

**DATED June 27, 2025**

**SUNSHINE LAKE PHARMA CO., LTD.**  
**(廣東東陽光藥業股份有限公司)**

**AND**

**CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG**  
**SECURITIES LIMITED**

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**SPONSOR AGREEMENT**

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**THIS AGREEMENT is made on June 27, 2025**

**BETWEEN:**

- (1) **SUNSHINE LAKE PHARMA CO., LTD.** (廣東東陽光藥業股份有限公司), a joint stock company incorporated in the PRC with limited liability having its registered address at 1 Industrial North Road, Songshan Lake Park, Dongguan City, Guangdong Province, the PRC (the “**Company**”); and
- (2) **CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED** of 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (“**CICC**”), and is a licensed corporation as defined in the SFO and licensed by SFC under Central Entity number AEN894 and is licensed to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) under the SFO.

**RECITALS:**

- (A) The Company is a joint stock company incorporated in the PRC with limited liability on December 29, 2003, and is registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance.
- (B) As at the date of this Agreement, the Company has a total issued share capital of RMB463,943,215 with a nominal value of RMB1.00 each.
- (C) As at the date of this Agreement, the Controlling Shareholders held, directly or indirectly, approximately 62.12% of the total issued share capital of the Company.
- (D) The Company has appointed CICC as the Sole Sponsor to the proposed listing of the H Shares of the Company on the Stock Exchange pursuant to an engagement letter entered into between the Company and the Sole Sponsor on February 21, 2024 (the “**Engagement Letter**”).
- (E) The Sole Sponsor has submitted a listing application to the Stock Exchange on behalf of the Company in connection with the Introduction and for the listing of, and permission to deal in the H Shares to be issued pursuant to the Introduction and the Privatization.
- (F) The Company has agreed to give irrevocably the representations, warranties, undertakings and indemnities set out herein in favour of the Sole Sponsor.
- (G) The Company has appointed Computershare Hong Kong Investor Services Limited to act as its Hong Kong share registrar for the H Shares.
- (H) The Company has obtained the notification issued by the CSRC on the Company’s completion of the PRC filing procedures for the Introduction and the listing of the H Shares on the Stock Exchange on June 16, 2025.
- (I) At a meeting of the board of directors of the Company held on June 24, 2025, resolutions were passed pursuant to which, inter alia, the Directors approved, and either one of Mr. Zhang Yingjun or Ms. Li Wenjia was authorized to sign on behalf of the

Company, this Agreement and all the other relevant documents in connection with the Introduction.

**NOW IT IS HEREBY AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1. **Introduction:** Except where the context otherwise requires, in this Agreement, including the Recitals and the Schedules, the following words and expressions shall have the respective meanings set out below:

**“Admission”** means the grant by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the H Share to be issued pursuant to the Introduction and the Privatization on the Main Board of the Stock Exchange;

**“Affiliates”** means, in relation to any person, means any other person which is the holding company of such person, or which is a subsidiary or branch, or any subsidiary or branch of the holding company of such person, or which directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such person. For the purposes of the foregoing, **“control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise, and the terms **“controlling”**, **“controlled by”** and **“under common control with”** shall be construed accordingly;

**“AFRC”** means the Accounting and Financial Reporting Council of Hong Kong;

**“AFRC Transaction Levy”** means the transaction levy at the rate of 0.00015% of the Offer Price in respect of the Offer Shares imposed by the AFRC;

**“Application Proof”** means the application proof of the Listing Document posted on the Stock Exchange’s website at <http://www.hkexnews.hk> on June 11, 2025;

**“Approvals and Filings”** means all approvals, sanctions, consents, permissions, certificates, authorisations, licenses, permits, clearances, orders, concessions, qualifications, registrations, declarations and franchises from any person, and filings and registrations with any person, of any relevant jurisdictions;

**“Articles of Association”** means the articles of association of the Company as amended, supplemented or otherwise modified from time to time;

**“Associate”** or **“Close Associate”** has the meaning given to it in the Listing Rules;

**“Authority”** means any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign (including, without limitation, the SFC, the Stock Exchange and the CSRC);

**“Board”** means the board of Directors of the Company;

**“Business Day”** means a day (other than Saturday or Sunday or public holiday) on which banking institutions in Hong Kong are open generally for normal banking business;

**“CCASS”** means the Central Clearing and Settlement System established and operated by HKSCC;

**“Code of Conduct”** means the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission, as amended, supplemented or otherwise modified from time to time;

**“Companies Ordinance”** means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;

**“Companies (Winding Up and Miscellaneous Provisions) Ordinance”** means the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;

**“Compliance Adviser”** means China Sunrise Capital Limited;

**“Compliance Adviser Agreement”** means the agreement entered into between the Company and the Compliance Adviser on May 29, 2024, appointing the Compliance Adviser to provide continuing compliance advice to the Company as stipulated therein and as required under the Listing Rules;

**“Conditions”** means the conditions precedent set out in Clause 2.1;

**“Conditions Precedent Documents”** means the documents listed in Parts A and B of Schedule 2 of this Agreement;

**“Contracts (Rights of Third Parties) Ordinance”** means the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong), as amended or supplemented from time to time;

**“Controlling Shareholder(s)”** has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Mr. Zhang Yushuai, Ms. Guo Meilan, Guangdong HEC Technology, Yichang HEC Research, Dongguan HEC Research, Linzhi HEC Pharmaceutical Research, Ruyuan HEC Industrial, Yidu HEC Industrial, Yichang HEC Medicine, Shenzhen HEC Pharmaceutical, Shenzhen HEC Industrial, Dongguan HEC Industrial, Zhejiang HEC Health, Ruyuan Yuneng Electric, Ruyuan Shuaicai Investment, Shaoguan Xinyuneng Industrial, Ruyuan Xinjing Technology, Yidu Junjiafang and Yidu Shuaixinwei, details of which are set out in the section headed “Relationship with our Controlling Shareholders” in the Listing Document;

**“CSRC”** means the China Securities Regulatory Commission of the PRC;

**“CSRC Archive Rules”** means the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的

規定) issued by the CSRC, the Ministry of Finance of the PRC, the National Administration of State Secrets Protection of the PRC, and the National Archives Administration of the PRC (effective from 31 March 2023), as amended, supplemented or modified from time to time;

“**CSRC Filing Rules**” means the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC (effective from March 31, 2023), as amended, supplemented or otherwise modified from time to time;

“**CSRC Filing Notice**” means the filing notice from the CSRC dated June 16, 2025 confirming the completion of the procedures for the filing for, among other things, the Introduction;

“**CSRC Filing Report**” means the filing report of the Company in relation to the Introduction, submitted to the CSRC on December 13, 2024 pursuant to Article 13 of the CSRC Filing Rules, including any amendments, supplements and/or modifications thereof;

“**CSRC Filing(s)**” means any letters, filings, correspondences, communications, documents, responses, undertakings and submissions in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the Introduction pursuant to the CSRC Filing Rules and other applicable rules and requirements of the CSRC (including, without limitation, the CSRC Filing Report);

“**CSRC Rules**” means the CSRC Filing Rules and the CSRC Archive Rules;

“**Directors**” means the directors of the Company whose names are set out in the section headed “Directors, Supervisors and Senior Management” of the Listing Document;

“**Disputes**” has the meaning ascribed to it in Clause 14.2;

“**Encumbrance**” means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, equitable right, power of sale, hypothecation, retention of title, right of pre-emption or other third party claim, claim, defect, right, interest or preference granted to any third party, or any other encumbrance or security interest of any kind, or an agreement, arrangement or obligation to create any of the foregoing;

“**FINI**” means the “Fast Interface for New Issuance”, an online platform operated by the HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement of all new listings;

“**FINI Agreement**” means the FINI agreement dated June 24, 2025 and entered into between the Company and HKSCC;

“**Formal Notice**” means the formal notice in relation to the Introduction in the agreed form required to be published in accordance with the Listing Rules;

“**Group**” means the Company and its Subsidiaries from time to time, and the expression “**member of the Group**” shall be construed accordingly;

“**H Share(s)**” means shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are to be traded in HK\$ and listed on the Stock Exchange pursuant to the Listing;

“**HK\$**” or “**Hong Kong dollars**” means Hong Kong dollars, the lawful currency of Hong Kong;

“**HKSCC**” means Hong Kong Securities Clearing Company Limited;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the PRC;

“**Hong Kong Share Registrar**” means Computershare Hong Kong Investor Services Limited;

“**Indemnified Parties**” means the Sole Sponsor, and each of its Affiliates and delegates under Clause 3.2, as well as the representatives, partners, directors, officers, employees, assignees and agents of the Sole Sponsor and each of its Affiliates, and “**Indemnified Party**” means any one of them;

“**Indemnifying Party**” means the Company;

“**Industry Consultant**” means Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.;

“**Internal Control Consultant**” means KPMG Advisory (China) Limited Guangzhou Branch;

“**Introduction**” means the proposed Listing of our Company by way of introduction on the Main Board of the Stock Exchange, which include the creation of listed equity consideration (in the form of H Shares) for the Privatization;

“**Laws**” means all laws, rules, regulations, guidelines, opinions, notices, circulars, orders, codes, policies, consents, judgments, decrees or rulings of any court, government, law enforcement agency, governmental or regulatory authority whether national, federal, provincial, regional, state, municipal or local, domestic or foreign (including, without limitation, the Stock Exchange, the SFC and the CSRC) of all relevant jurisdictions (including, without limitation, Hong Kong and the PRC) (including, without limitation, the Listing Rules, Code of Conduct, Companies Ordinance, Companies (Winding up and Miscellaneous Provisions) Ordinance, and the CSRC Rules);

“**Listing**” means the listing (by way of introduction) of, and permission to deal in, the H Shares on the Main Board of the Stock Exchange;

“**Listing Committee**” means the listing committee of the Stock Exchange;

“**Listing Date**” means the first day on which the H Shares commence trading on the Stock Exchange (which is expected to be on August 7, 2025);

**“Listing Document”** means the listing document in agreed form, relating to the Introduction, to be issued by the Company (including any supplement or amendment thereto);

**“Listing Document Date”** means the date of issue of the Listing Document, which is expected to be on or around June 30, 2025;

