
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in **Biosysen Limited**, you should at once hand or forward this circular and the accompanying proxy form to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities in the 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”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1355)

(1) CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE; AND (2) NOTICE OF EGM

Independent Financial Adviser to the Independent Board Committee and Independent Shareholders



Capitalised terms used in this cover page have the same meanings as defined in this circular.

A letter from the Board is set out on pages 5 to 28 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 29 to 30 of this circular. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 31 to 41 of this circular.

A notice convening the EGM to be held at 3:00 p.m. on Monday, 27 July 2026 at Room 3008-3009, 30/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong is set out on pages EGM-1 to EGM-3 of this circular.

Whether you are able to attend the EGM or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the completed proxy form to the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the EGM or adjourned meeting thereafter (as the case may be). Submission of a proxy form shall not preclude you from attending and voting in person at the EGM or its adjournment thereof should you so wish.

8 July 2026

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context otherwise requires:

“Announcement”	the announcement of the Company dated 26 May 2026 in relation to, among others, (i) the Subscription and Settlement Agreement; and (ii) the connected transaction in relation to the proposed issue of the Convertible Bonds under the Specific Mandate
“acting in concert”	has the meaning as ascribed thereto under the Takeovers Code
“associates”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bondholder(s)”	the holder(s) of the Convertible Bonds
“Business Day(s)”	a day (other than a Saturday or Sunday or public holiday in Hong Kong or any day on which a tropical cyclone warning no.8 or above or a “black” rain warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	Biosysen Limited, 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: 01355)
“Completion”	completion of the Subscription pursuant to the terms and conditions of the Subscription and Settlement Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Conversion Price”	the conversion price per Conversion Share and initially at HK\$0.155 per Conversion Share (subject to adjustments)
“Conversion Share(s)”	the Share(s) which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds

DEFINITIONS

“Convertible Bonds”	HK\$50.0 million zero coupon unsecured redeemable convertible bonds due 2031 to be issued by the Company to the Subscriber in accordance with the terms of the Subscription and Settlement Agreement
“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 3:00 p.m. on Monday, 27 July 2026 at Room 3008-3009, 30/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong (or its adjournment thereof) for the Independent Shareholders to consider and, if thought fit, approve the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate)
“Facility”	the unsecured, interest-free loan facility of up to HK\$150,000,000 provided by the Subscriber to the Company, under which any drawn borrowings are repayable on the dates set out in the individual borrowing agreements
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors established to advise the Independent Shareholders on the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate)
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate)

DEFINITIONS

“Independent Shareholders”	the Shareholders who are not required to abstain from voting in respect of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate)
“Latest Practicable Date”	3 July 2026, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 October 2026 or such other date as the Company and the Subscriber may agree in writing
“Mr. Cheung”	Mr. Cheung Ching Mo, a non-executive Director and the sole ultimate beneficial owner of the Subscriber
“PRC”	the People’s Republic of China, and for the purpose of this circular only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Set-off Loan”	the principal amount of HK\$50.0 million, which represents a substantial portion of the Shareholder’s Loan to be settled and discharged by way of set-off against the subscription price of the Convertible Bonds pursuant to the Subscription and Settlement Agreement
“SFC”	the Securities and Futures Commission
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholder’s Loan”	the aggregate outstanding principal amount of approximately HK\$50.6 million as at 30 April 2026 under the Facility as shown in the management accounts of the Company as at 30 April 2026, which is repayable on demand

DEFINITIONS

“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders at the EGM for the allotment and issuance of the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Osibao Cosmetics International Limited, a company incorporated in Hong Kong with limited liability, a substantial Shareholder and is indirectly wholly-owned by Mr. Cheung
“Subscription”	the subscription for the Convertible Bonds by the Subscriber pursuant to terms and conditions of the Subscription and Settlement Agreement
“Subscription and Settlement Agreement”	the conditional subscription and settlement agreement dated 26 May 2026 entered into between the Company and the Subscriber in relation to the Subscription, as amended and/or supplemented from time to time
“Takeovers Code”	the Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



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)*

Executive Director:

Ms. Lee Tsz Yan

Non-executive Directors:

Mr. Cheung Ching Mo

Mr. Hu Xinglong

Independent non-executive Directors:

Mr. Wu Jilin

Mr. Lam Cheung Shing Richard

Mr. So Yin Wai

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters and Principal place of
business in Hong Kong:*

Level 28, Lee Garden Two

28 Yun Ping Road

Causeway Bay

Hong Kong

8 July 2026

To the Shareholders

Dear Sir or Madam,

(1) CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE; AND (2) NOTICE OF EGM

INTRODUCTION

As disclosed in the annual report of the Company for the year ended 31 December 2025, the Subscriber has provided the Group with the Facility to support the Group's continuing operation as a going concern. Based on the management accounts of the Company as at 30 April 2026, the aggregate amount outstanding under the Facility is approximately HK\$50.6 million (i.e., the Shareholder's Loan).

LETTER FROM THE BOARD

The Company and the Subscriber 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, the Company and the Subscriber entered into the Subscription and Settlement Agreement on 26 May 2026, pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, the Convertible Bonds in the aggregate principal amount of HK\$50.0 million at face value. The subscription price shall be satisfied by the Subscriber at Completion by way of set-off against the Set-off Loan, and the Convertible Bonds may be converted into 322,580,645 Conversion Shares at the initial Conversion Price of HK\$0.155 per Conversion Share upon full conversion.

The purpose of this circular is to provide you with the information in relation to (i) the Subscription and Settlement Agreement and the transactions contemplated thereunder, (ii) the letter of advice from the Independent Board Committee to the Independent Shareholders, (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, (iv) the notice of the EGM and (v) other information as required under the Listing Rules.

THE SUBSCRIPTION AND SETTLEMENT AGREEMENT

Date

26 May 2026 (after trading hours)

Parties

- (i) The Company (as issuer); and
- (ii) Osibao Cosmetics International Limited (as Subscriber)

The Subscription

Pursuant to the Subscription and Settlement Agreement, the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for at face value, the Convertible Bonds in the aggregate principal amount of HK\$50.0 million, which may be converted into 322,580,645 Conversion Shares based on the initial Conversion Price of HK\$0.155 per Conversion Share upon full conversion.

As at the Latest Practicable Date, the Company had 1,193,065,160 Shares in issue. The Conversion Shares represent approximately 27.04% of the existing issued Shares and approximately 21.28% of the issued Shares as enlarged by the allotment and issue of the Conversion Shares immediately after full conversion of the Convertible Bonds at the initial Conversion Price (assuming that there is no change in the issued Shares).

LETTER FROM THE BOARD

The Settlement

The Subscriber shall pay the subscription price of the Convertible Bonds at completion by way of set-off against the Set-off Loan. Upon Completion, the repayment obligations of the Company for the Set-off Loan shall be fully discharged. To the extent of the amount of the Set-off Loan, the Subscriber agrees to waive all its rights absolutely against the Company for any claim whatsoever.

