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BIOSYSEN LIMITED

生物系統工程有限公司

*(formerly known as “Legend Strategy International Holdings Group Company Limited
枋濬國際集團控股有限公司”)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1355)

**PROPOSED RIGHTS ISSUE
ON THE BASIS OF ONE (1) RIGHTS SHARE
FOR EVERY TWO (2) EXISTING SHARES HELD ON THE
RECORD DATE
ON A NON-UNDERWRITTEN BASIS**

Placing Agent of the Company



PROPOSED RIGHTS ISSUE

The Company proposes to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held as at the Record Date at the Subscription Price of HK\$0.068 per Rights Share, based on 1,193,065,160 Shares in issue as at the date of this announcement.

Assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date, the Company will issue up to 596,532,580 Rights Shares and raise gross proceeds of up to approximately HK\$40 million before expenses. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced accordingly.

The estimated net proceeds of the Rights Issue, after deducting the estimated expenses in connection with the Rights Issue, will be approximately HK\$39 million (assuming there is no change in the total number of issued Shares on or before the Record Date). Details of the use of the net proceeds are set out in the section headed “REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS” in this announcement.

There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renouncees or transferees of the nil-paid rights under the PALs (i.e. the Unsubscribed Rights Shares) will be placed to independent placees on a best effort basis through the Placing. The Unsubscribed Rights Shares that are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the date of this announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders at the shareholders’ meeting convened in connection with the Rights Issue pursuant to Rules 7.19A(1) of the Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will be made available and/or despatched the Prospectus Documents, which contain, among others, details of the Rights Issue, to the Qualifying Shareholders on the Prospectus Posting Date. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only to the extent permitted under the relevant laws and regulations and reasonably practicable but will not send the PAL to them.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Shares will be dealt on an ex-rights basis from 24 July 2026. Dealings in the nil-paid Rights Shares are expected to take place from 6 August 2026 to 13 August 2026 (both days inclusive).

Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of the conditions (please refer to the section headed “Conditions of the Rights Issue” in this announcement). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any dealing in the Shares from the date of this announcement up to the date on which all conditions of the Rights Issue are fulfilled, and any Shareholder or other person dealing in the Shares and/or Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the acceptance of the provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisor(s).

PROPOSED RIGHTS ISSUE

The Company proposed to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price of HK\$0.068 per Rights Share, to raise up to approximately HK\$40 million gross proceeds by issuing 596,532,580 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) to the Qualifying Shareholders. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders (if any).

Further details of the Rights Issue are set out below:

Rights Issue Statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.068 per Rights Share
Number of Shares in issue as at the date of this announcement	:	1,193,065,160 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 596,532,580 Rights Shares (assuming (i) no change in the total number of Shares in issue on or before the Record Date and (ii) full subscription under the Rights Issue)

Total number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 1,789,597,740 Shares (assuming (i) no change in the total number of Shares in issue on or before the Record Date and (ii) full subscription under the Rights Issue)
Gross proceeds from the Rights Issue (before deducting the relevant expenses)	:	Up to approximately HK\$40 million (assuming (i) no change in the total number of Shares in issue on or before the Record Date and (ii) full subscription under the Rights Issue)
Net proceeds from the Rights Issue (after deducting the estimated relevant expenses)	:	Up to approximately HK\$39 million (assuming (i) no change in the total number of Shares in issue on or before the Record Date and (ii) full subscription under the Rights Issue)

Assuming no change in the share capital of the Company on or before the Record Date and that no new Shares will be allotted or issued on or before completion of the Rights Issue, the maximum number of 596,532,580 Rights Shares to be issued pursuant to the terms of the proposed Rights Issue represents (i) 50% of the total number of the existing issued Shares as at the date of this announcement; and (ii) approximately 33.33% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue (assuming full subscription under Rights Issue).

Subscription Price

The Subscription Price is HK\$0.068 per Rights Share, which shall be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 51.43% to the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 50.29% to the average closing price of HK\$0.1368 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the Last Trading Day;

- (iii) a discount of approximately 51.08% to the average closing price of HK\$0.1390 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days immediately prior to the Last Trading Day;
- (iv) a discount of approximately 41.38% to the theoretical ex-rights price of HK\$0.116 per Share based on the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 17.14%, represented by the theoretical diluted price of HK\$0.116 per Share to the benchmarked price of HK\$0.140 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average of the closing prices of the Existing Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day); and
- (vi) a premium of approximately HK\$0.1542 over the audited consolidated net liability value per Share as at 31 December 2025 of approximately HK\$0.0862 per Share based on the audited consolidated net liabilities of the Company of approximately HK\$102,901,000 as at 31 December 2025 and the total number of 1,193,065,160 Shares in issue as at the Latest Practicable Date.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was determined with reference to (i) the recent market price under the prevailing market conditions; (ii) the latest business performance and financial position of the Group; and (iii) the reasons for and benefits of the Rights Issue as discussed in this announcement.

The Board considers that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent places on a best effort basis under the Compensatory Arrangements. Any Unsubscribed Rights Shares and NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue. As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code.

Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not (i) trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and/or (ii) result in the non-compliance of the Public Float Requirement on the part of the Company.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the date of this announcement.

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the electronic submission of the Prospectus Documents for authorisation by the Stock Exchange and registration of the Prospectus Documents with the Registrar of Companies in Hong Kong no later than the Prospectus Posting Date;
- (ii) following registration, the Prospectus Documents being made available and/or despatched (as the case may be) to the Qualifying Shareholders (and, where applicable, the Prospectus to the Non-Qualifying Shareholders, if any, for information only), by no later than the Prospectus Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the approval for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms; and
- (iv) the Placing Agreement not having been terminated pursuant to the terms thereof, and remaining in full force and effect.

