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MedSci Healthcare Holdings Limited

梅斯健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2415)

VOLUNTARY ANNOUNCEMENT ADOPTION OF SHARE AWARD SCHEME

ADOPTION OF THE SCHEME

The Board is pleased to announce that on 19 September 2023 (after trading hours), the Company has adopted the Scheme.

LISTING RULES IMPLICATIONS

The Scheme will purchase the existing Shares through the Trustee on the Stock Exchange at the market trading price, or the Trustee may accept Shares transferred, gifted, assigned, or conveyed to the Trust from any Significant Shareholder or any party designated by the Company from time to time. The Scheme was contemplated and adopted to be funded solely by the existing Shares and will not involve the issue of new Shares. The Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Scheme will not be subject to Shareholders' approval.

ADOPTION OF THE SCHEME

The Board is pleased to announce that on 19 September 2023 (after trading hours), the Company has adopted the Scheme. A summary of the principal terms of the Scheme Rules is set out below.

Purposes and objectives

The purposes of the Scheme are to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date, after which no further awards will be granted.

Administration

The Scheme is subject to the administration by the Board and the Trustee in accordance with the Scheme Rules and the terms of the Trust Deed.

Operation of the Scheme

The Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the Scheme as a Selected Participant, and grant an Award to any Selected Participant at such consideration (if any) subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

The Board may from time to time cause to be paid a Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company, any Subsidiary, any Significant Shareholder or any party designated by the Company as directed by the Board which shall constitute part of the trust fund, for the purchase of Shares and other purposes set out in the Scheme Rules and the Trust Deed.

Subject to prior written direction and/or consent of the Board, the Trustee may accept Shares transferred, gifted, assigned, or conveyed to the Trust from any Significant Shareholder or any party designated by the Company from time to time in such number as such Significant Shareholder or such party designated by the Company may at their sole and absolute discretion determine, which shall constitute part of the trust fund.

Subject to the Scheme Rules, the Board may from time to time instruct the Trustee in writing to purchase Shares on the Stock Exchange or accept and receive a specified number of Shares from any Significant Shareholder or any party designated by the Company. Once purchased or received, the Shares are to be held by the Trustee for the benefit of the Selected Participants under the Trust until they are vested, on and subject to the terms and conditions of the Scheme and the Trust Deed. On each occasion when the Board instructs the Trustee to purchase Shares on the Stock Exchange, it shall specify the maximum amount of funds to be used and the range of prices at which such Shares are to be purchased. The Trustee may not incur more than the maximum amount of funds or purchase any Shares at a price falling outside the range of prices so specified unless with the prior written consent of the Board.

Vesting and lapse

Subject to the terms and conditions of the Scheme and the fulfillment of all vesting conditions applicable to the vesting of the Awarded Interests on such Selected Participant, the respective Awarded Interests held by the Trustee on behalf of the Selected Participant pursuant to the provision thereof shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Awarded Interests to be transferred to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant in accordance with the Scheme Rules.

In the event that a Selected Participant is a director, a substantial shareholder or a connected person of the Group, such Awards shall constitute connected transactions under Chapter 14A of the Listing Rules and the Company shall comply with the relevant requirements under the Listing Rules.

Unless the Board determines otherwise in accordance with the Scheme Rules, in the event of the following matters, all relevant Award(s) made to such Selected Participant shall automatically lapse and the relevant Awarded Shares shall not vest on the relevant vesting date but shall remain part of the trust fund:

- (i) Selected Participant is found to be an Excluded Participant;
- (ii) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;
- (iii) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;

- (iv) where such person has been convicted of any criminal offence;
- (v) where such person has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group; or
- (vi) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time.

Scheme limit

The Board shall not make any further award of Awarded Shares which will result in the aggregate number of the Shares awarded by the Board under the Scheme exceeding 10% of the issued share capital of the Company as at the Adoption Date.

Limit for each Eligible Participant

The maximum number of shares which may be awarded to a Selected Participant under the Scheme shall not exceed 1% of the issued share capital of the Company in any 12-month period.

