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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)

**MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY
CLOSURE OF REGISTER OF MEMBERS
AND
CHANGE IN USE OF PROCEEDS FROM THE INITIAL GLOBAL OFFERING**

THE DISPOSAL

On November 11, 2025 (after trading hours), the Company entered into the Disposal Agreement with the Purchaser, pursuant to which, among others, the Company has agreed to sell, and the Purchase has agreed to acquire the Property (comprising the construction in progress on Parcel 1 and Parcel 2 in relation to the Industrial Park, together with the associated land use rights) at a total consideration of RMB374,563,969.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but is less than 75%, such transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and the Shareholders' approval requirements under the Listing Rules.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal and transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Disposal; (ii) the financial information of the Group; (iii) the independent valuation report of the Property; (iv) other information as required to be disclosed under the Listing Rules; and (v) a notice convening the EGM is expected to be despatched to the Shareholders on or around November 12, 2025.

As the Disposal is subject to the approval by Shareholders, it may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

I. INTRODUCTION

Reference is made to (1) the announcement of the Company dated February 23, 2024 in relation to the construction and development of Qiming Healthcare Life Science Industrial Park (啓明醫療生命健康產業園) (the “**Industrial Park**”) on Parcel 1 and Parcel 2 (the “**Construction Announcement**”); and (2) the section headed “Impairment” in the annual report of the Company for the year ended December 31, 2024 published on April 29, 2025.

After careful consideration and several rounds of negotiations between the parties, the Board hereby announces that the Company (as principal) and China Construction First Group (as contractor) entered into a termination agreement (the “**Termination Agreement**”) on November 11, 2025, pursuant to which the parties have agreed to terminate the Construction Contracts in relation to the construction of the Industrial Park. In accordance with the Termination Agreement, the outstanding construction fees of approximately RMB5 million incurred under the Construction Contracts will be settled by the Company; and the inspection and acceptance of the Development Project will be provided by China Construction First Group. For the avoidance of doubt, the approximately RMB5 million payable by the Company comprises the fees and expenses incurred for the construction of the Property prior to the termination of the Construction Contracts. The parties agree that such outstanding construction fees shall only be settled by the Company upon satisfactory acceptance of the Property in accordance with the applicable PRC construction quality standards, which is considered to be in the best interests of the Company. Except as set forth above, the parties have agreed to release and discharge each other from other obligations and liabilities under the Construction Contracts. As no termination fee was paid or payable by any party in respect of the termination and the China Construction First Group is an Independent Third Party, entering into the Termination Agreement do not constitute notifiable transaction or connected transaction under the Listing Rules.

As mentioned in the Construction Announcement, given the construction of Industrial Park requires intensive capital funding and a long payback period, the Company may opt to transfer its investments in the project with a suitable business partner with reasonable consideration. Since the second half of 2024, due to strategic adjustments to focus on the Group’s core business of heart valves, the Group’s investment in the Industrial Park has been suspended. As at the date of the 2024 annual report, the Company had not entered into any form of agreement regarding the potential disposal. The impairment loss of RMB126.0 million relating to the Industrial Park (including the construction in progress and land use rights of Parcel 1 and Parcel 2) was recognized for the year of 2024.

On November 11, 2025 (after trading hours), the Company entered into the Disposal Agreement with the Purchaser, pursuant to which, among others, the Company has agreed to sell, and the Purchase has agreed to acquire the Property (comprising the construction in progress on Parcel 1 and Parcel 2 in relation to the Industrial Park, together with the associated land use rights) at a total consideration of RMB374,563,969.

