



天 安 卓 健 有 限 公 司

TIAN AN MEDICARE LIMITED

(Incorporated in Bermuda with limited liability)

28 April 2026

To the Shareholders

Dear Sir or Madam,

**(1) CONDITIONAL CASH OFFER BY
MORTON SECURITIES LIMITED ON BEHALF OF
TIAN AN MEDICARE LIMITED
TO BUY-BACK UP TO 70,000,000 SHARES AT HK\$1.1 PER SHARE
AND
(2) NOTICE OF SGM**

INTRODUCTION

On 23 March 2026, the Board announced that the Offer would be made by Morton Securities on behalf of the Company to buy-back for cancellation, subject to the Condition, up to the Maximum Number, being 70,000,000 Shares, representing approximately 6.48% of the issued Shares as at the Latest Practicable Date, at the Offer Price of HK\$1.1 per Share.

The purpose of this Offer Document is to provide you with, among other things, (i) information relating to the Offer; (ii) a letter from the Independent Board Committee containing its recommendation to the Shareholders in respect of the Offer; (iii) a letter from Aurelius, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Shareholders as to whether the Offer is fair and reasonable and as to acceptance and voting; and (iv) a notice of the SGM.

The Form of Acceptance accompanying this Offer Document is for use only by the Qualifying Shareholders who wish to accept the Offer.

THE OFFER

The number of Shares to be bought-back for cancellation by Morton Securities on behalf of the Company at the price of HK\$1.1 per Share will not exceed the Maximum Number, being 70,000,000 Shares, representing approximately 6.48% of the issued Shares as at the Latest Practicable Date.

The Offer is not conditional on any minimum number of Shares being tendered for acceptance or any minimum number of Shares to be bought-back under the Offer.

The Offer will be made in full compliance with the Codes.

THE OFFER PRICE

The Offer Price of HK\$1.1 per Share values the entire issued Shares as at the Latest Practicable Date at approximately HK\$1,188.6 million.

The Offer Price represents:

- a premium of 4.76% over the closing price of the Shares of HK\$1.05 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a premium of approximately 15.79% over the closing price of the Shares of HK\$0.95 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 15.79% over the average closing price of the Shares of HK\$0.95 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day;
- a premium of approximately 18.28% over the average closing price of the Shares of HK\$0.93 per Share as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day;

- a premium of approximately 18.28% over the average closing price of the Shares of HK\$0.93 per Share as quoted on the Stock Exchange for the last 30 trading days up to and including the Last Trading Day;
- a discount of approximately 32.93% to the Group’s audited net asset value attributable to the Shareholders of approximately HK\$1.64 per Share pursuant to the latest audited consolidated financial statements of the Company as at 31 December 2025, calculated based on the audited consolidated net asset value attributable to the Shareholders of HK\$1,773,356,000 and the 1,080,975,457 Shares in issue as at 31 December 2025; and
- a discount of approximately 33.33% to the Group’s unaudited adjusted consolidated net asset value attributable to the Shareholders of approximately HK\$1.65 per Share, calculated based on the audited consolidated net asset value attributable to the Shareholders as at 31 December 2025, which was adjusted for the property valuation as at 28 February 2026 pursuant to the property valuation report as set out in Appendix IV to this Offer Document, of HK\$1,779,142,000 and the 1,080,975,457 Shares in issue as at 31 December 2025.

The Offer Price was determined after taking into account, among other things, (i) the historical trading prices of the Shares traded on the Stock Exchange as set out above, and in particular that the Offer Price of HK\$1.1 per Share represents premiums of approximately 15.79% to 18.28% over recent market prices up to and including the Last Trading Day, which are broadly in line with premiums offered in share buy-back transactions in Hong Kong announced on the Stock Exchange’s website since March 2024, where the offer prices represented average premiums ranging from approximately 15.0% to 30.1% over the relevant average closing market prices, (ii) historical financial performance of the Group, in particular its unrestricted bank balances and cash of approximately HK\$743.0 million as at 31 December 2025, and (iii) the prevailing market conditions and sentiments as further elaborated in the section headed “Reasons for the Offer” below.

CONFIRMATION OF FINANCIAL RESOURCES

At the Offer Price, the Offer, if accepted in full, will result in the Company paying HK\$77 million in aggregate to the Accepting Shareholders in cash. The Company intends to finance the Offer by internal resources of the Group.

Pelican Financial, being the financial adviser to the Company, is satisfied that the Company has sufficient financial resources to enable it to satisfy acceptances of the Offer in full in accordance with the terms of the Offer stated in this Offer Document.