**“Listing Documentation”** means the Listing Document, the Formal Notice and any other notices, announcements, circulars and documents issued or to be issued by the Company in relation to the Introduction (including any supplement or amendment thereto) and any materials furnished at investor education materials relating to the Company or the Introduction (including any supplement or amendment thereto) from the Listing Document Date to the Listing Date (both dates inclusive), whether in Hong Kong or the United States or elsewhere;

**“Listing Rules”** means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the listing decisions, guidelines and other requirements of the Stock Exchange;

**“Main Board”** means the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;

**“Material Adverse Effect”** means a material adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders’ equity, position or condition (financial, trading or otherwise) of the Company or the Group as a whole;

**“PRC”** means the People’s Republic of China which, for the purposes of this Agreement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;

**“PRC Company Law”** means the Company Law of the PRC;

**“Proceedings”** has the meaning ascribed to it in Clause 10.1;

**“Registrar Agreement”** means the agreement dated June 24, 2025 entered into between the Company and the Hong Kong Share Registrar in relation to the appointment of the Hong Kong Share Registrar;

**“Reporting Accountants”** means KPMG;

**“RMB”** or **“Renminbi”** means renminbi, the lawful currency of the PRC;

**“Securities Act”** means the United States Securities Act of 1933, as amended from time to time;

**“Securities and Futures Ordinance”** or **“SFO”** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;



**“SEHK” or “Stock Exchange”** means The Stock Exchange of Hong Kong Limited;

**“Securities and Futures (Stock Market Listing) Rules”** means the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong);

**“SFC”** means the Securities and Futures Commission of Hong Kong;

**“SFC Transaction Levy”** means the transaction levy at the rate of 0.0027% of the Offer Price in respect of the Offer Shares imposed by the SFC;

**“Shares”** means ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares;

**“Sole Sponsor”** means China International Capital Corporation Hong Kong Securities Limited;

**“Subsidiaries”** means the subsidiaries of the Company as the term is defined under the Listing Rules, including, but not limited to the companies named in Appendix I to the Listing Document as subsidiaries of the Company, and **“Subsidiary”** means any one of them;

**“Taxation” or “Taxes”** means all forms of taxation whenever created, imposed or arising and whether of Hong Kong, the PRC or of any other part of the world and, without prejudice to the generality of the foregoing, includes all forms of taxation on or relating to profits, salaries, interest and other forms of income, taxation on capital gains, sales and value added taxation, business tax, estate duty, death duty, capital duty, stamp duty, payroll taxation, withholding taxation, rates and other taxes or charges relating to property, customs and other import and excise duties, and generally any taxation, fee, assessment, duty, impost, levy, rate, charge or any amount payable to taxing, revenue, customs or fiscal Authorities whether of Hong Kong, the PRC or of any other part of the world, whether by way of actual assessment, withholding, loss of allowance, deduction or credit available for relief or otherwise, and including all interest, additions to tax, penalties or similar liabilities arising in respect of any taxation;

**“U.S.” and “United States”** means the United States of America;

**“U.S. Special Resolution Regime”** means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder;

**“US\$”** means United States dollars, the lawful currency of the United States;

**“Verification Notes”** means the verification notes relating to the Listing Document and the verification notes relating to the CSRC Filing Report, copies of which have been signed and approved by, among others, the Directors, and delivered or will be delivered to the Sole Sponsor; and

**“Warranties”** means the representations, warranties, agreements and undertakings of the Company as set out in Schedule 1.

- 1.2. **Recitals and Schedules:** The Recitals and Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement shall include the Recitals and the Schedules.
- 1.3. **References:** Except where the context otherwise requires, references in this Agreement to:
- 1.3.1 statutes or statutory provisions, rules or regulations (whether or not having the force of law), shall be construed as references to the same as amended, varied, modified, consolidated or re-enacted or both from time to time (whether before or after the date of this Agreement) and to any subordinate legislation made under such statutes or statutory provisions;
  - 1.3.2 a “**company**” shall include any company, corporation or other body corporate, whenever and however incorporated or established;
  - 1.3.3 a “**person**” shall include any individual, body corporate, unincorporated association or partnership, joint venture, government, state or agency of a state (whether or not having separate legal personality);
  - 1.3.4 a “**subsidiary**” or a “**holding company**” are to the same as defined in section 15 and 13 of the Companies Ordinance;
  - 1.3.5 “**Clauses**”, “**Paragraphs**”, “**Recitals**” and “**Schedules**” are to clauses and paragraphs of and recitals and schedules to this Agreement;
  - 1.3.6 “**parties**” are to the parties to this Agreement;
  - 1.3.7 the terms “**herein**”, “**hereof**”, “**hereto**”, “**hereinafter**” and similar terms, shall in each case refer to this Agreement taken as a whole and not to any particular clause, paragraph, sentence, schedule or other subdivision of this Agreement;
  - 1.3.8 the terms “**or**”, “**including**” and “**and**” are not exclusive;
  - 1.3.9 a document being “**in the agreed form**” are to a document in a form from time to time (whether on or after the date hereof) agreed between the Company and the Sole Sponsor with such alternatives as may be agreed between the Company and the Sole Sponsor but such documents in agreed form do not form part of this Agreement;
  - 1.3.10 a “**certified copy**” means a copy certified as a true copy by a Director, a company secretary of the Company or a counsel for the Company;
  - 1.3.11 “**written**” or “**in writing**” shall include any mode of reproducing words in a legible and non-transitory form;
  - 1.3.12 times of day and dates are to Hong Kong times and dates, respectively; and
  - 1.3.13 any reference to “**right(s)**”, “**duty(ies)**”, “**power(s)**”, “**authority(ies)**” and “**discretion(s)**” of the Sole Sponsor shall only be exercised when the Sole Sponsor elects to do so, respectively.

1.4. **Headings:** The headings in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

1.5. **Genders and plurals:** In this Agreement, words importing a gender shall include the other genders and words importing the singular shall include the plural and vice versa.

## 2. **CONDITIONS**

2.1. **Conditions precedent:** The obligations of the Sole Sponsor under this Agreement are conditional on the following conditions precedent being satisfied or, where applicable, waived (to the extent permissible under applicable Laws):

2.1.1 the Sole Sponsor receiving from the Company all Conditions Precedent Documents as set out in Part A of Schedule 2 and Part B of Schedule 2, in form and substance satisfactory to the Sole Sponsor, not later than 5:00 p.m. on the Business Day immediately before the Listing Document Date and 5:00 p.m. on the Business Day immediately before the Listing Date, respectively, or such later time and/or date as the Sole Sponsor may agree;

2.1.2 Admission having occurred and become effective on or before the Listing Date (or such later date as the Sole Sponsor may agree in writing) and Admission not subsequently having been withdrawn, revoked, withheld or subject to qualifications (except for customary conditions imposed by the Stock Exchange in relation to the Listing) prior to the commencement of trading of the H Shares on the Stock Exchange;

2.1.3 admission into CCASS in respect of the H Shares having occurred and become effective on or before the Listing Date (or such later date as the Sole Sponsor may agree in writing);

2.1.4 the CSRC having accepted the CSRC Filings and published the filing results in respect of the CSRC Filings on its website, and such notice of acceptance and/or filing results published not having otherwise been rejected, withdrawn, revoked or invalidated prior to 8:00 a.m. on the Listing Date;

2.1.5 the Warranties being true, accurate, not misleading and not breached on and as of the date of this Agreement and the dates and times on which they are deemed to be repeated under this Agreement (as though they had been given and made on such dates and times by reference to the facts and circumstances then subsisting);

2.1.6 the Company having complied with this Agreement and satisfied all the obligations and conditions on its part under this Agreement to be performed or satisfied (or otherwise waived in accordance with the terms stated herein) on or prior to the respective times and dates by which such obligations must be performed or such conditions must be met;

2.1.7 all the waivers stated in the Listing Document to be granted by the Stock Exchange are granted and are not otherwise revoked, withdrawn, amended or invalidated; and

- 2.1.8 all of the Approvals and Filings in connection with the application for listing of the H Shares and the Introduction granted by the relevant regulatory authorities have been obtained, valid and are not otherwise revoked, withdrawn, amended or invalidated.
- 2.2. **Procure fulfilment:** The Company undertakes to the Sole Sponsor to fulfil or procure the fulfilment of the Conditions, on or before the relevant time or date specified therefor and, in particular, shall furnish such information, supply such documents, pay such fees, give such undertakings and do all acts and things as may be required by the Sole Sponsor, the Stock Exchange, the SFC, the CSRC and any other relevant Authority for the purposes of or in connection with the application for the listing of and the permission to deal in the H Shares and the fulfilment of such Conditions
- 2.3. **Extension:** The Sole Sponsor shall have the right, in its sole and absolute discretion, on or before the last day on which each of the Conditions is required to be fulfilled, either:
- 2.3.1 to extend the deadline for the fulfilment of any Condition by such number of days/hours and/or in such manner as the Sole Sponsor may determine (in which case the Sole Sponsor shall be entitled to extend the other dates or deadlines referred to in this Agreement in such manner as they deem appropriate, provided that no extension shall be made beyond December 31, 2025 and any such extension and the new timetable shall be notified by the Sole Sponsor to the other parties to this Agreement and the relevant regulatory Authorities as soon as practicable after any such extension is made); or
- 2.3.2 in respect of the Condition set out in Clause 2.1.1, to waive or modify (with or without condition(s) attached and in whole or in part) such Condition.
- 2.4. **Conditions not satisfied:** Without prejudice to Clauses 2.3 and 9, if any of the Conditions has not been fulfilled in accordance with the terms hereof on or before the date or time specified therefor without any subsequent extension of time or waiver or modification in accordance with the terms hereof, this Agreement shall terminate with immediate effect and the provisions of Clause 9.2 shall apply.
- 2.5. **No waiver in certain circumstances:** The Sole Sponsor's consent to or knowledge of any amendments/supplements to the Listing Documentation subsequent to their respective issues, publications or distributions will not (i) constitute a waiver of any of the Conditions; or (ii) result in any loss of its rights to terminate this Agreement.

### 3. **APPOINTMENTS**

- 3.1. **Sole Sponsor:** The Company hereby confirms and acknowledges its appointment, to the exclusion of all others, of CICC to act as the sole sponsor of the Company in relation to its application for Admission, and CICC, relying on the Warranties and subject to the terms and conditions of this Agreement, hereby confirms and acknowledges its acceptance of such appointment. For the avoidance of doubt, the appointment of the Sole Sponsor hereunder is in addition to its engagement under the terms and conditions of the Engagement Letter dated February 21, 2024 which shall continue to be in full force and effect.

