
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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED

華康生物醫學控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8622)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE SHARES;
(3) PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting (“AGM”) of **Huakang Biomedical Holdings Company Limited** to be held at 3rd Floor, Effectual Building, 16 Hennessy Road, Wanchai, Hong Kong on Friday, 17 June 2022 at 11:00 a.m. is set out on pages 16 to 20 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of GEM (www.hkgem.com) and the Company (www.huakangbiomedical.com).

Whether or not you are able to attend the AGM, please complete and sign the enclosed form of proxy for use at the AGM in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the AGM (i.e. not later than 11:00 a.m. on Wednesday, 15 June 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the AGM if they so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from its date of publication and the Company’s website at www.huakangbiomedical.com.

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

Hong Kong, 13 May 2022

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Proposed Re-election of Retiring Directors	4
3. Proposed Re-appointment of the Auditor	5
4. Proposed Granting of General Mandate to Buy Back Shares	5
5. Proposed Granting of General Mandate to Issue Shares	6
6. AGM and Proxy Arrangement	6
7. Responsibility Statement	7
8. Recommendation	7
Appendix I — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting	8
Appendix II — Explanatory Statement on the Share Buy-back Mandate ...	13
Notice of Annual General Meeting	16

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 3rd Floor, Effectual Building, 16 Hennessy Road, Wanchai, Hong Kong on Friday, 17 June 2022 at 11:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 20 of this circular, or any adjournment thereof
“Articles of Association”	the amended and restated articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Huakang Biomedical Holdings Company Limited (華康生物醫學控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company from time to time
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended by the Stock Exchange from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution at the AGM contained in item 6 of the notice of the AGM as set out on pages 16 to 20 of this circular

DEFINITIONS

“Latest Practicable Date”	10 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the company to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution at the AGM contained in item 5 of the notice of the AGM as set out on pages 16 to 20 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED

華康生物醫學控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8622)

Executive Directors:

Mr. Zhang Shuguang (*Chairman*)
Mr. Zhang Chunguang
Mr. Poon Lai Yin Michael
Mr. He Jiaming

Principal Place of Business in the PRC:

1-3/F, Building D, Shenzhen Junxuan,
No. 16 Yinkui Road,
Kui Xin Community,
Kui Chong Office,
Dapeng New District, Shenzhen, The PRC

Independent Non-executive Directors:

Dr. Chow Kwok Fai Joseph
Dr. Cheng Faat Ting Gary
Mr. Chan Kin Sang

Principal Place of Business in Hong Kong:

3rd Floor, Effectual Building,
16 Hennessy Road, Wanchai,
Hong Kong

Registered Office:

Cricket Square, Hutchins Drive,
P.O. Box 2681, Grand Cayman,
KY1-1111, Cayman Islands

Hong Kong, 13 May 2022

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE SHARES;
(3) PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the forthcoming AGM to be held on 17 June 2022.

LETTER FROM THE BOARD

The resolutions to be proposed at the AGM, as ordinary business, include (i) receiving and approving the audited consolidated financial statements of the Company and reports of the Directors and auditor for the year ended 31 December 2021; (ii) ordinary resolutions relating to the proposed re-election of retiring Directors; (iii) ordinary resolution to re-appoint auditor of the Company; and (iv) ordinary resolutions relating to the proposed granting of the Share Buy-back Mandate and Issuance Mandate.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 84(1) of the Articles of Association, notwithstanding any other provisions in the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Pursuant to Article 84(2) of the Articles of Association, a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

In accordance with the above provisions of the Articles of Association, the Directors including Mr. Zhang Shuguang, Mr. Zhang Chunguang and Dr. Cheng Faat Ting Gary shall retire at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Pursuant to Rule 17.46A of the GEM Listing Rules, the biographical details of the retiring Directors standing for re-election at the AGM are set out in Appendix I to this circular.

