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China Regenerative Medicine International Limited

中國再生醫學國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8158)

(1) MAJOR TRANSACTIONS IN RELATION TO THE OUTSTANDING PAYMENT AGREEMENT AND THE MEMBERSHIP TRANSFER AGREEMENTS; AND (2) BREACH OF GEM LISTING RULES

THE OUTSTANDING PAYMENT AGREEMENT AND THE MEMBERSHIP TRANSFER AGREEMENTS

On 1 March 2024, the Company, as the representative on behalf of the creditors who were members of the Group (i.e. HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise), entered into the Outstanding Payment Agreement with Changzhou Xingkong, as the debtor, pursuant to which Changzhou Xingkong agreed to repay the Outstanding Payment Amount of RMB215,498,644.46 (equivalent to approximately HK\$236,230,000) in five installments at interest-free over a period from March 2024 to December 2028. Such arrangement was further confirmed in the Confirmation Agreement entered into among the Company, Changzhou Xingkong and the abovementioned subsidiaries.

On 30 April 2024, 31 May 2024 and 30 June 2024, HKIRC (a wholly-owned subsidiary of the Company), as the existing membership service provider, entered into the Membership Transfer Agreements with Changzhou Xingkong, as the incoming membership service provider, and the Designated Members, as customers, pursuant to which HKIRC agreed to transfer the membership and related benefits of the Designated Members to Changzhou Xingkong at an aggregate amount of approximately RMB45,121,000 (equivalent to approximately HK\$55,910,000 based on the historical exchange rate as of the date of initial recognition of the contract liabilities).

IMPLICATIONS OF THE GEM LISTING RULES

As the highest applicable percentage ratio for the Company in respect of each of the Outstanding Payment Agreement and the Membership Transfer Agreements exceeds 25%, each of these transactions constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, as at the date of this announcement, Changzhou Xingkong and its ultimate beneficial owner(s) are Independent Third Parties.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Outstanding Payment Agreement and the Membership Transfer Agreements. As at the date of this announcement, the Company has obtained the written approval from Mr. Wang Chuang, All Favour Holdings Limited, Changzhou Yaoguang Enterprise Management Consulting Limited Liability Partnership* (常州市耀光企業管理諮詢合夥企業(有限合夥)) and Changzhou Minxing Enterprise Management Consulting Services Limited Liability Partnership* (常州市中民星空企業管理諮詢服務合夥企業(有限合夥)), which are beneficially interested in an aggregate of 174,430,306 Shares, representing approximately 57.33% of the total number of issued Shares as at the date of this announcement, to approve each of the Outstanding Payment Agreement and the Membership Transfer Agreements. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Outstanding Payment Agreement and the Membership Transfer Agreements.

A circular of the Company containing, among others, (i) further details of the Outstanding Payment Agreement and the Membership Transfer Agreements, and (ii) other information required to be disclosed under the GEM Listing Rules, is currently expected to be despatched to the Shareholders on or before 21 November 2025, in accordance with the GEM Listing Rules.

REASONS FOR THE BREACH OF THE GEM LISTING RULES

The Directors noted that, upon investigation by the Company, due to the inadvertent oversight by certain staff members of the Group handled and involved in the Outstanding Payment Agreement and the Membership Transfer Agreements at that time (now already left the Group) did not aware that these agreements might constitute notifiable transactions of the Company under Chapter 19 of the GEM Listing Rules, the Group had entered into the Outstanding Payment Agreement and the Membership Transfer Agreements, which turned out each to be a major transaction of the Company, and has breached the GEM Listing Rules requirements for reporting, announcement, circular and shareholders' approval requirements as set out in Chapter 19 of the GEM Listing Rules. To the best of the information, knowledge and belief of the Directors, at the material time of the transactions, none of the Directors nor any substantial Shareholders had been involved or otherwise had any conflict of the transactions under the Outstanding Payment Agreement and/or the Membership Transfer Agreements.

