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New Century Healthcare Holding Co. Limited
新世紀醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1518)

VOLUNTARY ANNOUNCEMENT
ADOPTION OF THE RESTRICTED SHARE AWARD SCHEME

The Board is pleased to announce that it has approved the adoption of the Scheme for the purpose of the Company's grant of Award Shares to Selected Participants from time to time pursuant to the Scheme Rules so as to provide them with incentives to achieve performance goals, and to attract suitable personnel for further development of the Group.

ADOPTION OF THE SCHEME

The Board is pleased to announce that it has approved the adoption of the Scheme for the purpose of the Company's grant of Award Shares to Selected Participants from time to time pursuant to the Scheme Rules, a summary of which is set out below:

OBJECTIVES

The objectives of the Scheme are to recognize the contributions by the Selected Participants, to provide them with incentives to achieve performance goals, and to attract suitable personnel for further development of the Group.

ADMINISTRATION

The Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. The Scheme shall be subject to the administration of the Administration Committee and the Trustee in accordance with the Scheme Rules. The Trustee shall hold the trust fund in accordance with the Scheme Rules and the terms of the Trust Deed.

SCHEME LIMIT

No Shares shall be purchased pursuant to the Scheme if as a result of such purchase, the number of Shares administered under the Scheme reaches 5% or more of the issued share capital of the Company at the date of the Board's approval of the Scheme, or such other limit as determined by the Administration Committee in its sole and absolute discretion provided always that it is in compliance with the Listing Rules. The maximum number of Award Shares which may be granted to a Selected Participant at any one time or in aggregate may not exceed 1 % of the issued share capital of the Company at the same date.

OPERATION

Grant and Acceptance of Award Shares

Subject to the Scheme Rules, the Administration Committee may, from time to time in its sole and absolute discretion, select any Participant to be a Selected Participant and make a Grant to such Selected Participant.

In determining the Selected Participants (excluding any Excluded Employee), the number of Award Shares to be granted, the vesting conditions, the exercise price (if any) to be paid by the Selected Participants (the “**Exercise Price**”) for each Award Share, the manner of payment of the Exercise Price and the other terms and conditions of the Grants, the Administration Committee shall take into consideration any matter which the Administration Committee considers relevant.

After the Administration Committee has determined a Selected Participant, the number of the Award Shares to be granted, the Grant Consideration and other terms and conditions of the Grant, it shall notify the Trustee and the Selected Participant on the Grant Date in writing (which may also be made through the designated online portal facilities) (the “**Grant Letter**”). Upon receipt of the Grant Letter, the Selected Participant is required to confirm his/her acceptance of the Grant within 5 Business Days after the Grant Date (the “**Acceptance Period**”).

If any Selected Participant fails to return the notice of acceptance or complete the required steps to confirm his/her acceptance of the Grant within the Acceptance Period to the Company, the Grant shall automatically lapse forthwith and the Shares pursuant to the Grant shall become Unaccepted Shares (see the section headed “Unaccepted and Unvested Shares” below).

Dealing in Shares by the Trustee

The Administration Committee shall at any time and/or from time to time in its the sole and absolute discretion, cause to be paid to the Trustee any monetary amount (the “**Monetary Amount**”) for the purchase of any Shares to be granted from the resources of the Company and, to the extent not prohibited by the Listing Rules and applicable laws, any Subsidiary.

The Administration Committee may, in its sole and absolute discretion, at any time deliver to the Trustee a written instruction to instruct the Trustee to make purchases on the Hong Kong Stock Exchange according to the terms set out therein.

Once purchased, the Trustee shall hold the Shares so purchased in accordance with the Scheme Rules and the provisions of the Trust Deed. As soon as the Trustee completes the purchase, the Trustee shall inform the Administration Committee of the number of Shares purchased and the price at which those Shares have been purchased. Upon expiry of the purchase period specified in the written instruction, any balance of the Monetary Amount which has not been utilized shall under no circumstances form part of the trust fund of the Trust. The Administration Committee may, from time to time in its sole and absolute discretion, direct and procure the Trustee to return any balance of the Monetary Amount to the Company after completion of the relevant purchase.

Subject to the restrictions in the Scheme Rules, the Trustee may, subject to the instructions of the Administration Committee, acquire such number of new or existing Shares or, to the extent permitted by applicable laws, regulations or regulatory rules, to sell such Shares on the market for the purposes of the Scheme and the Trust.

The Trustee shall not sell or otherwise dispose of the Shares purchased on the Hong Kong Stock Exchange pursuant to this Scheme until the termination of this Scheme unless otherwise instructed by the Administration Committee and the Trustee shall not transfer any Shares to the Company at any time until the termination of this Scheme.