The aforesaid limits shall always be subject to the compliance with the Listing Rules that are in force from time to time, including the requirement on maintaining a minimum public float.

Voting rights

No instructions shall be given by a Selected Participant (including, without limitation, voting rights) to the Trustee in respect of the Awarded Shares that have not been vested, and such other properties of the trust fund managed by the Trustee. The Trustee shall abstain from exercising the voting rights in respect of any Shares held by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom).

LISTING RULES IMPLICATIONS

The Scheme will purchase the existing Shares through the Trustee on the Stock Exchange at the market trading price, or the Trustee may accept Shares transferred, gifted, assigned, or conveyed to the Trust from any Significant Shareholder or any party designated by the Company from time to time. The Scheme was contemplated and adopted to be funded solely by the existing Shares and does not involve the issue of new Shares. The Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Scheme will not be subject to Shareholders' approval.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Adoption Date”	19 September 2023, being the date on which the Board adopted the Scheme
“Award”	an award by the Board to a Selected Participant entitling the Selected Participant to receive the Awarded Interests in accordance with the Scheme Rules
“Awarded Interests”	in respect of an Award, the (i) Awarded Shares; and/or (ii) such amount of cash from the sale of Shares awarded to him after deduction or withholding of any tax, fees and other charges in connection with the sale of Shares, and the related income (if any) as awarded under the Award
“Awarded Share(s)”	in respect of a Selected Participant, such number of Shares as awarded to him by the Board
“Board”	the board of Directors, and in relation to the Scheme Rules, if the context so permits, it shall include such committee or sub-committee or person(s) as from time to time delegated with the power and authority by the Board to administer the Scheme and/or to deal with the Trust/Trustee in any manner as authorised by the Board
“Company”	MedSci Healthcare Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Contributed Amount”	cash paid or made available to the Trust by way of settlement or otherwise contributed by the Company, any Subsidiary, any Significant Shareholder, and/or any party designated by the Company as permitted under the Scheme to the Trust as determined by the Board from time to time
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	any individual being an Employee Participant, Related Entity Participant or Service Provider

“Employee Participant(s)”	directors and employees (including full-time employees and part-time employees) of the Company or any of its Subsidiaries (including persons who are granted awards under the Scheme as an inducement to enter into employment contracts with these companies)
“Excluded Participant(s)”	any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Interests pursuant to the terms of the Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Group”	the Company and its Subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Related Entity Participant”	directors and employees of the holding companies, fellow Subsidiaries or associated companies of the Company
“Scheme”	the share award scheme adopted by the Board as described in the Scheme Rules
“Scheme Rules”	the rules relating to the Scheme adopted by the Board, as amended from time to time
“Selected Participant”	Eligible Participant(s) selected by the Board pursuant to the Scheme Rules for participation in the Scheme (or his legal personal representative or lawful successor, as the case may be)
“Service Provider(s)”	persons who provide services to the Company and/or its Subsidiaries 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 Company and/or its associated companies. For the avoidance of doubt, Service Provider may not include placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, as well as professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented and/or modified from time to time
“Share(s)”	ordinary share(s) of US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Significant Shareholder”	a person who has beneficial ownership of 5% of the issued share capital of the Company, or control over 5% of the voting powers of the Company, whether directly or indirectly
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed thereto under the Listing Rules
“Trust”	means the trust constituted by the Trust Deed
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)
“Trustee”	Futu Trustee Limited, a professional trustee appointed under the Trust Deed to act as trustee of the Trust, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed
“%”	per cent

By Order of the Board
MedSci Healthcare Holdings Limited
梅斯健康控股有限公司
Dr. Zhang Fabao
Chairman of the Board and Executive Director

Hong Kong, 19 September 2023

As at the date of this announcement, the board of Directors comprises Dr. Zhang Fabao, Dr. Li Xinmei, Mr. Fan Jie and Mr. Wang Shuai, as executive Directors; Mr. Hu Xubo and Mr. Yan Shengfeng, as non-executive Directors; and Ms. Liu Tao, Mr. Yu Mingyang and Mr. Lau Yiu Kwan Stanley, as independent non-executive Directors.