



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 things, the Sale and Purchase Agreement and the Offers.

As disclosed in the Joint Announcement, 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 and the Vendor.

Upon Completion, the Offeror, Dr. Zhou, and the parties acting in concert with any of them are 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 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.

This letter forms part of this Composite Document which sets out, among others, principal terms of the Offers, information on the Offeror and the intention of the Offeror on the Group. Details of the terms and procedures of acceptance of the Offers are set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

The Offer Shareholders and Offer Optionholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as well as the appendices as contained in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offers.

MANDATORY UNCONDITIONAL CASH OFFERS

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 each 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 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 this Composite Document.

As at the Latest Practicable Date, no outstanding dividend declared by the Company remained 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 each 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><u>19,504,000</u></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% over the audited consolidated net assets value per Share of approximately HK\$0.117 as at 31 December 2024, calculated based on the Group's audited consolidated net assets of approximately RMB54,048,000 (equivalent to approximately HK\$58,364,649) as at 31 December 2024 and 500,472,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a premium of approximately 10.53% over the unaudited consolidated net assets value per Share of approximately HK\$0.114 as at 30 June 2025, calculated based on the Group's unaudited consolidated net assets of approximately RMB52,061,000 (equivalent to approximately HK\$57,087,560) as at 30 June 2025 and 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

As at the Latest Practicable Date, the Company had a total of 500,472,000 Shares in issue and 19,504,000 outstanding Share Options.

Assuming no Share Options have been exercised prior to the close of the Offers, there will be 500,472,000 issued Shares. Excluding the 259,424,000 Shares held by the Offeror at as the Latest Practicable Date, and assuming no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offers, (a) 241,048,000 Shares (representing approximately 48.16% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Share Offer and the value of the Share Offer will be HK\$30,372,048.00; and (b) the total consideration required to satisfy the cancellation of all outstanding Share Options will be approximately HK\$19,504.00.

Assuming all Share Options have been exercised prior to the close of the Offers, there will be 519,976,000 issued Shares. Excluding the 259,424,000 Shares held by the Offeror as at the Latest Practicable Date; and assuming no other change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offers, (a) 260,552,000 Shares will be subject to the Share Offer and the value of the Share Offer will be HK\$32,829,552.00; and (b) the total consideration required to satisfy the cancellation of all the outstanding Share Options will be nil.

On the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers (assuming no Share Options have been exercised prior to the close of the Offers) would be HK\$30,391,552.00 and the maximum cash consideration payable by the Offeror under the Offers (assuming all Share Options have been exercised prior to the close of the Offers) would be HK\$32,829,552.00.

Confirmation of financial resources

The Offeror has financed and satisfied the consideration payable under the Sale and Purchase Agreement by internal resources. The Offeror intends to finance and satisfy the consideration payable under the Offers by the Loan Facility provided by Kingston Securities pursuant to the Facility Agreement. The Offeror has entered into the Facility Agreement under which the Offeror is required to pledge all existing Shares held by the Offeror, the Sale Shares and all the Offer Shares that may be acquired by the Offeror pursuant to the Offers as collateral throughout the term of the Loan Facility. The Offeror does not intend that the payment of interest on, repayment of or security for any liability (contingent or otherwise) relating to the aforesaid loan facility will depend to any significant extent on the business of the Company.

Kingston CF, being one of the Joint Financial Advisers to the Offeror in respect of the Offers, is satisfied that, as at the Latest Practicable Date, sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offers.

Effect of accepting the Offers

By accepting the Share Offer, the Offer Shareholders will sell their tendered Shares to the Offeror which 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 despatch of this Composite Document. As at the Latest Practicable Date, no outstanding dividend declared by the Company remains unpaid, and it is 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.

By accepting the Option Offer, the Offer Optionholders will agree to the cancellation of their tendered Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of despatch of this Composite Document.

The Offers will remain open for acceptance from the date of this Composite Document until 4:00 p.m. on the Closing Date. Acceptance of the Offers tendered by the Offer Shareholders and Offer Optionholders shall be irrevocable and not capable of being withdrawn, except as otherwise permitted under the Takeovers Code, details of which are set out in paragraph headed "6. Right of Withdrawal" in Appendix I to this Composite Document.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Share Offer will be payable by the relevant Offer Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, and the amount of such duty will be deducted from the amount payable by the Offeror to such person on acceptance of the Share Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Offer Shareholders who accept the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the acceptances of the Option Offer.