Conditions Precedent

Completion is conditional upon the fulfilment (or otherwise waived by the Company or the Subscriber (as the case may be) in writing, to the extent such conditions precedent may be waived) of the following conditions precedent:

- (a) to the extent not waived or consented to by or the requisite approval or ruling not obtained from the relevant regulatory or governmental authorities, compliance by each party of all applicable laws and regulations, including but not limited to those under the Listing Rules, the Companies Ordinance and the laws and regulations of each party's jurisdiction of incorporation;
- (b) the passing by the Independent Shareholders at the EGM of resolutions which are necessary to give effect to the transactions contemplated under the Subscription and Settlement Agreement and comply with the Listing Rules, among other things, approving (i) the execution, delivery and performance of the Subscription and Settlement Agreement; and (ii) the allotment and issue of the Conversion Shares under the Specific Mandate;
- (c) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Conversion Shares (with or without conditions) and the Stock Exchange not having withdrawn or revoked such approval;
- (d) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Subscription void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Subscription (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Company and/or the Subscriber to proceed with the Subscription);

LETTER FROM THE BOARD

- (e) all license, permit, consent, authorisation, permission, clearance, warrant, confirmation, certificate or approval of any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or tax raising body, authority, agency, board, department, court or tribunal of any jurisdiction (including the Stock Exchange, the SFC or any relevant securities exchange) and whether supranational, national, regional or local or any other person which are required for the issue of the Convertible Bonds and all matters contemplated thereunder having been obtained or made, if any; and
- (f) all the representations and warranties contained in the Subscription and Settlement Agreement in relation to the Company and the Subscriber remain true, accurate in all material respects and not misleading when made, and being true, accurate in all material respects and not misleading on and as of the date of Completion.

The Company shall use its reasonable endeavours to procure the satisfaction of the above conditions precedent (where applicable to the Company) (unless otherwise waived by the Subscriber) on the date of Completion. The Subscriber shall use its reasonable endeavours to procure the satisfaction of the conditions precedent set out in paragraphs (a), (e) and (f) (where applicable to the Subscriber) above (unless otherwise waived by the Company) on the date of Completion.

The conditions precedent in paragraph (f) (in respect of the Company) above may be waived by the Subscriber (in whole or in part) and the conditions precedent in paragraph (f) (in respect of the Subscriber) may be waived by the Company (in whole or in part). No other conditions precedent may be unilaterally waived by the Company or the Subscriber.

If the above conditions precedent are unfulfilled or, if applicable, waived on or prior to the Long Stop Date, all obligations of the Company and the Subscriber shall cease and determine immediately on the Long Stop Date and none of the Company and the Subscriber (nor any of their respective affiliates) shall have any claim against the other (or any of their respective affiliates) except in respect of any rights and liabilities which have accrued prior to termination.

Completion

Completion shall take place in Hong Kong on the fifth (5th) Business Day following the date on which the conditions precedent set out in the Subscription and Settlement Agreement are fulfilled and/or waived (or such other date as the parties may agree).

The Conversion Price

The Conversion Price of HK\$0.155 per Conversion Share represents:

- (i) a premium of approximately 3.33% over the closing price of HK\$0.150 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

LETTER FROM THE BOARD

- (ii) the same as the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on 26 May 2026, being the date of the Subscription and Settlement Agreement;
- (iii) a premium of approximately 0.65% over the average closing price of HK\$0.154 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Subscription and Settlement Agreement;
- (iv) a premium of approximately 1.31% over the average closing price of approximately HK\$0.153 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days immediately prior to the date of the Subscription and Settlement Agreement;
- (v) a premium of approximately 9.93% over the average closing price of approximately HK\$0.141 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days immediately prior to the date of the Subscription and Settlement Agreement; and
- (vi) a premium of approximately HK\$0.184 over the negative net asset value per Share of approximately HK\$0.029 (representing a capital deficiency) as at 31 December 2025, which was calculated based on the audited consolidated negative equity attributable to owners of the Company of approximately HK\$35,250,000 as at 31 December 2025 (the date on which the latest audited financial results of the Group were made up) and 1,193,065,160 Shares in issue as at the date of the Subscription and Settlement Agreement.

The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account of, among others, the recent trading performance of the Shares and the financial position of the Group.

Recent trading performance of the Shares

Given that the Conversion Price is not set at a discount of the “theoretical diluted price” to the “benchmarked price” of the Shares, which is calculated based on the “theoretical diluted price” of approximately HK\$0.155 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the date of the Subscription and Settlement Agreement; and (ii) the average closing price of approximately HK\$0.154 per Share as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Subscription and Settlement Agreement), there is no theoretical dilution effect under Rule 7.27B of the Listing Rules.

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During the period of approximately six months immediately preceding and including the date of the Subscription and Settlement Agreement (the “**Review Period**”), the closing price of the Shares remained largely stable ranging from the lowest closing price of HK\$0.111 per Share up to the highest closing price at HK\$0.174 per Share, with an average of HK\$0.139 per Share. The Conversion Price of HK\$0.155 per Conversion Share represents a premium of approximately 11.5% over the average closing price during the Review Period.

Financial position of the Group

As at 31 December 2025, the Group recorded audited consolidated negative equity attributable to owners of the Company of approximately HK\$35,250,000, resulting in a negative net asset value per Share of approximately HK\$0.029. Given this capital deficiency, the Conversion Price of HK\$0.155 per Conversion Share represents a significant premium of approximately HK\$0.184 over the negative net asset value per Share.

The Directors (other than Mr. Cheung who abstained from voting at the relevant Board meeting) consider that the Conversion Price, which is set at a premium to the recent average market trading prices and significantly above the Group’s net asset value per Share, reflects a balanced approach to the interests of the Company and its Shareholders, particularly in light of the Group’s financial position and the need to strengthen its capital base through the substantial settlement of the Shareholder’s Loan.

In view of the above, the Directors (other than Mr. Cheung who has material interest in the transactions as contemplated under the Subscription and Settlement Agreement, and the members of the Independent Board Committee whose views are to be included in this circular, after being advised by the Independent Financial Adviser) consider that the Conversion Price and the terms and conditions of the Subscription and Settlement Agreement and the Convertible Bonds are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

PRINCIPAL TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

The principal terms and conditions of the Convertible Bonds are summarised as follows:

Issuer	:	The Company
Principal amount	:	HK\$50.0 million
Issue price	:	100% at the full face value of the Convertible Bonds free from any interest, claim or equity of any person (including any right to acquire, option or right of pre-emption or conversion) or any mortgage, charge, pledge, lien, encumbrances, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement, or any agreement to create any of the above.

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- Status : The Convertible Bonds constitute a direct unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu* and rateably without any preference equally with all other unsecured and unsubordinated obligations of the Company. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by applicable legislation, rank at least equally with all its other present and future unsecured and unsubordinated obligations.
- Form and denomination : The Convertible Bonds will be issued in registered form in denomination of HK\$1,000,000 each. The certificate will be issued to the Subscriber in respect of its registered holding of the Convertible Bonds.
- Interest : The Convertible Bonds do not bear any interest.
- Maturity date : The date falling on the fifth (5th) anniversary of the date of issue of the Convertible Bonds.
- Conversion Price : HK\$0.155 per Conversion Share (subject to adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds).
- Adjustment events : The Conversion Price is subject to customary adjustments in accordance with the terms and conditions set out in the Convertible Bonds if any of the following specific events occurs:
- (i) where there is an alteration to the number of issued Shares by reason of any consolidation or subdivision, the Conversion Price in force immediately prior thereto shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{B}$$

where:

A = the nominal amount of one Share immediately after such alteration; and

LETTER FROM THE BOARD

B = the nominal amount of one Share immediately before such alteration.

Each such adjustment shall be effective from the close of business on the Business Day immediately preceding the date on which the alteration becomes effective.

- (ii) where the Company issues (other than in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves, the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{D}$$

where:

C = the aggregate nominal amount of Shares in issue immediately before such issue; and

D = the aggregate nominal amount of Shares in issue immediately after such issue,

PROVIDED THAT if the relevant issue of Shares is made as part of an arrangement involving a reduction of capital, the Conversion Price shall be adjusted in such manner as an approved merchant bank or the auditors of the Company shall certify to be appropriate, having regard to the relative interests of the persons affected thereby.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day next following the record date for such issue.

