or officer of a Related Entity; and
- (iii) **Service Provider Participants**, being any person providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Scheme Administrator pursuant to criteria set out below.

Service Provider Participants shall include the following categories:

Category	Eligibility criteria for Service Provider Participant
-----------------	--

- | | |
|-----------------|---|
| (i) Consultants | Those that (a) operate in the industries of healthcare, chronic condition management, biotechnology, pharmaceutical services, and AI technology; (b) engage with the Group on a regular or recurring basis; and (c) have specialties or expertise in areas that supplement the Group or otherwise significant to the Group's business, with reference to consulting and advisory services and contribution, research and development, technical contribution, manufacturing or sourcing or distribution of products provided by the Group, or other financial or business significance (in terms of significant contribution to revenue generation or cost saving). |
|-----------------|---|

- (ii) Suppliers Those who are engaged in businesses that supply the Group with goods and raw materials (including for example, medical devices, consumables, pharmaceuticals and miscellaneous medical supplies), on a regular or recurring basis under long-term agreements with which the Group would consider important to maintain a close business relationship on an ongoing basis, and in turn, it would be beneficial to the Group's business relationship to grant such supplier with proprietary ownership in the Company and to encourage the supplier to have a vested shareholding interest in the Group and in the Group's future development.
- (iii) Service providers Service providers that (a) operate in the industries of healthcare, chronic condition management, biotechnology, pharmaceutical services, and AI technology; (b) engage with the Group on a regular or recurring basis; and (c) have specialties or expertise in areas that supplement the Group or otherwise significant to the Group's business, with reference to consulting and advisory services and contribution, research and development, technical contribution, manufacturing or sourcing or distribution of products provided by the Group, or other financial or business significance (in terms of significant contribution to revenue generation or cost saving).

provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity may not be Service Provider Participants.

Where a consultant, supplier or service provider qualifies for one of the above categories and meets the initial eligibility criteria to fall within the above categories, the Scheme Administrator will decide whether such consultant, supplier or service provider qualifies as a Service Provider Participant based on qualitative and quantitative performance indicators to be on a case-by-case basis in accordance with the above initial criteria. In assessing whether a Service Provider provides services to the Group on a continuing basis, the Scheme Administrator will take into account factors such as: (i) length and type of services provided or will be provided to the Group, recurrence and regularity of such services; (ii) how the selection metrics benchmark against comparable metrics used to determine other Eligible Participants who have been granted options and/or awards under the Company's share schemes; (iii) the Group's objectives in engaging the consultant, supplier or service provider and how granting options and/or awards to the consultant, supplier or service provider would align with the purpose of the 2025 Share Scheme or benefit the Group; and (iv) remuneration packages of comparable listed peers with respect to similar service providers, if any, based on available industry information.

Note:

The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participants and Service Provider Participants to be in line with industry norms and that the proposed scope for "Eligible Participants" (including the selection of Eligible Participants) to be appropriate and aligns with the purpose of the 2025 Share Scheme. In particular:

- (a) *Related Entity Participants will have a sufficiently close relationship with the Group and would likely be in a position to influence the Group's business, reputation, operations and performance;*
- (b) *Service Provider Participants are those service provider sub-categories that the Company considers to be particularly important to the success of the Group's business and future development, including consultants, suppliers and service providers. In particular, in light of the rapid development of the P2M strategy based on the Group's solid infrastructure in both in-hospital scenarios and out-of-hospital scenarios, the Company considers maintaining long-term collaborative relationship with key suppliers of the Group important to the future development of the Group and as some suppliers have been providing the Group with goods and materials on continuing or recurring basis important to the Group's business, such suppliers may also satisfy the definition of "Service Provider Participants";*

- (c) *this scope is consistent with scope of participants approved by the Company under past share incentive plans, as well as, to the best knowledge of the Directors, the practices of peer companies that operate in similar or comparable industries to that of the Group or other companies listed in Hong Kong and their remuneration or compensation packages,*

and accordingly, the Directors (including the independent non-executive Directors) consider it appropriate to enhance the long-term relationship with these Eligible Participants by aligning their interests with that of the Company and Shareholders. Based on the above, the Directors (including the independent non-executive Directors) believe that the proposed scope for “Eligible Participants” is in line with the purpose of 2025 Share Scheme.