II. DISPOSAL OF PROPERTY

1. Principal terms of the Disposal Agreement

The principal terms of the Disposal Agreement are set out below:

Parties	(i) the Company; and (ii) the Purchaser
Subject matter	The Company agreed to sell, and the Purchaser agreed to acquire the Property at a total consideration of RMB374,563,969.
Property to be disposed of	The construction in progress on Parcel 1 in relation to the Industrial Park with a site area of approximately 30,732.00 square metres and a total planned gross floor area (GFA) of approximately 138,813.29 square metres (including 82,838.54 square metres above ground to be constructed and 55,974.75 square metres underground), together with the associated land use rights. The construction in progress on Parcel 2 in relation to the Industrial Park with a site area of approximately 12,909.00 square metres and a total planned gross floor area (GFA) of approximately 67,617.39 square metres (including 46,028.87 square metres above ground to be constructed and 21,588.52 square metres underground), together with the associated land use rights.
Consideration	The total consideration for the disposal of Property is RMB374,563,969, consisting of RMB252,903,808 for Parcel 1 and RMB121,660,161 for Parcel 2.

**Payment
arrangement**

The Consideration shall be settled in cash by the Purchaser in the following manner:

I. An aggregate amount of RMB368,899,176 (consisting of RMB249,108,396 for Parcel 1 and RMB119,790,780 for Parcel 2) will be paid by the Purchaser to the Company in six installments:

- (1) RMB265 million (consisting of RMB180,080,000 for Parcel 1 and RMB84,920,000 for Parcel 2) will be deposited in an escrow account for the purpose of repaying the Outstanding Bank Loans within 2 business days upon the satisfaction of the payment conditions, which include, among others, the effectiveness of the Disposal Agreement, the settlement of payables related to the Property by the Company, the remittance of the difference between the Outstanding Bank Loans (i.e. the principal amount of RMB265,149,639 with the accrued interest) and the first installment payment (i.e. RMB265 million) to the designated bank accounts for the repayment of the Outstanding Bank Loans by the Company, the receipt of the special value-added tax invoice by the Purchaser, and the submission of the payment request by the Company to the Purchaser.

Within 3 business days following the completion of the deregistration of the charge on the Property and receipt of the acknowledgment of the ownership change registration from the relevant authority, the Purchaser shall transfer the funds in the escrow account to the designated bank accounts for the repayment of the Outstanding Bank Loans.

- (2) RMB28,986,382 (consisting of RMB18,447,634 for Parcel 1 and RMB10,538,748 for Parcel 2) will be paid within 15 business days upon the satisfaction of the payment conditions, which include, among others, the release of the charge on the Property, the completion of the procedures for the ownership change registration, and the submission of the payment request by the Company to the Purchaser.

- (3) RMB37,456,397 (consisting of RMB25,290,381 for Parcel 1 and RMB12,166,016 for Parcel 2) will be paid within 15 business days upon the satisfaction of the payment conditions, which include, among others, the completion of the closing (including the handover of the relevant documents and materials), the co-management of the chops and seals of the Industrial Park, the execution of the relevant agreements relating to the Service Fees Payable (as defined below), the settlement of other payables related to the Property by the Company, and the submission of the payment request by the Company to the Purchaser.
- (4) RMB18,728,198 (consisting of RMB12,645,190 for Parcel 1 and RMB6,083,008 for Parcel 2) will be paid within 15 business days upon the satisfaction of the payment conditions, which include, among others, the completion of the construction of the Property and receipt of the completion filing form issued by the competent government authority, and the submission of the payment request by the Company to the Purchaser.
- (5) RMB11,236,919 (consisting of RMB7,587,114 for Parcel 1 and RMB3,649,805 for Parcel 2) will be paid within 15 business days upon the satisfaction of the payment conditions, which include, among others, the satisfactory of the payment conditions of the fourth installment, the expiry of the 2-year warranty period of the Property in accordance with the terms and conditions of the Disposal Agreement and the submission of the payment request by the Company to the Purchaser.
- (6) RMB7,491,280 (consisting of RMB5,058,077 for Parcel 1 and RMB2,433,203 for Parcel 2) will be paid within 15 business days upon the satisfaction of the payment conditions, which include, among others, the satisfactory of the payment conditions of the fourth installment, the expiry of the 5-year warranty period of the Property in accordance with the terms and conditions of the Disposal Agreement and the submission of the payment request by the Company to the Purchaser.