Payment

Payment in cash in respect of acceptance of the Offers will be made as soon as possible but in any event not later than seven (7) Business Days after the date on which the duly completed Form(s) of Acceptance and the relevant documents of title of the Offer Shares or the Share Options (as the case may be) are received by the Registrar in respect of the Share Offer or the Company in respect of the Option Offer to render each such acceptance under the Offers complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to any person who accepts the Offers will be rounded up to the nearest Hong Kong cent.

Taxation advice

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, parties acting in concert with it, the Company, Kingston Securities, Kingston CF, Capital 9, Sorrento Capital, Registrar, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisers or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Availability of the Offers – Overseas Shareholders and Overseas Optionholders

The Offeror intends to make the Offers available to all Offer Shareholders and Offer Optionholders, including the Overseas Shareholders and Overseas Optionholders. However, the Offers to persons not resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident. The making of the Offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws

or regulations of the relevant jurisdictions. Overseas Shareholders and/or Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should fully observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibilities of Overseas Shareholders and the Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholders and/or Overseas Optionholders in respect of such jurisdictions).

Based on the record in the register of members and register of Optionholders of the Company, (i) there is no Overseas Shareholder; and (ii) there are five Overseas Optionholders (holding in total 9,504,000 Share Options, representing approximately 1.83% of the enlarged share capital of the Company (assuming all Share Options have been exercised)) whose addresses are in the PRC, as at the Latest Practicable Date.

Any acceptance of the Offers by any Overseas Shareholders and/or Overseas Optionholders will be deemed to constitute a representation and warranty from such Overseas Shareholders and/or Overseas Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptances shall be valid and binding in accordance with all applicable laws. Overseas Shareholders and Overseas Optionholders should consult their respective professional advisers if in doubt.

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.

Further information on the Group are set out in the paragraph headed “Information on the Group” in the “Letter from the Board” in this Composite Document.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability on 15 May 2025 for the purpose of holding the Shares. As at the Latest

Practicable Date, the Offeror is wholly and beneficially owned by Dr. Zhou who is also the sole director of the Offeror.

Dr. Zhou Xunyong, aged 50, is an entrepreneur and researcher with over 6 years of experience in biotechnology and health innovation. Dr. Zhou's main topic of research is enzyme-based theory for food products, cosmetics, daily chemicals and tea, and held over 20 patents as at the Latest Practicable Date. He has published many research papers on enzyme-based theory in international academic journals and conferences as well as a book with the title of “酶基免疫平衡”. Dr. Zhou is principally engaged in the development in biological enzyme solutions and cell therapy technologies through his other companies, including Nanjing Hezhen Holding Group Co., Ltd.* (南京和臻控股集團有限公司), which is owned by him as to 99% and is principally engaged in using healthcare generative pre-training transformer and enzyme therapy knowledge to co-create a sharing platform to provide customers with a new generation of health solutions and its 70%-owned subsidiary, Changsha Kerong Health Technology Co., Ltd.* (長沙可容健康科技股份有限公司), which is principally engaged in digital health services to customers, which has established a health service team with medical experts, product experts and service experts as the core, and features artificial intelligence to provide users with health education, health consultation, and health management services. Dr. Zhou also owns 99% equity interest in Nanjing Zhencui Holding Group Co., Ltd.* (南京臻萃控股集團有限公司), which has a wholly-owned subsidiary, Zhencui (Jiangsu) Enzyme Technology Development Co., Ltd.* (臻萃(江蘇)酶科技發展有限公司) that operates a research and production plant for enzymes based products in Suqian City, Jiangsu Province, the PRC.

Dr. Zhou graduated from Tianjin University (天津大學) of the PRC with a Bachelor of Engineering degree majoring in Business Administration in December 2022 and Fudan University (復旦大學) of the PRC with a Master of Laws degree in January 2011. Dr. Zhou subsequently obtained his Doctorate degree in Business Administration from the Université Nice Sophia Antipolis in Nice, France in December 2016. He is currently the honorary chairman of the Vaccine and Immune Health Branch of the Liaoning Immunology Society (遼寧省免疫學會疫苗和免疫健康分會名譽主任委員) and a member of the National Enzyme Engineering and Fermentation Engineering Professional Committee (全國酶工程和發酵工程專業委員會委員)。

As at the Latest Practicable Date, the Offeror and Dr. Zhou are substantial Shareholders of the Company.