None of the above conditions can be waived. If the conditions set out in paragraphs (i) to (iv) above are not fulfilled on or prior to the Latest Time for Termination, the Rights Issue will not proceed. No party thereto shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the date of this announcement, none of the above conditions precedent has been fulfilled.

The Rights Issue is subject to the fulfilment of the condition that the Stock Exchange grants the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the condition to the Rights Issue is not fulfilled, the Rights Issue will not proceed.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance. There will be no excess application arrangements in relation to the Rights Issue. Any holdings (or balance of holdings) of less than two (2) existing Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the section headed "Treatment of Fractional Entitlements to the Rights Shares" below.

Treatment of Fractional Entitlements to the Rights Shares

No fractional entitlements to the Rights Shares will be provisionally allotted to the Qualifying Shareholders. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and sold by the Company in the open market if a premium (net of expense) can be obtained. Any of these Rights Shares remain not sold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, shall rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted on 8 September 2026 to those entitled thereto at their registered addresses by ordinary post at their own risk. Those entitled, except HKSCC Nominees Limited, and in the case of joint Qualifying Shareholders, will receive one share certificate for all the Rights Shares in fully-paid form, allotted and issued thereto. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on 8 September 2026 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

Stamp duty and other applicable fees

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to payments of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

Application for listing of the Rights Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

The nil-paid and fully-paid Rights Shares will be traded in board lots of 20,000 Shares.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The Compensatory Arrangements

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of any Unsubscribed Rights Shares and NQS Unsold Rights Shares by offering such Unsubscribed Rights Shares and NQS Unsold Rights Shares to independent placees for the benefit of those Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue as stipulated by Rule 7.21(1)(a) of the Listing Rules.

Accordingly, on 24 June 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares during the Placing Period to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders in the manner set out below. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on 2 September 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on pro rata basis (but rounded down to the nearest cent):

- A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders (if any). To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholders.

In order to be registered as a member of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or the instrument(s) of transfer) must be lodged with the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration by no later than 4:00 p.m. on 27 July 2026 (Hong Kong time).

Shareholders whose Shares are held by nominee companies (or which are deposited in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Such Shareholders are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents will be made available and/or despatched (as the case may be) to the Qualifying Shareholders on the Prospectus Posting Date. Copies of the Prospectus Documents will also be made available on the websites of the Company (www.biosysen.bio) and the Stock Exchange (www.hkexnews.hk). The Prospectus only (excluding the PAL) will be made available and/or despatched (as the case may be) to the Non-Qualifying Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. The Company will despatch the PAL in printed form to the Qualifying Shareholders but will not despatch the PAL to the Non-Qualifying Shareholders (if any).

Qualifying Shareholders who take up their pro rata assured entitlement in full will not suffer any dilution to their interests in the Company apart from any nominal dilution resulting from the non-issuance of fractional Rights Shares.

If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

The Overseas Shareholders

The Prospectus Documents to be issued in connection with the Rights Issue are not intended to be, have not been, and will not be registered or filed under the applicable securities law of any jurisdiction other than Hong Kong. If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue.

Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Company will make necessary enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders (if any) regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholder(s). Such Overseas Shareholders will be regarded as Non-Qualifying Shareholders and will not qualify for the Rights Issue. The basis of exclusion of Overseas Shareholders, if any, will be disclosed in the Prospectus.

Overseas Shareholders should note that they may or may not be able to participate in the Rights Issue, subject to the results of enquiries made by the Company pursuant to the notes to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities laws or other laws or regulations of any territory or jurisdiction. The Rights Issue does not constitute any offer or invitation to sell, issue or solicit for Shares in any jurisdiction in which such actions are unlawful or otherwise restricted. Accordingly, Overseas Shareholders should inform themselves of and observe any such restrictions, if applicable, and exercise caution when dealing in the Shares.

The Placing Agreement

Details of the Placing Agreement are summarised below:

Date : 24 June 2026 (after trading hours)

Issuer : The Company

Placing Agent : Tiger Faith Securities Limited

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are not Shareholders and are Independent Third Parties.

Placing Period : The period commencing from Wednesday 26 August 2026 and ending at 4:00 p.m. to Wednesday, 2 September 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will carry out and/or effectuate the Placing.

Commission and Expenses : The Company shall pay the Placing Agent a placing commission equivalent to 1.5% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares successfully placed by the Placing Agent.

Placing Price : The placing price of each of the Placing Shares shall be not less than the Subscription Price (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable).

Placees : The Placing Shares are expected to be placed to placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies).

For the avoidance of doubt, none of the Placees shall become a substantial shareholder of the Company.

Ranking of the Placing Shares : The Placing Shares (when placed, allotted, issued and fully paid), shall rank *pari passu* in all respects among themselves and with the existing Shares in issue at the date of completion of the Placing.

Conditions Precedent : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:

- (i) the Listing Committee of the Stock Exchange having granted the listing of, and the permission to deal in, the Rights Shares, including the Placing Shares;
- (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any part of the conditions precedent to the Placing Agreement (other than those set out in paragraph (i) above) by notice in writing to the Company.

The Company shall use its best endeavours to procure the fulfilment of such conditions precedent to the Placing Agreement. If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Placing Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waive or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

Termination : The Placing Agreement shall end on 4:00 p.m. on Wednesday, 2 September 2026 or any other date by mutual written agreement between the Placing Agent and the Company.