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- (iii) where the Company makes (whether on a reduction of capital or otherwise except pursuant to any purchase by the Company of its own Shares which is permitted by law and, for so long as the Convertible Bonds are listed on the Stock Exchange, by the rules of the Stock Exchange and in accordance with the provisions of the Company's articles of association) any capital distribution to the Shareholders (in their capacity as such) or grants to the Shareholders (in their capacity as such) rights to acquire for cash assets of the Group, the Conversion Price in force immediately prior to such capital distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{E - F}{E}$$

where:

E = the closing price per Share on the Stock Exchange on the dealing day immediately preceding (a) the date on which the capital distribution or, as the case may be, the grant is publicly announced (whether or not such capital distribution or grant is subject to the approval of the Shareholders or other persons) or (b) (if there is no such announcement) the date on which the Share is traded ex such capital distribution or, as the case may be, the grant (or, where there is no closing price on such dealing day, the closing price on the dealing day on which there was a closing price immediately preceding the relevant date); and

LETTER FROM THE BOARD

F = the amount calculated by dividing the fair market value on the day of such announcement or (as the case may require) the day immediately preceding the date on which the Share is traded ex such capital distribution or, as the case may be, the grant, as determined in good faith by an approved merchant bank or the auditors of the Company, of such capital distribution or of such rights by the number of Shares participating in such capital distribution or, as the case may be, in the grant of such rights,

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day next following the record date for the relevant capital distribution or grant. For the avoidance of doubt, this sub-paragraph (iii) does not apply in relation to the issue of Shares paid out of profits or reserves and issued in lieu of a cash dividend.

- (iv) where the Company offers to the Shareholders new Shares for subscription by way of rights, or grants to the Shareholders any options or warrants to subscribe for new Shares, at a price per new Share which is less than 80% of the market price at the date of the announcement of the terms of the offer or grant (whether or not such offer or grant is subject to the approval of the Shareholders or other persons), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of the announcement of such issue, offer or grant by the following fraction:

$$\frac{G + H}{G + I}$$

where:

G = the number of Shares in issue immediately before the date of such announcement;

H = the number of Shares which the aggregate of the two following amounts would purchase at such market price:

LETTER FROM THE BOARD

(a) the total amount (if any) payable for the rights, options or warrants being offered or granted; and

(b) the total amount payable for all of the new Shares being offered for subscription or comprised in the options or warrants being granted; and

I = the aggregate number of Shares issued or comprised in the issue or grant.

Such adjustment shall become effective (if appropriate retroactively) from the commencement of the day next following the record date for the relevant offer or grant.

(v) where the Company issues wholly for cash any securities which by their terms are convertible into or exchangeable for or carrying rights of conversion for new Shares, and the total effective consideration (as defined in the instrument of the Convertible Bonds) per new Share initially receivable for such securities is less than 80% of the market price as at the date of the announcement of the terms of issue of such securities (whether or not such issue is subject to the approval of the Shareholders or other persons), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{J + K}{J + L}$$

where:

J = the number of Shares in issue immediately before the date of the issue of such securities;

K = the number of Shares which the total effective consideration (as defined in the instrument of the Convertible Bonds) receivable for such securities would purchase at such market price; and

LETTER FROM THE BOARD

L = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the conversion rights conferred by, such securities at their relative initial conversion or exchange rate or conversion price.

Such adjustment shall become effective (if appropriate retrospectively) from the close of business on the Business Day immediately preceding the date on which the issuer of the relevant securities determines the conversion or exchange rate or conversion price in respect of such securities or, to the extent that the relevant issue is announced (whether or not subject to the approval of the Shareholders or other persons) and the date of such announcement is earlier than the said date, the Business Day immediately preceding the date of such announcement.

- (vi) where the rights of conversion or exchange attached to any such securities as mentioned in sub-paragraph (v) above are modified so that the total effective consideration (as defined in the instrument of the Convertible Bonds) per new Share initially receivable for such securities shall be less than 80% of the market price as at the date of announcement of the proposal to modify such rights of conversion or exchange, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by following fraction:

$$\frac{M + N}{M + O}$$

where:

M = the number of Shares in issue immediately before the date of such modification;

LETTER FROM THE BOARD

N = the number of Shares which the total effective consideration (as defined in the instrument of the Convertible Bonds) receivable for such securities at the modified conversion or exchange rate or conversion price would purchase at such market price; and

O = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the conversion rights conferred by, such securities at their relative modified conversion or exchange rate or conversion price.

Such adjustment shall become effective as at the date upon which such modification shall take effect. A right of conversion or exchange shall not be treated as modified for the foregoing purposes where it is adjusted to take account of rights or capitalisation issues and other events normally giving rise to adjustments of conversion or exchange terms.

(vii) where the Company issues wholly for cash any Shares at a price per Share which is less than 80% of the market price at the date of the announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the date of such announcement by the following fraction:

$$\frac{P + Q}{P + R}$$

where:

P = the number of Shares in issue immediately before the date of such announcement;

Q = the number of Shares which the aggregate amount payable for such issue would purchase at such market price; and

R = the number of Shares allotted pursuant to such issue.

LETTER FROM THE BOARD

Such adjustment shall become effective on the date of the issue.

(viii) where the Company shall be permitted by law and, by the rules of the Stock Exchange and in accordance with the provisions of its articles of association, purchases and makes an offer or invitation to Shareholders to tender for sale to the Company any Shares or if the Company purchases any Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchase made on the Stock Exchange, or any recognised stock exchange, being a stock exchange recognised for this purpose by the SFC or equivalent authority and the Stock Exchange) and the Directors consider that it may be appropriate to make an adjustment to the Conversion Price, at that time the Directors shall appoint an approved merchant bank or the auditors of the Company to consider whether an adjustment should be made to the Conversion Price and, if such approved merchant bank or the auditors of the Company shall consider in its opinion that it is appropriate to make an adjustment to the Conversion Price, an adjustment to the Conversion Price shall be made in such manner as such approved merchant bank or the auditors of the Company shall certify to be, in its opinion, appropriate.

Such adjustment shall become effective (if appropriate retroactively) from the close of business in Hong Kong on the business day next preceding the date on which such purchase by the Company are made.

The Company will make announcement(s) on any adjustment to the Conversion Price.

Assuming conversion of the Convertible Bonds into Conversion Shares in full at the initial Conversion Price, the net price per Conversion Share to the Company is HK\$0.155.

LETTER FROM THE BOARD

- Conversion rights : The Bondholder will have the right, during the period commencing on the date of issue of the Convertible Bonds and ending on the third Business Day prior to the maturity date of the Convertible Bonds, to convert the Convertible Bonds in whole or in part of the outstanding principal amount of the Convertible Bonds into Conversion Shares, provided that the exercise of the conversion rights attaching to the Convertible Bonds will not result in:
- (i) any mandatory offer obligation under Rule 26.1 of the Takeovers Code being triggered by the Bondholder and/or parties acting in concert with such Bondholder unless (i) a whitewash waiver is obtained in accordance with the requirements of the Takeovers Code; or (ii) a general offer is made in accordance with the requirements of the Takeovers Code; or
 - (ii) the Company being in breach of any provision of the Listing Rules, including the requirement to maintain any prescribed minimum percentage of the issued Shares held by the public, and the conversion by the Bondholder shall be restricted until and unless the regulatory requirements under the Listing Rules are fully complied with.
- Conversion Shares : Based on the initial Conversion Price of HK\$0.155 per Conversion Share, a maximum number of 322,580,645 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full, which represent:
- (i) approximately 27.04% of the issued Shares as at the Latest Practicable Date; and
 - (ii) approximately 21.28% of the issued Shares as enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds in full (assuming that there is no change in the issued Shares).