- II. An aggregate amount of RMB5,664,793 (consisting of RMB3,795,412 for Parcel 1 and RMB1,869,381 for Parcel 2) will be paid to the relevant third party service providers in respect of the outstanding fees due and payable assigned by the Company to the Purchaser for the supervision and design of the Property (“**Service Fees Payable**”), subject to the agreements separately entered into among the parties. In particular:

Service Fees Payable	Parcel 1	Parcel 2	Total
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Design fee, including RMB1,817,680 for final design payment and RMB3,201,113 for redesign	3,362,592	1,656,201	5,018,793
Supervision fee	<u>432,820</u>	<u>213,180</u>	<u>646,000</u>
Total	<u><u>3,795,412</u></u>	<u><u>1,869,381</u></u>	<u><u>5,664,793</u></u>

Effective date

The Disposal Agreement shall take effect from the date of obtaining the Shareholders’ approval.

Closing

The closing primarily consists of on-site closing and document handover. For on-site closing, the Company shall transfer the construction site, the construction in progress, and the ancillary facilities related to the Property to the Purchaser, and the transferred assets shall comply with the applicable national and industry standards and requirements. For document handover, the Company shall deliver the relevant construction records, drawings, and other materials of the Property to the Purchaser in accordance with the relevant archival management requirements.

Following the appointment of a new contractor by the Purchaser, the closing shall be completed within five business days upon receipt of the closing notice issued by the Purchaser in accordance with the terms and conditions in the Disposal Agreement. Unless otherwise agreed by the parties in writing, the closing shall be completed no later than May 31, 2026.

**Liability for Breach
of Contract**

If the Company fails to fulfill its obligations by the respective latest dates, it shall pay a daily penalty of 0.03% of the Consideration, and the Purchaser shall have the right to terminate the Disposal Agreement if the delay exceeds seven days. If the Company terminates the Disposal Agreement after the obtaining of Shareholders' approval, the Purchaser may demand a full refund of payments made and a penalty equal to 20% of the Consideration. If the Company breaches any representations, warranties, or obligations under the Disposal Agreement, the Purchaser may suspend further payments until the breach is resolved or waived in writing, and claim full compensation for any resulting losses.

If the Purchaser breaches any representations, warranties, or obligations under the Disposal Agreement, it shall compensate the Company for any resulting losses. In the event of a delay in payment or closing, the Purchaser shall pay a daily penalty of 0.03% of the overdue amount and remain obligated to fulfill the payment.

For any other breach by either party, the breaching party shall compensate the non-breaching party for all losses, including direct losses, loss of expected profits, third-party claims, investigation and evidence collection costs, notarization fees, litigation expenses, legal fees, and other reasonable costs incurred.

Although the Construction Contracts have been terminated by the Company and the Contractor, the parties remain legally obligated to provide quality warranties for the Property in accordance with the Regulations on the Quality Management of Construction Projects (《建設工程質量管理條例》) issued by the State Council. Specially, the quality warranty periods of two years (covering electrical wiring, water supply and drainage systems, equipment installation, interior decoration and ancillary facilities) and five years (covering waterproofing) shall be provided to the Purchaser for quality issues of the Property. During the warranty period, the Company shall, within seven days of receiving a warranty notice, dispatch personnel to perform necessary repairs for any quality issue within the warranty scope. In urgent cases, the Company shall promptly attend the site upon notification to conduct emergency repairs. Structural safety issues must be reported to the local construction authority and relevant departments in accordance with the Regulations on the Quality Management of Construction Projects, with a repair plan proposed by the original or a qualified designer and executed by the Company. Upon completion, the Purchaser shall conduct the acceptance inspection and the Company shall cooperate. Following the expiration of the 2-year warranty period and 5-year warranty period (as the case may be) and subject to written confirmation by both parties that the Property meets the quality standards, the Purchaser shall pay RMB11,236,919 (i.e. the fifth installment) and RMB7,491,280 (i.e. the sixth installment), respectively, to the Company within fifteen business days after the relevant payment conditions are fulfilled.