The Placing Agent may terminate the Placing Agreement by notice in writing given to the Company at any time on or prior to the Placing Long Stop Date if any of the following events occur at any time prior to the Placing Long Stop Date:

- (a) in the reasonable opinion of the Placing Agent, there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

- (c) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Placing Long Stop Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

If notice of termination is given by the Placing Agent, the Placing Agreement shall be terminated and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

The terms of the Placing Agreement (including the commission payable) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue and the market conditions. The Board considers the terms of the Placing for the Placing Shares (including the commission payable) are on normal commercial terms and are fair and reasonable.

As explained above, the Placing Shares will be placed by the Placing Agent to independent Placees on a best effort basis. The net proceeds from the Placing will be utilised for the same purposes as described in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this announcement.

Given that the Placing would provide (i) a distribution channel of the Placing Shares for the Company; and (ii) a channel of participation in the Rights Issue for independent investors, so that the Placing would allow the Company to raise the shortfall of funds required where possible after the Rights Issue, the Board considers that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Agent shall use its best endeavours and make all reasonable enquiries to ensure that the Placing Shares are placed (i) to such persons or companies whose themselves and their respective ultimate beneficial owners (if applicable) are third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the Listing Rules) and their respective associates (as defined under the Listing Rules); (ii) such that no Placees, together with parties acting in concert with the respective Placees or any of the connected persons or associates of the respective Placees, shall hold in aggregate 30% or more of the voting rights of the Company immediately upon the completion of the Placing or otherwise trigger any MGO Obligation under the Takeovers Code immediately upon the completion of the Placing; and (iii) such that the Public Float Requirement be complied with by the Company immediately upon the completion of the Placing.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group's principal businesses are divided into two major segments: (i) the accommodation business (comprising accommodation operations, property and facilities management services, accommodation consultancy and related services); and (ii) the healthcare and beauty business.

As disclosed in the annual report of the Company for the financial year ended 31 December 2025, the Group recorded a decrease in revenue under the accommodation business segment of approximately HK\$10,291,000 or approximately 26.0% as compared with the prior financial year, primarily due to a reduction in occupancy rate caused by an overall drop in market sentiment of the hotel industry in the PRC and the termination of operations of the Nanshan Branch during the year. The occupancy rate of the Group decreased from 50.82% for the year ended 31 December 2024 to 48.57% for the year ended 31 December 2025, mainly due to termination of operations of the Nanshan Branch during the year ended 31 December 2025. A portion of the net proceeds from the Rights Issue will be utilised for the ongoing maintenance of the Group's hotel properties to ensure that its accommodation facilities remain competitive in the industry. In order to reduce the Group's financial obligations on lease liabilities of its accommodation properties, the Group successfully agreed with the landlord to early terminate the tenancy agreement of the Wuhan Branch, which had been in a continued loss-making position between 2021 and 2025. The revenue attributable to the Wuhan Branch for the year ended 31 December 2025 was approximately HK\$7,154,000, representing approximately 13.9% of the Group's total revenue for the same period. The Group expects that the decrease in revenue resulting from the cessation of operations of the Wuhan Branch will be offset by the continued growth in revenue from the

healthcare and beauty business segment. The Group currently does not have any specific relocation plans in respect of the Wuhan Branch, but continues to evaluate suitable hotel investment opportunities in the PRC as and when they arise. The Company is open to suitable investment opportunities in hotel properties in the PRC as and when they arise, although the primary focus of the Group's business development remains the healthcare and beauty business segment. Save for the above, the Company has no intention to scale down or dispose of the accommodation business.

The healthcare and beauty business contributed revenue of approximately HK\$21,990,000 for the year ended 31 December 2025 (2024: approximately HK\$1,078,000). During the year ended 31 December 2025 and up to the date of this announcement, all revenue generated from the healthcare and beauty business segment was derived from the sales and promotion of healthcare and beauty products, supplied by third-party suppliers, under its own branding through direct sales channels in the PRC. The healthcare and beauty products sold by the Group comprise three major types, namely (i) bioregenerative products; (ii) anti-ageing products; and (iii) collagen products. The Group adopts a cost-plus pricing strategy, with a mark-up of between 18% to 25% on the products sold. The Group considers its products to have the following competitive advantages. Firstly, the Group's products employ technology that allows micro-molecules to penetrate into the dermis layer of the skin more quickly and effectively, thereby better stimulating collagen production and inhibiting melanin. Secondly, the preservation system of the Group's products significantly improves the stability of active ingredients, enhancing efficacy throughout the entire usage cycle. Thirdly, the formulations used in the Group's products are more sensitive skin friendly and skin irritation is greatly reduced when compared with competitors. Fourthly, the Group considers its products to have a higher cost-performance ratio versus competitors at the mid to high-end segment. Although the healthcare and beauty products are supplied by third-party suppliers, the Group has developed its own enhancements to the formulations of the products. The Group sells its healthcare and beauty products under its own branding and intends to further boost sales through enhanced marketing activities.