The Directors reiterated that they have no intention for such non-compliance and the non-compliance was solely due to the reasons as stated above, and would also like to stress that legal and regulatory compliance has long been an important culture of the Group and that it has always treated compliance with the GEM Listing Rules as a top priority. The Group has been maintaining regular communications with, and seeking advice from, its professional advisers on different aspects of GEM Listing Rules compliance, but has unfortunately and regrettably not done so on this single occasion on a timely basis.

THE OUTSTANDING PAYMENT AGREEMENT

On 1 March 2024, the Company, as the representative on behalf of the creditors who were members of the Group (i.e. HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise), entered into the Outstanding Payment Agreement with Changzhou Xingkong, as the debtor, pursuant to which Changzhou Xingkong agreed to repay the Outstanding Payment Amount of RMB215,498,644.46 (equivalent to approximately HK\$236,230,000) in five installments at interest-free over a period from March 2024 to December 2028, details of which are as follows:

Repayment date	Principal (RMB)	Repayment amount (RMB)	Remaining principal (RMB)
31 December 2024	215,498,644.46	43,000,000.00	172,498,644.46
31 December 2025	172,498,644.46	43,000,000.00	129,498,644.46
31 December 2026	129,498,644.46	43,000,000.00	86,498,644.46
31 December 2027	86,498,644.46	43,000,000.00	43,498,644.46
31 December 2028	43,498,644.46	43,498,644.46	–

Such arrangement was further confirmed in the Confirmation Agreement entered into among the Company, Changzhou Xingkong and the abovementioned subsidiaries.

Prior to entering into the Outstanding Payment Agreement, the Group had sought legal and professional advices. Based on such advices, the management of the Company considered that it was not appropriate to claim the repayment obligation of Changzhou Xingkong through judicial means, as it will generate high advance costs, litigation fees and preservation fees and other expenses, in addition the enforcement process is relatively complicated and full of uncertainties in terms of policy changes and timeliness.

Further to the negotiation between the management of Changzhou Xingkong and the Company, the parties mutually agreed to entering into the Outstanding Payment Agreement with the abovementioned agreed repayment schedule.

The Directors (including the independent non-executive Directors) considered that the terms of the Outstanding Payment Agreement was in the ordinary course of business, on normal commercial terms, was fair and reasonable, and was in the interest of the Company and its Shareholders as a whole.

Subsequently, Changzhou Xingkong repaid an aggregate of approximately RMB85,856,000 of Outstanding Payment Amount during March 2024 to September 2025, which included aggregate repayment of cash of approximately RMB40,735,000, and the netoff of the total remaining unutilised prepaid services fee of approximately RMB45,121,000 pursuant to the Membership Transfer Agreements. As at the date of this announcement, the Outstanding Payment Amount is amounted to approximately RMB117,033,000 and Changzhou Xingkong will consider repaying the remaining repayment amount by cash or through the disposal of its shares or assets to the Group.

THE MEMBERSHIP TRANSFER AGREEMENTS

On 30 April 2024, 31 May 2024 and 30 June 2024, HKIRC (a wholly-owned subsidiary of the Company), as the existing membership service provider, entered into the Membership Transfer Agreements with Changzhou Xingkong, as the incoming membership service provider, and the Designated Members, as customers, pursuant to which HKIRC agreed to transfer the membership and related benefits of the Designated Members to Changzhou Xingkong at an aggregate amount of approximately RMB45,121,000 (equivalent to approximately HK\$55,910,000 based on the historical exchange rate as of the date of initial recognition of the contract liabilities).

The Designated Members have prepaid certain amounts of prepaid services fee to HKIRC according to a project service membership agreement (項目服務入會協議) previously entered into between HKIRC and each of the Designated Members, pursuant to which the prepaid services fee will be deducted after they consumed their treatments/services. Pursuant to such project service membership agreements, the total prepaid services fee received by HKIRC was RMB59,470,000 with approximately RMB14,349,000 utilised, and approximately RMB45,121,000 represented the remaining unutilised prepaid services fee.