Note: Any Shareholder who wishes to nominate a person to stand for election as a Director at the AGM should lodge with the Company Secretary of the Company at 3rd Floor, Effectual Building, 16 Hennessy Road, Wanchai, Hong Kong within the period from Monday, 16 May 2022 to Monday, 30 May 2022, both days inclusive, (i) written nomination of the candidate, (ii) written confirmation from such nominated candidate of his/her willingness to be elected as Director, and (iii) biographical details of such nominated candidate as required under Rule 17.50(2) of the GEM Listing Rules for publication by the Company.

LETTER FROM THE BOARD

3. PROPOSED RE-APPOINTMENT OF THE AUDITOR

The financial statements of the Group for the year ended 31 December 2021 were audited by Mazars CPA Limited whose term of office will expire upon the conclusion of the AGM and being eligible, offer themselves for re-appointment as the auditor of the Company.

Details of the re-appointment of auditor are set out in the proposed ordinary resolution contained in item 4 of the notice of AGM as set out on pages 16 to 20 of this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 18 June 2021, a general mandate was granted to the Directors to buy back Shares. As at the Latest Practicable Date, such mandate has not been utilized and will lapse at the conclusion of the AGM. In order to give the Company the flexibility and discretion to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the AGM as set out on pages 16 to 20 of this circular (i.e. a total of 40,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM). The Directors wish to state that they have no immediate plan to buy back any Shares pursuant to the Share Buy-back Mandate.

The Share Buy-back Mandate will lapse on the earliest of (i) the conclusion of the next AGM of the Company; (ii) the expiration of the period within which the next AGM of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

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

LETTER FROM THE BOARD

5. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 18 June 2021, a general mandate was granted to the Directors to issue Shares. As at the Latest Practicable Date, such mandate has not been utilized and will lapse at the conclusion of the AGM. In order to give the Company the flexibility and discretion to issue Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the AGM as set out on pages 16 to 20 of this circular (i.e. a total of 80,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM). The Issuance Mandate will lapse on the earliest of (i) the conclusion of the next AGM of the Company; (ii) the expiration of the period within which the next AGM of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the AGM. Details of the Issuance Mandate are set out in the proposed ordinary resolution contained in item 7 of the notice of AGM as set out on pages 16 to 20 of this circular.

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

6. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 16 to 20 of this circular.

Pursuant to the GEM Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides in good faith to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under the GEM Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of GEM (www.hkgem.com) and the Company (www.huakangbiomedical.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the AGM (i.e. not later than 11:00 a.m. on Wednesday, 15 June 2022 (Hong Kong time)) or the adjourned meeting

LETTER FROM THE BOARD

(as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, granting of the Share Buy-back Mandate and the Issuance Mandate and the proposed re-appointment of the auditor are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
Huakang Biomedical Holdings Company Limited
ZHANG Shuguang
Chairman and Executive Director

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

(1) Mr. Zhang Shuguang

Position and Experience

Mr. Zhang Shuguang (張曙光) (“**Mr. Zhang**”), aged 51, is our Executive Director and chairman of our Board. He is mainly responsible for the management of our Board, giving strategic advice and guidance on the business and operations of our Group. Mr. Zhang has over 17 years of experience in the IVD reagents industry in the PRC. From March 2002 to May 2003, he served as assistant of general manager of Shenzhen Junxuan Biological Technology Co., Ltd* (“**Shenzhen Junxuan**”). Since January 2008, Mr. Zhang has been serving as the chairman of the board and the legal representative of Shenzhen Junxuan. Mr. Zhang joined our Group in September 2003 and has been acting as the director and the chairman of the board of Shenzhen Huakang Bio-Medical Engineering Limited* (“**Shenzhen Huakang**”) since then. He is mainly responsible for the management of the board of Shenzhen Huakang and responsible for giving strategic advice on the business and operation of Shenzhen Huakang. He was appointed as our Director on 3 August 2017 and was re-designated as our Executive Director on 25 September 2017. He is also the director of subsidiaries of the Company in Hong Kong, Canada and the British Virgin Islands.