**Scheme Mandate Limit
and the Service
Provider Sublimit:**

Scheme Mandate Limit:

The total number of Award Shares which may be issued pursuant to all Awards to be granted under the 2025 Share Scheme together with the number of Shares which may be issued pursuant to any awards to be granted under any other share schemes of the Company

- (i) shall initially be the number of Shares representing 10% of the total issued Shares (excluding any treasury shares) as at the Adoption Date, being 58,703,821 Shares (assuming that there are no changes to the Company’s issued share capital between the Latest Practicable Date and the EGM); and
- (ii) may be increased, refreshed or renewed from time to time in accordance with the Scheme Rules and Chapter 17 of the Listing Rules.

Shares which would have been issued pursuant to Awards which have lapsed in accordance with the terms of the Scheme Rules (or the terms of any other share schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit.

Service Provider Sublimit:

The total number of Award Shares which may be issued pursuant to Awards granted to Service Provider Participants under the 2025 Share Scheme

- (i) shall initially be the number of Shares representing 2% of the total issued Shares (excluding any treasury shares) as at the Adoption Date, being 11,740,764 Shares (assuming that there are no changes to the Company’s issued share capital between the Latest Practicable Date and the EGM); and

- (ii) may be subsequently refreshed in accordance with the Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Notes:

The Service Provider Sublimit is determined based on the maximum possible number of Award Shares that the Company intends to grant to Service Provider Participants and the Company's future business and development plan, including to solidify our leadership position in China's chronic condition management market by, among other things, continuing to: (1) solidify our hospital SaaS and pharmacy SaaS infrastructure, (2) build up a strong pipeline for proprietary products under the "from patients to manufacturers" (P2M) strategy to drive monetization, and (3) invest in product and technology innovation with a focus on medical AI. The Directors (including the independent non-executive Directors) consider the Service Provider Sublimit to be appropriate and reasonable given the nature of the industries in which the Group operates and the Group's current and future business needs, and takes into account:

- (a) *the rationale behind the scope and eligibility criteria of Service Provider Participants, as detailed above;*
- (b) *that this sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or directors of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2025 Share Scheme;*
- (c) *that due to the hiring practice and organisational structures of the Group, certain consultants, suppliers and service providers who provide services akin to employees of the Group may not be able to serve as full-time or part-time employees of the Group but the Group would like to incentivise them to make long-term contribution to the Group which is consistent with the purpose of the 2025 Share Scheme. For example, in relation to the Company's plan to invest in product and technology innovation, the Company has set up several medical AI laboratories with certain leading universities in China and it is expected that a number of professors, researchers and PhD students of these universities may contribute to the research and development AI technologies that will be applied to the Company's business to enhance its business efficiency and improve its competitive edge on an ongoing basis. As the Company plans to continue to invest in research and development in the medical AI field, it is expected that granting share awards to external experts in accordance with the terms of the 2025 Share Scheme will be consistent with the purpose of the 2025 Share Scheme and help to facilitate a long-term collaboration for developing advanced technologies that benefit the Group's development in the long run;*

- (d) *that although the Group did not grant any share incentive to consultant or service providers in the past, considering the Group's future business and development plan as disclosed above, it is expected that the Group may grant share awards and option to Service Provider Participants in the future. Comparing to providing one-off cash incentive, the inclusion of the Related Entity Participants and/or Service Provider Participants as participants of the 2025 Share Scheme will (i) more effectively offer them long-lasting incentives to maintain on-going relationship with the Group by linking their interests with the interests of the Group; and (ii) allow the Group to allocate its financial resources more efficiently by retaining more cash. For example, (1) as some of the suppliers of the Group have been in long-term supply contracts with the Group and supply the Group with scarce material and drug substance for the manufacturing of proprietary products of which the Company has ownership, sales rights or other exclusive rights, the Company considers that maintaining ongoing collaborative relationship with such supplier is important to the business of the Group (in particular in light of the rapid development of the Company's P2M strategy) and the Company may consider granting share awards or options to suppliers who satisfy the relevant eligibility criteria awards under the 2025 Share Scheme in appropriate case in the future; and (2) as part of the Group's digital therapeutics initiatives, a diabetes digital therapeutics product of the Group's has recently received the Medical Device Registration Certificate of the People's Republic of China. To explore potential combination of this diabetes digital therapeutics product with chemical drugs to achieve commercialization and to further the Group's digital therapeutics initiatives, the Company intends to collaborate with other pharmaceutical companies, hospitals, researchers and other third party consultants/service providers that may involve long-term collaboration on an ongoing basis. To incentivise such consultants or service providers, the Company may consider granting share awards or options to consultants or service providers who satisfy the relevant eligibility criteria awards under the 2025 Share Scheme in appropriate case in the future;*
- (e) *the fact that this sublimit represents a maximum limit and that the Company retains the flexibility to allocate Award Shares from this sublimit to satisfy Awards to other Eligible Participants depending on business growth and needs in the future as and when appropriate. For example, where the Company considers that the business needs of the Group at a future point in time suggests that the full Service Provider Sublimit is no longer needed for Service Provider Participants and that it would be more appropriate and beneficial to serve the purpose of the 2025 Share Scheme to allocate a portion of the Award Shares under this sublimit to other Eligible Participants; and*
- (f) *the service provider sublimits proposed or adopted within the past twelve months by other companies listed on the Stock Exchange, in particular those in the health care, biotechnology, and pharmaceutical services industries.*