CONDITION OF THE OFFER

The Offer is conditional upon the approval by more than 50% of the votes cast by the Shareholders by way of a poll having been obtained at the SGM in respect of the Offer.

The Condition cannot be waived.

The Offer is subject to the Condition being fulfilled in full. If the resolution to approve the Offer is not passed by the Shareholders, the Offer will not proceed and will immediately lapse.

The Offer is not conditional as to any minimum number of Shares tendered for acceptances.

As at the Latest Practicable Date, there are no dividends or other distributions declared by the Company that have not been paid, save for certain unclaimed dividend from prior years in the amount of approximately HK\$7,000. The Company does not intend to announce, declare or pay any dividend before the close of the Offer.

IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, neither the Company nor parties acting in concert with it has received any irrevocable commitment to accept the Offer (including Fareast Global).

SHAREHOLDING STRUCTURE

The table below shows the Company's existing shareholding structure as at the Latest Practicable Date and the shareholding structure immediately after completion of the Offer, assuming that (i) all the Shareholders will accept the Offer in full; (ii) no additional Shares will be issued from the Latest Practicable Date up to and including the date of completion of the Offer; and (iii) there are no acquisitions or disposals of Shares held by the Shareholders other than the Shares to be bought back by the Company from the Shareholders under the Offer:

Name of Shareholder	As at the Latest Practicable Date		Immediately after completion of the Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Fareast Global and parties acting in concert with it				
Fareast Global <i>(Note 1)</i>	556,097,010	51.47%	520,071,380	51.47%
	<i>(Note 2)</i>			
Mr. Lee MT <i>(Notes 1 and 6)</i>	<u>53,641,500</u>	<u>4.96%</u>	<u>50,166,443</u>	<u>4.96%</u>
Sub-total:	609,738,510	56.43%	570,237,823	56.43%
Cool Clouds Limited ("Cool Clouds") <i>(Note 3)</i>	200,000,000	18.51%	187,043,401	18.51%
Public Shareholders				
Victor Beauty Investments Limited ("Victor Beauty") <i>(Note 4)</i>	100,000,000	9.25%	93,521,700	9.25%
Vigor Online Offshore Limited ("Vigor") <i>(Note 5)</i>	97,514,540	9.02%	91,197,256	9.02%
Other Shareholders	<u>73,277,407</u>	<u>6.79%</u>	<u>68,530,277</u>	<u>6.79%</u>

Name of Shareholder	As at the Latest Practicable Date		Immediately after completion of the Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Sub-total:	<u>270,791,947</u>	<u>25.06%</u>	<u>253,249,233</u>	<u>25.06%</u>
	<u>1,080,530,457</u>	<u>100.00%</u>	<u>1,010,530,457</u>	<u>100.00%</u>
Public Shareholders (including Mr. Lee MT) <i>(Notes 1 and 7)</i>	<u>324,433,447</u>	<u>30.02%</u>	<u>303,415,676</u>	<u>30.02%</u>

Note:

- The interest is held by Fareast Global, a direct wholly-owned subsidiary of TACI, TACI is therefore deemed to have an interest in the Shares in which Fareast Global is interested. AGL, through its wholly-owned subsidiaries, indirectly owns approximately 56.94% of the total number of issued shares of TACI and is therefore deemed to have an interest in the Shares in which TACI is interested. Mr. Lee Seng Hui, a Director, together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controls approximately 74.99% of the total number of issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interests) and is therefore deemed to have an interest in the Shares in which AGL is interested through TACI.
- Fareast Global has consistently held over 50% of the issued Shares for the last 12 months immediately preceding the Latest Practicable Date.
- Cool Clouds is a wholly-owned subsidiary of Resuccess Investments Limited which in turn is a wholly-owned subsidiary of Tsinghua Tongfang Co., Ltd, a company whose securities are traded on the Shanghai Stock Exchange (stock code: 600100).
- Victor Beauty is a wholly-owned subsidiary of CM International Capital Limited which in turn is a wholly-owned subsidiary of CMIG International Capital Limited ("CMIG International"). CMIG International is owned approximately 77.4% by CMI Financial Holding Corporation ("CMIF"). CMIF is a wholly-owned subsidiary of 中民投亞洲資產管理有限公司 (CMIG Asia Asset Management Co., Ltd.*), which in turn is a wholly-owned subsidiary of 中國民生投資股份有限公司 (China Minsheng Investment Group Corp., Ltd.*).
- Vigor is a wholly-owned subsidiary of China Spirit Limited, which is in turn wholly-owned by Ms. Chong Sok Un.
- Mr. Lee MT is the father of Mr. Lee Seng Hui, who in turn is a Director and a director of TACI and AGL. Mr. Lee MT is presumed to be acting in concert with Fareast Global under the Takeovers Code.
- Mr. Lee MT is regarded as a member of the public under the Listing Rules as he is not a core connected person (as defined in the Listing Rules) of the Company.