REASONS FOR THE ACQUISITION OF THE SALE SHARES AND THE INTENTION OF THE OFFEROR ON THE GROUP

The Offeror is optimistic about the biotechnology industry. The ultimate beneficial owner of the Offeror, Dr. Zhou, who was then an indirect majority shareholder of Hunan Keyue Biotechnology Co., Ltd.* (湖南可悅生物科技有限公司), together with other shareholders sold Hunan Keyue Biotechnology Co., Ltd.* (湖南可悅生物科技有限公司) to the Company in April 2025, which transaction was completed in June 2025. As the Group has been engaged in the

* For identification purpose only

business of healthcare products in the PRC for years, Dr. Zhou, who is in biotechnology and health innovation industry, was actively looking for business opportunities to grow his business. The Offeror is of the view that the Company has built up an extensive network and reputation in the biotechnology industry, which upon becoming the controlling Shareholder through the acquisition of the Sale Shares, the Offeror will be able to grow the Company's business under its direction. The Offeror and Dr. Zhou intend to leverage on his expertise in enzyme solutions and cell therapy technologies to improve the Group's product research and development, especially in relation to IVD reagents and women's health products, as well as to collaborate with Dr. Zhou's other companies to expand the Group's sales network for these products. The Group will benefit from the collaboration with Dr. Zhou's other businesses which are engaged in the provision of digital health services and new generation of health solutions that have a health service team with medical experts, product experts and service experts as well as artificial intelligence features to provide users with health education, health consultation, and health management services. Such businesses of Dr. Zhou can promote and sell the Group's products. On the other hand, the Offeror and Dr. Zhou are able to tap into the Group's sale networks and diversify the Group's product type by selling Dr. Zhou's enzymes based products.

Following the close of the Offers, it is the intention of the Offeror that the Group will continue with its existing principal business. 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.

Nevertheless, following the close of the Offers, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the GEM Listing Rules.

As at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

Save for the proposed change(s) to the composition of the Board as mentioned below at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate, as at the Latest Practicable Date, the Offeror had no intention to make material changes to the employment of the employees of the Group. 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

As at the Latest Practicable Date, the Board comprises Ms. Zhang Yujing (Chairman), Mr. Zhang Chunguang and Mr. Poon Lai Yin Michael (Compliance Officer) as executive Directors; Dr. Bu Su and Dr. Xu Ming as non-executive Directors; and Dr. Chow Kwok Fai Joseph, Ms. Wang Yachun, Mr. Tsui Wing Tak as independent non-executive Directors.

No Directors will resign before the close of the Offers. The Offeror intends to nominate Dr. Zhou to be an executive Director and the new chairman of the Board 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. The biographical details of Dr. Zhou are set out in the paragraph headed “Information on the Offeror” above.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

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:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) 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 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, which may include but not limited to placing down of sufficient number of accepted Shares by the Offeror and/or issue of additional Shares by the Company for this purpose. No arrangements have been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) will be made in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate.

PROCEDURES FOR ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding the procedures for acceptance and settlement of the Offers set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

COMPULSORY ACQUISITION

The Offeror does not intend to exercise or apply any right which may be available to them to acquire compulsorily any Shares outstanding after the close of the Offers.

GENERAL

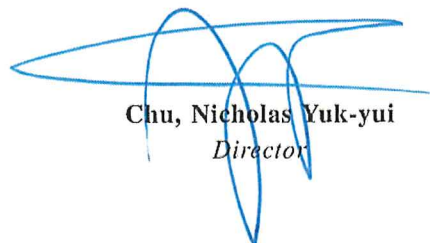
All documents and remittances to be sent to the Offer Shareholders and the Offer Optionholders will be sent to them by ordinary post at their own risk. Such documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company and in the case of joint Offer Shareholders, to such Offer Shareholder whose name appears first in the register of members of the Company, or in the case of joint Offer Optionholders, to such Offer Optionholder whose name appears first in the records of the Company. None of the Company, the Offeror, Dr. Zhou and parties acting in concert with any one of them, Kingston Securities, Kingston CF, Capital 9, Sorrento Capital, Registrar and (as the case may be) any of their respective ultimate beneficial owners, directors, officers, agents and associates nor other parties involved in the Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. You are reminded to carefully read the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" and other information about the Group, which are set out in this Composite Document before deciding whether or not to accept the Offers.

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.

Yours faithfully,
For and on behalf of
Kingston Securities Limited



Chu, Nicholas Yuk-yui
Director