Over the course of his career, Mr. Zhang was also involved in the acquisition and operation of mineral resources and gold mines in the PRC. Mr. Zhang was appointed as vice-president of and general manager of the China operation center of Munsun Capital Group Limited (stock code: 1194.HK) (formerly known as China Precious Metal Resources Holdings Co., Limited) in July 2010 and March 2011 respectively, the shares of which are listed on the main board of the Stock Exchange, which principally engages in mining and processing of gold ores and sale of gold products in the PRC and provision of financial services in the PRC and HK, including asset management, securities brokerage, financing and advisory services. He was mainly responsible for acquisition and operation of mineral resources. He was later appointed as an executive director of Munsun Capital Group Limited in September 2011 and resigned in August 2017. Mr. Zhang plays an instrumental role in defining our Group’s business strategies and providing guidance to our business and operations. His years of experience in the mining industry, mergers and acquisition and business management have all enabled him to develop insights in the macro economic environment and the market trend which may help our Group identify themes and opportunities in the PRC market. Mr. Zhang has undertaken to devote sufficient time and attention to the management of our Board and giving strategic advice and guidance on the business and operations of our Group.

* English translation is for identification purpose only

Mr. Zhang obtained a bachelor's degree and master's degree in engineering from Nippon Institute of Technology, Japan in March 1999 and March 2001, respectively.

Save as disclosed above, Mr. Zhang has not held any directorships in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Length of service and emoluments

Mr. Zhang has entered into a service contract with the Company commencing from the Listing Date, which has no fixed term and can be terminated by either party giving not less than three months' notice in writing to the other party.

Mr. Zhang is also subject to retirement by rotation and eligible for re-election at the AGM of the Company in accordance with the Articles of Association.

Mr. Zhang is entitled to director's emolument of HK\$300,000 per annum.

Relationships

Mr. Zhang is the brother of Mr. Zhang Chunguang, who is an Executive Director and the chief executive officer of our Group. Mr. Zhang is also the brother of Mr. Chang Yim Yang, who is our Controlling Shareholder and a member of our senior management. In addition, Mr. Zhang is the member of Nomination Committee. Other than the above-mentioned, Mr. Zhang is not connected with any other Directors, members of our senior management, substantial shareholders or Controlling Shareholders of our Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Zhang was interested in 244,000,000 shares, representing 61.0% of the Company's total issued Shares under Part XV of the SFO.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Mr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders.

(2) Mr. Zhang Chunguang*Position and Experience*

Mr. Zhang Chunguang (張春光), aged 54, is our Executive Director and chief executive officer of our Group. He is mainly responsible for our business operations and the day-to-day management of our Group. Mr. Zhang Chunguang has over 10 years of experience in the IVD reagents industry in the PRC. Prior to joining our Group, Mr. Zhang Chunguang served managerial roles in several private companies in the PRC and mainly responsible for product sales and promotion, and product order management. Mr. Zhang Chunguang joined our Group in July 2008 and served as the director of Shenzhen Huakang since then. In August 2008, he was further appointed the general manager of Shenzhen Huakang. Mr. Zhang Chunguang was appointed as our Director on 3 August 2017 and re-designated as our Executive Director on 25 September 2017. He is also the director of Huakang BVI.

Mr. Zhang Chunguang graduated from Hubei Institute of Economics, in the PRC in June 1992, majoring in economic English.

Mr. Zhang Chunguang has not held any directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Length of service and emoluments

Mr. Zhang Chunguang has entered into a service contract with the Company commencing from the Listing Date, which has no fixed term and can be terminated by either party giving not less than three months' notice in writing to the other party.

Mr. Zhang Chunguang is also subject to retirement by rotation and eligible for re-election at the AGM of the Company in accordance with the Articles of Association.

Mr. Zhang Chunguang is entitled to director's emolument of HK\$300,000 per annum.

Relationships

Mr. Zhang Chunguang is the brother of Mr. Zhang, who is an Executive Director and the chairman of our Board. Mr. Zhang Chunguang is also the brother of Mr. Chang Yim Yang, who is a Controlling Shareholder and a member of our senior management. In addition, Mr. Zhang Chunguang is the member of Remuneration Committee. Other than the above-mentioned, Mr. Zhang Chunguang is not connected with any other Directors, members of our senior management, substantial shareholders or Controlling Shareholders of our Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Zhang Chunguang was interested in 4,000,000 shares, representing 1.0% of the Company's total issued Shares under Part XV of the SFO.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Mr. Zhang Chunguang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters concerning Mr. Zhang Chunguang that need to be brought to the attention of the Shareholders.