The Group believes that the research and development (“**R&D**”) of proprietary rights and technology related to the healthcare and beauty business is key to attaining its competitive advantage. As disclosed in the Company's annual report for the year ended 31 December 2025, the Group is currently focusing its R&D in the following four areas: (a) Type III Collagen-Hyaluronic Acid “Dual-Protein” Aqua Shots (“**Project (a)**”), mainly aimed at using hyaluronic acid permeation enhancement technology, compounded with recombinant Type III collagen and acetylated hyaluronic acid (AcHA), to increase the transdermal efficiency and thus achieving instant filling and long-term regeneration; (b) Hydroxyapatite/Collagen Composite Filler (“**Project (b)**”), targeting the sizeable market of temple filling; (c) Photoelectric Activation-Type Collagen Repair Serum (“**Project (c)**”), mainly aimed at developing serum containing thermo/photo-sensitive liposomes that release collagen peptides under specific wavelength irradiation, achieving “device-activated” precise repair; and (d)

Stem Cell Exosome Targeted Anti-ageing Therapy (“**Project (d)**”), mainly aimed at developing lyophilized exosome microspheres and achieving targeted release and long-lasting repair (collectively, the “**R&D Projects**”). The expected timeframes for completion of the respective R&D Projects are as follows: (a) the Type III Collagen-Hyaluronic Acid “Dual-Protein” Aqua Shots is expected to be completed in the second half of 2027; (b) the Hydroxyapatite/Collagen Composite Filler is expected to be completed in the first half of 2027; (c) the Photoelectric Activation-Type Collagen Repair Serum is expected to be completed in the first half of 2028; and (d) the Stem Cell Exosome Targeted Anti-ageing Therapy is expected to be completed in the second half of 2028.

The development of each R&D Project comprises five stages, namely: (1) concept and planning; (2) active ingredient development and screening; (3) formulation development and optimisation; (4) efficacy and safety validation; and (5) scale-up and commercialisation. The current stages of completion of the respective R&D Projects as set out in the table below were achieved utilising the proceeds raised from the Group’s previous fundraising activities, further details of which are set out in the section headed “Equity Fundraising Activities in the Past 12 Months from the date of this announcement” in this announcement. As at the date of this announcement, stages 1 to 3 of each of R&D Projects (a) and (b) have been completed, stages 1 and 2 of R&D Project (c) have been completed, and stage 1 of R&D Project (d) has been completed.

A summary of the current status and planned development timeline for each R&D Project is set out in the table below:

R&D Projects	Stage(s) completed as at the date of this Announcement	June 2026 to December 2026	January 2027 to June 2027	July 2027 onwards
(a) Type III Collagen-Hyaluronic Acid “Dual-Protein” Aqua Shots	Stages 1-3	Stage 4: Efficacy and safety validation	Stage 5: Scale-up and commercialisation	Stage 5 (continuing)
(b) Hydroxyapatite/Collagen Composite Filler	Stages 1-3	Stage 4: Efficacy and safety validation	Stage 5: Scale-up and commercialisation	–
(c) Photoelectric Activation-Type Collagen Repair Serum	Stages 1-2	Stage 3: Formulation development and optimisation	Stage 4: Efficacy and safety validation	Stage 5: Scale-up and commercialisation
(d) Stem Cell Exosome Targeted Anti-ageing Therapy	Stage 1	Stage 2: Active ingredient development and screening	Stage 3: Formulation development and optimisation	Stages 4-5: Efficacy and safety validation; scale-up and commercialisation

The Group is also in the process of evaluating the registration of intellectual property rights in respect of the R&D Projects, including utility model patents and design patents. In assessing whether to proceed with such registration, the Group will weigh the benefits of formal intellectual property protection against the associated risks, including the risk of third-party infringement and the potential disclosure of trade secrets arising from the patent application process.

The Group currently has engaged 13 management staff and independent consultants to assist with the R&D Projects, covering areas of R&D, marketing, production and quality control, using synthetic biology and bio-manufacturing technologies in the healthcare and beauty business segment. The management staff and independent consultants all have over five years of relevant experience and holding a bachelor's degree or above in relevant disciplines such as biomedicine, engineering and management. The Group has its own R&D equipment acquired utilising a portion of the proceeds from the 2025 rights issue, which has been capitalised as property, plant and equipment of the Group. The R&D Projects are conducted by the Group's in-house staff, with the additional support of contract research organisations engaged by the Group from time to time, which is a common approach in the industry. The total estimated budget for the R&D Projects amounts to approximately HK\$44.5 million in aggregate, comprising approximately HK\$14.7 million for equipment, approximately HK\$22.0 million for testing and development costs, and approximately HK\$7.8 million for staff costs. Of this total, approximately HK\$31.5 million has already been funded and expended from the Group's previous fundraising activities. The remaining approximately HK\$13.0 million is expected to be funded from the net proceeds of the Rights Issue, comprising approximately HK\$8.5 million for continuous testing and development and approximately HK\$4.5 million for staff costs. To the extent that the net proceeds of the Rights Issue are insufficient to cover the remaining costs, the shortfall is expected to be funded by the Group's internal resources. Further details of the expenses of the R&D Projects are set out in the section headed "Use of Proceeds" in this announcement. The Company raised net proceeds of approximately HK\$39.1 million from a rights issue completed in March 2025 and net proceeds of approximately HK\$12.4 million from a share placing in September 2025, the proceeds of which were applied towards developing its healthcare and beauty business segment and general working capital of the Group. The Group intends to further develop and strengthen its market share in the healthcare and beauty industry in the PRC.