Shares which would have been issued pursuant to Awards which have lapsed in accordance with the terms of the Scheme Rules (or the terms of any other share schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit).

Awards in excess of the Scheme Mandate Limit

The Company may seek separate approval of the Shareholders in general meeting to grant Awards beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company before such approval is sought.

The Company must send a circular to the Shareholders containing the name of each Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted to each Eligible Participant, and the purpose of granting the Awards to the specified Eligible Participants with an explanation as to how the terms of the Awards serve such purpose.

The number and terms of Awards to be granted to such Eligible Participant must be fixed before Shareholders' approval.

Refreshing the Scheme Mandate Limit and the Service Provider Sublimit:

The Company may refresh the Scheme Mandate Limit and/or the Service Provider Sublimit:

- (i) from the later of three years after the Adoption Date or three years after the date of the previous shareholder approval for refreshment of the Scheme Mandate Limit or Service Provider Sublimit (as the case may be) pursuant to the 2025 Share Scheme, with the prior approval of Shareholders in general meeting by way of ordinary resolution; or
- (ii) at any time, with the prior approval of the Shareholders in general meeting and subject to compliance with any additional requirements set out in the Listing Rules.

The total number of Shares which may be issued in respect of all Awards to be granted under the 2025 Share Scheme and awards to be granted under all other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the Shares in issue (excluding any treasury shares) as at the date of the approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting. Awards already granted under the 2025 Share Scheme and any other share schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with its terms) shall not be counted for the purpose of calculating the number of Award Shares that may be issued under the Scheme Mandate Limit as refreshed.

Further to the requirements set out above, any refreshment to the Scheme Mandate Limit within any three-year period must be approved by the Shareholders, subject to the following:

- (i) any Controlling Shareholders and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

**Maximum entitlement of
a grantee:**

There is no specific maximum entitlement for each Eligible Participant under the 2025 Share Scheme. Awards granted to individuals that exceed the thresholds set out in Chapter 17 of the Listing Rules will be subject to additional approval requirements as required under Chapter 17 of the Listing Rules and set out in the section headed “Further approval requirements” below.

Further approval requirements:***1% Individual Limit***

Unless approved by the Shareholders in the manner set out in the Scheme Rules, the total number of Shares issued and to be issued upon exercise of Awards granted and to be granted under the 2025 Share Scheme and any other share schemes of the Company to each Eligible Participant (including both exercised and outstanding Share Options) in any 12 month period shall not exceed 1% of the total number of Shares in issue (excluding any treasury shares). Any further grant of Awards to an Eligible Participant which would exceed this limit shall be subject to separate approval of the Shareholders in general meeting with the relevant Eligible Participant and his/her close associates (or associates if the relevant Eligible Participant is a connected person) abstaining from voting.

Limit on Grant to Director, Chief Executive or Substantial Shareholder

Any grant of Awards to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the Remuneration Committee (excluding proposed recipient of the grant) and the independent non-executive Directors (excluding any proposed recipient of the grant).

Where any grant of Share Awards (but not any grant of Share Options) to any Director (other than an independent non-executive Director) or chief executive of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all Awards granted (excluding any lapsed Awards) 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) at the date of such grant; or where any grant of Awards to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued upon exercise of all Awards already granted (excluding any lapsed Awards) to such person in the 12 month period up to and including the date of such grant representing in aggregate over 0.1% of Shares in issue (excluding any treasury shares), such further grant of Awards must be approved by Shareholders in general meeting (with such Eligible Participant, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). The Company shall send a circular to the Shareholders within such time as may be specified in the Listing Rules and shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

Limitation on the timing of grants of Awards: No Award shall be granted to any Eligible Participant during the following time periods:

- (a) in circumstances prohibited by the Listing Rules or at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules or by any applicable rules, regulations or law;
- (b) where the Company is in possession of any unpublished inside information in relation to the Company, until (and including) the trading day after such inside information has been announced; and
- (c) during the periods commencing 30 days immediately before the earlier of the date of the board meeting for approving the Company's results for any year, half-year, quarterly or any other interim period and the deadline for the Company to announce such results, and ending on the date of the results announcement, provided that such period will also cover any period of delay in the publication of any results announcement.