Given that the Purchaser may appoint third-party contractors to carry out the remaining construction of the Industrial Park, the Company has agreed to defer the receipt of an insignificant portion of the payment, which amounts to approximately 5% of the total Consideration, until completion of the construction and the expiry of the warranty periods. In the event that any quality issue arises in respect of the Property that results in a loss to the Company, including the non-fulfilment of payment conditions agreed under the Disposal Agreement, the Company may, in turn, seek recourse against the Contractor for such losses under applicable PRC laws and regulations.

Having considered (1) the statutory obligations of the Contractor, and (2) the identities of the Purchaser and its beneficial owner, being a state-owned enterprise and a government department respectively, the Company has not identified any credit risks associated with the payment arrangement. Accordingly, the Board is of the view that the payment arrangement under the Disposal Agreement is fair and reasonable, and in the interest of the Company and its shareholders as a whole.

2. Basis of determination of the Consideration

The total Consideration of RMB374,563,969 (including value-added taxes) was determined after arm's length negotiations between the Company and the Purchaser with reference to (i) the unaudited book value of the Property as at September 30, 2025 of approximately RMB348.6 million; (ii) the valuation of the Property of approximately RMB427 million from an Independent Property Valuer as at September 30, 2025; and (iii) the factors set out in the section headed "Reasons and benefits of the Disposal".

The Consideration of RMB374,563,969 (including value-added taxes) represents a deficit of approximately RMB52.4 million compared to the valuation of the Property (including value-added taxes) as at September 30, 2025, or the consideration (excluding value-added taxes) of approximately RMB343.6 million represents a deficit of approximately RMB5 million compared to the book value of the Property as at September 30, 2025.

Notwithstanding the discount to the valuation of the Property, the Board is of the view that the Consideration is fair and reasonable and in the interests of the Company and its Shareholders as a whole, based on the following reasons:

- (1) **Lack of active market and alternative offers:** According to the performance supervision agreement for industrial development project entered into between the Company and the local government at the time of acquiring the land use rights in 2021, Parcel 1 and Parcel 2 shall be used exclusively for the construction of industrial projects related to high-end medical devices and equipment for diseases of the heart, lungs and brain. These land use restrictions have significantly limited market opportunities for the divestment of the Property. In addition, compared with acquiring unfinished properties, companies generally prefer to purchase land to develop customized facilities or to purchase completed properties for immediate operational use. Despite the preliminary negotiation with two potential buyers (excluding the Purchaser) since the second half of 2024 and reasonable efforts made by the Company, no alternative proposal other than the offer from the Purchaser has been received by the Company;
- (2) **In line with market practice for disposal of construction in progress:** It is a common market practice to dispose of the construction in progress at a discounted price due to the additional costs to be borne by the buyer in completing the construction, including but not limited to the costs and expenses for redesigning the project, repairing existing structures, and mobilizing resources to resume and complete the construction, which are normally not considered by the valuer who assesses the Property based on its current physical condition. Accordingly, a reasonable discount is generally accepted in transactions involving transfer of properties under construction. The discount of approximately 12% to the valuation of the Property is determined after arm's length negotiations between the Company and the Purchaser after, taking into account of the characteristics of the Property, the condition of existing structures, the scope of unfinished construction, and the Purchaser's anticipated costs and the factors mentioned in the sections headed "Basis of determination of the Consideration" and "Reasons for and benefits of the Disposal" in this announcement;
- (3) **Suspension of construction and interest accumulation:** The construction of the Property has been suspended since 2024. However, the Outstanding Bank Loans of approximately RMB265 million, secured by the Property, continue to accrue interest at an annual interest rate of approximately 4.15% to 4.25%. The ongoing financial obligation arising from the Outstanding Bank Loans imposes an additional cost on the Company without generating any economic benefit. The Disposal will enable the Company to reduce its indebtedness by applying the proceeds toward repayment of the Outstanding Bank Loans; and

- (4) **Improvement of financial liquidity and credibility:** The Disposal will also relieve the Company of the financial burden of future construction expenditures of approximately RMB700 million, which is estimated based on the contract sum under the Construction Contracts of approximately RMB1,182 million less the investment cost of approximately RMB500 million. These expenditures would otherwise be required to complete the construction of the Industrial Park. By improving the Company's financial position, the Disposal is expected to enhance the Company's credibility for future fundraising activities and support its long-term business development.