In the course of developing its healthcare and beauty business, the Group noted the opportunity to acquire an effective interest of 37.5% in Beisheng Biotechnology (Shenzhen) Co., Ltd.* (倍生生物科技(深圳)有限公司) (“**Beisheng Biotechnology**”), a company specialising in strain design and fermentation process development. The Group believes that by holding an interest in Beisheng Biotechnology, it can secure access to Beisheng Biotechnology’s services, improve the efficiency of its own R&D Projects, reduce R&D costs and accelerate the commercialisation of its R&D results. The acquisition of the interest in Beisheng Biotechnology was completed on 6 March 2026. The total consideration for such acquisition is HK\$22,000,000. Beisheng Biotechnology’s research and development relate to strain design and fermentation process development, which is different from the Company’s existing R&D Projects. Since the completion of the acquisition, the Group has been utilising Beisheng Biotechnology’s services and platform to facilitate and support the set-up and conduct of the Group’s R&D Projects, and the Group intends to continue to do so going forward. Being an associate of the Group, the revenue of Beisheng Biotechnology is not consolidated into the Group’s financial statements, and its primary value to the Group lies in its ability to improve the efficiency of the Group’s R&D Projects, reduce R&D costs and accelerate the commercialisation of its R&D results. As explained in the announcement of the Company dated 3 March 2026, the core advantage of Beisheng Technology’s integrated infrastructure platforms are: (i) design software (Tosycon[®]) integrated with the manufacturing platform, reducing supplies costs and improving technology utilization efficiency. The design-end software developed by Beisheng Biotechnology directly connects design and manufacturing, outsmarting traditional design software that segregate design and subsequent acquisition of raw material elements by having to go through laborious process of acquisition from various traditional biotechnology infrastructure suppliers. This direct-to-customer model saves users the time cost of decomposing material elements and sourcing from different suppliers; and (ii) through its self-established bio-manufacturing standard (ArchiCel[®]), Beisheng Biotechnology has innovatively achieved an optimisation of design and manufacturing. This allows a reduction of workload of clients’ senior R&D personnel, enabling more efficient design work and also lower the entry barrier of senior R&D personnel as senior R&D personnel no longer required to acquire skills on manufacturing. By employing the above two features of Beisheng Technology, the Group will reduce the time and cost of Stages 4 and 5 of its R&D Projects. In particular, the Group utilises Beisheng Biotechnology’s services and platform to support the efficacy and safety validation stage (stage 4) and the scale-up and commercialisation stage (stage 5) of the R&D Projects. At stage 4, Beisheng Biotechnology’s standardised manufacturing process ensures high batch-to-batch reproducibility of input materials across the R&D Projects, thereby reducing

* For identification purposes only

the need for costly repeat validation studies and ensuring that validation outcomes are attributable to the formulation itself rather than production variability. As Project (a) and Project (b) are currently at stage 4, the Group is employing Beisheng Biotechnology's services and platform in respect of such projects at this stage. Specifically, (i) in respect of Project (a), standardised manufacturing ensures high batch-to-batch reproducibility of the dual-protein active ingredients; and (ii) in respect of Project (b), it ensures that long-term biocompatibility and stability validation studies are conducted on material representative of the eventual commercial product, reducing the risk of late-stage failures. In respect of Project (c) and Project (d), which have not yet reached stages 4 and 5, the Group intends to employ Beisheng Biotechnology's services and platform when such stages commence, where (iii) high reproducibility in liposome manufacturing will ensure that validation studies reflect true biological responses to the light activation mechanism in respect of Project (c); and (iv) reliable and scalable exosome production will support comprehensive animal efficacy and toxicology studies in respect of Project (d). At stage 5, as the design of each R&D Project has been linked to Beisheng Biotechnology's manufacturing platform from the outset, the scale-up parameters established during earlier stages of development are directly transferable to commercial production, thereby reducing scale-up time and cost and accelerating the time to market of the R&D Projects.

As at 31 December 2025, Osibao Cosmetics International Limited ("**Osibao Cosmetics HK**"), a company incorporated in Hong Kong with limited liability and is indirectly wholly-owned by Mr. Cheung Ching Mo ("**Mr. Cheung**"), a non-executive Director of the Company, had made available credit facilities of up to HK\$150,000,000 to the Group on normal commercial terms, of which approximately HK\$106,431,000 remained unutilised. Notwithstanding the above credit support, the Board considers that the Group has imminent funding needs to support its further business development and that the Rights Issue represents the most appropriate means of raising additional capital in the current market environment. Any further drawdown under the credit facility would constitute debt financing and would further increase the Group's outstanding borrowings and indebtedness. The Rights Issue, as a form of equity financing, will directly improve the Group's net liabilities position without creating any additional debt repayment obligations. In addition, the Rights Issue provides an opportunity for Qualifying Shareholders to participate in the future growth and development of the Group on a pro-rata basis.

During the year ended 31 December 2025, the Group mainly financed its operations and expansion with its own working capital generated internally and borrowings from Hehui International Development Limited (“**Hehui**”), a company incorporated in the British Virgin Islands and beneficially owned as to 100% by Mr. Yuan Fuer, who was a non-executive Director and controlling shareholder of the Company. The borrowings from Hehui arose from credit facilities provided by Hehui to the Group to meet the running costs of the Group’s accommodation business.

Pursuant to a settlement agreement entered into between Hehui and Osibao Cosmetics HK on 9 October 2025: (i) the loan receivable of approximately HK\$28.6 million due from the Company to Hehui as of date of the settlement agreement, was transferred to Osibao Cosmetics HK; and (ii) 345,929,020 shares of the Company were transferred by Hehui to Osibao Cosmetics HK, as partial settlement of Hehui’s obligations to Osibao Cosmetics HK.