Acceptance: The Scheme Administrator may determine the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, which amounts (if any) and periods shall be set out in the Award Letter. Unless otherwise specified in the Award Letter, the grantee shall have 20 Business Days from the Grant Date to accept the Award, following which, the portion not accepted by the grantee shall automatically lapse.

Issue Price of Share Awards and Exercise Price of Share Options: The Issue Price for Awards which take the form of Share Awards shall be such price determined by the Scheme Administrator and notified to the grantee in the Award Letter. For the avoidance of doubt, the Scheme Administrator may determine the Issue Price to be at nil consideration.

The Scheme Administrator shall determine the Exercise Price for such Share Options in which it shall in any event be no less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Grant Date.

Note:

The above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the 2025 Share Scheme by correlating the exercise price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the Participant and is typically made with reference to the difference between the exercise price and prevailing market prices at the time of exercise) and the Company reserving the discretion to determine the issue price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such grantee, which is aligned with the purpose of the 2025 Share Scheme (particularly considering that Awards typically do not involve the same degree of exercise procedure and discretion on the part of the Participant as with Share Options).

Exercise Period of Share Options: The Exercise Period for Share Options shall not be longer than 10 years from the Grant Date. A Share Option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the Grant Date.

Vesting period: The Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date, provided that for Employee Participants, the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances:

- (a) grants of “make whole” Awards to new Employee Participants to replace the awards that the Employee Participants forfeited when leaving their previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants of Awards which are subject to the fulfillment of performance targets;
- (d) grants of Awards that are made in batches during a year for administrative and/or compliance requirements, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (e) grants of Awards with a mixed or accelerated vesting schedule such that the Awards vest evenly over a period of 12 months; or

- (f) grants of Awards with a total vesting and holding period of more than 12 months.

Note:

The Directors and the Remuneration Committee are of the view that the vesting period (including the circumstances in which a shorter vesting period may apply), as detailed above, enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group's industry. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the 2025 Share Scheme.

Performance target:

The Scheme Administrator may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion. Where performance targets, criteria or conditions are to be specified in the relevant Award Letter, the Scheme Administrator may determine such targets, criteria or conditions based on, among other considerations:

- (i) for Directors and members of senior management of the Company: business or financial milestones, transaction milestones, performance appraisal within a specified period reaching a desirable level, or the grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets etc.);
- (ii) for other Employee Participants (except a Director or member of senior management of the Company): performance appraisal within a specified period reaching a desirable level, or the grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets etc.); and
- (iii) for Related Entity Participant and Service Provider Participant: the grantee's anticipated future contribution to the long-term development of the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets or business collaboration targets etc.).

The Scheme Administrator shall specify in the Award Letter the person(s) of the Company that will assess how and whether such targets, criteria or conditions are satisfied.

Note:

The Board and the Remuneration Committee believe that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for each eligible participant's contribution or potential contribution. It is considered that by allowing the Company to require the Eligible Participant to achieve such performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to incentivise suitable eligible participants to deliver high quality work or to complete specified projects or goals important to the Group, which is in line with the purpose of the 2025 Share Scheme. Where Awards are granted to Directors or senior management of the Company without performance targets, the views of the Remuneration Committee on why performance targets are not necessary and how the grants align with the purpose of the 2025 Share Scheme, will be included in the announcement to be issued after any grant of Awards as required by the Listing Rules.

Transferability:

Awards shall be personal to the grantee to whom they are made and shall not be assignable or transferable, except in circumstances where the written consent of the Company has been obtained and a waiver has been granted by the Stock Exchange for such transfer in compliance with the requirements of the Listing Rules and provided that any such transferee agrees to be bound by the Scheme Rules as if the transferee were the grantee.