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company does not have any treasury shares and does not intend to transfer treasury shares upon exercise of the conversion rights.

- Redemption at maturity : The Company shall redeem the Convertible Bonds by repaying the Bondholder(s) all outstanding principal amount and any other outstanding amount due but unpaid under the Convertible Bonds (if any) on the maturity date of the Convertible Bonds.
- Early redemption : The Company may at any time during the period commencing from the beginning of the 13th month from the date of issue of the Convertible Bonds up to the maturity date of the Convertible Bonds redeem the Convertible Bonds then outstanding at 100% of the outstanding principal amount of the Convertible Bonds to be redeemed.
- Transferability : The Convertible Bonds are transferable except that no Convertible Bonds shall be transferred to any person who:
- (i) is not independent of the Group or the connected persons of the Company (unless otherwise permitted with prior written consent of the Company and prior approval of the Stock Exchange (if necessary) and full compliance with the Listing Rules and other relevant laws and regulations); or
 - (ii) is a party acting in concert with any person or Shareholder to the effect that any transfer of the Convertible Bonds to such transferee(s) and/or the exercise by such transferee(s) of any conversion right attaching to the Convertible Bonds subject to such transfer will trigger the mandatory offer obligation under Rule 26.1 of the Takeovers Code unless (i) a whitewash waiver is obtained in accordance with the requirement of the Takeovers Code; or (ii) a general offer is made in accordance with the requirement of the Takeovers Code.
- Ranking of Conversion Shares : The Conversion Shares allotted and issued upon conversion of the Convertible Bonds will in all respects rank *pari passu* with the Shares already in issue on the conversion date.

LETTER FROM THE BOARD

- Voting rights : The Bondholder(s) are not entitled to attend or vote at any general meetings of the Shareholders by reason only of them being Bondholders.
- Listing : No application will be made by the Company for the listing of the Convertible Bonds on the Stock Exchange. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be issued upon the conversion of the Convertible Bonds.

SPECIFIC MANDATE

The Conversion Shares will be allotted and issued under the Specific Mandate to be sought from the Independent Shareholders at the EGM.

INFORMATION ON THE PARTIES

The Company

The Company was incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding. The Group is principally engaged in: (i) accommodation business, namely, the provision of accommodation operations, the provision of property facilities management services, and the provision of accommodation consultations services and other related business; and (ii) the healthcare and beauty business.

The Subscriber

The Subscriber is a limited liability company incorporated in Hong Kong and is principally engaged in investment holding. To the best of the knowledge, information and belief of the Company, as at the Latest Practicable Date, the Subscriber is a substantial Shareholder holding 345,929,020 Shares, representing approximately 28.99% of the issued Shares. The Subscriber is indirectly wholly-owned by Mr. Cheung.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Shareholder's Loan

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 wholly owned by Mr. Yuan Fuer, who was a non-executive Director and controlling Shareholder of the Company.

LETTER FROM THE BOARD

Pursuant to a settlement agreement entered into between Hehui and the Subscriber on 9 October 2025: (i) the loan receivable (the “**Loan Receivable**”) of approximately HK\$28.6 million due from the Company to Hehui as of the date of the settlement agreement, was transferred to the Subscriber; and (ii) 345,929,020 Shares were transferred by Hehui to the Subscriber, as partial settlement of Hehui’s obligations to the Subscriber. Upon completion of the abovementioned transfers, the Subscriber became the substantial Shareholder (as defined under the Listing Rules) and the single largest Shareholder, as well as the Company’s creditor in respect of the Loan Receivable.

As disclosed in the annual report of the Company for the year ended 31 December 2025, the Subscriber has provided the Group with the Facility of up to HK\$150,000,000 to support the Group’s continuing operation as a going concern. As at 31 December 2025, the Group’s borrowings from the Subscriber amounted to approximately HK\$43.6 million. 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 drawn down under the Facility, which was applied towards the deposit for the acquisition of 37.5% equity interest in Beisheng Biotechnology (Shenzhen) Co., Ltd* (倍生生物科技(深圳)有限公司)(“**Beisheng Biotechnology**”). Details of such acquisition was disclosed in the Company’s announcement dated 23 December 2025. 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 under the Facility to approximately HK\$50.6 million as at 30 April 2026 (i.e., the Shareholder’s Loan).

The Subscriber and the Company have entered into negotiations regarding the settlement of the Shareholder’s Loan. It is the intention of the parties that the Shareholder’s Loan shall be partially settled through the issuance of the Convertible Bonds by the Company to the Subscriber. No net proceeds will be received by the Company from the issuance of the Convertible Bonds.

Based on the outstanding amount of the Shareholder’s Loan of approximately HK\$50.6 million and the Set-off Loan of HK\$50.0 million, the Shareholder’s Loan due to the Subscriber after the settlement with the issue of the Convertible Bonds will amount to approximately HK\$0.6 million.

Following the completion of the Subscription and the set-off of the HK\$50.0 million Set-off Loan, the aggregate outstanding amount of the Shareholder’s Loan due to the Subscriber will be reduced to approximately HK\$0.6 million. As the Shareholder’s Loan is unsecured, interest-free and demand-repayable, the Company intends to settle this residual amount of approximately HK\$0.6 million using the Group’s internal resources as and when the Company deems appropriate or upon demand by the Subscriber. The Company does not currently have any plans for further drawdowns under the Facility.

* For identification purposes only

LETTER FROM THE BOARD

Repayment plan for the Convertible Bonds

The Company will manage its financial resources to meet the redemption obligations of the Convertible Bonds upon maturity. The Company's strategy for meeting these obligations is aligned with its focus on the healthcare and beauty business segment. As disclosed in the annual report for the year ended 31 December 2025, the Group aims to further develop and strengthen its market share in the healthcare and beauty industry in the PRC. The Company expects that the continued development of this business segment will contribute to the Group's financial resources, which may be utilised for the redemption of the Convertible Bonds upon maturity.

To the extent that the conversion rights attaching to the Convertible Bonds are exercised by the Bondholder(s) prior to maturity, the principal amount of the Convertible Bonds so converted will be satisfied by the allotment and issue of the Conversion Shares, and the Company's redemption obligations upon maturity will be reduced accordingly. In addition, the Company may, subject to the applicable Listing Rules and other regulatory requirements, initiate negotiations with the Bondholder(s) (being the Subscriber or any transferee or successor in title thereof) with a view to extending or renewing the term of the Convertible Bonds, and/or explore refinancing opportunities from other third parties as appropriate. The Company maintains full flexibility to determine the optimal repayment method based on the Group's prevailing financial position and market conditions at the time of maturity.

Other financing alternatives

In considering the approach to settle the outstanding indebtedness and manage the Group's capital position, the Directors (other than Mr. Cheung who abstained from voting at the relevant Board meeting) have carefully assessed various financing alternatives, including debt financing (such as bank borrowings) and equity fund-raising (such as placing of shares or rights issues). The Directors (other than Mr. Cheung who abstained from voting at the relevant Board meeting) consider that the issuance of the Convertible Bonds is the most appropriate and beneficial option for the following principal reasons:

- (i) **Favourable Terms** – Unlike traditional bank borrowings, which typically involve interest expenses and often require collateral or assets as security, the Convertible Bonds are interest-free and unsecured. This significantly reduces the financial burden on the Group and avoids further straining its cash flow.
- (ii) **Addressing Capital Deficiency** – As disclosed in the annual report for the year ended 31 December 2025, the Group was in a capital deficiency position and faces significant challenges in securing conventional debt financing on favourable terms. The issuance of the Convertible Bonds enables the Group to improve its net liability position without the immediate cash outflow required for interest payments or principal repayment.