3. Financial effects of the Disposal

The Group did not generate any net profit attributable to the Property for the two years ended December 31, 2024.

As at September 30, 2025, the unaudited book value of the Property as at is approximately RMB348.6 million. The impairment loss related to the Property of RMB126.0 million has been recorded under "other expenses" in the consolidated statement of profit or loss for the year ended December 31, 2024.

Upon completion of the Disposal, the Group will cease to have any interest in the Property. It is expected that the Group will record an unaudited net loss before taxation from the Disposal of approximately RMB5 million, which is the difference between (1) the total consideration of the Property (excluding value-added tax) of approximately RMB343.6 million, and (2) the unaudited book value of the Property as at September 30, 2025 of approximately RMB348.6 million.

The above financial impacts are for illustrative purpose only, and the actual gain or loss to be recorded by the Group arising from the Disposal is subject to audit by the auditor of the Company and may be different from the estimated amount.

4. Use of proceeds

The proceeds from the Disposal will amount to approximately RMB343.6 million, after deduction of relevant taxes.

The net proceeds from the Disposal of RMB265 million are intended to be used to repay the Outstanding Bank Loans for releasing the charge on the Property to facilitate the Disposal, and the remaining portion of the net proceeds of approximately RMB78.6 million will be used to supplement the general working capital of the Group, including but not limited to employee compensation, office lease payments, and other daily operating expenses.

5. Reasons for and benefits of the Disposal

The land use rights of Parcel 1 and the Parcel 2 were previously acquired by the Company through public tender in September 2021, which were designated for the development of Industrial Park for industrial and commercial uses as disclosed in the Construction Announcement. Since then, the Company has actively collaborated with the appointed contractor to advance the construction of the Industrial Park.

To implement the Company's strategic adjustment from the development of a structural heart disease platform to the heart valve technologies, the Company intends to prioritize the reallocation of resources for the development of its core products to support its long-term business growth. In line with this strategic realignment, the Company has been progressively scaling back its investment in non-core pipeline products and capital-intensive projects, including the construction of the Industrial Park. These products and projects, while previously aligned with the Company's diversification objectives, are no longer considered essential to the Company's refined business focus. Therefore, in light of the recent strategic business adjustment of the Group, the Company's current financial and funding resource is insufficient to support the significant capital investment required for further development of the Industrial Park.

Since the second half of 2024, the Company has been proactively seeking potential buyers for its investment in the Industrial Park. Following substantive negotiations with potential buyers, the Purchaser has agreed to acquire the Property to facilitate the ongoing development of the Industrial Park and mitigate the liquidity pressure of the Group.

In view of the liquidity position of the Group, the prevailing property market conditions and the business planning of the Group, the Board considers that the Disposal represents an opportunity for the Group to realize its investment in the Property at a fair and reasonable price for immediate cash inflow to ease the overall indebtedness pressure of the Group and replenish the working capital of the Group. The Disposal is conducive to enhancing the Group's financial credibility, optimizing the Group's asset allocation and facilitating the Group's focusing of resources on its principal business.

Having considered the above and the information disclosed in the section headed "Basis of determination of the Consideration" in this announcement, the Directors are of the view that the terms and conditions of the Disposal Agreement (including the Consideration and payment arrangement) are fair and reasonable and on normal commercial terms, and therefore the Disposal is in the interests of the Company and the shareholders as a whole. None of the Directors has a material interest and is required to abstain from voting on the resolution to approve the Disposal and the transactions contemplated thereunder.

6. Information on the parties

The Purchaser

The Purchaser is a company incorporated in the PRC with limited liability. It is principally engaged in real estate construction and development. The ultimate beneficial owners of the Purchaser are Finance Bureau of Hangzhou High-tech Industrial Development Zone (杭州高新技術產業開發區財政局) and Finance Bureau of Binjiang District of Hangzhou (杭州市濱江區財政局).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

The Company

The Company is principally engaged in the transcatheter heart valve market in China and globally. Its products and product candidates are designed for transcatheter implantation to replace dysfunctional heart valves mainly associated with aortic stenosis and pulmonic, mitral and tricuspid regurgitation.

