



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:

Ms. Zhang Yujing (*Chairman*)
Mr. Zhang Chunguang
Mr. Poon Lai Yin Michael

Non-executive Directors:

Dr. Bu Su
Dr. Xu Ming

Independent Non-executive Directors:

Dr. Chow Kwok Fai Joseph
Ms. Wang Yachun
Mr. Tsui Wing Tak

Registered Office:

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

Principal Place of Business in the PRC:

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No. 16 Yinkui Road
Kui Xin Community
Kui Chong Office
Dapeng New District, Shenzhen
The PRC

Principal Place of Business in Hong Kong:

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Connaught Harbourfront House
No. 35–36 Connaught Road West
Sheung Wan
Hong Kong

20 November 2025

To the Offer Shareholders and Offer Optionholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
KINGSTON SECURITIES LIMITED
FOR AND ON BEHALF OF ANSELME LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF AND
TO CANCEL ALL OUTSTANDING SHARE OPTIONS OF
HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY ANSELME LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other matters, the Sale and Purchase Agreement and the Offers.

As disclosed in the Joint Announcement, the Company was informed that on 9 October 2025, the Offeror (as purchaser) and the Vendor (as vendor) entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Offeror has conditionally agreed to acquire, the full legal and beneficial title and interest in the Sale Shares, being 138,672,000 Shares, representing approximately 27.71% of the total issued share capital of the Company as at the date of the Joint Announcement, at a total consideration of HK\$17,472,672, which is equivalent to HK\$0.126 per Sale Share. Completion took place on the Completion Date, being immediately upon signing of the Sale and Purchase Agreement by the Offeror.

Upon Completion, the Offeror, Dr. Zhou, and the parties acting in concert with any of them were interested in a total of 259,424,000 Shares representing approximately 51.84% of the total issued share capital of the Company. Save for the above, none of the Offeror, Dr. Zhou and the parties acting in concert with any one of them was interested in any other Shares and Share Options. Pursuant to Rule 26.1 and 13.5 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it); and (ii) to cancel all the outstanding Share Options. Kingston Securities is, on behalf of the Offeror, making the Offers in compliance with the Takeovers Code on the terms set out in this Composite Document.

The purpose of this Composite Document is to provide you with, among others, (i) the terms of the Offers; (ii) the recommendation from the Independent Board Committee to the Offer Shareholders and the Offer Optionholders; and (iii) the advice from the Independent Financial Adviser in respect of the Offers, together with the Form(s) of Acceptance.

INDEPENDENT BOARD COMMITTEE

Pursuant to Rule 2.1 and Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all non-executive Directors, namely, Dr. Bu Su, Dr. Xu Ming, Dr. Chow Kwok Fai Joseph, Ms. Wang Yachun and Mr. Tsui Wing Tak, who have no direct or indirect interest in the Offers, has been established to make recommendations to the Offer Shareholders and Offer Optionholders as to whether the Share Offer and the Option Offer are fair and reasonable and as to the acceptance of the Share Offer and the Option Offer.

INDEPENDENT FINANCIAL ADVISER

Sorrento Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and as to whether the Offers are fair and reasonable and as to acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

You are advised to read the “Letter from the Independent Board Committee” addressed to the Offer Shareholders and the Offer Optionholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document before taking any actions in respect of the Offers.

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately prior to Completion, the Offeror was interested in 120,752,000 Shares, which represented approximately 24.13% of the total issued share capital of the Company. Immediately following Completion, the Offeror was in aggregate interested in a total of 259,424,000 Shares, representing approximately 51.84% of the total issued share capital of the Company. Save for the above, none of the Offeror, Dr. Zhou and the parties acting in concert with any one of them was interested in any other Shares and Share Options. Pursuant to Rule 26.1 and Rule 13.5 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) to cancel all the outstanding Share Options.

As at the Latest Practicable Date, the Company had (i) a total of 500,472,000 Shares in issue; and (ii) 19,504,000 outstanding Share Options conferring rights to subscribe for 19,504,000 new Shares with exercise price of HK\$0.125 per Share Option. Save for the Share Options mentioned above, the Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Principal terms of the Offers

Kingston Securities is, for and on behalf of the Offeror and in compliance with the Takeovers Code, making the Offers on the following basis:

The Share Offer

For every Offer Share HK\$0.126 in cash

The Share Offer Price of HK\$0.126 per Offer Share under the Share Offer is equal to the price per the Sale Share paid by the Offeror under the Sale and Purchase Agreement. The Offer Shares to be acquired under the Share Offer shall be fully paid and free and clear of any lien and together with all rights attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of this Composite Document.