Administration by trust:

The Company may establish a Trust and appoint a Trustee to hold Shares and other trust property under the Trust for the purposes of implementing and administering the the 2025 Share Scheme. The administration and operation of the Trust shall be governed by the Trust Deed. A Trustee shall not exercise any voting rights in respect of any unvested Shares held by it, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Voting and dividend rights:

Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Award Shares are issued or transferred to the grantee pursuant to the vesting and/or exercise of such Awards. Where Award Shares are held on trust for the grantee, a grantee may give instructions to the Trustee to exercise the voting rights in respect of those Award Shares pursuant to, and to the extent permitted by, the Trust Deed.

- Lapse of Awards:** An Award shall lapse automatically (to the extent not already vested and, where relevant, exercised) on the earliest of:
- (a) the expiry of any applicable exercise period (in respect of Share Options);
 - (b) the clawback mechanism (as described below) being triggered;
 - (c) the expiry of any of the periods for accepting or exercising the Award; and
 - (d) the date on which the grantee commits a breach of the rule against transferring the Awards.
- Cancellation of Awards:** Any Awards granted but not exercised may be cancelled by the Scheme Administrator at any time with the prior consent of the grantee. Issuance of new Awards to the same grantee whose Awards have been cancelled may only be made if there are unissued Award Shares available under the Scheme Mandate (excluding the Award Shares underlying the Awards of the relevant grantee cancelled) and in compliance with the terms of the 2025 Share Scheme. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- Clawback:** In the event that:
- (a) a grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group or Related Entity for cause or without notice or with payment in lieu of notice;
 - (b) a grantee has been convicted of a criminal offence involving his/her integrity or honesty; or
 - (c) in the reasonable opinion of the Board, a grantee has engaged in serious misconduct or breaches the terms of the 2025 Share Scheme in any material respect,

then the Board may make a determination at its absolute discretion that: (A) any Awards issued to that grantee but not yet exercised shall immediately lapse, regardless of whether such Awards have vested or not, (B) with respect to any Award Shares issued or transferred to that grantee, the grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), and/or (C) with respect to any Award Shares held by the Trustee for the benefit of the grantee, those Award Shares shall no longer be held on trust for nor inure to the benefit of the grantee.

Note:

The Directors are of the view that the above clawback mechanism enables the Company to clawback Awards (or the Award Shares underlying such Awards) received by those grantees that have, for example, seriously violated the policies of the Group, put the Group into disrepute, adversely harmed the Group, or otherwise exposed the Group to significant risk. In these circumstances, the Company would not consider it in the Company or Shareholders' best interests to incentivise them with proprietary interests of the Company under the 2025 Share Scheme, nor would the Company consider such grantees benefiting under the 2025 Share Scheme to align with the purpose of the 2025 Share Scheme. As such, the Company considers this clawback mechanism appropriate and reasonable.

Term of the 2025 Share Scheme: 10 years commencing on the Adoption Date unless terminated earlier.

Termination: Subject to the Scheme Rules, the 2025 Share Scheme shall terminate on the earlier of (a) the 10th anniversary of the Adoption Date; and (b) such date of early termination as determined by the Board, provided that notwithstanding such termination, the 2025 Share Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any Awards granted prior to the termination of the 2025 Share Scheme and such termination shall not affect any subsisting rights already granted to any grantee thereunder.

Amendment of the 2025 Share Scheme or Awards: The Board may amend the 2025 Share Scheme or an Award granted under the 2025 Share Scheme granted, provided that:

(a) the amendment must comply with Chapter 17;

- (b) Shareholders' approval at general meeting is required for the following:
 - (i) any amendment or alteration to the terms and conditions of the 2025 Share Scheme that is of a material nature or any amendment or alteration to those provisions that relate to the matters set out in rule 17.03 of the Listing Rules to the advantage of Eligible Participants;
 - (ii) any change to the authority of the Board or the scheme administrator to alter the terms of the 2025 Share Scheme; and
- (c) any amendment or alteration to the terms of an Award the grant of which was subject to the approval of a particular body shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the 2025 Share Scheme.

**Alterations in Share
Capital:**

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, open offer, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Adoption Date, the Scheme Administrator shall make such corresponding adjustments, if any, as the Scheme Administrator in its discretion may deem appropriate to reflect such change with respect to:

- (a) the number of Shares constituting the Scheme Mandate Limit or Service Provider Sublimit, provided that in the event of any Share subdivision or consolidation the Scheme Mandate Limit and Service Provider Sublimit as a percentage of the total issued Shares at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;
- (b) the number of Shares in each Award to the extent any Award has not been exercised;
- (c) the Exercise Price of any Share Option or Issue Price of any Share Award,

or any combination thereof, as the auditors or a financial advisor engaged by the Company for such purpose have certified satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular grantee, provided always that (i) any such adjustments should give each grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that grantee was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the auditors or financial advisor (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the grantees.