Through the Membership Transfer Agreements, HKIRC would be able to utilise the transferred amount to net off the Outstanding Payment Amount. In other words, it represented a repayment by Changzhou Xingkong under the Outstanding Payment Agreement.

As such, the Directors (including the independent non-executive Directors) considered that the entering into of the Membership Transfer Agreements was in the ordinary course of business, on normal commercial terms, was fair and reasonable, and was in the interest of the Company and its Shareholders as a whole. Furthermore, the Group needed to bear significant legal costs, including litigation fees, attorney's fees, preservation fees and other related expenses, if judicial means was pursued.

INFORMATION OF THE PARTIES

The Group, HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise

The Group is principally engaged in the provision of healthcare products and services in Hong Kong and the PRC. HKIRC is incorporated in Hong Kong with limited liability and is and was a wholly-owned subsidiary of the Company as at the date of this announcement and at the time of the Outstanding Payment Agreement (with no change in between). Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise are established in the PRC with limited liability and were wholly-owned subsidiaries of the Company as at the date of this announcement and at the time of the Outstanding Payment Agreement (with no change in between).

Changzhou Xingkong

Changzhou Xingkong is a company incorporated in the PRC with limited liability. Changzhou Xingkong is principally engaged in the provision of medical cosmetology, health management consulting, healthcare products and services in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the ultimate beneficial owner of Changzhou Xingkong is Mr. Xu Bing* (許兵先生), who is a PRC resident. He and his respective associates are Independent Third Parties.

Designated Members

There are twenty-four customers involved in the Membership Transfer Agreements, these customers became our members after they entered into their respective project service membership agreement with HKIRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of these Designated Members is an Independent Third Party.

FINANCIAL EFFECTS OF THE OUTSTANDING PAYMENT AGREEMENT AND THE MEMBERSHIP TRANSFER AGREEMENTS

The carrying value of the amount due from Changzhou Xingkong to the Group as at 1 March 2024 was RMB215,498,644.46 (equivalent to approximately HK\$236,230,000).

By entering into the Outstanding Payment Agreement, there is no actual inflow or outflow of cash to/from the Group. However, due to the terms of the original other receivables were modified, and such modification was considered as substantial modification of the original terms, resulting in derecognition of the original other receivables and recognition of a new financial asset. Loss on modification of original other receivables of approximately HK\$17,276,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2024, details of which are set out in notes 5(b) and 16(b) of the notes to the consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2024.

By entering into the Membership Transfer Agreements, the Group's original prepayment received from the Designated Members is no longer required to be performed by the Group. However, as this amount was used to reduce the amount due to be paid by Changzhou Xingkong to the Group, such amount reduced the amount due from Changzhou Xingkong to the Group in the same amount. The net effect is that there is no actual gain nor loss to be recorded by the Group, nor change the net assets value of the Group, at the time of transfer.

There is no cash flow effect of the Group when the Group entered into the Outstanding Payment Agreement and the Membership Transfer Agreements.

IMPLICATIONS OF THE GEM LISTING RULES

According to Rules 19.22 to 19.23B of the GEM Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all entered into or completed within a 12-month period or are otherwise related. As all the transactions contemplated under the Membership Transfer Agreements involve twenty-four sets of Membership Transfer Agreements with the Designated Members, they will be aggregated pursuant to Rules 19.22 to 19.23B of the GEM Listing Rules.

As the highest applicable percentage ratio for the Company in respect of each of the Outstanding Payment Agreement and the Membership Transfer Agreements exceeds 25%, each of these transactions constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, as at the date of this announcement, Changzhou Xingkong and its ultimate beneficial owner(s) are Independent Third Parties.