LETTER FROM THE BOARD

In light of the above, the Directors (other than Mr. Cheung who abstained from voting at the relevant Board meeting) are of the view that the issuance of the Convertible Bonds is in the interests of the Company and the Shareholders as a whole, as it effectively strengthens the Company's capital base while maintaining financial flexibility.

The issuance of the Convertible Bonds will settle the liability under the Set-off Loan and replace the demand-repayable nature of the loan with a fixed maturity date. Under the terms of the Convertible Bonds, the Company may request early redemption subject to terms and conditions of the Convertible Bonds, whereas such right is not available to the Bondholder(s), thereby providing the Company with greater flexibility in its future cash flow management. Subject to the terms and conditions of the Convertible Bonds, the Convertible Bonds may further be settled upon conversion and issuance of the Conversion Shares, which will strengthen the capital base and reduce the Company's liabilities, thereby improving the financial position of the Company.

The Directors (other than Mr. Cheung who has material interest in the transactions as contemplated under the Subscription and Settlement Agreement, and the members of the Independent Board Committee whose views are to be included in this circular after being advised by the Independent Financial Adviser) consider that the terms and conditions of the Subscription and Settlement Agreement and the Convertible Bonds are fair and reasonable based on the current market conditions and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes, the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon full conversion of the Convertible Bonds at the initial Conversion Price are as follows:

Shareholders	As at the Latest Practicable Date		Upon full conversion of the Convertible Bonds at the initial	
			Conversion Price	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. % (Note 2)</i>
The Subscriber (Note 1)	345,929,020	28.99%	668,509,665	44.11%
Public Shareholders	<u>847,136,140</u>	<u>71.01%</u>	<u>847,136,140</u>	<u>55.89%</u>
Total	<u>1,193,065,160</u>	<u>100%</u>	<u>1,515,645,805</u>	<u>100%</u>

Notes:

- The Subscriber is indirectly wholly-owned by Mr. Cheung.

LETTER FROM THE BOARD

2. This is for illustrative purpose only and conversion of the Convertible Bonds is subject to the restriction that no conversion shall trigger mandatory offer obligations under the Takeovers Code.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds and intended use of proceeds	Actual use of proceeds
8 September 2025 and 25 September 2025	Placing of 198,840,000 placing shares at the 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	Net proceeds of approximately HK\$12.4 million were intended to be utilised for further development of the healthcare and beauty segment of the Group	Fully used as intended

Save as disclosed above, the Company had not conducted any other equity fund raising activities in the past 12 months immediately preceding the date of the Announcement up to and including the Latest Practicable Date.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, the Subscriber is a substantial Shareholder holding 345,929,020 Shares, representing approximately 28.99% of the issued Shares, which is in turn indirectly wholly-owned by Mr. Cheung, a non-executive Director, and is therefore a connected person of the Company. Accordingly, the Subscription 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.

The Conversion Shares will be allotted and issued under the Specific Mandate to be sought at the EGM and are therefore subject to the Independent Shareholders' approval according to Rule 13.36(1) of the Listing Rules.

Mr. Cheung was regarded as having a material interest in the Subscription and had accordingly abstained from voting on the relevant Board resolution(s) approving the Subscription and Settlement Agreement and the transactions contemplated thereunder.

Save as disclosed above, no other Director is considered to have a material interest in the transactions contemplated under the Subscription.

LETTER FROM THE BOARD

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 14A.39 of the Listing Rules, the Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Subscription has been established to advise the Independent Shareholders in respect of (i) the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate); and (ii) the connected transaction regarding the Subscription (including the grant of the Specific Mandate) under the Listing Rules.

Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate).

THE EGM

The EGM will be held at 3:00 p.m. on Monday, 27 July 2026 at Room 3008-3009, 30/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong for the Independent Shareholders to consider and, if thought fit, to approve among other things, the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate). The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

Enclosed is a form of proxy for use at the EGM. Whether or not you intend to be present at the EGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the completed proxy form to the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the EGM or its adjournment thereof (as the case may be). Submission of a proxy form shall not preclude you from attending and voting in person at the EGM or its adjournment thereof should you so wish.

In accordance with the Listing Rules, the Subscriber and its associates (holding 345,929,020 Shares, representing approximately 28.99% of the issued share capital of the Company as at the Latest Practicable Date) will be required to abstain from voting on the resolution(s) in respect of the Subscription at the EGM. Save for the Subscriber and its associates, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, no other Shareholders are required to abstain from voting on the resolution(s) in respect of the Subscription at the EGM.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolution(s) set out in the notice of the EGM will be voted by poll.

Further announcement(s) will be made by the Company as and when appropriate to inform the Shareholders of, among other things, the poll results of the EGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement of Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 22 July 2026 to Monday, 27 July 2026 (both dates inclusive), during which period no transfer of Shares will be registered. The record date for determining such entitlement is Monday, 27 July 2026. In order to be eligible to attend and vote at the EGM, all properly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 21 July 2026.

RECOMMENDATION

The Directors (including the Independent Board Committee after considering the advice of the Independent Financial Adviser) consider that the terms of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the Subscription and the granting of the Specific Mandate) are fair and reasonable and on normal commercial terms or better though it is not in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (other than Mr. Cheung who has material interest in the transactions as contemplated under the Subscription and Settlement Agreement) recommend the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 29 to 30 of this circular which contains its recommendation to the Independent Shareholders in respect of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate), and (ii) the letter from the Independent Financial Adviser set out on pages 31 to 41 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect the aforesaid regards.

Your attention is also drawn to the additional information set out in the appendix to this circular.

LETTER FROM THE BOARD

Completion of the Subscription is subject to the fulfilment or waiver (as applicable) of the conditions precedent set out in the Subscription and Settlement Agreement. Accordingly, the Subscription may or may not proceed. Shareholders and potential investors of the Company should exercise extreme caution when dealing in the Shares.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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)*

8 July 2026

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to the circular of the Company dated 8 July 2026 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders in respect of the terms of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate), details of which are set out in the “Letter from the Board” contained in the Circular. The Independent Financial Adviser has been appointed to advise the Independent Shareholders and us in this regard.

Details of the advice and the principal factors and reasons which the Independent Financial Adviser has taken into consideration in giving such advice are set out in the “Letter from the Independent Financial Adviser” in the Circular. Your attention is also drawn to the “Letter from the Board” in the Circular and the additional information as set out in the appendix hereto.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the terms of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate), and the recommendation of the Independent Financial Adviser as stated in its letter of advice, we are of the opinion that the terms of the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) are fair and reasonable and on normal commercial terms so far as the Independent Shareholders are concerned. While the Subscription and Settlement Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole. We, therefore, recommend that you vote in favour of the resolution(s) to be proposed at the EGM to approve the Subscription and the grant of the Specific Mandate.