Assuming that (i) the Shareholders will accept the Offer in full; (ii) no additional Shares will be issued from the Latest Practicable Date up to and including the date of completion of the Offer; and (iii) there are no acquisitions or disposals of Shares held by the Shareholders other than the Shares to be bought back by the Company from the Shareholders under the Offer, over

25% of the issued Shares will be held by public shareholders and accordingly the Company will comply with the public float requirement under Rule 13.32B of the Listing Rules after completion of the Offer.

Save as Mr. Lee Seng Hui's indirect interest in the Shares, none of the Directors (i) have any interest in the Shares; or (ii) own or control any Shares or any options, warrants, derivatives or securities convertible into Shares.

REASONS FOR THE OFFER

For more than five years, the price of the Shares has been traded at a discount to the Group's net asset value per Share. During the past twelve months and up to the Latest Practicable Date, the highest closing price per Share as quoted on the Stock Exchange was HK\$1.14 on 2 July 2025 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.70 on 19 May 2025. The closing price of the Shares of HK\$0.95 per Share on the Last Trading Day represents a discount of approximately 42.07% to the Group's audited net asset value attributable to the Shareholders of approximately HK\$1.64 per Share as at 31 December 2025.

Although the Company has bought back, by way of on-market share buy-back, of 2,130,000 Shares in the six-month period prior to the date of the Announcement, the Company considers that effecting the intended repurchase size through continued on-market buy-backs would likely take an extended period and be subject to execution uncertainty, having regard to prevailing market conditions and trading liquidity. Accordingly, the Company considers that the Offer is a more structured approach which provides all Shareholders a fair and equal chance to participate in the buy-back of Shares by the Company, offering an alternative exit opportunity for the Shareholders to dispose of their Shares at a premium to the prevailing market price of the Shares should they wish to do so, and allowing the Company to buy back its Shares up to the Maximum Number under a timeframe with certainty.

The Offer demonstrates the Company's confidence in long-term prospects and intrinsic value, thereby sending positive signals to the market as well as the Company's stakeholders including employees and customers, and provides Shareholders with an opportunity to realise their investment for cash (in whole or in part) at the Offer Price.

In view of the above factors, the Board (other than the members of the Independent Board Committee who will express their opinion in the Offer Document and Mr. Gao Zhaoyuan, a non-executive Director who has abstained from voting on the relevant Board resolutions) considers that the Offer is in the best interest of the Company and its Shareholders as it will: (a) provide an opportunity for the Accepting Shareholders either to sell their Shares and receive cash or to increase their proportionate interests in the Company by retaining their holdings of the Shares and participating in the future prospects of the Company; and (b) have the effect of increasing the Group's consolidated net asset value per Share, thus benefiting all Shareholders.

In determining the Maximum Number of Shares to be bought-back by the Company under the Offer, the Board has taken into account the financial resources of the Group available to satisfy the Offer.

OTHER ARRANGEMENTS

As at the Latest Practicable Date:

- (i) save as disclosed in the sub-paragraph headed “Shareholding Structure” above, neither the Company nor the parties acting in concert with it owned or had control or direction over any voting rights or rights over any Shares or convertible securities, warrants, options of or any other relevant securities (as defined in Note 4 of Rule 22 of the Takeovers Code) of the Company;
- (ii) there are no outstanding derivatives in respect of securities in the Company, which are owned, controlled or directed by, or have been entered into by the Company and/or the parties acting in concert with it;
- (iii) neither the Company nor the parties acting in concert with it has received any irrevocable commitment to accept or reject the Offer;
- (iv) there are no arrangements (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares which might be material to the Offer;
- (v) save for the condition set out in the section headed “Condition of the Offer” above, there is no agreement or arrangement, to which the Company or its concert parties is a party, which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or condition to the Offer;
- (vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Company (or the parties acting in concert with it) has borrowed or lent;
- (vii) save for the Offer Price payable under the Offer, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Company or any of its concert parties to any Shareholder in connection with the Offer; and
- (viii) there is no understanding, arrangement or agreement or special deal between (1) any Shareholder or any party acting in concert with it/him/her on the one hand; and (2) the Company, any party acting in concert with the Company, its subsidiaries or associated companies on the other hand.