As at the Latest Practicable Date, no outstanding dividend declared by the Company remains unpaid, and it was advised by the Board that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Share Offer.

The Option Offer

For every Share Option HK\$0.001 in cash

The Option Offer Price will be the see-through price which represents the amount by which the Share Offer Price exceeds the exercise price of the relevant Share Options of HK\$0.125 per Share Option.

As at the Latest Practicable Date, the identities and/or categories of the Optionholders of the outstanding Share Options are as follows:

Categories of Optionholders	Exercise Price HK\$	Outstanding Share Options
Director		
Mr. Zhang Chunguang	0.125	4,000,000
Employees of the Group	0.125	<u>15,504,000</u>
		<u>19,504,000</u>

The Share Offer is extended to all Offer Shareholders and the Option Offer is extended to all Offer Optionholders (whether their respective Share Options are vested or not) in accordance with the Takeovers Code. Following acceptance of the Option Offer, the Share Options, together with all rights attaching thereto, will be entirely cancelled and renounced.

The Offers are unconditional in all respects, and are not conditional upon any minimum level of acceptances being received or any other conditions.

Comparison of value of the Offer Price

The Share Offer price of HK\$0.126 per Offer Share represents:

- (i) a discount of approximately 76.67% to the closing price of HK\$0.540 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 68.10% to the closing price of HK\$0.395 per Share as quoted on the Stock Exchange on 9 October 2025, being the date of the Joint Announcement;

- (iii) a discount of approximately 68.18% to the average closing price of approximately HK\$0.396 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the date of the Joint Announcement;
- (iv) a discount of approximately 68.34% to the average closing price of approximately HK\$0.398 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the date of the Joint Announcement;
- (v) a discount of approximately 68.26% to the average closing price of approximately HK\$0.397 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the date of the Joint Announcement;
- (vi) a premium of approximately 7.69% to the audited consolidated net assets value per Share of approximately HK\$0.117 as at 31 December 2024, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately RMB54,048,000 (equivalent to approximately HK\$58,364,649) as at 31 December 2024 by 500,472,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a premium of approximately 10.53% to the unaudited consolidated net assets value per Share of approximately HK\$0.114 as at 30 June 2025, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately RMB52,061,000 (equivalent to approximately HK\$57,087,560) as at 30 June 2025 by 500,472,000 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.70 per Share on 30 October 2025 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.295 per Share on 9 April 2025, 10 April 2025, 11 April 2025, 14 April 2025 and 16 April 2025.

Value of the Offers

Your attention is drawn to the section headed "Value of the Offers" in the "Letter from Kingston Securities" in this Composite Document which sets out the value of the Offers.

INFORMATION ON THE GROUP

The Company is an exempt company incorporated in the Cayman Islands with limited liability on 13 December 2018, the Shares of which are listed on GEM of the Stock Exchange. The Group is (a) a medical device group specialised in the research and development, manufacture and sale of a wide range of in-vitro diagnostic (“**IVD**”) reagents and auxiliary reproductive supplies and equipment in the PRC. The Group has diversified its business to healthcare products and supplements in the PRC, Hong Kong and Canada. As at the Latest Practicable Date, the Group has a total of 31 biological reagents, including 28 male fertility IVD reagents, 2 parasite antibody detection reagents, and 1 Epstein-Barr virus antibody detection reagent; and (b) research and development and sales of women’s health products, including female reproductive system solutions, health foods and antibacterial products.

Your attention is drawn to Appendices II and III to this Composite Document which contain further financial information and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 ordinary shares, and there are 500,472,000 in issue and 19,504,000 outstanding Share Options conferring rights to subscribe for 19,504,000 new Shares with exercise price of HK\$0.125 per Share Option. Save for the Share Options mentioned above, the Company does not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares.

The following table sets out the shareholding structure of the Company (i) immediately before Completion; (ii) immediately after Completion and as at the Latest Practicable Date (assuming none of the Share Options had been exercised); and (iii) immediately after Completion and as at the Latest Practicable Date (assuming all Share Options had been exercised).