To the extent not otherwise determined by the Scheme Administrator in accordance with the above, the default method of adjustment for various alternations in share capital events are set out below:

Capitalization issue

Adjustment of number of Award Shares underlying outstanding Awards

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; n represents the rate of increase per Share resulting from the capitalization issue; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \div (1 + n)$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; n represents the rate of increase per Share resulting from the capitalization issue; P represents the Exercise Price or Issue Price after the adjustment.

Rights issue*Adjustment of number of Award Shares underlying outstanding Awards*

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; P_1 represents the closing price of Shares on the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of the rights issue allotment; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times 1 + n)$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; P_1 represents the closing price as at the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of allotment; P represents the Exercise Price or Issue Price after the adjustment.

Share consolidation, share subdivision or reduction of share capital*Adjustment of number of Award Shares underlying outstanding Awards*

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \div n$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; P represents the Exercise Price or Issue Price after the adjustment.

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.

NOTICE OF EXTRAORDINARY GENERAL MEETING



ClouDr Group Limited

智雲健康科技集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9955)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “**Extraordinary General Meeting**”) of ClouDr Group Limited (the “**Company**”) will be held at Room 16A, Level 16, 41 Connaught Road Central, Central, Hong Kong, China on Thursday, January 2, 2025 at 10:00 a.m. for the purpose of considering, and if thought fit, passing with or without modifications, the resolutions set out below, to be passed as ordinary resolutions.

ORDINARY RESOLUTIONS

1. “**THAT**, the adoption of the 2025 Share Scheme proposed by the board (“**Board**”) of directors of the Company (“**Directors**”), a copy of which is produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification, with the Scheme Mandate Limit (as defined in the 2025 Share Scheme) of 10% of the total issued and outstanding Shares (excluding any treasury shares) as at the date of the Shareholders’ approval of the 2025 Share Scheme, be and is hereby approved and adopted, and the Scheme Administrator (as defined in the 2025 Share Scheme) be and are hereby authorized to grant the awards pursuant to the 2025 Share Scheme (“**Awards**”), and do all such acts and execute all such documents as the Scheme Administrator may consider necessary or expedient in order to give full effect to the 2025 Share Scheme.”; and
2. “**THAT**, conditional upon the passing of ordinary resolution 1, the Service Provider Sublimit (as defined in the 2025 Share Scheme) of 2% of the total issued and outstanding Shares (excluding any treasury shares) as at the date of the Shareholders’ approval of the 2025 Share Scheme be and is hereby approved and adopted.”

Ordinary resolution 1 is not conditional upon the passing of ordinary resolution 2, but ordinary resolution 2 is conditional upon the passing of ordinary resolution 1. In the event that ordinary resolution 1 is passed but ordinary resolution 2 is not passed, the Company will adopt the

NOTICE OF EXTRAORDINARY GENERAL MEETING

2025 Share Scheme but the Board shall alter the 2025 Share Scheme to remove references to the grant of Awards to Service Provider Participants. In the event that ordinary resolution 2 is passed but ordinary resolution 1 is not passed, the 2025 Share Scheme will not be adopted.

Unless indicated otherwise, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated December 11, 2024 in relation to the proposed adoption of the 2025 Share Scheme.

By Order of the Board
ClouDr Group Limited
Kuang Ming
*Chairman, Executive Director and
Chief Executive Officer*

Hong Kong, December 11, 2024

Notes:

- (1) 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 Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, vote instead of him/her/it. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her/it. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury shares of the Company (if any) are not entitled to vote at the Extraordinary General Meeting.
- (3) 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 Hong Kong share registrar, 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 meeting (i.e. not later than 10:00 a.m. on Tuesday, December 31, 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 in person at the meeting or any adjournment thereof, as the case may be, if so wish, and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, December 30, 2024 to Thursday, January 2, 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Extraordinary 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 Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration as soon as possible but in any event not later than 4:30 p.m. on Friday, December 27, 2024.
- (5) References to time and dates in this notice are to Hong Kong time and dates.

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Board comprises Mr. Kuang Ming and Ms. Zuo Yinghui as the executive Directors, and Dr. Hong Weili, Mr. Zhang Saiyin and Mr. Ang Khai Meng as the independent non-executive Directors.

** For identification purpose only*