INFORMATION ON THE GROUP

The Company is an investment holding company. The Group's principal businesses are investment in and management and operation of healthcare and hospital businesses, eldercare businesses, trading of medical equipment and related supplies, property investment and development, securities trading and investments, provision of financial services and strategic investment in Hong Kong and the PRC.

As at the Latest Practicable Date, the Company is held as to approximately 51.47% by Fareast Global, which in turn is a direct wholly-owned subsidiary of TACI, a company listed on the Main Board of the Stock Exchange (Stock Code: 28), which in turn is held as to approximately 56.94% by AGL and is an indirect non wholly-owned subsidiary of AGL, a company listed on the Main Board of the Stock Exchange (Stock Code: 373). As at the Latest Practicable Date, AGL is beneficially owned as to approximately 74.99% by Lee and Lee Trust (inclusive of Mr. Lee Seng Hui's personal interests), being a discretionary trust.

FUTURE INTENTIONS ON THE GROUP

The Company intends to continue the existing principal business of the Group immediately upon completion of the Offer. The Company has no intention to discontinue the employment of the employees of the Group or to dispose of or re-deploy the fixed assets of the Group other than those in its ordinary course of business.

The Company has no intention to rely on sections 102 and 103 of the Companies Act 1981 of Bermuda (if applicable) in relation to the right of compulsory acquisition of Shares held by minority Shareholders after the Offer.

FINANCIAL EFFECTS OF THE OFFER

Pursuant to Schedule III to the Takeovers Code, the financial effects of the Offer are set out below, and the unaudited pro forma financial information of the Group upon completion of the Offer, illustrating the financial impact of the Offer on the loss per Share, net assets per Share, liabilities and working capital (expressed as net current assets) of the Group, is set out in Appendix III to this Offer Document.

Loss per Share

Based on the unaudited pro forma financial information of the Group set out in Appendix III to this Offer Document and assuming that full acceptance of the Offer was completed on 1 January 2025 and the Maximum Number had been bought-back under the Offer, the basic loss per Share for the year ended 31 December 2025 would, as a result, have increased by approximately 6.85% from HK2.48 cents per Share to HK2.65 cents per Share.

Net assets per Share

Based on the unaudited pro forma financial information of the Group set out in Appendix III to this Offer Document and assuming that full acceptance of the Offer was completed on 31 December 2025 and the Maximum Number had been bought-back under the Offer, the net assets per Share as at 31 December 2025 would, as a result, have increased by approximately 2.44% from HK\$1.64 per Share to HK\$1.68 per Share.

Liabilities

The Offer will be paid in cash and funded by internal resources of the Group. The liabilities as at 31 December 2025 would remain unchanged at approximately HK\$1,689.8 million following completion of the Offer.

Working capital

Based on the unaudited pro forma financial information of the Group set out in Appendix III to this Offer Document and assuming full acceptance of the Offer was completed on 31 December 2025 and the Maximum Number had been bought-back under the Offer, the working capital (expressed as net current assets) of the Group as at 31 December 2025 would decrease by approximately 69.00% from approximately HK\$114.2 million to HK\$35.4 million.

The Directors confirm that the Group will have sufficient working capital to meet its normal operating requirements after completion of the Offer assuming full acceptance of the Offer.

Based on the above and having considered the manner of funding of the consideration for the Offer, the Company considers that completion of the Offer will have no material adverse effect on the Group's loss per Share, net assets per Share, liabilities or working capital.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the offer, the Stock Exchange believes that: -
- a false market exists or may exist in the trading of the shares; or
 - an orderly market does not exist or may not exist;
- it will consider exercising its discretion to suspend dealings in the shares; and
- (b) if, at the close of the offer, the listed issuer has a Significant Public Float Shortfall (as defined in rule 13.32F), then:
- the Stock Exchange will add a designated marker to the stock name of the listed shares; and

- the Stock Exchange will cancel the listing of the issuer's shares if the issuer fails to re-comply with rule 13.32B for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Company intends to remain listed on the Stock Exchange. The Directors will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of rule 13.32B, they will take appropriate steps to ensure the Company's compliance with rule 13.32B at the earliest possible moment.

For the avoidance of doubt, as disclosed in the section headed "Shareholding Structure" above, assuming that (i) the Qualifying Shareholders will accept the Offer in full; (ii) no additional Shares will be issued from the Latest Practicable Date up to and including the date of completion of the Offer; and (iii) there are no acquisitions or disposals of Shares held by the Shareholders other than the Shares to be bought back by the Company from the Shareholders under the Offer, over 25% of the issued Shares will be held by public Shareholders and accordingly the Company will comply with the public float requirement under Rule 13.32B of the Listing Rules after completion of the Offer.