- 3.2. **Delegation:** The appointment referred to in Clause 3.1 is made on the basis, and on terms, that each appointee is irrevocably authorized to delegate all or any of its relevant rights, duties, powers and discretions in such manner and on such terms as it thinks fit (with or without formality and without prior notice of any such delegation being required to be given to the Company) to any one or more of its Affiliates or any other person, so long as such Affiliates or person(s) are permitted by applicable Laws to discharge the duties conferred upon them by such delegation. The appointee referred to in Clause 3.1 shall remain liable for all acts and omissions of any of its Affiliates or any other person to which it delegates relevant rights, duties, powers and/or discretions pursuant to this Clause 3.2, notwithstanding any such delegation.
- 3.3. **Conferment of authority:** The Company hereby confirms that the foregoing appointment under Clause 3.1 confer on each of the appointee, its Affiliates and their respective delegates under Clause 3.2 all rights, powers, authorities and discretions on behalf of the Company which are necessary for, or incidental to, the performance of such appointee's roles as a sponsor to the Introduction and hereby agrees to ratify and confirm everything each such appointee, each such affiliate or each such delegate has done or shall do in the exercise of such rights, powers, authorities and discretions.
- 3.4. **No fiduciary relationship:** The Company acknowledges and agrees that the Sole Sponsor, in its role as such, is acting solely as sponsor in connection with the listing of the H Shares on the Stock Exchange.

The Company further acknowledges that the Sole Sponsor is acting pursuant to a contractual relationship with the Company entered into on an arm's length basis, and in no event do the parties intend that the Sole Sponsor act or be responsible as a fiduciary or adviser to the Company, its directors, management, shareholders or creditors or any other person in connection with any activity that the Sole Sponsor may undertake or have undertaken in furtherance of the Introduction or the listing of the H Shares on the Stock Exchange, either before or after the date hereof.

The Sole Sponsor hereby expressly disclaims any fiduciary or advisory or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or otherwise by the Introduction or the listing of the H Shares on the Stock Exchange or any process or matters leading up to such transactions (irrespective of whether the Sole Sponsor has advised or is currently advising the Company on other matters), and the Company hereby confirms its understanding and agreement to that effect. The Company, on the one hand, the Sole Sponsor, on the other hand, agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sole Sponsor to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the H Shares, do not constitute advice or recommendations to the Company.

The Company, on the one hand, the Sole Sponsor, on the other hand, agree that the Sole Sponsor, in its role as such and with respect to transactions carried out at the request of and for the Company pursuant to its appointment as such, is acting as principal and not the agent nor the fiduciary or adviser of any member of the Group, and the Sole Sponsor has not assumed, and will not assume, any fiduciary or advisory or similar responsibility in favour of the Company with respect to the transactions contemplated by this Agreement or otherwise by the Introduction or the listing of the H Shares on the Stock

Exchange or any process or matters leading up to such transactions (irrespective of whether the Sole Sponsor has advised or is currently advising the Company on other matters).

The Company further acknowledges and agrees that the Sole Sponsor is not advising the Company, its directors, management or shareholders or any other person (to the extent applicable) as to any legal, Tax, investment, accounting or regulatory matters (except for, with respect to the Sole Sponsor, any advice to the Company on matters in relation to the listing application as prescribed by and solely to the extent as required under the Listing Rules, the SFC Corporate Finance Adviser Code of Conduct and the Code of Conduct in its capacity as a sponsor in connection with the proposed listing of the Company) in any jurisdiction. The Company shall consult with its own advisers concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated by this Agreement, and none of the Sole Sponsor and its directors, officers and Affiliates shall have any responsibility or liability to the Company with respect thereto. Any review by the Sole Sponsor of the Company, the transactions contemplated by this Agreement or otherwise by the Introduction or the listing of H Shares on the Stock Exchange or any process or matters relating thereto shall be performed solely for the benefit of the Sole Sponsor, and shall not be on behalf of the Company.

The Company further acknowledge and agree that that the Sole Sponsor and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company.

The Company hereby waives and releases, to the fullest extent permitted by Laws, any conflict of interests and any claims that the Company may have against the Sole Sponsor with respect to any breach or alleged breach of any fiduciary, agency, advisory or similar duty to the Company in connection with the transactions contemplated by this Agreement or otherwise by the Introduction or the listing of the H Shares on the Main Board of the Stock Exchange or any process or matters leading up to such transactions.

- 3.5. **Several obligations:** Any transaction carried out by the appointee pursuant to its appointment under Clause 3.1, or by any of the delegates under Clause 3.2 of such appointee, within the scope of the appointments, powers, authorities and/or discretions in this Agreement shall constitute a transaction carried out at the request of and for the Company and not on account of or for any other person. The appointee under Clause 3.1 will not be liable for any failure on the part of any other persons (save for one or more of its Affiliates or any other person being delegated pursuant to Clause 3.2) to perform their respective obligations under this Agreement and no such failure shall affect the right of the appointee to enforce the terms of this Agreement.

#### 4. **THE INTRODUCTION**

- 4.1. **Introduction:** The Company has made an application to the Stock Exchange for the Introduction. The Company will, on the Listing Document Date, publish the Listing Document on the website of the Company at [www.hecpharm.com](http://www.hecpharm.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

- 4.2. **No offer, sale or distribution:** The Company confirms that there will not be any offer, sale or distribution of any H Shares in connection with the Introduction.
- 4.3. **Hong Kong Share Registrar:** The Company has appointed the Hong Kong Share Registrar to provide services in connection with the Introduction upon and subject to the terms and conditions of the Registrar Agreement. The Company undertakes with the Sole Sponsor to procure that the Hong Kong Share Registrar shall do all such acts and things as may be reasonably required to be done by it in connection with the Introduction and its associated transactions.

## 5. **FEES AND EXPENSES**

- 5.1. **Sole Sponsor' Fee:** In consideration of the Sole Sponsor agreeing to act as the sole sponsor to the Introduction, the Company shall pay the Sole Sponsor a fee of US\$1,150,000, in accordance with the terms set out in the Engagement Letter between the Sole Sponsor and the Company dated February 21, 2024. Notwithstanding anything stated in the Engagement Letter, the Company agreed that there shall be no deduction to any fees payable to the Sole Sponsor as set out in this Agreement.
- 5.2. **Costs payable by the Company:** All fees, costs, charges, Taxation and other expenses in connection with or incidental to the Introduction, the listing of the H Shares on the Main Board of the SEHK and this Agreement and the transactions contemplated thereby or hereby, including, without limitation, the following:
- 5.2.1 any remaining payable expenses as set out in the Engagement Letter between the Sole Sponsor and the Company dated February 21, 2024;
  - 5.2.2 fees, disbursements and expenses of the Reporting Accountants;
  - 5.2.3 fees, disbursements and expenses of the Hong Kong Share Registrar;
  - 5.2.4 fees, disbursements and expenses of all legal advisers to the Company and the fees, disbursements and expenses of all legal advisers to the Sole Sponsor;
  - 5.2.5 fees, disbursements and expenses of the Internal Control Consultant;
  - 5.2.6 fees, disbursements and expenses of the Industry Consultant;
  - 5.2.7 fees, disbursements and expenses of any public relations consultants;
  - 5.2.8 fees, disbursements and expenses of any translators engaged by the Company;
  - 5.2.9 fees, disbursements and expenses of the financial printer;
  - 5.2.10 fees and expenses of other agents, third party service providers, consultants and advisers engaged by the Company and/or the Sole Sponsor relating to the Introduction;
  - 5.2.11 fees and expenses related to the application for listing of and permission to deal in the H Shares on the Stock Exchange, the filing or registration of any documents (including, without limitation, the Listing Documentation, the

CSRC Filings and any amendments and supplements thereto) with any relevant Authority and the qualification of the H Shares in any jurisdiction;

- 5.2.12 all costs and expenses related to assets valuation and investor education related to the Introduction, including without limitation, expenses associated with the media briefings and press interviews, analyst briefings, fees and expenses of any consultants engaged in connection with the investor education and travel, lodging and other expenses incurred by the Company, the Sole Sponsor and their respective representatives;
- 5.2.13 all printing, document production, courier and advertising costs in relation to the Introduction and the Privatization;
- 5.2.14 all costs of preparation, dispatch and distribution of the Listing Documentation in all relevant jurisdictions, and all amendments and supplements thereto;
- 5.2.15 all costs of preparation, printing or production of this Agreement, closing documents (including compilations thereof) and any other documents in connection with the Introduction and the Privatization;
- 5.2.16 all costs of preparation, dispatch and distribution (including transportation, packaging and insurance) of share certificates; and
- 5.2.17 all costs and expenses related to the press conferences of the Company in relation to the Introduction;
- 5.2.18 all stock admission fees, processing charges and related expenses payable to HKSCC;
- 5.2.19 all CCASS transaction fees payable in connection with the Introduction;
- 5.2.20 all fees and expenses related to background check and searches, company searches, litigation and legal proceeding searches, bankruptcy and insolvency searches, company searches and directorship searches and other searches conducted in connection with the Introduction; and
- 5.2.21 all reasonable costs, fees and out-of-pocket expenses incurred by the Sole Sponsor or on its behalf under this Agreement in connection with the Introduction, or incidental to the performance of the obligations of the Company pursuant to this Agreement which are not otherwise specifically provided for in this Clause 5.2 or pursuant to any other agreements between the Company and the Sole Sponsor,

shall be borne by the Company, and the Company shall pay or cause to be paid all such fees, costs, charges, Taxation and expenses. Notwithstanding anything to the contrary in Clause 15.11, if any costs, expenses, fees or charges referred to in this Clause 5.2 is paid or to be paid by the Sole Sponsor for or on behalf of the Company, the Company shall reimburse such costs, expenses, fees or charges to the Sole Sponsor on an after-tax basis.

- 5.3. **Costs remaining payable if the Introduction does not proceed:** If this Agreement shall be rescinded or terminated or shall not become unconditional or, for any other



reason, the Introduction is not completed, the Company shall pay or reimburse or cause to be paid or reimbursed all reasonable costs, expenses, fees, charges and Taxation referred to in Clause 5.2 which have been incurred or are liable to be paid by the Sole Sponsor and all other costs, expenses, fees, charges and Taxation payable by the Company pursuant to Clause 5.2 forthwith upon demand by the Sole Sponsor or the relevant party which incurred the costs, expenses, fees, charges and Taxation, as the case may be.

