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杭州启明醫療器械股份有限公司  
**Venus Medtech (Hangzhou) Inc.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2500)**

## **CONSULTING AGREEMENTS WITH INDEPENDENT NON-EXECUTIVE DIRECTORS**

Reference is made to the announcements of the Company dated (i) August 23, 2024 in relation to the third quarterly update on the Company's resumption progress (the "**Third Quarterly Update Announcement**"); and (ii) September 2, 2024 in relation to the key findings of the use of proceeds review (the "**UoP Review Announcement**"), and together with the Third Quarterly Update Announcement, the "**Announcements**"). Terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

As stated in the Announcements, during the Use of Proceeds Review, Deloitte has identified two consulting agreements (the "**Consulting Agreements**") entered into between Venus HK, and each of Mr. Anthony Wu ("**Mr. Wu**") (an independent non-executive Director) and the late Mr. Wan Yee Joseph Lau ("**Professor Lau**") (a former independent non-executive Director), respectively. The Board has now completed its assessment on the implications of the Consulting Agreements and wishes to publish this announcement to further update the Shareholders and potential investors of the Company in this regard.

### **LISTING RULES IMPLICATIONS OF THE CONSULTING AGREEMENTS**

Each of Mr. Wu and the late Professor Lau, being an independent non-executive Director of the Company at the material times (i.e. during the term of the Consulting Agreements), was a connected person of the Company at the material times. The transaction pursuant to each of the Consulting Agreements, therefore, constituted a connected transaction of the Company. The highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules for the transaction contemplated under each of the Consulting Agreements was less than 5% and the total consideration for each of the transactions was less than HK\$3,000,000. Therefore, based on the size of each of the transactions under the Consulting Agreements, each of the Consulting Agreements would fall within the numerical thresholds for a de minimis connected transaction under Rule 14A.76(1) of the Listing Rules.

Pursuant to Rule 3.13(3) of the Listing Rules, the independence of an independent non-executive director would be more likely to be questioned if, among others, he/she is or was a director, partner or principal of a professional adviser which currently provides or has, within two years immediately prior to the date of his/her proposed appointment, provided services to the listed issuer, its holding company or any of their respective subsidiaries, or core connected persons (as defined under the Listing Rules) of the listed issuer. Pursuant to Rule 3.13(4) of the Listing Rules, the independence of an independent non-executive director would be more likely to be questioned if currently, or within one year immediately prior to the date of his/her proposed appointment, he/she has or had a material interest in any principal business activity of or is or was involved in any material business dealings with the listed issuer, its holding company or their respective subsidiaries or with any core connected persons of the listed issuer. The Board has performed and completed its assessment of the independence of Mr. Wu and the late Professor Lau as independent non-executive Directors.

## **VIEWS OF THE BOARD**

Based solely on information currently available to the Board, including the scope of work as represented by Mr. Wu that he had provided various services to the Company including advice and support going beyond his role as an independent non-executive Director, including (a) Mr. Zi verbally consulting him on various matters, such as trends of similar products of the Company, approval processes, clinical trial institutions, experts in the field and market entry, and/or (b) Mr. Wu making appropriate introductions to Mr. Zi from his intersecting industry networks from time to time, and observations made by the Board since their respective dates of joining the Board, for the reasons stated below, the Board considers that, whilst the existence of the Consulting Agreements should at the time, and does now, give rise to a question for consideration as to the independence of each of Mr. Wu and the late Professor Lau as independent non-executive Directors, the Board has no reasonable grounds to suspect that, at the relevant times during the terms of the Consulting Agreements, each of them had not acted independently and had not fulfilled the independence requirements under Rule 3.13 of the Listing Rules and the Board also believes that Mr. Wu would continue to be independent and fulfil these requirements:

- (1) the other Directors consider that the fee in fact paid under each of the Consulting Agreements (being HK\$860,000 and HK\$430,000, respectively) was not material to the Group;
- (2) based on the size of each of the transactions under the Consulting Agreements and the highest applicable percentage ratios thereof calculated under Rule 14.07 of the Listing Rules, each of the Consulting Agreements would fall within the numerical thresholds for a de minimis connected transaction under Rule 14A.76(1) of the Listing Rules;
- (3) based on their own interactions with and experience of Mr. Wu and the late Professor Lau, the other Directors consider they have no reasonable basis to suspect that the omission by Mr. Wu and the late Professor Lau was not inadvertent or was in bad faith;
- (4) based on their own observations during their respective periods of service as Directors and own interactions since joining of the Board with Mr. Wu and the late Professor Lau, the other Directors, to the best of their knowledge and belief, consider that there was no reasonable basis to doubt the professionalism and independence of Mr. Wu and the late Professor Lau as independent non-executive Directors, when each of them provided his views and advice to the Board, and in the case of Mr. Wu and in light of his representations of actual work delivered, has continued to do that to date; and

- (5) other than the abovementioned Consulting Agreements, the other Directors, after considering (i) the explanation provided by Mr. Wu in relation to the Consulting Agreement with him, including, among others, the circumstances leading to the Consulting Agreement with him and his description of the services provided to the Company thereunder, and (ii) the annual independence confirmations submitted by Mr. Wu and the late Professor Lau, consider each of Mr. Wu and the late Professor Lau to have met the independence criteria set out in Rule 3.13 of the Listing Rules.

As disclosed in the Announcements, Mr. Wu had returned the consulting fee under his Consulting Agreement to the Company to avoid the Company from wasting additional resources on a non-material issue.

#### **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on November 23, 2023 and will remain suspended pending the fulfilment of the Resumption Guidance as specified by the Stock Exchange.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Venus Medtech (Hangzhou) Inc.**  
**Mr. Lim Hou-Sen (Lin Haosheng)**  
*Executive Director*

Hangzhou, September 11, 2024

*As at the date of this announcement, the executive Directors are Mr. Lim Hou-Sen (Lin Haosheng), Mr. Liqiao Ma and Ms. Meirong Liu; the non-executive Directors are Mr. Ao Zhang and Mr. Wei Wang; and the independent non-executive Directors are Mr. Ting Yuk Anthony Wu and Mr. Chi Wai Suen.*