In connection with the Group’s proposed acquisition of Beisheng Biotechnology, Osibao Cosmetics HK, agreed to provide financing to the Group.

As at 31 December 2025, the Group’s borrowings from Osibao Cosmetics HK amounted to approximately HK\$43.6 million, being unsecured, non-interest bearing and repayable on demand.

The increase of borrowings from the original amount of approximately HK\$28.6 million to approximately HK\$43.6 million was attributable to an additional HK\$15.0 million advanced by Osibao Cosmetics HK, which was applied towards the deposit for the acquisition of Beisheng Biotechnology.

A further HK\$7.0 million was drawn down to fund the remaining acquisition consideration upon completion on 6 March 2026, bringing the total outstanding borrowings to approximately HK\$50.6 million as at 30 April 2026 (the “**Shareholder’s Loan**”).

The Company and Osibao Cosmetic HK have negotiated the substantial repayment and settlement of the Shareholder's Loan in the amount of HK\$50.0 million (i.e., the Set-off Loan). As disclosed in the announcement of the Company dated 26 May 2026, the Company and Osibao Cosmetic HK entered into the subscription and settlement agreement on 26 May 2026, pursuant to which the Company has conditionally agreed to issue, and Osibao Cosmetic HK has conditionally agreed to subscribe for convertible bonds in the aggregate principal amount of HK\$50.0 million at face value. The subscription price shall be satisfied by Osibao Cosmetic HK upon completion of the issue of the convertible bonds by way of set-off against the Set-off Loan. The subscription of the convertible bonds by Osibao Cosmetics HK constitutes a connected transaction of the Company under the Listing Rules and is subject to announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at 31 December 2025, the Group recorded total liabilities of approximately HK\$183.3 million mainly comprising borrowings and lease liabilities of approximately HK\$43.6 million and approximately HK\$118.6 million, respectively. Besides, the Group recorded net liabilities of approximately HK\$102.9 million as at 31 December 2025. As the Group will proactively seek appropriate opportunities to further develop its healthcare and beauty business and stabilise its accommodation operations, the Board considers that the Rights Issue will enable the Company to raise capital to support its business development and investment objectives whilst increasing the working capital and enhancing the financial position of the Company.

Use of Proceeds

Assuming full subscription under the Rights Issue, the gross proceeds from the Rights Issue are expected to be approximately HK\$40 million. After deducting the relevant expenses, the net proceeds are estimated to be approximately HK\$39 million. The Company intends to apply the net proceeds as follows:

- (i) approximately HK\$13 million, representing approximately 33.3% of the net proceeds, will be applied towards the R&D Projects as follows: (i) approximately HK\$8.5 million for the continuous testing and development of the R&D Projects; and (ii) approximately HK\$4.5 million for staff costs in connection with the R&D Projects;
- (ii) approximately HK\$8 million, representing approximately 20.5% of the net proceeds, will be allocated to sales and marketing expenses in connection with the healthcare and beauty business segment of the Group, the net proceeds will be applied as follows: (i) approximately HK\$5.0 million for the sales and marketing team and key opinion leader expenses; and (ii) approximately HK\$3.0 million for promotion materials, trade shows and exhibition costs. The primary focus of the sales and marketing expenditure will be on promoting the Group's existing healthcare and beauty products. The Group may also utilise part of the budget to raise market awareness of its ongoing R&D Projects and should any of the R&D Projects be successfully developed, to pave the way for the commercialisation of such new products;
- (iii) approximately HK\$6 million, representing approximately 15.4% of the net proceeds, will be allocated to the renovation and upgrading of the Group's hotel properties, including improving accommodation ancillary facilities and implementing staff performance programmes, with a view to enhancing customers' satisfaction and boosting revenue of the Group's accommodation business; and
- (iv) approximately HK\$12 million, representing approximately 30.8% of the net proceeds, will be used for general working capital purposes, including (a) inventories, trade receivables, prepayments and deposits; and (b) day-to-day operating expenses of the Group, which for the year ended 31 December 2025 comprised principally employee benefit expenses of approximately HK\$17,152,000, expenses relating to short-term leases on general office of approximately HK\$2,646,000, legal and professional fees of approximately HK\$2,161,000, utilities of approximately HK\$1,729,000, auditor's remuneration of approximately HK\$935,000 and building management fees of approximately HK\$647,000.

The Rights Issue will proceed irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue and/or the Placing (as the case may be), the net proceeds will be allocated and utilised in proportion to the above uses.

The net proceeds of the Rights Issue is expected to be utilised (assuming full subscription under the Rights Issue) within the following timeframes from the date of completion of the Rights Issue:

Use of Proceeds	By March 2027 (HK\$ million)	By September 2027 (HK\$ million)	Total (HK\$ million)
Research and development in connection with the healthcare and beauty business segment of the Group			
Testing and development of the R&D Projects	4.5	4.0	8.5
Staff costs for R&D Projects	2.3	2.2	4.5
Sales and marketing expenses in connection with the healthcare and beauty business segment of the Group			
Sales and marketing team and key opinion leader expenses	2.5	2.5	5.0
Promotion materials, trade shows and exhibition costs	1.8	1.2	3.0
Renovation and upgrading of the Group's hotel properties			
Accommodation (maintenance)	6.0	–	6.0

The net proceeds allocated to the R&D Projects under the Rights Issue are expected to be sufficient to fund the Group's R&D activities for the next 12 months, beyond which the Company does not expect to incur any further funding in respect of the R&D Projects as at the date of this announcement. Depending on the progress and outcome of the R&D Projects, additional funding may be required to complete the remaining development stages beyond such period.