Yours faithfully,

For and on behalf of the
Independent Board Committee

Mr. Wu Jilin
*Independent non-executive
Director*

Mr. Lam Cheung Shing Richard
*Independent non-executive
Director*

Mr. So Yin Wai
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription for the purpose of inclusion in the Circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

8 July 2026

*To: The Independent Board Committee and the Independent Shareholders
of Biosysen Limited*

Dear Sirs,

CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 8 July 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 26 May 2026 (the “**Agreement Date**”), the Company and the Subscriber entered into the Subscription and Settlement Agreement, pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, the Convertible Bonds in the aggregate principal amount of HK\$50.0 million at face value. The subscription price shall be satisfied by the Subscriber at Completion by way of set-off against the Set-off Loan, and the Convertible Bonds may be converted into 322,580,645 Conversion Shares at the initial Conversion Price of HK\$0.155 per Conversion Share upon full conversion.

With reference to the Board Letter, the Subscription constitutes a connected transaction of the Company and is subject to Independent Shareholders’ approval under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Mr. Wu Jilin, Mr. Lam Cheung Shing Richard and Mr. So Yin Wai (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the Subscription is in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Subscription and the grant of the Specific Mandate at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company relating to any transaction of the Company with executed agreement, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser. Having considered the above and that none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Company. We have assumed that all information and representations that have been provided by the Company, for which it is solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Company's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Subscriber, its respective subsidiaries or associates (as the case may be), nor have we considered the taxation implication on the Group or the Shareholders as a result of the Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. Nevertheless, Shareholders will be notified if there are any material changes to our opinion, advice and/or recommendation in this letter after the Latest Practicable Date. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of these information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Subscription, we have taken into consideration the following principal factors and reasons:

Background of and reasons for the Subscription

Information on the Group

With reference to the Board Letter, the Company was incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding. The Group is principally engaged in: (i) accommodation business, namely, the provision of accommodation operations, the provision of property facilities management services, and the provision of accommodation consultations services and other related business; and (ii) the healthcare and beauty business.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a summary of the Group's audited consolidated financial performance for each of the two years ended 31 December 2025 as extracted from the Company's annual report for the year ended 31 December 2025 (the "2025 Annual Report"):

	For the year ended 31 December 2025 ("FY2025") HK\$'000	For the year ended 31 December 2024 ("FY2024") HK\$'000	Year on year change %
Revenue	51,305	40,684	26.11
Operating loss	(40,476)	(31,195)	29.75
Loss attributable to owners of the Company	(43,532)	(21,120)	106.12

As depicted from the above table, the Group's revenue increased by approximately 26.11% from approximately HK\$41 million for FY2024 to approximately HK\$51 million for FY2025. With reference to the 2025 Annual Report, such increase was mainly attributable to increase in revenue from the Group's healthcare and beauty segment as partially offset by decrease in revenue from the Group's accommodation segment. Despite the aforesaid increase in the Group's revenue, the Group's operating loss and loss attributable to owners of the Company increased by approximately 29.75% and 106.12% respectively from FY2024 to FY2025. With reference to the 2025 Annual Report, such increases were mainly due to increases in cost of sales and other operating expenses, and allowance for expected credit loss model on financial assets for FY2025 in contrast to reversal of expected credit loss model on financial assets for FY2024.

According to the 2025 Annual Report, the Group had (i) net current liabilities of approximately HK\$66.68 million; and (ii) net liabilities of approximately HK\$102.90 million, as at 31 December 2025. Such conditions, together with the Group's net loss of approximately HK\$45.38 million for FY2025, indicated that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Information on the Subscriber

With reference to the Board Letter, the Subscriber is a limited liability company incorporated in Hong Kong and is principally engaged in investment holding. To the best of the knowledge, information and belief of the Company, as at the Latest Practicable Date, the Subscriber is a substantial Shareholder holding 345,929,020 Shares, representing approximately 28.99% of the issued Shares. The Subscriber is indirectly wholly-owned by Mr. Cheung, a non-executive Director.

Reasons for and benefits of the Subscription

Detailed reasons for and benefits of the Subscription are set out under the section headed "REASONS FOR AND BENEFITS OF THE SUBSCRIPTION" of the Board Letter.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the Board Letter, the Subscriber has provided the Group with an unsecured, interest-free, and demand-repayable loan facility of up to HK\$150,000,000 to support the Group's continuing operation as a going concern. The aggregate amount outstanding under such facility as at 30 April 2026 was approximately HK\$50.6 million (i.e., the Shareholder's Loan). The Subscriber and the Company have entered into negotiations regarding the settlement of the Shareholder's Loan. It is the intention of the parties that the Shareholder's Loan shall be partially settled through the issuance of the Convertible Bonds by the Company to the Subscriber. No net proceeds will be received by the Company from the issuance of the Convertible Bonds.

In respect of other financing alternatives, we noted from the Board Letter that the Directors (other than Mr. Cheung who abstained from voting at the relevant Board meeting) consider that the issuance of the Convertible Bonds is the most appropriate and beneficial option for the following principal reasons:

- (i) Favourable terms – Unlike traditional bank borrowings, which typically involve interest expenses and often require collateral or assets as security, the Convertible Bonds are interest-free and unsecured.
- (ii) Addressing capital deficiency – As disclosed in the 2025 Annual Report, the Group was in a capital deficiency position and faces significant challenges in securing conventional debt financing on favourable terms. The issuance of the Convertible Bonds enables the Group to improve its net liability position without the immediate cash outflow required for interest payments or principal repayment.

With reference to the Board Letter, the issuance of the Convertible Bonds will settle the liability under the Set-off Loan and replace the demand-repayable nature of the loan with a fixed maturity date. Under the terms of the Convertible Bonds, the Company may request early redemption subject to terms and conditions of the Convertible Bonds, whereas such right is not available to the Bondholder(s), thereby providing the Company with greater flexibility in its future cash flow management. Subject to the terms and conditions of the Convertible Bonds, the Convertible Bonds may further be settled upon conversion and issuance of the Conversion Shares, which will strengthen the capital base and reduce the Company's liabilities, thereby improving the financial position of the Company.

Having considered the above and that:

- (i) The Group had (a) net current liabilities of approximately HK\$66.68 million; and (b) net liabilities of approximately HK\$102.90 million, as at 31 December 2025. Such conditions, together with the Group's net loss of approximately HK\$45.38 million for FY2025, indicated that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Upon the conversion of the Convertible Bonds, whether in whole or in any part, the corresponding outstanding indebtedness can be capitalised into equity;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(ii) the Group only had cash and cash equivalents of approximately HK\$2.44 million as at 31 December 2025; and

(iii) the Convertible Bonds will not bear any interest,

we consider that the Subscription will ease the financial pressure of the Group and without increasing the Group's finance cost.

Accordingly, we are of the view that although the Subscription is not conducted in the ordinary and usual course of business of the Company, it is in the interest of the Company and the Shareholders as a whole.

Principal terms of the Subscription and the Convertible Bonds

Date

26 May 2026 (after trading hours)

Parties

- (i) The Company (as issuer); and
- (ii) Osibao Cosmetics International Limited (as Subscriber)

The Subscription

Pursuant to the Subscription and Settlement Agreement, the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for at face value, the Convertible Bonds in the aggregate principal amount of HK\$50.0 million.

The Settlement

The Subscriber shall pay the subscription price of the Convertible Bonds at Completion by way of set-off against the Set-off Loan. Upon Completion, the repayment obligations of the Company for the Set-off Loan shall be fully discharged. To the extent of the amount of the Set-off Loan, the Subscriber agrees to waive all its rights absolutely against the Company for any claim whatsoever.

The Convertible Bonds

Principal amount

Principal amount of HK\$50.0 million.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Interest

The Convertible Bonds do not bear any interest.

As noted from the terms of the CB Comparables (as defined below), the interest rates of the CB Comparables (as defined below) ranged from nil to 12% per annum. We consider that it is fair and reasonable for the Convertible Bonds not to bear any interest.