None of the Directors had any material interest in the transactions contemplated under the Outstanding Payment Agreement and the Membership Transfer Agreements. Therefore, none of them shall be required to abstain from voting on the Board resolutions approving the Outstanding Payment Agreement and the Membership Transfer Agreements and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates (as defined under the GEM Listing Rules) has a material interest at the material time entering into the Outstanding Payment Agreement and the Membership Transfer Agreements and up to the date of this announcement, thus no Shareholders is required to abstain from voting on the resolution at the extraordinary general meeting to be convened to approve the Outstanding Payment Agreement and the Membership Transfer Agreements.

The Board confirmed that no shareholding structure has been changed since the entering into the Outstanding Payment Agreement and the Membership Transfer Agreements and up to the date of this announcement.

As at the date of this announcement, the Company has obtained the written approval from Mr. Wang Chuang, All Favour Holdings Limited, Changzhou Yaoguang Enterprise Management Consulting Limited Liability Partnership* (常州市耀光企業管理諮詢合夥企業(有限合夥)) and Changzhou Minxing Enterprise Management Consulting Services Limited Liability Partnership* (常州市中民星空企業管理諮詢服務合夥企業(有限合夥)), which are beneficially interested in an aggregate of 174,430,306 Shares, representing approximately 57.33% of the total number of issued Shares as at the date of this announcement, to approve each of the Outstanding Payment Agreement and the Membership Transfer Agreements. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Outstanding Payment Agreement and the Membership Transfer Agreements.

A circular of the Company containing, among others, (i) further details of the Outstanding Payment Agreement and the Membership Transfer Agreements, and (ii) other information required to be disclosed under the GEM Listing Rules, is currently expected to be despatched to the Shareholders on or before 21 November 2025, in accordance with the GEM Listing Rules.

REASONS FOR THE BREACH OF THE GEM LISTING RULES

The Directors noted that, upon investigation by the Company, due to the inadvertent oversight by certain staff members of the Group handled and involved in the Outstanding Payment Agreement and the Membership Transfer Agreements at that time (now already left the Group) did not aware that these agreements might constitute notifiable transactions of the Company under Chapter 19 of the GEM Listing Rules, the Group had entered into the Outstanding Payment Agreement and the Membership Transfer Agreements, which turned out each to be a major transaction of the Company, and has breached the GEM Listing Rules requirements for reporting, announcement, circular and shareholders' approval requirements as set out in Chapter 19 of the GEM Listing Rules. To the best of the information, knowledge and belief of the Directors, at the material time of the transactions, none of the Directors nor any substantial Shareholders had been involved or otherwise had any conflict of the transactions under the Outstanding Payment Agreement and/or the Membership Transfer Agreements.

The Directors reiterated that they have no intention for such non-compliance and the non-compliance was solely due to the reasons as stated above, and would also like to stress that legal and regulatory compliance has long been an important culture of the Group and that it has always treated compliance with the GEM Listing Rules as a top priority. The Group has been maintaining regular communications with, and seeking advice from, its professional advisers on different aspects of GEM Listing Rules compliance, but has unfortunately and regrettably not done so on this single occasion on a timely basis.

REMEDIAL ACTIONS TO BE TAKEN BY THE COMPANY

The Company deeply regrets its non-compliance with the GEM Listing Rules, but the Company would like to stress that the non-compliance was inadvertent and the Company had no intention to withhold any information relating to the Outstanding Payment Agreement and the Membership Transfer Agreements from disclosure and/or Shareholders' approval.

In order to prevent the occurrence of similar incidents and ensure compliance with the relevant requirements of the GEM Listing Rules in the future, the Company has adopted/will adopt the following measures to enhance its internal control:

- (1) an internal memo has been issued to all Directors and department heads of the Group that the notifiable transaction requirements under Rule 19.07 of the GEM Listing Rules, in particular relating to entering agreements with any business partners or connected parties, must be strictly complied with and they shall keep the Company informed of any transactions which may involve disclosure and/or Shareholders' approval requirements under Rule 19.07 of the GEM Listing Rules;