Shareholders	Immediately before Completion		Immediately after Completion and as at the Latest Practicable Date (assuming none of the Share Options have been exercised)		Immediately after Completion and as at the Latest Practicable Date (assuming all Share Options have been exercised)	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>Number of Shares</i>	<i>% of issued Shares</i>	<i>Number of Shares</i>	<i>% of issued Shares</i>	<i>Number of Shares</i>	<i>% of issued Shares</i>
Vendor	138,672,000	27.71	—	—	—	—
Sub-total	138,672,000	27.71	—	—	—	—
Offeror, Dr. Zhou and parties acting in concert with any one of them						
Offeror ^(Note 1)	120,752,000	24.13	259,424,000	51.84	259,424,000	49.89
Sub-total	120,752,000	24.13	259,424,000	51.84	259,424,000	49.89
Directors						
Zhang Chunguang	—	—	—	—	4,000,000	0.77
Poon Lai Yin Michael	4,000,000	0.8	4,000,000	0.8	4,000,000	0.77
Sub-total	4,000,000	0.8	4,000,000	0.8	8,000,000	1.54
Optionholders^(Note 2)						
Public Shareholders	237,048,000	47.36	237,048,000	47.36	237,048,000	45.59
Sub-total	237,048,000	47.36	237,048,000	47.36	252,552,000	48.57
Total	500,472,000	100.00	500,472,000	100.00	519,976,000	100.00

Notes:

1. The Offeror is beneficially wholly-owned by Dr. Zhou.
2. The Offer Optionholders include Mr. Zhang Chunguang (an existing Executive Director) and Mr. Zhang Shuguang (former Executive Director and former chairman of the Board) who are brothers. None of the Offer Optionholders is a party acting in concert with the Offeror, Dr. Zhou and/or a connected person of the Company. All the Optionholders are employees of the Group.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information on the Offeror” in the “Letter from Kingston Securities” in, and in Appendix IV to, this Composite Document.

INTENTION OF THE OFFEROR ON THE GROUP

Your attention is drawn to the section headed “Reasons for the acquisition of the Sale Shares and intention of the Offeror on the Group” in the “Letter from Kingston Securities” in, and Appendix IV to, this Composite Document.

The Board notes that the Offeror intends to continue the existing businesses of the Group. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offers and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Offeror does not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group. As at the Latest Practicable Date, save for the proposed changes to the composition of the Board and the chairman of the Board, the Offeror did not have any intention to make material changes to the employment of the employees of the Group upon the close of the Offers. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

Your attention is drawn to the section headed “Proposed change to the Board composition of the Company” in the “Letter from Kingston Securities” in this Composite Document.

The Board noted from the “Letter from Kingston Securities” in this Composite Document that the Offeror intends to nominate Dr. Zhou Xunyong as an executive Director and the new chairman of the Board being with effect from after the despatch of this Composite Document or such other date as permitted under the applicable laws, rules and regulations, the GEM Listing Rules and the Takeovers Code. For details of the biographies of the new Director, please refer to the paragraphs headed “Proposed change to the Board composition of the Company” in the “Letter from Kingston Securities”. Further announcement(s) will be made upon any changes to the composition to the Board as and when appropriate.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

Your attention is drawn to the section headed “Public float and maintenance of the listing status of the Company” in the “Letter from Kingston Securities” in this Composite Document.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Board notes that the Offeror intends the Company to remain listed on GEM of the Stock Exchange after the close of the Offers.

The sole director of the Offeror and the new Director to be appointed to the Board (namely, Dr. Zhou) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares following the close of the Offers.

RECOMMENDATION

Your attention is drawn to the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” in this Composite Document, which contain, among others, the advice of the Independent Financial Adviser and the Independent Board Committee in relation to the Offers and the principal factors considered by them in arriving at their recommendations, and in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

ADDITIONAL INFORMATION

Your attention is drawn to additional information set out in the appendices to this Composite Document. You are also recommended to read carefully the “Letter from Kingston Securities” in, and Appendix I to this Composite Document as well as and the accompanying Forms of Acceptance.

If you are in doubt about your position in connection with the Offers, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By order of the Board
Huakang Biomedical Holdings Company Limited



Zhang Yujing
Chairman and Executive Director