- 5.4. **Time of payment of costs:** All fees, costs, charges and expenses referred to in this Clause 5 or the balance of such fees, costs, charges and expenses shall be payable by the Company within 30 Business Days of the first written request by the Sole Sponsor or by the relevant party incurring the fees, costs, charges or expenses or in accordance with payment terms as prescribed under the engagement letter between the Company and the Sole Sponsor or such relevant party, whichever is the earlier.

## 6. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

- 6.1. **Warranties:** The Company represents, warrants, agrees and undertakes with respect to each of the Warranties in Schedule 1 hereto to the Sole Sponsor that each of the Warranties is true, accurate and not misleading at the date of this Agreement, and the Company acknowledges that the Sole Sponsor is entering into this Agreement in reliance upon the Warranties.

- 6.2. **Warranties repeated:** The Warranties are given on and as at the date of this Agreement with respect to the facts and circumstances subsisting as at the date of this Agreement. In addition, the Warranties shall be deemed to be repeated:

6.2.1 on the Listing Document Date and the date of the supplemental Listing Document (if any);

6.2.2 immediately prior to 8:00 a.m. on the Listing Date; and

6.2.3 immediately prior to commencement of dealings of the H Shares on the Stock Exchange.

in each case with reference to the facts and circumstances then subsisting, provided, however, all of the Warranties shall remain true, accurate and not misleading as at each of the dates or times specified above, without taking into consideration in each case any amendment or supplement to the Listing Documentation or the CSRC Filings made or delivered under Clause 6.5 subsequent to the date of the Listing Document, or any approval by the Sole Sponsor of any such amendment or supplement, and shall not be (or be deemed) updated or amended by any such amendment or supplement or by any such approval or delivery. For the avoidance of doubt, nothing in this Clause 6.2 shall affect the on-going nature of the Warranties.

- 6.3. **Notice of breach of Warranties:** The Company hereby undertakes to promptly notify the Sole Sponsor in writing if it comes to its knowledge that any of the Warranties is untrue, inaccurate, misleading or breached in any respect or ceases to be true and accurate or becomes misleading or breached in any respect, at any time up to the last to occur of the dates specified in Clause 6.2, or if it becomes aware of any event or circumstances which would or might cause any of the Warranties to become untrue,

inaccurate or misleading in any respect, or any significant new factor likely to materially and adversely affect the Introduction which arises between the date of this Agreement and the Listing Date and which comes to the attention of the Company.

- 6.4. **Undertakings not to breach Warranties:** The Company hereby undertakes to the Sole Sponsor not to, and shall procure that any other member of the Group shall not, do or omit to do anything or permit to occur any event which would or might render any of the Warranties untrue, incorrect, misleading or breached in any respect at any time up to the last to occur of the dates specified in Clause 6.2 or which could materially and adversely affect the Introduction. Without prejudice to the foregoing, the Company agrees not to make any amendment or supplement to the Listing Documentation, the CSRC Filings or any of them without the prior approval of the Sole Sponsor.
- 6.5. **Remedial action and announcements:** The Company shall notify the Sole Sponsor promptly if at any time, by reference to the facts and circumstances then subsisting, on or prior to the last to occur of the dates on which the Warranties are deemed to be given pursuant to the provisions of Clause 6.2, (i) any event shall occur or any circumstance shall exist which renders or could render untrue or inaccurate or misleading in any respect any of the Warranties or gives rise or could give rise to a claim under any of the indemnities as contained in or given pursuant to this Agreement, or (ii) any event shall occur or any circumstance shall exist which would or might (1) render untrue, inaccurate or misleading any statement, whether fact or opinion, contained in the Listing Documentation, the CSRC Filings or any of them; or (2) result in the omission of any fact which is material for disclosure or required by applicable Laws to be disclosed in the Listing Documentation, the CSRC Filings or any of them, if the same were issued immediately after occurrence of such event or existence of such circumstance, or (iii) it shall become necessary or desirable for any other reason to amend or supplement any of the Listing Documentation or CSRC Filings, or (iv) any significant new factor likely to affect the Introduction shall arise, and, in each of the cases described in paragraphs (i) through (iv) above, without prejudice to any other rights of the Sole Sponsor under this Agreement, the Company, at its own expense, shall promptly take such remedial action as may be required by the Sole Sponsor, including promptly preparing, announcing, issuing, publishing, distributing or otherwise making available, at the Company's expense, such amendments or supplements to the Listing Documentation, the CSRC Filings or any of them as the Sole Sponsor may direct, with such number of copies of such amendments or supplements as the Sole Sponsor may require. For the avoidance of doubt, the consent or approval of the Sole Sponsor for the Company to take any such remedial action shall not (i) constitute a waiver of, or in any way affect, any right of the Sole Sponsor under this Agreement in connection with the occurrence or delivery of such matter, event or fact or (ii) result in the loss of the Sole Sponsor's rights to terminate this Agreement (whether by reason of such misstatement or omission resulting in a prior breach of any of the Warranties or otherwise).

The Company agrees not to issue, publish, distribute or make publicly available any such announcement, circular, supplement, amendment or document or do any such act or thing without the prior written consent of the Sole Sponsor, except as required by Laws, in which case the Company shall first consult the Sole Sponsor before such issue, publication or distribution or act or thing being done.

- 6.6. **Company's knowledge:** A reference in this Clause 6 or in Schedule 1 to the Company's knowledge, information, belief or awareness or any similar expression shall be deemed to include an additional statement that it has been made after due and careful enquiry and the directors of the Company have used their best endeavours to ensure that all information given in the relevant Warranty is true, complete and accurate and not misleading or deceptive. Notwithstanding that the Sole Sponsor has knowledge or has conducted investigation or enquiry with respect to the information given under the relevant Warranty, the rights of the Sole Sponsor under this Clause 6 shall not be prejudiced by such knowledge, investigation and/or enquiry.
- 6.7. **Obligations personal:** The obligations of the Company under this Agreement shall be binding on its personal representatives or its successors in title.
- 6.8. **Release of obligations:** Any liability to the Sole Sponsor hereunder may in whole or in part be released, compounded or compromised and time or indulgence may be given by the Sole Sponsor as regards any person under such liability without prejudicing the rights of the Sole Sponsor against any other person under the same or a similar liability.
- 6.9. **Consideration:** The Company has entered into this Agreement, and agreed to give the representations, warranties, agreements and undertakings herein, in consideration of the Sole Sponsor agreeing to enter into this Agreement on the terms and conditions set out herein.
- 6.10. **Full force:** For the purpose of this Clause 6:
- 6.10.1 the Warranties shall remain in full force and effect notwithstanding the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement; and
- 6.10.2 if an amendment or supplement to the Listing Documentation or any of them is announced, issued, published, distributed or otherwise made available after the date hereof pursuant to Clause 6.5 or otherwise, the Warranties relating to any such documents given pursuant to this Clause 6 shall be deemed to be repeated on the date of such amendment or supplement and when so repeated, the Warranties relating to any such documents shall be read and construed subject to the provisions of this Agreement as if the references therein to such documents means such documents when read together with such amendment or supplement.
- 6.11. **Separate Warranties:** Each Warranty shall be construed separately and independently and shall not be limited or restricted by reference to or inference from the terms of any other of the Warranties or any other term of this Agreement.

## 7. RESTRICTIONS ON ISSUE OR DISPOSAL OF SECURITIES

- 7.1. **Lock-up on the Company:** Except for the issue of any H Shares pursuant to the Introduction and the Privatization and any other circumstances as permitted under the waiver granted by the Stock Exchanged from strict compliance with the requirement under Rule 10.08 of the Listing Rules, at any time during the period commencing on the date of this Agreement and ending on, and including, the date that is six months after the Listing Date (the "**First Six-Month Period**"), the Company hereby undertakes

to the Sole Sponsor not to, without the prior written consent of the Sole Sponsor and unless in compliance with the requirements of the Listing Rules:

- 7.1.1 allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any legal or beneficial interest in the share capital or any other securities of the Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of the Company, as applicable), or deposit any share capital or other securities of the Company, as applicable, with a depository in connection with the issue of depository receipts; or
- 7.1.2 enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership (legal or beneficial) of any Shares or other securities of the Company, or any interest in any of the foregoing (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants or other rights to purchase, any Shares or other securities of the Company); or
- 7.1.3 enter into any transaction with the same economic effect as any transaction specified in Clause 7.1.1 or 7.1.2 above; or
- 7.1.4 offer to or contract to or agree to do any of the foregoing specified in Clause 7.1.1, 7.1.2 or 7.1.3 above, or announce or publicly disclose any intention to do so,

in each case, whether any of the transactions specified in Clause 7.1.1, 7.1.2 or 7.1.3 above is to be settled by delivery of any share capital or other securities of the Company, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six-month Period).

The Company further agrees, in the event that, at any time during the period of six months immediately following the expiry of the First Six-Month Period (the “**Second Six-Month Period**”), the Company enters into any such transactions or offers or agrees or contracts to, or announces or publicly discloses, any intention to, enter into any such transactions described in Clause 7.1.1, 7.1.2 or 7.1.3 above, the Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the Shares or any other securities of the Company.

- 7.2. **Maintenance of public float:** The Company agrees and undertakes to the Sole Sponsor that it will comply with the minimum public float requirements specified in the Listing Rules or any waiver granted and not revoked by the Stock Exchange (the “**Minimum Public Float Requirement**”), and procure the Company not to effect any purchase of the H Shares, or agree to do so, which may reduce the holdings of the H Shares held by

the public (as defined in Rule 8.24 of the Listing Rules) below the Minimum Public Float Requirement on or before the date falling six months after the Listing Date without first having obtained the prior written consent of the Sole Sponsor.