(3) Dr. Cheng Faat Ting Gary*Position and Experience*

Dr. Cheng Faat Ting Gary (鄭發丁) (“Dr. Cheng”), aged 54, was appointed as our independent non-executive Director on 1 September 2020. Dr. Cheng is responsible for supervising our Group's compliance, corporate governance matters and providing independent advice to our Group.

Dr. Cheng has over 25 years of experiences in financial reporting, business advisory, auditing, accounting, tax investigation and liquidation. Dr. Cheng is currently the managing director of Gary Cheng CPA Limited. Dr. Cheng currently serves as charter president and honorary advisor of the Lions Club of Huaxia Hong Kong and committee member of Social Welfare Advisory Committee of Hong Kong Special Administrative Region.

Dr. Cheng is/was holding the following positions in the following companies, the shares of which are listed in Hong Kong, PRC or overseas.

Name of company	Principal business activities	Period of service	Position and major responsibilities
Smartac International Holdings Limited (formerly known as Smartac Group China Holdings Limited, Sino Dragon New Energy Holdings Limited, China Zirconium Limited and Asia Zirconium Limited), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 395.HK)	Management, operation and market strategy services of online shops and e-commerce platforms, electronic payment solutions and services and software sales and Online to Offline consultation services	November 2001 to December 2021	Independent non-executive director, responsible for providing independent advice on issues of strategies, performance and standard of conduct

Dr. Cheng obtained a Bachelor's degree in Accounting (Honours) and Master's degree of Business Administration from Southern Illinois University, the United States of America ("USA"), in 1992 and 1994 respectively, and a Doctor of Business Administration degree from the City University of Hong Kong with research area in "Independent Non-Executive Director and Corporate Governance" in 2011. Dr. Cheng has been a certified public accountant in both Hong Kong and USA and a Certified Tax Advisor of the Taxation Institute of Hong Kong.

Save as disclosed above, Dr. Cheng has not held any directorships in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Length of service and emoluments

Dr. Cheng has entered into an appointment letter with our Company for an initial term of three years commencing from the Listing Date unless terminated by either party giving not less than one month's written notice to the other party.

Dr. Cheng is also subject to retirement by rotation and eligible for re-election at the AGM of the Company in accordance with the Articles of Association.

Dr. Cheng is entitled to director's emolument of HK\$100,000 per annum.

Relationships

Apart from being the Company's Independent Non-executive Director and member of Audit Committee and Nomination Committee and saved as disclosed above, Dr. Cheng does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company or their respective associates as at the Latest Practicable Date.

Interests in Shares

As at the Latest Practicable Date, Dr. Cheng did not have any interest in Shares under Part XV of the SFO.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Dr. Cheng involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters concerning Dr. Cheng that need to be brought to the attention of the Shareholders.

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

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 400,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the AGM in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 400,000,000 Shares, the Directors would be authorized under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total of 40,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that the granting of the Share Buy-back Mandate is in the interests of the Company and the Shareholders as a whole.

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

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands, GEM Listing Rules, and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE BUY-BACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2021 and announced on 30 March 2022) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

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

Month	Highest HK\$	Lowest HK\$
2021		
May	0.109	0.094
June	0.138	0.091
July	0.195	0.120
August	0.375	0.173
September	0.295	0.218
October	0.290	0.221
November	0.300	0.225
December	0.280	0.228
2022		
January	0.265	0.230
February	0.265	0.207
March	0.239	0.195
April	0.232	0.202
May (<i>up to the Latest Practicable Date</i>)	0.215	0.200

6. GENERAL

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

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

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Zhang Shuguang and Mr. Chang Yim Yang ("**Controlling Shareholders**"), being parties acting in concert, controlled the exercise of voting rights in respect of a total of 244,000,000 Shares, representing 61% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the shareholding of the Controlling Shareholders would be increased to approximately 67.8% of the issued share capital of the Company.