Vesting of Award Shares

Any Award Share granted to a Selected Participant pursuant to the Scheme Rules shall vest in such Selected Participant in accordance with the vesting conditions as set out in the Grant Letter. If the Administration Committee is satisfied that a Selected Participant has satisfied the vesting conditions (save for the receipt of the Exercise Price, if any), it shall send to the Selected Participant (or his/her legal representative or lawful successor as the case may be) a vesting notice (which may also be made through the designated online portal facilities) at least 10 Business Days before the vesting date notifying the Selected Participant of the intended vesting of the Award Shares subject to fulfilment of requirements as specified in the next paragraph below. The Administration Committee shall have the sole and absolute discretion in determining whether the Award Shares shall be satisfied by Shares or cash of the equivalent value of such Award Shares at the vesting date.

Upon receipt of the vesting notice, the Selected Participant is required to return to the Company a reply slip at least 5 Business Days before the vesting date. If the Administration Committee specifies in the vesting notice that actual Award Shares will be transferred to the Selected Participant upon vesting, the Selected Participant shall complete the payment of the Exercise Price (if any) within the specified period set out in the vesting notice. If any Selected Participant fails to (i) return the reply slip at the stipulated time above to the Company, or (ii) complete the payment of the Exercise Price

in accordance with the requirements set out in the vesting notice, unless otherwise determined by the Administration Committee, the Grant shall automatically lapse forthwith and the Award Shares shall become Unvested Shares (see the section headed “Unaccepted and Unvested Shares” below).

Except other circumstances as specified by the Board in its sole and absolute discretion, the Award Shares shall not vest in the event of any failure of Selected Participants to remain as Participants (other than by reason of death or retirement), namely, the Selected Participant has (i) been terminated by the Company or any Subsidiary for cause (including dishonesty or serious misconduct, incompetence or negligence in the performance of his duties, doing anything that adversely affects his ability to perform his duties properly or brings the Company or the Group into disrepute); (ii) been summarily dismissed by the Company or any Subsidiary; (iii) become bankrupt or failed to pay his debts within a reasonable time after they become due; (iv) been convicted for any criminal offence involving his integrity or honesty; or (v) been charged, convicted or held liable for any offence under the relevant securities laws or regulations in Hong Kong or any other equivalent laws or regulations in another jurisdiction in force from time to time.

As soon as practicable after the Award Shares have vested in a Selected Participant in accordance with the Scheme Rules, the Administration Committee shall issue to the Trustee a confirmation letter that the vesting conditions have been fulfilled (which may also be evidenced by confirmed data file made through the designated online portal facilities) to effect the transfer of the relevant vested Award Shares to the Selected Participant or, if so determined and instructed by the Administration Committee, direct and procure the Trustee to pay to the Selected Participant in cash the amount of equivalent value of such Award Shares after deducting the Exercise Price (if any thereof). In the event that the Award Shares do not vest, the Grant shall automatically lapse forthwith and the such Award Shares shall become Unvested Shares (see the section headed “Unaccepted and Unvested Shares” below).

If an offer by way of takeover, merger, scheme of arrangement, share repurchase or otherwise is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) resulting in a change in control of the Company, and such offer becomes or is declared unconditional prior to the vesting of Shares in the Selected Participant, all the Award Shares shall immediately vest in the respective Selected Participant.

Unaccepted and Unvested Shares

The Trustee shall, after having taken into account the recommendations of the Administration Committee, (i) hold such Unaccepted Shares or Unvested Shares and all income derived therefrom for the benefit of all or one or more of the Selected Participants, as the Company in its sole and absolute discretion shall at any time re-grant; (ii) provided that there shall be any Unaccepted Shares and Unvested Shares in any given year during the life of the Scheme and the Trustee has been notified by the Company that the Company does not have any plan to re-grant such Unaccepted Shares and Unvested Shares to any Selected Participant and the Scheme shall be terminated, the Trustee shall within 5 Business Days of receiving such notice of termination, or such longer time as the Trustee

and the Administration Committee may agree from time to time, vest in the Selected Participants all Award Shares referable to the date of termination which are not vested by transferring the same held by and in the trust fund of the Trust to the relevant Selected Participants; and (a) sell such Unaccepted Shares or Unvested Shares on the Hong Kong Stock Exchange and remit the proceeds of sale of the same, net of all appropriate expenses in connection with such sale in accordance with the Trust Deed, to the Company forthwith after the sale; or (b) handle such Shares and non-cash income in such other manner as the Trustee may decide in accordance with the instructions of the Board.

RESTRICTIONS

No Grant shall be made to Selected Participants, no payment shall be made to the Trustee, no instructions to purchase Shares shall be given to the Trustee and no purchase of Shares shall be made by the Trustee under the Scheme (i) where the Company is in possession of unpublished inside information; (ii) within the blackout period as stipulated in the Listing Rules; (iii) where such Grant or such payment or purchase is prohibited under the Listing Rules, or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time; or (iv) in any other circumstances where the requisite approval from any applicable regulatory authorities has not been granted.