Maturity Date

The date falling on the fifth (5th) anniversary of the date of issue of the Convertible Bonds.

Redemption

Redemption at maturity: The Company shall redeem the Convertible Bonds by repaying the Bondholder(s) all outstanding principal amount and any other outstanding amount due but unpaid under the Convertible Bonds (if any) on the maturity date of the Convertible Bonds.

Early redemption: The Company may at any time during the period commencing from the beginning of the 13th month from the date of issue of the Convertible Bonds up to the maturity date of the Convertible Bonds redeem the Convertible Bonds then outstanding at 100% of the outstanding principal amount of the Convertible Bonds to be redeemed.

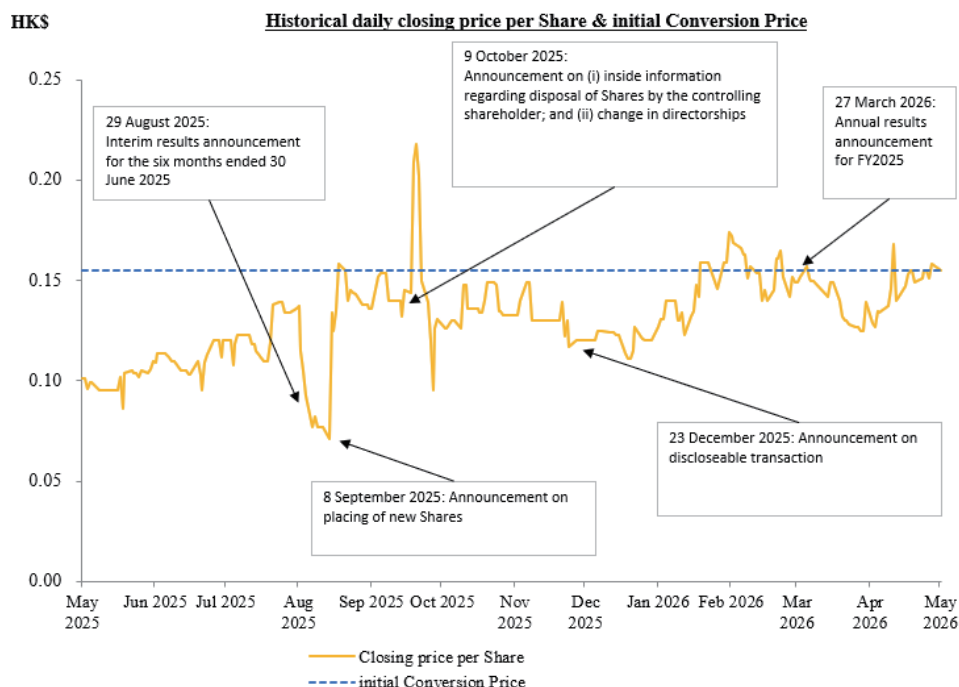
Conversion price

The Conversion Price is HK\$0.155 per Conversion Share (subject to adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds), represents:

- (i) a premium of approximately 3.33% over the closing price of HK\$0.150 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) the same as the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the Agreement Date; and
- (iii) a premium of approximately 0.65% over the average closing price of HK\$0.154 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Agreement Date (the “**5 Days Premium**”).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a chart showing the movement of the closing prices of the Shares during the period from 1 June 2025 up to the Agreement Date (the “**Share Review Period**”), being an adequate and representative review period and the duration of which is sufficient for us to perform a thorough analysis on the general trend and level of movement of the closing prices of the Shares:



Source: The Stock Exchange's website

During the Share Review Period, the lowest and highest closing prices of the Shares as quoted on the Stock Exchange were HK\$0.071 recorded on 8 September 2025 and HK\$0.218 recorded on 15 October 2025. The initial Conversion Price of HK\$0.155 per Conversion Share falls within the closing price range of the Shares as quoted on the Stock Exchange during the Share Review Period.

From the start of the Share Review Period, the closing prices of Shares formed a general increasing trend up to 26 August 2025. Thereafter, the closing price of Shares dropped sharply and reached its lowest of HK\$0.071 on 8 September 2025. After recovering to HK\$0.158 on 12 September 2025, the closing price of Share also surged to HK\$0.218 on 15 October 2025. Subsequently, the closing price of Share dropped to HK\$0.095 on 22 October 2025 and fluctuated between HK\$0.111 to HK\$0.174 from 23 October 2025 up to the date of the Subscription and Settlement Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As part of our analysis, we identified subscription transactions in relation to issuance of convertible bonds/notes under specific mandate for repayment of debt (with part of the proceeds), set-off of debt or loan capitalisation (excluding transactions that involve debt restructuring, which we consider that they may involve more complex deal structure which may affect their terms) announced by companies listed on the Stock Exchange from 26 November 2025 up to the Agreement Date, being a period of six months prior to and including the Agreement Date (the “**CB Comparables**”). For the purpose of conducting an objective assessment on the overall market practice including transactions with connected persons and independent third parties, we did not limit our selection criteria to connected transactions. To the best of our knowledge and as far as we are aware of, we found four transactions which met the said criteria and they are exhaustive. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the CB Comparables.

Company name (stock code)	Date of announcement	Interest rate per annum (%)	Conversion price premium/ (discount) over/ (to) the closing price per share for the last 5 consecutive trading days immediately prior to the date of agreement in relation to the respective issuance of convertible bonds/notes (%)	Conversion price premium/ (discount) over/ (to) the average closing price per share for the last 5 consecutive trading days immediately prior to the date of agreement in relation to the respective issuance of convertible bonds/notes (%)	Percentage of number of conversion shares to the number of issued shares as at the date of announcement (%)	Dilution to the public shareholders (%)	Connected transaction
			Conversion price premium/ (discount) over/ (to) the closing price per share on the date of agreement in relation to the respective issuance of convertible bonds/notes (%)	Conversion price premium/ (discount) over/ (to) the average closing price per share for the last 5 consecutive trading days immediately prior to the date of agreement in relation to the respective issuance of convertible bonds/notes (%)			
SEM Holdings Limited (9929)	3 December 2025	Nil	6.8	6.0	20.00	(16.67)	Yes
China Biotech Services Holdings Limited (8037)	29 December 2025	10.0% for first two years; and 12.0% thereafter (Note)	(16.5)	(24.5)	42.28	(29.72)	No
China Water Industry Group Limited (1129)	16 February 2026	10.0%	(31.6)	Nil	142.9	(58.83)	No
Man Sang International Limited (938)	25 March 2026	2.0%	14.3	(2.4)	229.55	(69.66)	Yes
Maximum		12.0%	14.3	6.0	229.55	(16.67)	
Minimum		Nil	(31.6)	(24.5)	20.00	(69.66)	
Average		6.8%	(6.7)	(5.2)	108.68	(43.72)	
Median		10.0%	(4.8)	(1.2)	92.59	(44.27)	
The Company	26 May 2026	Nil	Nil	0.65	27.04	(21.28)	Yes

Source: The Stock Exchange's website

Note: The interest rates of both 10% and 12% were adopted in the calculation of the maximum, minimum, average and median of interest rate per annum of the CB Comparables.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As depicted from the above table, the conversion prices of the CB Comparables:

- (i) ranged from discount of approximately 31.6% to a premium of approximately 14.3%, with average discount of approximately 6.7% and median discount of approximately 4.8%, to/over the respective closing prices of shares on the date of agreement in relation to the respective transaction; and
- (ii) ranged from discount of approximately 24.5% to premium of approximately 6.0%, with average discount of approximately 5.2% and median discount of approximately 1.2%, to/over the respective average closing prices of shares for the last five consecutive trading days immediately prior to the date of agreement in relation to the respective transaction.