- (2) relevant internal training sessions in respect of Chapters 17, 19 and 20 of the GEM Listing Rules has been arranged for all Directors, department heads of the Group and relevant personnel of the Group and expected to be completed on or before 31 December 2025 so as to update and refresh their knowledge and understanding on the requirements of the GEM Listing Rules;
- (3) enhanced the Group's internal control system by, among other things, adopted and implemented internal monitoring policies on the preparation of commercial agreement; and
- (4) engaged an independent internal control consultant on 29 August 2025 to assist in assessing, reviewing and improving the Group's internal control. The review process will be conducted comprehensively and thoroughly, with the final results and recommendations expected to be ready by 31 December 2025. Following the review, the Company will publish an announcement in relation to the key findings of the internal control review. This will ensure timely implementation of any necessary improvements to enhance the Group's internal controls.

Shareholders and potential investors are urged to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context otherwise requires, the following terms in this announcement shall have the meanings set out below:

“Board”	the board of Directors
“Changzhou Xingkong”	Changzhou Xingkong Medical Beauty Clinic Co., Ltd.* (常州市星空醫療美容門診有限公司), a company incorporated in the PRC with limited liability
“Company”	China Regenerative Medicine International Limited (中國再生醫學國際有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 20 April 2001 and the Shares of which are listed on GEM of the Stock Exchange (stock code: 8158)
“Confirmation Agreement”	the set-off arrangement confirmation agreement (對沖安排同意書) dated 31 December 2024 entered into among the Company, Changzhou Xingkong, HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise in which it was confirmed that the Outstanding Payment Agreement was entered into by the Company on behalf of HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise, all being members of the Group, and such debts were due by Changzhou Xingkong to HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise

“CRMI (Jiangsu) Commercial”	CRMI (Jiangsu) Commercial Operation Management Co., Ltd.* (中再生(江蘇)商業運營管理有限公司), a company incorporated in the PRC with limited liability
“CRMI (Jiangsu) Enterprise”	CRMI (Jiangsu) Enterprise Management Consulting Co., Ltd.* (中再生(江蘇)企業管理諮詢有限公司), a company incorporated in the PRC with limited liability
“Designated Members”	members who entered the Membership Transfer Agreements with HKIRC and Changzhou Xingkong
“Directors”	the director(s) of the Company
“GEM Listing Rules”	the Rules governing the Listing of Securities on GEM of the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“HKIRC”	HK International Regenerative Centre Limited, a limited liability company incorporated in Hong Kong and being a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons in accordance with the GEM Listing Rules
“Membership Transfer Agreements”	the membership transfer agreements entered into between HKIRC, Changzhou Xingkong and the Designated Members on 30 April 2024, 31 May 2024 and 30 June 2024, respectively, for the transfer of membership and related benefits of the Designated Members from HKIRC to Changzhou Xingkong
“Outstanding Payment Agreement”	the outstanding payment agreement entered into between the Company and Changzhou Xingkong on 1 March 2024 for the repayment of the Outstanding Payment Amount

“Outstanding Payment Amount”	the outstanding payment amount of RMB215,498,644.46 (equivalent to approximately HK\$236,230,000) owed by Changzhou Xingkong to HKIRC, Shanghai Bosheng, CRMI (Jiangsu) Commercial and CRMI (Jiangsu) Enterprise as at the date of entering into the Outstanding Payment Agreement
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Bosheng”	Shanghai Bosheng Health Management Consulting Co., Ltd.* (上海博生健康管理諮詢有限公司), a company incorporated in the PRC with limited liability
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
China Regenerative Medicine International Limited
Wang Chuang
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 31 October 2025

As at the date of this announcement, the executive Director is Mr. Wang Chuang (Chairman and Chief Executive Officer); the non-executive Director is Ms. Luo Min; and the independent non-executive Directors are Ms. Huo Chunyu, Mr. Zhou Xudong and Mr. Leung Man Fai.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkexnews.hk for at least seven days from the date of the publication and will be published on the website of the Company at www.crimi.hk.

* For identification purposes only