- 7.3. **Lock-up on the Controlling Shareholders:** The Company shall procure each of the Controlling Shareholders to agree and undertake to each of the Company and the Sole Sponsor that, without the prior written consent of the Sole Sponsor and unless in compliance with the requirements of the Listing Rules:

- 7.3.1 at any time during the First Six-Month Period, none of them will, and each of them will procure that the relevant registered holder(s), any nominee or trustee holding on trust for it and the companies controlled by any of them will not:

(i) contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase or subscribe for, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of the Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any other securities of the Company, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of the Company with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of the Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any other securities of the Company, as applicable or any interest in any of the foregoing); or

(iii) enter into any transaction with the same economic effect as any transaction described in Clause 7.3.1(i) or (ii) above, or

(iv) offer to or contract to or agree to, or publicly announce any intention to enter into any transaction described in Clause 7.3.1(i), (ii) or (iii) above,

in each case, whether any of the transactions specified in Clause 7.3.1(i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of the Company or in cash or otherwise (whether or not the issue of such Shares or other securities of the Company will be completed within the First Six-Month Period);

- 7.3.2 During the Second Six-Month Period, (i) it/he/she will not enter into any transaction described in Clause 7.3.1(i), (ii) or (iii) above or offer to, agree to or contract to or publicly announce any intention to effect any such transaction, if, immediately following such transaction, it/he/she will cease, whether individually or collectively with the other Controlling Shareholders, to be a

“controlling shareholder” (as the term is defined under the Listing Rules) of the Company, and (ii) in the event that it/he/she enters into any of the transactions described in Clause 7.3.1(i), (ii) or (iii) above or offers to, agrees to or contracts to or publicly announces any intention to effect any such transaction, it/he/she will take all reasonable steps to ensure that such a transaction will not create a disorderly or false market in the Shares or any other securities of the Company;

7.3.3 without limiting the above, at any time after the date of this Agreement up to and including the date falling 12 months after the Listing Date, it/he/she will:

(i) if and when it/he/she or the relevant registered holder(s) pledges or charges any Shares or other securities of the Company beneficially owned by it/him/her, immediately inform the Company and the Sole Sponsor in writing of such pledge or charge together with the number of Shares or other securities (or interests therein) of the Company so pledged or charged; and

(ii) if and when it/he/she or the relevant registered holder(s) receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or other securities (or interests therein) of the Company will be disposed of, immediately inform the Company and the Sole Sponsor in writing of such indications.

The Company hereby undertakes to the Sole Sponsor that upon receiving such information in writing from any of the Controlling Shareholders, it will, as soon as practicable and if required pursuant to the Listing Rules, the SFO and/or any other applicable Law, notify the SEHK and/or other relevant Authorities, and make a public disclosure in relation to such information by way of an announcement.

7.3.4 For the avoidance of doubt, this Clause 7.3 shall not prevent any of the Controlling Shareholders from (a) using the Shares or other securities of the Company or any interest therein beneficially owned by them respectively as security (including a charge or a pledge) in favour of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan; and (b) purchasing additional Shares or other securities of the Company or any interest therein or dispose of Shares or other securities of the Company or any interest therein thus purchased in the First Six-Month Period and the Second Six-Month Period, provided that such purchase does not contravene this Clause 7.3 or compliance by the Company with the requirement of Rule 8.08 of the Listing Rules to maintain an open market in the securities and a sufficient public float in the Shares.

7.4. **Full force:** The undertakings in this Clause 7 shall remain in full force and effect notwithstanding the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement.

## 8. **FURTHER UNDERTAKINGS**

The Company undertakes to the Sole Sponsor that it will:

- 8.1. **Introduction:** comply in a timely manner with the terms and conditions of the Introduction and all obligations imposed upon it by the Companies Ordinance, the Companies (Winding up and Miscellaneous Provisions) Ordinance, the SFO, the CSRC Rules, the Listing Rules and all applicable Laws and all applicable requirements of the Stock Exchange, the SFC, the CSRC or any other relevant Authority in respect of or by reason of the matters contemplated by this Agreement or otherwise in connection with the Introduction, including, without limitation;
- 8.1.1 doing all such things as are necessary to ensure that Admission is obtained and not cancelled or revoked;
  - 8.1.2 making and obtaining all necessary Approvals and Filings (including the CSRC Filings) with and/or from the Stock Exchange, the SFC, the CSRC and other relevant Authorities, including but not limited to lodging with the Stock Exchange all relevant documents, declarations and undertakings on FINI in such manner, form and time as required under the Listing Rules and all applicable rules, procedures, terms and conditions and guidance materials of the Stock Exchange and the HKSCC;
  - 8.1.3 making available on display on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.hecpharm.com](http://www.hecpharm.com), the documents referred to in the section of the Listing Document headed "Documents Available on Display" for the period stated therein;
  - 8.1.4 procuring that the Hong Kong Share Registrar shall comply in all respects with the terms of its appointment under the terms of the Registrar Agreement, and all such acts and things as may be required to be done by it in connection with the Introduction and the transactions contemplated herein;
  - 8.1.5 procuring that none of the Company, any member of the Group, the Controlling Shareholders, and/or any of their respective directors, supervisors, officers, employees, Affiliates and/or agents, shall (whether directly or indirectly, formally or informally, in writing or verbally) provide any material information, including forward looking information (whether qualitative or quantitative) concerning the Company or any member of the Group that is not, or is not reasonably expected to be, included in the Listing Document or publicly available, to any research analyst at any time up to and including the fortieth day immediately following the Listing Date;
  - 8.1.6 subject to any waiver granted by the SEHK and without prejudice to Clause 8.1.5, procuring that no connected person (as defined in the Listing Rules) of the Company and that the relevant connected person to procure that none of their respective associates will itself (or through a company controlled by it), deal in H Shares pursuant to the Introduction in contravention to the Listing Rules;
  - 8.1.7 cooperating with and fully assisting, and procuring the members of the Group, the Controlling Shareholders, the substantial shareholders (as defined in the Listing Rules), associates of the Company, and/or any of their respective directors, officers, employees, Affiliates, agents, advisers, reporting accountants, auditors, legal counsels and other relevant parties

engaged by the Company in connection with the Introduction to cooperate with and fully assist, in a timely manner, the Sole Sponsor to facilitate its performance of its duties and to meet its obligations and responsibilities under all applicable Laws from time to time in force, including but not limited to the provision of materials, information and documents to the Stock Exchange, the SFC, the CSRC and other regulators under the Code of Conduct, the Listing Rules and the CSRC Rules;

- 8.1.8 complying with the Listing Rules in relation to supplemental listing documents that may have to be issued in respect of the Introduction; and
  - 8.1.9 from the date hereof until 5:00 p.m. on the date which is the 30<sup>th</sup> Business Day after the Listing Date, not (i) declaring, paying or otherwise making any dividend or distribution of any kind on its share capital nor (ii) changing or altering its capital structure (including but not limited to alteration to the nominal value of the H Shares whether as a result of consolidation, sub-division or otherwise).
- 8.2. **Information:** provide to the Sole Sponsor all such information known to the Company or which on due and careful enquiry ought to be known to the Company and whether relating to the Group or the Company or any of the Controlling Shareholders or otherwise as may be required by the Sole Sponsor in connection with the Introduction for the purposes of complying with any requirements of applicable Laws (including, without limitation and for the avoidance of doubt, the requirements of the Stock Exchange, of the SFC, of the CSRC or of any other relevant Authority);
- 8.3. **Restrictive covenants:** not, and procure that no other member of the Group will:
- 8.3.1 at any time after the date of this Agreement up to the last to occur of the dates on which the Warranties are deemed to be given pursuant to Clause 6.2, do or omit to do anything which causes or can reasonably be expected to cause any of the Warranties to be untrue, inaccurate or misleading in any respect at any time;
  - 8.3.2 enter into any commitment or arrangement which, in the sole opinion of the Sole Sponsor, has or will or may result in a Material Adverse Effect or adversely affect the Introduction;
  - 8.3.3 take any steps which, in the sole opinion of the Sole Sponsor, would be materially inconsistent with any statement or expression, whether of fact, policy, expectation or intention in the Listing Document and/or the CSRC Filings;
  - 8.3.4 amend any of the terms of the appointment of the Hong Kong Share Registrar without the prior written consent of the Sole Sponsor;
  - 8.3.5 at any time after the date of this Agreement up to and including the Listing Date, amend or agree to amend any constitutional document of the Company or any other member of the Group, including, without limitation, the Articles of Association, save as requested by the Stock Exchange, the SFC, the CSRC or any other Authority which is entitled to exercise jurisdiction over the Company lawfully or pursuant to the requirements under the Listing Rules or allowing the



Articles of Association that have been conditionally adopted by the Company to become effective upon Listing as described in the Listing Document; and

- 8.3.6 without the prior written approval of the Sole Sponsor, issue, publish, distribute or otherwise make available directly or indirectly to the public any document (including any listing document), material or information in connection with the Introduction, or make any amendment to any of the Listing Documentation and the CSRC Filings, or any amendment or supplement thereto;
- 8.4. **Maintaining listing:** procure that it will maintain a listing for and will refrain from taking any action that could jeopardize the listing status of, the H Shares on the Stock Exchange, and comply with the Listing Rules and all requirements of the SEHK and the SFC, for at least one year after all of the Conditions have been fulfilled (or waived) except following a withdrawal of such listing which has been approved by the relevant shareholders of the Company in accordance with applicable Laws (including the Listing Rules) or following an offer (within the meaning of the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs) for the Company becoming unconditional;
- 8.5. **Legal and regulatory compliance:** comply with all applicable Laws (including, without limitation and for the avoidance of doubt, the rules, regulations and requirements of the CSRC, the SEHK, the SFC and any other Authority) including, without limitation:
  - 8.5.1 complying with the Listing Rules and all applicable rules, procedures, terms and conditions and guidance materials of the Stock Exchange and the HKSCC in relation to procedures and requirements for new listing, and adopting FINI for admission of trading and the collection of specified information on subscription and settlement;
  - 8.5.2 notifying the Stock Exchange and providing it with the updated information and reasons for any material changes to the information provided to the Stock Exchange under Rule 9.11 of the Listing Rules;
  - 8.5.3 submitting to the Stock Exchange, as soon as practicable before the commencing of dealings in the Shares on the Stock Exchange, the declaration to be signed by a Director and the secretary of the Company in the form set out in Form F (published in the “Regulatory Forms” section of the Stock Exchange’s website) via FINI;
  - 8.5.4 procuring that the audited consolidated financial statements of the Company for the financial year ending December 31, 2025 will be prepared on a basis consistent in all material respects with the accounting policies adopted for the purposes of the financial statements contained in the report of the Reporting Accountants set out in Appendix I to the Listing Document;
  - 8.5.5 at all times adopting and upholding a securities dealing code no less exacting than the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix C3 to the Listing Rules and procuring that the directors of the Company uphold, comply and act in accordance with the provisions of the same;