7. Listing Rules implications

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but is less than 75%, such transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and the Shareholders' approval requirements under the Listing Rules.

III. CLOSURE OF REGISTER OF MEMBERS

An EGM will be convened and held by Company on November 28, 2025.

Holders of H shares of the Company and unlisted foreign shares of the Company whose names appear on the register of members of the Company on Friday, November 28, 2025 are entitled to attend and vote at the EGM.

In order to ascertain holders of H Shares who are entitled to attend the EGM, the register of members of holders of H Shares will be closed from November 25, 2025 to November 28, 2025 (both days inclusive). Holders of H Shares who intend to attend the EGM are required to deposit the share certificates together with the transfer documents at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on November 24, 2025 for registration. Holders of Unlisted Foreign Shares who intend to attend the EGM are required to deposit the share certificates together with the transfer documents at the office of the Company, at Room 311, 3/F, Block 2, No. 88, Jiangling Road, Binjiang District, Hangzhou, the PRC before 4:30 p.m. on November 24, 2025 for registration.

A circular of the EGM containing, among others, details of the resolution to be proposed at the EGM and a notice of the EGM is expected to be despatched to the shareholders of the Company in due course.

IV. CHANGE IN USE OF PROCEEDS FROM THE INITIAL GLOBAL OFFERING

Reference is made to the interim report for the six months ended June 30, 2025 issued by the Company on September 29, 2025. The Company has been considering reallocating the unutilized proceeds of RMB73.03 million.

In order to optimize operation efficiency and place greater emphasis on the developments of core products with stronger market potential and commercial viability, the Company decided to deprioritize the R&D and marketing activities for the CEP device and VenusA-Pilot as part of its strategic business realignment. The Company will continue to monitor market trends and technological developments and make further business adjustment as necessary.

Having considered (1) the strategic adjustments in R&D plan for the pipeline products; (2) the daily operational cash needs of the Group; and (3) the prevailing market conditions, the Board has recently resolved to change the use of unutilized proceeds of RMB73.03 million from the original use of the R&D activities of the relevant products to working capital and other general corporate purposes. The unutilized amount of such proceeds is expected to be used by December 31, 2025.

The following table sets out the details of the reallocation of unutilized proceeds from the Initial Global Offering:

Use of proceeds	Amount of net proceeds for the relevant use (in the same proportion as stated in the Prospectus) (RMB million)	Actual amount of proceeds utilized as of June 30, 2025 (RMB million)	Amount of proceeds unutilized as of June 30, 2025 before reallocation (RMB million)	Amount of proceeds unutilized as of June 30, 2025 after reallocation (RMB million)
(A) For our Core Products:	895.30	895.30	–	–
(i) ongoing sales and marketing of VenusA-Valve in China and planned commercialization of VenusA-Valve in other countries	127.90	127.90	–	–
(ii) ongoing and planned R&D and commercial launches of VenusA-Plus	307.00	307.00	–	–
(iii) ongoing and planned R&D and commercial launches of VenusP-Valve	460.40	460.40	–	–
(B) Allocated to our other products and product candidates:	767.40	694.37	73.03	–
(i) ongoing and planned R&D and marketing of CEP device	434.90	430.88	4.02	–
(ii) ongoing and planned R&D of VenusA-Pilot	76.70	7.69	69.01	–
(iii) ongoing and planned R&D of mitral valve products	51.20	51.20	–	–
(iv) R&D of tricuspid valve products	51.20	51.20	–	–
(v) ongoing and planned R&D of valvuloplasty balloon products such as V8 and TAV8	51.20	51.20	–	–
(vi) ongoing and planned R&D of other product candidates	102.20	102.20	–	–
(C) Payment of considerations and other transaction expenses related to acquisition of Keystone	255.80	255.80	–	–
(D) Our continued expansion of product portfolio through internal research and/or potential acquisition	383.70	383.70	–	–
(E) Working capital and other general corporate purposes	255.80	255.80	–	73.03
TOTAL	<u>2,558.00</u>	<u>2,484.97</u>	<u>73.03</u>	<u>73.03</u>