Fundraising alternatives considered

Apart from the Rights Issue, the Directors have also considered other debt or equity financing alternatives such as bank borrowings, placing or subscription of new Shares or open offer.

The Directors are of the view that further bank borrowings will result in additional finance costs and further increase the gearing ratio of the Group which is not beneficial to the Group. The Group may also be restrained by various restrictive covenants under bank financing.

With respect to placing or subscription of new Shares, such exercise would immediately dilute the shareholding interest of the existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company.

While both the Rights Issue and open offer provide the Shareholders with equal opportunity to participate in and to maintain their pro-rata shareholdings in the Company, as opposed to an open offer, the Rights Issue further provide flexibility to the Qualifying Shareholders who do not wish to take up their provisional entitlements to sell the nil-paid rights in the market, thereby recouping some value.

Having considered the abovementioned alternatives, the Directors consider the Rights Issue to be the most appropriate and attractive means in the current market conditions. The Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, whilst allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS FROM THE DATE OF THIS ANNOUNCEMENT

The Company had conducted the following equity fund raising activities in the past twelve months immediately prior of the date of this announcement:

Date of announcements	Event	Net proceeds (approximately)	Intended use of net proceeds	Actual use of net proceeds as at the date of this announcement
8 September 2025 and 25 September 2025	Placing of 198,840,000 placing shares at a placing price of HK\$0.063 per placing share under general mandate pursuant to a placing agreement dated 8 September 2025 entered into between the Company and Cheong Lee Securities Limited	HK\$12.4 million	Further development of the healthcare and beauty segment of the Group	Fully used as intended (approximately HK\$4.7 million for R&D equipment, approximately HK\$4.7 million for testing and development costs, approximately HK\$1.0 million for staff costs and approximately HK\$2.0 million for marketing expenses)

Save as disclosed above, the Company had not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

EXPECTED TIMETABLE

The expected timetable of the proposed Rights Issue and Placing and the associated trading arrangement is set out below. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	Time and Date (Hong Kong time)
Announcement of the Rights Issue	Wednesday, 24 June 2026
Last day of dealings in Shares on a cum-rights basis	Thursday, 23 July 2026
First day of dealings in Shares on an ex-rights basis	Friday, 24 July 2026
Latest time for lodging transfers of Shares with the Registrar to qualify for the Rights Issue	4:00 p.m. on Monday, 27 July 2026
Closure of the register of members of the Company for the Rights Issue (both days inclusive)	Tuesday, 28 July 2026 to Monday, 3 August 2026
Record Date for determining entitlements to the Rights Issue	Monday, 3 August 2026
Register of members of the Company re-opens	Tuesday, 4 August 2026
Despatch of Prospectus Documents (in the case of Non-Qualifying Shareholders, the Prospectus only)	Tuesday, 4 August 2026
First day of dealings in nil-paid Rights Shares	Thursday, 6 August 2026
Latest time for splitting of PALs	4:00 p.m. on Monday, 10 August 2026
Last day of dealings in nil-paid Rights Shares	Thursday, 13 August 2026

Event	Time and Date (Hong Kong time)
Latest time for lodging transfer documents of nil-paid Rights Shares to qualify for the Compensatory Arrangements	4:00 p.m. on Tuesday, 18 August 2026
Latest Time for Acceptance of and payment for Rights Shares	4:00 p.m. on Tuesday, 18 August 2026
Announcement of number of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Tuesday, 25 August 2026
Commencement of placing of Placing Shares by the Placing Agent	Wednesday, 26 August 2026
Latest time for placing of Placing Shares by the Placing Agent	4:00 p.m. on Wednesday, 2 September 2026
Latest Time for Termination	4:00 p.m. on Thursday, 3 September 2026
Announcement of results of the Rights Issue (including results of the Placing and amount of Net Gain per Unsubscribed Rights Share and NQS Unsold Rights Share under the Compensatory Arrangements)	Monday, 7 September 2026
Despatch of share certificates for fully-paid Rights Shares and refund cheques, if any (if the Rights Issue is terminated)	Tuesday, 8 September 2026
Expected first day of dealings in fully-paid Rights Shares . . .	Wednesday, 9 September 2026
Payment of Net Gain to relevant No Action Shareholders (if any)	Thursday, 24 September 2026

All times and dates stated in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended, amended or varied by the Company. Any change to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or “extreme conditions” caused by super typhoons issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on 18 August 2026. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on 18 August 2026. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the section headed “EXPECTED TIMETABLE” in this announcement may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best knowledge of the Directors, set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon the completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under Rights Issue; and (iii) immediately after completion of the Rights Issue and the Placing, assuming no subscription by the Qualifying Shareholders and all the Placing Shares are placed to Independent Third Parties under the Placing:

	As at the date of this announcement		Immediately after completion of the Rights Issue (assuming full acceptance by all Qualifying Shareholders under Rights Issue)		Immediately after completion of the Rights Issue and the Placing (assuming no subscription by the Qualifying Shareholders and all the Placing Shares are placed to Independent Third Parties under the Placing)	
	No. of Shares	Approx. %	No. of Shares	Approx. %	No. of Shares	Approx. %
Mr. Cheung (Note 1)	345,929,020	28.99	518,893,530	28.99	345,929,020	19.33
Li Baoshan	93,940,000	7.87	140,910,000	7.87	93,940,000	5.25
Placees	–	–	–	–	596,532,580	33.33
Other Public Shareholders	<u>753,196,140</u>	<u>63.14</u>	<u>1,129,794,210</u>	<u>63.14</u>	<u>753,196,140</u>	<u>42.09</u>
Total	<u>1,193,065,160</u>	<u>100.00</u>	<u>1,789,597,740</u>	<u>100.00</u>	<u>1,789,597,740</u>	<u>100.00</u>

Note:

1. The 345,929,020 Shares are registered in the name of Osibao Cosmetics HK. Mr. Cheung, a non-executive Director of the Company, holds the entire issued share capital of China Regenerative Medicine Tissue Engineering Limited (“CRMT”) and CRMT effectively holds the entire issued share capital of Osibao Cosmetics HK. Mr. Cheung was therefore deemed to be interested in the 345,929,020 Shares in which Osibao Cosmetics HK was interested pursuant to the SFO.