- 8.5.6 complying with the Listing Rules, the CSRC Filing Rules, Part XIVA of the Securities and Futures Ordinance and/or any other applicable Laws to disclose by way of announcement or otherwise and disseminate to the public, under certain circumstances, information affecting any estimated financial information contained in the Listing Document and/or any information required by the CSRC, the Stock Exchange, the SFC or any other relevant Authority to be announced and disseminated to the public in any material respect;
- 8.5.7 complying with the all applicable Laws (including, without limitation, the CSRC Archive Rules) in connection with (A) the establishment and maintenance of adequate and effective internal control measures and internal systems for maintenance of data protection, confidentiality and archive administration; (B) the relevant requirements and approval and filing procedures in connection with its handling, disclosure, transfer and retention of transfer of state secrets and working secrets of government agencies or any other documents or materials that would otherwise be detrimental to national securities or public interest (the “**Relevant Information**”); and (C) maintenance of confidentiality of any Relevant Information;
- 8.5.8 where there is any material information that shall be reported to the CSRC pursuant to the applicable Laws (including but not limited to the CSRC Rules), promptly notifying the CSRC or the relevant Authority in the PRC and providing it with such material information in accordance with to the applicable Laws, and promptly notifying the Sole Sponsor of such material information to the extent permitted by the applicable Laws;
- 8.5.9 keeping the Sole Sponsor informed of any material change to the information previously given to the CSRC, the Stock Exchange, the SFC or of any other relevant Authority, and to enable the Sole Sponsor to provide (or procuring its provision) to the CSRC, the Stock Exchange, the SFC or any such relevant Authority, in a timely manner, such information as the CSRC, the Stock Exchange, the SFC or any such relevant Authority may require;
- 8.5.10 providing to or procuring for the Sole Sponsor all necessary consents to the provision of the information referred to in Clause 8.1 and Clause 8.5;
- 8.5.11 providing to the Sole Sponsor any such other resolutions, consents, authorities, documents, opinions and certificates which are relevant in the context of the Introduction owing to circumstances arising or events occurring after the date of this Agreement but before 8:00 a.m. on the Listing Date and as the Sole Sponsor may reasonably require;
- 8.5.12 complying with all the undertakings and commitments made by it or the Directors in the Listing Document, the CSRC Filings and submissions to the Stock Exchange, the SFC and/or the CSRC; and
- 8.5.13 maintaining the appointment of a compliance adviser and obtaining advice from such compliance adviser in relation to its compliance with the Listing Rules and all other applicable Laws in such manner and for such period as required by the Listing Rules;

8.6. **Internal controls:** ensure that any issues identified and as disclosed in any internal control report prepared by the Internal Control Consultant have been rectified or improved to a sufficient standard or level for the operation and maintenance of efficient systems of internal accounting and financial reporting controls and disclosure and corporate governance controls and procedures that are effective to perform the functions for which they were established and to allow compliance by the Company and its Board with all applicable Laws, and, without prejudice to the generality of the foregoing, to such standard or level recommended or suggested by the Internal Control Consultant in its internal control report;

8.7. **Significant changes:** If, at any time within 12 months after the Listing Date, there is a significant change which affects or is capable of affecting any information contained in the Listing Documentation, the CSRC Filings or a significant new matter arises, the inclusion of information in respect of which would have been required in any of the Listing Documentation and the CSRC Filings had it arisen before any of them was issued or would be required to be included in any post-listing reports to CSRC pursuant to the CSRC Rules, and, in connection therewith,

8.7.1 promptly provide full particulars thereof to the Sole Sponsor;

8.7.2 if so required by the Sole Sponsor, inform the Stock Exchange, the SFC or the CSRC of such change or matter;

8.7.3 if so required by the Stock Exchange, the SFC, the CSRC or the Sole Sponsor, promptly amend and/or prepare and deliver (through the Sole Sponsor) to the Stock Exchange, the SFC or the CSRC for approval, documentation containing details thereof in a form agreed by the Sole Sponsor and publish such documentation in such manner as the Stock Exchange, the SFC, the CSRC and/or the Sole Sponsor may require;

8.7.4 make all necessary announcements on the websites of SEHK and the Company to avoid a false market being created in the H Shares,

in each case, at the Company's own expense, and not to issue, publish, distribute or make available publicly any announcement, circular, document or other communication relating to any such change or matter aforesaid without the prior written consent of the Sole Sponsor, provided that such consent shall not be unreasonably withheld or delayed.

For the purposes of this Clause 8.7, "**significant**" means significant for the purpose of making an informed assessment of the matters mentioned in Rule 11.07 of the Listing Rules.

8.8. **General:** without prejudice to the foregoing obligations, do all such other acts and things as may be reasonably required to be done by it to carry into effect the Introduction in accordance with the terms thereof.

The undertakings in this Clause 8 shall remain in full force and effect notwithstanding the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement.

## 9. TERMINATION

9.1. **Termination events:** The Sole Sponsor shall be entitled by notice to the Company to terminate this Agreement with immediate effect if at any time prior to 8:00 a.m. on the day that trading in the H Shares commences on the Stock Exchange:

9.1.1 there shall develop, occur, exist or come into effect:

- (a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore or any other jurisdiction relevant to the Group or the Introduction (each a **“Relevant Jurisdiction”** and collectively, the **“Relevant Jurisdictions”**); or
- (b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions; or
- (c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, (including without limitation COVID-19, SARS, MERS, H5N1, H1N1, swine or avian influenza or such related/mutated forms), accident or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions, or without limiting the foregoing, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed), or other state

of emergency or calamity or crisis in or affecting any of the Relevant Jurisdictions; or

- (d) any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or
- (e) any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or
- (f) other than with the prior written consent of the Sole Sponsor, the issue or requirement to issue by the Company of a supplement or amendment to the Listing Document or other documents in connection with the Introduction pursuant to the Listing Rules or upon any requirement or request of SEHK and/or the SFC; or
- (g) the commencement by any Authority or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director or a senior management member of any member of the Group in his/her capacity as such or announcing an intention to take any such action; or
- (h) the imposition of sanctions or export controls on any member of the Group or any of the Controlling Shareholders, or the withdrawal of trading privileges which existed on the date of this Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or
- (i) any valid demand by creditors for repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (j) any non-compliance of the Listing Document or any aspect of the Introduction with the Listing Rules or any other applicable Laws; or
- (k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or any Controlling Shareholder or any Director or senior management members as named in the Listing Document; or
- (l) any contravention by the Company or any Director of the Listing Rules or applicable Laws; or

- (m) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in the Listing Document,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Sole Sponsor, (1) has or will or may have a Material Adverse Effect; (2) has or will or may have a material adverse effect on the success of the Introduction; (3) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of this Agreement or the Introduction to be performed or implemented as envisaged; or (4) has or will or may have the effect of making any part of this Agreement or the Introduction incapable of performance in accordance with its terms; or

9.1.2 there has come to the notice of the Sole Sponsor that:

- (a) any statement contained in any of the Listing Documentation, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Introduction (including any supplement or amendment thereto) was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or
- (b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Listing Document, constitute a material omission from, or misstatement in, any of the Listing Documentation; or
- (c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any material respect, any of the warranties given by the Company in this Agreement; or
- (d) any event, act or omission which gives rise or is likely to give rise to any liability of the Indemnifying Party pursuant to the indemnities in this Agreement; or
- (e) any material breach of any of the obligations or undertakings imposed upon the Company to this Agreement; or
- (f) there is any change or development involving a prospective change, having a Material Adverse Effect; or
- (g) that the chairman of the Board, any Director or any member of senior management of the Company named in the Listing Document seeks to retire, or is removed from office or vacating his/her office; or

- (h) any Director or any member of senior management of the Company named in the Listing Document is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or
- (i) the Company withdraws the Listing Document (and/or any other documents issued or used in connection with the Introduction) or the Introduction; or
- (j) the approval of the Listing Committee of the listing of, and permission to deal in, the H Shares to be issued pursuant to the Introduction and the Privatization on the Main Board of the SEHK is refused or not granted, other than subject to customary conditions, on or before the date of the Listing, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
- (k) any person (other than any of the Sole Sponsor) has withdrawn its consent to the issue of the Listing Document with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or
- (l) there is a prohibition by a competent Authority on the Company for whatever reason from the listing of the H Shares on the Main Board of the Stock Exchange; or
- (m) an order or petition is presented for the winding-up or liquidation of any member of the Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or
- (n) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sole Sponsor, the issue or requirement to issue by the Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable Laws.

9.2. **Effect of termination:** Upon the termination of this Agreement pursuant to the provisions of Clause 9.1 or Clause 2.4:

9.2.1 each of the parties hereto shall cease to have any rights or obligations under this Agreement, save for the provisions of Clauses 5, 9.2 and 10 to 15 and any rights

or obligations that may have accrued under this Agreement prior to such termination; and

- 9.2.2 notwithstanding anything to the contrary under this Agreement, the Company shall forthwith pay to the Sole Sponsor all costs, expenses, fees, charges and Taxation in accordance with Clause 5.