The Conversion Price (i) equals to the closing price per Share on the date of the Subscription and Settlement Agreement; and (ii) represents the 5 Days Premium of approximately 0.65%, which are within the respective ranges of the CB Comparables.

Having considered the above and that the initial Conversion Price of HK\$0.155 falls within the closing price range of the Shares as quoted on the Stock Exchange during the Share Review Period, we are of the view that the initial Conversion Price is fair and reasonable.

Taking into account the principal terms of the Subscription as highlighted above, we are of the view that the terms of the Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

Possible dilution effect on the shareholding interests of the existing public Shareholders

As illustrated by the shareholding table contained under the section headed “EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” of the Board Letter, the shareholding interests of the existing public Shareholders would be diluted by approximately 15.12 percentage points (representing a decrease of approximately 21.28%) as a result of the full conversion of the Convertible Bonds at the initial Conversion Price. Despite the dilution to the existing public Shareholders, taking into account (i) the reasons and benefits for the Subscription; and (ii) the terms of the Subscription being fair and reasonable, we are of the view that the said level of dilution to the shareholding interests of the existing public Shareholders as a result of the full conversion of the Convertible Bonds at the initial Conversion Price is justifiable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) although the Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Subscription and the grant of the Specific Mandate and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors and chief executive's interests in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which, pursuant to section 352 of the SFO, have been entered in the register referred to herein, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules are as follows:

Long position

Name of Director	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
Mr. Cheung (Note 2)	Interest of a controlled corporation	345,929,020	28.99%

Notes:

- The approximate shareholding percentage is based on the number of Shares in issue as at the Latest Practicable Date of 1,193,065,160.
- These 345,929,020 Shares were registered in the name of Osibao Cosmetics International Limited (i.e., the Subscriber) which is a company incorporated in Hong Kong. Mr. Cheung held the entire issued share capital of China Regenerative Medicine Tissue Engineering Limited which is a company incorporated in the British Virgin Islands (“**CRMT**”) and CRMT effectively held the entire issued share capital of the Subscriber.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

(b) Substantial Shareholders' interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following parties (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares or debentures of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Long position

Name of Shareholder	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
Osibao Cosmetics International Limited (i.e., the Subscriber) (Note 2)	Beneficial owner	345,929,020	28.99%
Li Baoshan	Beneficial owner	93,940,000	7.87%
Kwan Man Cheuk	Beneficial owner	66,082,000	5.54%

Notes:

1. The approximate shareholding percentage is based on the number of Shares in issue as at the Latest Practicable Date of 1,193,065,160.
2. Mr. Cheung held the entire issued share capital of CRMT and CRMT effectively held the entire issued share capital of the Subscriber.

Save as disclosed above and as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying Shares or debentures of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO.

3. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or controlling Shareholders or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Company since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

8. MATERIAL CONTRACTS

Save as disclosed below, there had been no material contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by members of the Group, entered into by members of the Group within the two years immediately preceding and including the Latest Practicable Date:

- (a) the placing agreement dated 2 September 2024 (the “**2024 Placing Agreement**”) entered into between the Company and VC Brokerage Limited as placing agent in relation to the placing of up to 89,670,000 placing shares to not less than six independent placees at the placing price of HK\$0.169 per placing share, pursuant to which the Company shall pay to VC Brokerage Limited a non-refundable documentary and placing fee of HK\$128,000. For further details, please refer to the announcement of the Company dated 2 September 2024;
- (b) the placing agreement dated 8 September 2025 (the “**2025 Placing Agreement**”) entered into between the Company and Cheong Lee Securities Limited as placing agent in relation to the placing of up to 198,840,000 placing to not less than six independent placees at the placing price of HK\$0.063 per placing share, pursuant to which the Company shall pay to Cheong Lee Securities Limited a non-refundable documentary and placing fee of HK\$120,000. For further details, please refer to the announcement of the Company dated 8 September 2025; and
- (c) the Subscription and Settlement Agreement.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or has given opinion, letters or advice contained in this circular:

Name	Qualification
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, the above expert:

- (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters and the reference to its name in the form and context in which it appears;
- (ii) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

- (iii) did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.biosysen.bio) during the period of 14 days from the date of this circular:

- (a) the Subscription and Settlement Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out in this circular;
- (d) the 2024 Placing Agreement and the 2025 Placing Agreement as referred to in the paragraph headed “8. Material Contracts” in this appendix;
- (e) the written consent referred to in paragraph headed “9. Expert and Consent” in this appendix; and
- (f) this circular.

11. MISCELLANEOUS

This circular has been prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular shall prevail over its Chinese text.

NOTICE OF THE EGM



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)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of Biosysen Limited (the “**Company**”) will be held at 3:00 p.m. on Monday, 27 July 2026 at Room 3008-3009, 30/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, with or without amendments, passing the following resolution(s) of the Company.

Words and expressions that are not expressly defined in this notice of EGM shall have the same meaning given to them in the circular of the Company dated 8 July 2026 (the “**Circular**”).

“THAT:

- (a) the subscription and settlement agreement dated 26 May 2026 (the “**Subscription and Settlement Agreement**”) entered into between the Company as issuer and Osibao Cosmetics International Limited as subscriber in respect of the issue of convertible bonds in an aggregate principal amount of HK\$50.0 million (the “**Convertible Bonds**”) upon and subject to the terms and conditions as set out therein and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (b) the issue of the Convertible Bonds by the Company in accordance with the terms and conditions of the Subscription and Settlement Agreement be and is hereby approved;
- (c) the allotment and issue of new Shares which may fall to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds in accordance with the terms and conditions thereof (the “**Conversion Shares**”) be and are hereby approved;

NOTICE OF THE EGM

- (d) conditional upon, among other matters, the listing committee of the Stock Exchange granting the listing of, and permission to deal in, the Conversion Shares, the specific mandate to the Directors to exercise the powers of the Company for the allotment and issue of the Conversion Shares in accordance with the terms and conditions of the Convertible Bonds be and is hereby approved; and
- (e) any one of the Directors be and is hereby authorised to do all such things and act as he/she may in his/her discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation of the Subscription and Settlement Agreement and the transactions contemplated thereunder, including but not limited to the execution of all such documents under seal where applicable, as he/she considers necessary or expedient in his/her opinion to implement and/or give effect to the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds.”

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

Hong Kong, 8 July 2026

Notes:

1. For the purpose of determining the entitlement of Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 22 July 2026 to Monday, 27 July 2026 (both dates inclusive), during which period no transfer of Shares will be registered. The record date for determining such entitlement is Monday, 27 July 2026. In order to be eligible to attend and vote at the EGM, all properly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 21 July 2026.
2. Any Shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the EGM. A proxy need not be a Shareholder. On a poll, votes may be given either personally or by proxy.
3. A form of proxy for use at the EGM is enclosed. To be valid, the proxy form completed in accordance with the instructions printed thereon shall be delivered to the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the EGM or its adjournment thereof.
4. Voting at the EGM shall be taken by poll.

NOTICE OF THE EGM

5. If a tropical cyclone warning signal number 8 or above is hoisted, or “extreme conditions” announced by the Hong Kong Government or a black rainstorm warning is/are in force anytime after 12:00 noon on the date of the EGM, the meeting will not be held but will be adjourned to a later date in accordance with the articles of association of the Company. The Company will as soon as practicable post an announcement on the websites of the Stock Exchange and the Company.
6. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, 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.