If a Qualifying Shareholder does not accept the Rights Shares provisionally allotted to him/her/it in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 28 July 2026 to 3 August 2026 (both days inclusive) for determining the entitlements to the Rights Issue.

No transfer of Shares will be registered during this period.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the date of this announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders at the shareholders' meeting convened in connection with the Rights Issue pursuant to Rules 7.19A(1) of the Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfilment of certain conditions of the Rights Issue, the Prospectus Documents containing, among other matters, details of the Rights Issue, will be made available and/or despatched (as the case may be) to the Qualifying Shareholders on the Prospectus Posting Date. To the extent permitted under the relevant laws and regulations and where reasonably practicable, the Prospectus (excluding the PAL) will be made available and/or despatched (as the case may be) to the Non-Qualifying Shareholders (if any) for their information only. The Company will despatch the PALs in printed form to the Qualifying Shareholders, but no PAL will be despatched to the Non-Qualifying Shareholders (if any).

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Shares will be dealt on an ex-rights basis from 24 July 2026. Dealings in the nil-paid Rights Shares are expected to take place from 6 August 2026 to 13 August 2026 (both days inclusive).

Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of the conditions (please refer to the section headed “Conditions of the Rights Issue” in this announcement). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any dealing in the Shares from the date of this announcement up to the date on which all conditions of the Rights Issue are fulfilled, and any Shareholder or other person dealing in the Shares and/or Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the acceptance of the provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisor(s).

DEFINITIONS

Terms used in this announcement have the following meanings unless the context otherwise requires:

“AFRC”	the Accounting and Financial Reporting Council
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors

“Business Day”	a day(s) (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited
“Company”	Biosysen Limited 生物系統工程有限公司 (formerly known as “Legend Strategy International Holdings Group Company Limited 枋濬國際集團控股有限公司”), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1355)
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “The Compensatory Arrangements” in this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rule
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	any 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 enquires, are third parties independent of and not connected with the Company and its connected persons (or any of their respective associate) within the meaning of the Listing Rules
“Last Trading Day”	Wednesday, 24 June 2026, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 18 August 2026 or such later time or date as may be determined by the Company, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	4:00 p.m. on Thursday, 3 September 2026 or such later time or date as the Company and the Placing Agent may agree in writing, being the latest time to terminate the Rights Issue and the Placing Agreement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MGO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code

“No Action Shareholders”	those Qualifying Shareholder(s) who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounces who hold any nil-paid rights at the time such nil-paid rights are lapsed, and/or the Non-Qualifying Shareholders (if any)
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders (if any) in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“Placee”	any professional, institutional and other investor, independent of and not connected with the connected persons of the Company and their respective associates, whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to its obligations under the Placing Agreement
“Placing”	the offer by way of private placing of the Placing Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s), who and whose ultimate beneficial owner(s) shall not be the Shareholder(s) and shall be the Independent Third Party(ies), to independent placee(s) during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement

“Placing Agent”	Tiger Faith Securities Limited, a company incorporated in Hong Kong with limited liabilities and licensed by the SFC to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under SFO
“Placing Agreement”	the placing agreement dated 24 June 2026 entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
“Placing Long Stop Date”	4:00 p.m. on Thursday, 3 September 2026 or such later date as the Company and the Placing Agent may agree in writing
“Placing Period”	the period from Wednesday, 26 August 2026 up to 4:00 p.m. on Wednesday, 2 September 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements
“Placing Shares”	the Unsubscribed Rights Share(s) and the NQS Unsold Rights Share(s) to be placed to the Placee(s) by the Placing Agent
“PRC”	means the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders by the Company containing details of the proposed Rights Issue
“Prospectus Documents”	the Prospectus and the PAL to be despatched by the Company
“Prospectus Posting Date”	Tuesday, 4 August 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders

“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Public Float Requirement”	the public float requirement under Rule 13.32B of the Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s) who(se) name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Monday, 3 August 2026 or such other date as may be determined by the Company, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the proposed issue of up to 596,532,580 Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every two (2) existing Shares held at the close of business on the Record Date, payable in full on acceptance
“Rights Shares”	up to 596,532,580 new Shares to be allotted and issued under the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.068 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Share(s)”	the number of unsubscribed Rights Share(s) not taken up by Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue
“%”	per cent

By order of the Board
Biosysen Limited
Lee Tsz Yan
Executive Director

Hong Kong, 24 June 2026

As at the date of this announcement, the Board comprises Ms. Lee Tsz Yan as executive Director; Mr. Cheung Ching Mo and Mr. Hu Xinglong as non-executive Directors; and Mr. Wu Jilin, Mr. Lam Cheung Shing Richard and Mr. So Yin Wai as independent non-executive Directors.