The Board is of the view that the reallocation of the unutilized proceeds from Initial Global Offering will replenish the working capital, enhance the liquidity source of the Group as well as deploy the Group's financial resources in a more efficient manner. As such, the Board believes that such change of use of proceeds from Initial Global Offering will not have any material adverse effect on the Group's existing businesses and operations and is therefore in the best interests of the Company and its shareholders as a whole.

The Board will continuously assess the plans for any unutilized proceeds and make further adjustments where necessary.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the meanings as set out below:

“Board”	the board of Directors
“China” or “PRC”	the mainland of the People's Republic of China, for the purpose of this announcement and geographical reference only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Company”	Venus Medtech (Hangzhou) Inc. (杭州啓明醫療器械股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Stock Exchange (Stock Code: 2500)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	an aggregate amount of RMB374,563,969 in relation to the Disposal
“Contractor” or “China Construction First Group”	China Construction First Group Construction & Development Co., Ltd. (中建一局集團建設發展有限公司), an enterprise established in the PRC
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property contemplated under the Disposal Agreement
“Disposal Agreement”	the agreement in relation to the transfer of land use rights and the construction in progress on Parcel 1 and Parcel 2 entered into between the Company and the Purchaser
“EGM”	the extraordinary general meeting of the Company to be held at Room 311, 3/F, Block 2, No. 88, Jiangling Road, Binjiang District, Hangzhou, the PRC at 10:00 a.m. on Friday, November 28, 2025 for the purpose of considering and, if thought fit, approving the Disposal Agreement, the Disposal and the transactions contemplated thereunder

“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong Dollars
“H Shareholder(s)”	the holder(s) of H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKD”, “Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Property Valuer”	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, a property valuer and an Independent Third Party
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Outstanding Bank Loans”	the bank loans in the principal amount of RMB265,149,639 secured by the Property, with the accrued interest
“Parcel 1”	a parcel of land (2021-22 Hangzhenggong) located in Binjiang District, Hangzhou for industrial and commercial use to be developed into the Industrial Park, with a site area of approximately 30,732.00 square metres and a total planned gross floor area (GFA) of approximately 138,813.29 square metres (including 82,838.54 square metres above ground to be constructed and 55,974.75 square metres underground)
“Parcel 2”	a parcel of land (2021-23 Hangzhenggong) located in Binjiang District, Hangzhou for industrial and commercial use to be developed into the Industrial Park, with a site area of approximately 12,909.00 square metres and a total planned gross floor area (GFA) of approximately 67,617.39 square metres (including 46,028.87 square metres above ground to be constructed and 21,588.52 square metres underground)
“Property”	the construction in progress on Parcel 1 and Parcel 2 in relation to the Industrial Park, together with the associated land use rights and fixed assets
“Purchaser”	Hangzhou Binjiang Urban Construction Development Co., Ltd.* (杭州濱江城建發展有限公司), a company incorporated in the PRC with limited liability

“RMB” or “Renminbi”	Renminbi Yuan, the lawful currency of China
“Share(s)”	ordinary share(s) with a par value of RMB1.00 each in the share capital of the Company, including Unlisted Foreign Shares and H Shares
“Shareholder(s)”	the holder(s) of the Share(s)
“State Council”	the State Council of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rule
“Unlisted Foreign Share(s)”	ordinary share(s) with a par value of RMB1.00 each issued by the Company to overseas investors, which are subscribed for and paid up in currencies other than Renminbi and not listed on any stock exchange
“Unlisted Foreign Shareholder(s)”	the holder(s) of the Unlisted Foreign Share(s)
“%”	per cent

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

Hangzhou, November 11, 2025

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, Mr. Chi Wai Suen and Mr. John Junhua Gu.

* *For identification purposes only*