Any Grant made under the Scheme shall be personal to the Selected Participant to whom it is made and shall not be assignable other than for the purpose of vesting in his/her lawful successor.

The Trustee shall not exercise any voting rights in respect of any Shares held under the Trust (including but not limited to the Award Shares, the Unaccepted Shares, the Unvested Shares, any bonus Shares and scrip Shares).

AMENDMENT

The Scheme may be amended in any respect by a resolution of the Board provided that no such amendment shall be made without the prior consent of the Trustee or shall operate to affect adversely any subsisting rights of any Selected Participant under the Scheme.

DURATION AND TERMINATION

The Scheme shall remain valid and effective for a period of ten years from the date on which the Scheme is adopted by the Board's approval, and can be terminated or extended by a resolution of the Board. Upon termination of the Scheme, no further Award Shares shall be granted. Upon receipt of the notification of termination from the Company in writing, the Trustee shall within 5 Business Days of receiving such notice of termination, or such longer time as the Trustee and the Administration Committee may agree from time to time, vest in the Selected Participants all Award Shares referable to the date of termination which are not vested by transferring the same held by and in the trust fund of the Trust to the relevant Selected Participants; and (a) sell such Unaccepted Shares or Unvested Shares on the Hong Kong Stock Exchange and remit the proceeds of sale of the same, net of all

appropriate expenses in connection with such sale in accordance with the Trust Deed, to the Company forthwith after the sale; or (b) handle such Shares and non-cash income in such other manner as the Trustee may decide in accordance with the instructions of the Board.

DEFINITIONS

“Administration Committee”	a sub-committee of the Board, members of which shall be determined by the chairman of the Board from time to time, with consultation with the chairman of the remuneration committee of the Board, delegated with the power and authority by the Board to administer this Scheme;
“Award Shares”	Shares granted pursuant to terms and conditions of the Scheme;
“Board”	the board of Directors;
“Business Day”	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays);
“Company”	New Century Healthcare Holding Co. Limited, an exempted company incorporated in the Cayman Islands with limited liability;
“control”	has the meaning as specified in the Takeovers Code;
“Directors(s)”	the director(s) of the Company;
“Employee”	an employee of the Company or any Subsidiary;
“Excluded Employee”	any employee who resides in any country or jurisdiction where the grant or transfer of any Award Shares or making of any payment to him under this Scheme would not be permitted under the laws and regulations of such country or jurisdictions or would be subject to such requirements under those laws and regulations compliance with which would, in the sole view of the Board, be unduly burdensome or impractical and the Board, in its sole and absolute discretion, considers it necessary or expedient to exclude such employee from the benefit of such act;
“Grant”	individually or collectively, a grant of Award Shares under this Scheme;
“Grant Date”	in relation to any Award Share, the date on which the Award Share is, was or is to be granted;

“Group”	the Company and the Subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time;
“Participant”	any individual being a chief executive, a director (including executive and non-executive director), employee, officer, agent or consultant of the Company or any Subsidiary;
“Scheme”	the restricted share award scheme approved and adopted by the Board on August 28, 2020;
“Scheme Rules”	the rules governing the Scheme (as restated, supplemented and amended from time to time);
“Selected Participant”	any Participant selected by the Administration Committee in accordance with the terms of and entitled to receive a Grant under the Scheme;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended from time to time;
“Shares”	ordinary share(s) with nominal value of US\$0.0001 each (or such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary of the Company, as determined by reference to the definitions in the Companies Ordinance (Cap. 622) as amended from time to time;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission of Hong Kong, as amended from time to time;
“Trust”	the trust constituted by the Trust Deed;

“Trust Deed”	the trust deed between the Company and the Trustee in relation to the Scheme (as restated, supplemented and amended from time to time);
“Trustee(s)”	trustee(s) to be appointed by the Company for administration of the Scheme or any additional or replacement trustee;
“Unaccepted Shares”	such Shares pursuant to a Grant which are not accepted by the Selected Participants within Acceptance Period;
“Unvested Shares”	such Shares which do not vest in the Selected Participants and in respect of which the Grant has lapsed in accordance with the Scheme Rules;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	percent.

By Order of the Board
New Century Healthcare Holding Co. Limited
Mr. Jason ZHOU
Chairman, Executive Director and Chief Executive Officer

Hong Kong, August 31, 2020

As of the date of this announcement, the Board comprises Mr. Jason ZHOU, Ms. XIN Hong and Mr. XU Han, as executive Directors; Mr. GUO Qizhi, Mr. WANG Siye, Dr. CHENG Chi-Kong, Adrian, Mr. YANG Yuelin and Mr. FENG Xiaoliang, as non-executive Directors; and Mr. WU Guanxiong, Mr. SUN Hongbin, Mr. JIANG Yanfu and Dr. MA Jing, as independent non-executive Directors.