The Directors consider that such increase in shareholding would not give rise to an obligation to make a mandatory offer under the Takeovers Code as a result of any buy-back to be made under the Share Buy-back Mandate. However, the GEM Listing Rules prohibit a company from making buy-back of its shares on the Stock Exchange if the result of the buy-back would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's issued share capital would be in public hands. The Directors therefore will not propose to buy back Shares if it would result in less than 25% of the issued Shares in public hands.

8. SHARE BUY-BACK MADE BY THE COMPANY

During the 12 months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on GEM or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED

華康生物醫學控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8622)

NOTICE IS HEREBY GIVEN that the AGM of **Huakang Biomedical Holdings Company Limited** (the “**Company**”) will be held at 3rd Floor, Effectual Building, 16 Hennessy Road, Wanchai, Hong Kong on Friday, 17 June 2022 at 11:00 a.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2021.
2. To re-elect, each as a separate resolution, the following directors:
 - (a) Mr. Zhang Shuguang as an executive director of the Company;
 - (b) Mr. Zhang Chunguang as an executive director of the Company; and
 - (c) Dr. Cheng Faat Ting Gary as an independent non-executive director of the Company.
3. To authorize the board of directors of the Company to fix the respective directors’ remuneration.
4. To re-appoint Mazars CPA Limited as auditor of the Company and to authorize the board of directors to fix their remuneration.

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

5. “**THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back its shares in accordance with all applicable laws, rules and regulations;
 - (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if

NOTICE OF ANNUAL GENERAL MEETING

any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM of the Company;
- (ii) the expiration of the period within which the next AGM of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to exercise all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, notes, debentures, warrants and other securities which carry rights to subscribe for or are convertible into the Company’s shares) and rights of exchange or conversion which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company during the Relevant Period of the Company to make or grant offers, agreements and options (including bonds, notes, debentures, warrants and other securities which carry rights to subscribe for or are convertible into the Company’s shares) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
- (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company;
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company;
 - (iv) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants, bonds or debentures of the Company or any securities which are convertible into shares of the Company; or
 - (v) a specific authority granted by the shareholders of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM of the Company;
- (ii) the expiration of the period within which the next AGM of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

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

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED
ZHANG Shuguang
Chairman and Executive Director

Hong Kong, 13 May 2022

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 Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”). The results of the poll will be published on the websites of GEM and the Company in accordance with the GEM 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 vote instead of him. 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.
3. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 11:00 a.m. on Wednesday, 15 June 2022 (Hong Kong time)) 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 and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, 14 June 2022 to Friday, 17 June 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 13 June 2022.

NOTICE OF ANNUAL GENERAL MEETING

6. If a black rainstorm warning or a tropical cyclone warning signal number 8 or above is hoisted at or after 8:00 a.m. on 17 June 2022, the AGM will not be held on 17 June 2022 but will be postponed to a later date and if postponed, the Company will as soon as practicable post an announcement on the websites of GEM (www.hkgem.com) and the Company (www.huakangbiomedical.com).
7. Members of the Company or their proxies shall produce documents of their proof of identity when attending the AGM.
8. References to time and dates in this notice are to Hong Kong time and dates.
9. To safeguard the health and safety of attending shareholders and proxies and to reduce the risk of novel coronavirus (COVID-19) spreading, the following precautionary measures will be taken at the meeting of the Company:
 - (i) compulsory body temperature check;
 - (ii) mandatory wearing of surgical face mask (please bring your own);
 - (iii) no refreshments will be served and no corporate gifts will be distributed; and
 - (iv) no entry will be allowed to any person who is subject to mandatory quarantine order imposed by the HKSAR Government and any person who does not comply with the precautionary measures may be denied entry into the meeting venue.

As at the date of this notice, the Executive Directors are Mr. Zhang Shuguang, Mr. Zhang Chunguang, Mr. Poon Lai Yin Michael and Mr. He Jiaming; and the Independent non-executive Directors are Dr. Chow Kwok Fai Joseph, Dr. Cheng Faat Ting Gary and Mr. Chan Kin Sang.