CODES IMPLICATIONS

Based on the Maximum Number of Shares subject to the Offer, it is expected that full acceptance of the Offer will not result in a change in control of the Company and will not result in acquisition of voting rights by any Shareholder that gives rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Offer constitutes a share buy-back by general offer by the Company pursuant to the Share Buy-backs Code. A share buy-back by general offer must be approved by a majority of the votes cast by shareholders who do not have a material interest in the Offer which is different from the interests of all other Shareholders, in attendance in person or by proxy at a general meeting of the shareholders duly convened and held to consider the Offer.

The Offer will be conditional upon the passing of an ordinary resolution by way of poll to approve the Offer by the Shareholders, either voting in person or by proxy, at the SGM. Since there is no Shareholder who has a material interest in the Offer which is different from the interest of the other Shareholders, no Shareholder is required to abstain from voting at the SGM.

The Independent Board Committee, comprising all the non-executive Directors, namely Mr. Lee Seng Hui, Mr. Mark Wong Tai Chun, Mr. Zhou Haiying, Mr. Gao Zhaoyuan and Ms. Zhang Yuanyuan, and all the independent non-executive Directors, namely Dr. Xia Xiaoning, Dr. Wong Wing Kuen, Albert, Ms. Yang Lai Sum, Lisa and Mr. Cao Dan, who have no interest in the Offer other than as a Shareholder, has been formed to advise the Shareholders in respect of the Offer.

The Independent Board Committee has approved the appointment of Aurelius as the Independent Financial Adviser to advise the Independent Board Committee and the Shareholders as to whether the Offer is fair and reasonable so far as the Shareholders are concerned, whether they are in the interests of the Company and the Shareholders as a whole, and as to acceptance and voting.

Shareholders should note that their decisions on how to vote on the resolution to be proposed at the SGM to approve the Offer shall not affect their decisions on whether to accept the Offer or not. Even if they vote in favour of or against the resolution to be proposed at the SGM, they are free nonetheless to accept or reject the Offer.

SGM

The SGM will be convened at Plaza 1-2, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Hong Kong on Monday, 18 May 2026 at 11:30 a.m. (or soon thereafter as the 2026 annual general meeting of the Company to be held at 11:00 a.m. on the same day and at the same place has been concluded or adjourned) for considering and, if thought fit, approving the resolution in respect of the Offer.

A notice convening the SGM is set out on pages 158 to 159 of this Offer Document and a form of proxy for use at the SGM is also enclosed. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://evoting.vistra.com>) by using the username and password provided on the notification letter sent by the Company as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment or postponement thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the SGM or at any adjournment or postponement thereof (as the case may be) if they so wish.

RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 30 to 31 of this Offer Document and to the letter from Aurelius as set out on pages 32 to 51 of this Offer Document. The latter contains, among other things, the advice of Aurelius to the Independent Board Committee and the Shareholders in respect of the Offer and the principal factors and reasons considered by it in arriving at such advice.

Taking into account the letter from the Independent Board Committee and all other factors as stated under the section headed "Reasons for the Offer" above as a whole, the Board (excluding members of the Independent Board Committee whose views are set out in the letter from the Independent Board Committee as set out on pages 30 to 31 of this Offer Document) is of the opinion that although the Offer is not in the ordinary and usual course of the business of the Group, the Offer is fair and reasonable and in the interest of the Shareholders as a whole. The Board (excluding members of the Independent Board Committee whose views are set out in the letter from the Independent Board Committee as set out on pages 30 to 31 of this Offer Document) therefore recommends the Shareholders to vote in favour of the resolution to be proposed at the SGM approving the Offer.

FURTHER INFORMATION

Your attention is also drawn to the terms of the Offer as set out in the letter from Morton Securities on pages 21 to 29 and in Appendix I to this Offer Document, the financial information of the Group as set out in Appendix II to this Offer Document, the unaudited pro forma financial information of the Group as set out in Appendix III to this Offer Document, the property valuation report as set out in Appendix IV to this Offer Document and the general information as set out in Appendix V to this Offer Document.

Shareholders and potential investors should note that the Offer is subject to the Condition being fulfilled and, therefore, may or may not become unconditional. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and should consult their professional advisers when in doubt.

Yours faithfully,
For and on behalf of the Board
Tian An Medicare Limited


Kong Muk Yin
Executive Director