## 10. INDEMNITY

- 10.1. **Indemnity:** The Indemnifying Party undertakes, from time to time, jointly and severally, to indemnify, defend, hold harmless and keep fully indemnified (on an after-Taxation basis), on demand, each such Indemnified Party against (i) all litigations, actions, suits, claims (whether or not any such claim involves or results in any action, suit or proceeding), demands, investigations, judgments, awards and proceedings whether made, brought or threatened or alleged to be instituted, made or brought against (jointly or severally), or otherwise involving any Indemnified Party (including, without limitation, any investigation or inquiry by or before any Authority)(collectively, “**Proceedings**” and individually, a “**Proceeding**”), and (ii) all losses, liabilities, damages, payments, costs (including legal costs), charges, fees, expenses (including, without limitation, all payments, costs and expenses arising out of or in connection with the investigation, response to, defence or settlement or compromise of any such Proceedings or the enforcement of any such settlement or compromise or any judgment obtained in respect of any such Proceedings)(collectively, “**Losses**” and individually, a “**Loss**”) which, jointly or severally, any Indemnified Party may suffer or incur or which may be made or threatened to be brought against any Indemnified Party and which, directly or indirectly, arise out of or are in connection with:

- 10.1.1 the issue, publication, distribution, use or making available of any of the Listing Documentation, the Application Proof, the CSRC Filings, notices, announcements, advertisements, communication or other documents relating to or connected with the Group or the Introduction, and any amendments or supplements thereto (in each case, whether or not approved by the Sole Sponsor) (collectively, the “**Related Public Information**”); or
- 10.1.2 any of the Related Public Information containing any untrue, incorrect or inaccurate or alleged untrue statement of a fact, or omitting or being alleged to have omitted a fact necessary to make any statement therein, in the light of the circumstances under which it was made, not misleading, or not containing, or being alleged not to contain, all information material in the context of the Introduction or otherwise required to be contained thereto or being or alleged to be defamatory of any person or any jurisdiction; or
- 10.1.3 any statement, estimate, forecast or expression of opinion, intention or expectation contained in the Related Public Information, being or alleged to be untrue, inaccurate or misleading in any respect, or based on an unreasonable assumption, or any omission or alleged omission to state therein a fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or the fact or any allegation that the Listing Documentation or the CSRC Filings do not or did not, contain all information material in the context of the Introduction or otherwise required to be stated therein; or



- 10.1.4 the execution, delivery or the performance by the Sole Sponsor of its obligations and roles or any other actions or activities under or referred to in this Agreement or the Listing Documentation or otherwise in connection with the Introduction; or
  - 10.1.5 the execution, delivery or performance of this Agreement by the Company; or
  - 10.1.6 any breach or alleged breach on the part of the Company or any action or omission of any member of the Group or any of their respective directors, officers or employees resulting in a breach of any of the provisions of this Agreement, the Articles of Association, the Registrar Agreement or any other agreements in connection with the Introduction to which it is or is to be a party; or
  - 10.1.7 any of the Warranties being untrue, inaccurate or misleading in any respect or having been breached in any respect or being alleged to be untrue, inaccurate or misleading in any respect or alleged to have been breached in any respect; or
  - 10.1.8 any act or omission of any member of the Group in relation to the Introduction; or
  - 10.1.9 the Introduction or any of the Listing Documentation and the CSRC Filings failing or being alleged to fail to comply with the requirements of the Listing Rules, the CSRC Rules or any Laws or statute or statutory regulation of any applicable jurisdiction, or any condition or term of any Approvals and Filings in connection with the Introduction; or
  - 10.1.10 any failure or alleged failure by the Company, or any of the directors, or employees of any member of the Group to comply with their respective obligations under the Listing Rules, the Articles of Association, the CSRC Rules or applicable Laws (including the failure or alleged failure to complete truthfully, completely and accurately the relevant declarations and undertaking with regard to the Directors for the purpose of the Introduction); or
  - 10.1.11 any breach or alleged breach by any member of the Group or the Company of the Listing Rules or applicable Laws; or
  - 10.1.12 any Proceeding being instigated or threatened against the Company, any member of the Group or any of the Directors, or settlement of any such Proceeding; or
  - 10.1.13 any breach by any of the Company of the terms and conditions of the Introduction; or
  - 10.1.14 any other matter arising out of or in connection with the Introduction.
- 10.2. **No claims against Indemnified Parties:** No claim (whether or not any such claim involves or results in any Proceedings) shall be made against any Indemnified Party by, and no Indemnified Party shall be liable to (whether direct or indirect, in contract, tort or otherwise and whether or not related to third party claims or the indemnification

rights referred to in this Clause 10), the Indemnifying Party to recover any loss, liability, damage, payment, cost (including legal costs), charge, expense or Taxation which the Indemnifying Party may suffer or incur by reason of or in any way arising out of: (i) the carrying out by any of the Indemnified Parties of any act in connection with the transactions contemplated herein and in the Listing Documentation, the performance by the Sole Sponsor of its obligations hereunder or otherwise in connection with the Introduction; or (ii) the preparation or publication of the Listing Documentation, save for any such loss, liability, damage, payment, costs (including legal costs), charge, expense or Taxation which the Indemnifying Party may suffer or incur that is finally judicially determined by a court of competent jurisdiction or an arbitral tribunal to have been caused solely and directly by the fraud, wilful misconduct or gross negligence on the part of the Indemnified Parties.

- 10.3. **Notice of claims:** If the Company becomes aware of any claim which may give rise to a liability under the indemnity provided under Clause 9.1, it shall promptly give notice thereof to the Sole Sponsor (for itself and on behalf of other Indemnified Party) in writing with reasonable details thereof.
- 10.4. **Conduct of claims:** If any Proceeding is instituted in respect of which the indemnity provided for in this Clause 10 may apply, such Indemnified Party shall, subject to any restrictions imposed by any Laws or obligation of confidentiality, notify the Indemnifying Party of the institution of such Proceeding, provided, however, that the omission to so notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability which they may have to any Indemnified Party under this Clause 10 or otherwise. The Indemnifying Party may participate at their expense in the defence of such Proceedings including appointing counsel at their expense to act for them in such Proceedings; provided, however, except with the consent of the Sole Sponsor (for itself and on behalf of other Indemnified Party), that counsel to the Indemnifying Party shall not also be counsel to the Indemnified Parties. Unless the Sole Sponsor (for itself and on behalf of other Indemnified Party) consents to counsel to the Indemnifying Party acting as counsel to such Indemnified Parties in such Proceeding, the Sole Sponsor (for itself and on behalf of other Indemnified Party) shall have the right to appoint their own separate counsel (in addition to any local counsel) in such Proceeding. The fees and expenses of separate counsel to any Indemnified Parties shall be borne by the Indemnifying Party and paid as incurred.
- 10.5. **Settlement of claims:** The Indemnifying Party shall not, without the prior written consent of an Indemnified Party, effect, make, propose or offer any settlement or compromise of, or consent to the entry of any judgment with respect to, any current, pending or threatened Proceeding in respect of which any Indemnified Party is or could be or could have been a party and indemnity or contribution could be or could have been sought hereunder by such Indemnified Party, unless such settlement, compromise or consent judgment includes an unconditional release of such Indemnified Party, in form and substance satisfactory to such Indemnified Party, from all liability on claims that are the subject matter of such Proceeding and does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of such Indemnified Party. Any settlement or compromise by any Indemnified Party, or any consent by any Indemnified Party to the entry of any judgment, in relation to any Proceeding shall be without prejudice to, and without (other than any obligations imposed on it by Laws) any accompanying obligation or duty to mitigate the same in

relation to, any Loss it may recover from, or any Proceeding it may take against, the Indemnifying Party under this Agreement. The Indemnifying Party shall be liable for any settlement or compromise by the Indemnified Party of, or any judgment consented to by any Indemnified Party with respect to, any pending or threatened Proceeding, whether effected with or without the consent of the Indemnifying Party, and agree to indemnify and hold harmless the Indemnified Party from and against any loss or liability by reason of such settlement, or compromise or consent judgement. The Indemnified Parties are not required to obtain consent from the Indemnifying Party with respect to such settlement or compromise or consent to judgment. The rights of the Indemnified Parties herein are in addition to any rights that each Indemnified Party may have at Law or otherwise and the obligations of the Indemnifying Party shall be in addition to any liability which the Indemnifying Party may otherwise have.

- 10.6. **Arrangements with advisers:** If any Indemnifying Party enters into any agreement or arrangement with any adviser for the purpose of or in connection with the Introduction, the terms of which provide that the liability of the adviser to the Indemnifying Party or any other person is excluded or limited in any manner, and any of the Indemnified Parties may have joint and/or several liability with such adviser to the Indemnifying Party or to any other person arising out of the performance of its duties under this Agreement, the Indemnifying Party shall:

10.6.1 not be entitled to recover any amount from any Indemnified Party which, in the absence of such exclusion or limitation, the Indemnifying Party would not have been entitled to recover from such Indemnified Party; and

10.6.2 indemnify the Indemnified Parties in respect of any increased liability to any third party which would not have arisen in the absence of such exclusion or limitation; and

10.6.3 take such other action as the Indemnified Parties may require to ensure that the Indemnified Parties are not prejudiced as a consequence of such agreement or arrangement.

- 10.7. **Costs:** For the avoidance of doubt, the indemnity under this Clause 10 shall cover all Losses which any Indemnified Party may suffer, incur or pay in disputing, investigating, responding to, defending, settling or compromising, or enforcing any settlement, compromise or judgment obtained with respect to, any Proceedings to which the indemnity may relate and in establishing its right to indemnification under this Clause 10.

- 10.8. **Payment free from counterclaims/set-offs:** All payments made by an Indemnifying Party under this Clause 10 shall be made gross, free of any right of counterclaim or set off and without deduction or withholding of any kind, other than any deduction or withholding required by any Law. If an Indemnifying Party makes a deduction or withholding under this Clause 10, the sum due from such Indemnifying Party shall be increased to the extent necessary to ensure that, after the making of any deduction or withholding, the relevant Indemnified Party which is entitled to such payment receives a sum equal to the sum it would have received had no deduction or withholding been made.

- 10.9. **Payment on demand:** All amounts subject to indemnity under this Clause 10 shall be paid by an Indemnifying Party as and when they are incurred within twenty Business Days of a written notice demanding payment being given to such Indemnifying Party by or on behalf of the relevant Indemnified Party.
- 10.10. **Taxation:** If a payment under this Clause 10 will be or has been subject to Taxation, the Indemnifying Party shall pay the relevant Indemnified Party on demand the amount (after taking into account any Taxation payable in respect of the amount and treating for these purposes as payable any Taxation that would be payable but for a relief, clearance, deduction or credit) that will ensure that the relevant Indemnified Party receives and retains a net sum equal to the sum it would have received had the payment not been subject to Taxation.
- 10.11. **Full force:** The foregoing provisions of this Clause 10 will continue in full force and effect notwithstanding the completion of the Introduction, the matters and arrangements referred to or contemplated in this Agreement having been completed or the termination of this Agreement.

## 11. ANNOUNCEMENTS

- 11.1. **Restrictions on announcements:** No announcement concerning this Agreement, any matter contemplated herein or any ancillary matter hereto shall be issued, published, made publicly available or despatched by the Company (or by any of its directors, officers, employees, consultants, advisers or agents) during the period of six months from the date of this Agreement without the prior written approval of the Sole Sponsor except in the event and to the extent that any such announcement, circular, supplement or document is required by applicable Laws or the Listing Rules or required by any securities exchange or regulatory or governmental body to which such party is subject or submits, wherever situated, including, without limitation, the Stock Exchange, the CSRC and the SFC, whether or not the requirement has the force of law and any such announcement, circular, supplement or document so issued, published, made publicly available or despatched by any of the parties shall be made only after consultation with the Sole Sponsor, and after the Sole Sponsor has had a reasonable opportunity to review and comment on the final draft and their respective comments (if any) have been fully considered by the issuers thereof.
- 11.2. **Discussion with the Sole Sponsor:** The Company undertakes to the Sole Sponsor that it will conduct prior discussion with the Sole Sponsor in relation to any announcement proposed to be made to the public by or on behalf of the Company, or any other member of the Group, following the date of Listing Document up to the six months from the date of this Agreement, which may conflict with any statement in the Listing Document.
- 11.3. **Full force:** The restriction contained in this Clause 11 shall continue to apply after the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement, or the termination of this Agreement.

## 12. CONFIDENTIALITY

- 12.1. **Information confidential:** Subject to Clause 12.2, each party hereto shall, and shall procure that their respective Affiliates, directors, officers, employees, consultants, advisers or agents will, for a period of two years from the date of this Agreement, treat

as strictly confidential all information received or obtained as a result of entering into or performing this Agreement which relates to the provisions of this Agreement, the negotiations relating to this Agreement, the matters contemplated under this Agreement or in relation to the other parties to this Agreement.

- 12.2. **Exceptions:** Any party hereto may disclose, or permit its Affiliates, its and its Affiliates' respective directors, officers, employees, assignees, advisers, consultants and agents to disclose, information which would otherwise be confidential if and to the extent:

12.2.1 required by applicable Laws;

12.2.2 required, requested or otherwise compelled by any Authority to which such party is subject or submits, wherever situated, including, without limitation, the SEHK, the SFC, and the CSRC, whether or not the requirement for disclosure of information has the force of law;

12.2.3 required to vest the full benefit of this Agreement in such party;

12.2.4 disclosed to the professional advisers, auditors and internal auditors of such party on a need-to-know basis and/or under a duty of confidentiality;

12.2.5 the information has come into the public domain through no fault of such party;

12.2.6 required by the Sole Sponsor or its Affiliates for the purpose of the Introduction;

12.2.7 required by the Sole Sponsor or its Affiliates to seek to establish any defence or pursue any claim in any legal, arbitration or regulatory proceeding or investigation in connection with the Introduction or otherwise to comply with its or their own regulatory obligations;

12.2.8 the other parties have given prior written approval to the disclosure, such approval not to be unreasonably withheld; or

12.2.9 the information becomes available to such party on a non-confidential basis from a person not known by such party to be bound by a confidentiality agreement with any of the other parties hereto or to be otherwise prohibited from transmitting the information,

provided that, in the cases of Clauses 12.2.3 and 12.2.8, any such information disclosed shall be disclosed only after consultation with the other parties.

- 12.3. **Full force:** The restrictions contained in this Clause 12 shall remain in full force and effect notwithstanding the termination of this Agreement or the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement.

### 13. **NOTICES**

- 13.1. **Language:** All notices or other communication delivered hereunder shall be in writing except as otherwise provided in this Agreement and shall be in the English language.

- 13.2. **Time of notice:** Any such notice or other communication shall be addressed as provided in Clause 13.3 and if so addressed, shall be deemed to have been duly given or made as follows:

13.2.1 if sent by personal delivery, upon delivery at the address of the relevant party;

13.2.2 if sent by post, two Business Days after the date of posting;

13.2.3 if sent by airmail, five Business Days after the date of posting;

13.2.4 if sent by email, when successfully transmitted; and

13.2.5 if sent by facsimile, when dispatched with confirmed receipt as evidenced by the transmission report generated at the end of the transmission of such facsimile by the facsimile machine used for such transmission.

Any notice received or deemed to be received on a day which is not a Business Day shall be deemed to be received on the next Business Day.

- 13.3. **Details of contact:** The relevant address and fax number of each of the parties hereto for the purpose of this Agreement, subject to Clause 13.4, are as follows:

If to the **Company**, to:

Address : HEC Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County Dongguan, Guangdong Province, the PRC  
Email : project1014@hec.cn  
Attention : Wu Fang

If to **CICC**, to:

Address : 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong  
Fax : (852) 2872 2110  
Email : IB\_Project\_1014IPO@cicc.com.cn  
Attention : Project 1014 deal team

- 13.4. **Change of contact details:** A party may notify the other parties to this Agreement of a change of its relevant address or facsimile number for the purposes of Clause 13.3, provided that such notification shall only be effective on:

13.4.1 the date specified in the notification as the date on which the change is to take place; or

13.4.2 if no date is specified or the date specified is less than two Business Days after the date on which notice is given, the date falling two Business Days after notice of any such change has been given.

14. **GOVERNING LAW; DISPUTE RESOLUTION; WAIVER OF IMMUNITY**

14.1. **Governing law:** This Agreement, and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.

14.2. **Arbitration:** Each party to this Agreement agrees that any dispute, controversy, difference or claim arising out of or relating to this Agreement including its subject matter, existence, negotiation, validity, invalidity, interpretation, performance, breach, termination or enforceability or any dispute regarding non-contractual obligations arising out of or relating to it (a “**Dispute**”) shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (“**HKIAC**”) under the HKIAC Administered Arbitration Rules (the “**Rules**”) in force when the Notice of Arbitration is submitted in accordance with the Rules. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English. This arbitration agreement shall be governed by the laws of Hong Kong. The rights and obligations of the parties to submit disputes to arbitration pursuant to this Clause 14 shall survive the termination of this Agreement or the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement. Notwithstanding this Clause 14.2, any party may bring proceedings in any court of competent jurisdiction for ancillary, interim or interlocutory relief in relation to or in support of any arbitration commenced under this Clause 14.2. Notwithstanding the above, the Sole Sponsor shall also have the sole right:

14.2.1 to commence proceedings or pursue a claim in any court of competent jurisdiction for injunctive relief in relation to and/or in support of any dispute arising out of or in connection with this Agreement; or

14.2.2 in circumstances in which they become or are joined as a defendant or third party in any Proceedings, to pursue claims against the Company in those Proceedings (whether by way of a claim for an indemnity, contribution or otherwise).

14.3. **Submission to jurisdiction:** Each of the parties hereto irrevocably submits to the non-exclusive jurisdiction of any court of competent jurisdiction in which proceedings may be brought in relation to and/or in support of such arbitration.

14.4. **Waiver of objection to jurisdiction:** Each of the parties hereto irrevocably waives (and irrevocably agrees not to raise) any objection (on the grounds of forum non conveniens or otherwise) which it may now or hereafter have to the laying of the venue of any proceedings in any court of competent jurisdiction in which court proceedings may be brought in relation to or in support of any arbitration commenced under this Clause 14. Each of the parties hereto further irrevocably agrees that a judgment or order of any such court shall be conclusive and binding upon it and may be enforced in any court of competent jurisdiction.

14.5. **Service of documents:** Each of the parties unconditionally and irrevocably agrees that any writ, summons, order, judgment or other notice of legal process shall be sufficiently and effectively served on it if delivered in accordance with Clause 13.

- 14.6. **Waiver of immunity:** To the extent in any proceedings in any jurisdiction including, without limitation, arbitration proceedings, the Company has or can claim for itself or its, properties or revenues any immunity (on the grounds of sovereignty or crown status or any charter or otherwise) from any action, suit, proceedings or other legal process (including, without limitation, arbitration proceedings), from set-off or counterclaim, from the jurisdiction of any court or arbitral tribunal, from service of process, from any form of attachment to or in aid of execution of any judgment, decision, determination, order or award including, without limitation, any arbitral award, from the obtaining of judgment, decision, determination, order or award including, without limitation, any arbitral award, or from other action, suit or proceeding for the giving of any relief or for the enforcement of any judgment, decision, determination, order or award including, without limitation, any arbitral award or to the extent that in any such proceedings there may be attributed to itself or its assets, properties or revenues any such immunity (whether or not claimed), the Company hereby irrevocably waives and agrees not to plead or claim any such immunity in relation to any such proceedings (to the extent permitted by applicable Laws).

## 15. **GENERAL PROVISIONS**

- 15.1. **Time:** Save as otherwise expressly provided herein, time shall be of the essence of this Agreement.
- 15.2. **Illegality, invalidity or unenforceability:** If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the Laws of any jurisdiction, neither the legality, validity or enforceability in that jurisdiction of any other provisions hereof nor the legality, validity or enforceability of that or any other provision(s) hereof under the Laws of any other jurisdiction shall in any way be affected or impaired thereby.
- 15.3. **Assignment:** The Sole Sponsor may assign, in whole or in part, the benefits of this Agreement, including, without limitation, the Warranties and the indemnities in Clauses 6 and 10, respectively, to any of the persons who have the benefit of the indemnities in Clause 10 and any successor entity to the Sole Sponsor and shall notify the Company as soon as practicable after such assignment. Obligations under this Agreement shall not be assignable.
- 15.4. **Release or compromise:** Each party hereto may release or compromise, in whole or in part, the liability of, the other parties (or any of them) or grant time or other indulgence to the other parties (or any of them) without releasing or reducing the liability of the other parties (or any of them) or any other party hereto and without prejudicing the rights of the parties hereto against any other person under the same or a similar liability. Without prejudice to the generality of the foregoing, the Company agrees and acknowledges that any amendment or supplement to the Listing Documentation, the CSRC Filings or any of them (whether made pursuant to Clause 6.5 or otherwise) or any announcement, issue, publication or distribution, or delivery to investors, of such amendment or supplement or any approval by, or knowledge of, the Sole Sponsor, of such amendment or supplement to any of the Listing Documentation and CSRC Filings subsequent to its distribution shall not in any event and notwithstanding any other provision hereof constitute a waiver or modification of any of the conditions precedent to the obligations of the Sole Sponsor as set forth in this Agreement or result in the loss of any rights hereunder of the Sole Sponsor to terminate this Agreement or prejudice



any other rights of the Sole Sponsor under this Agreement (in each case whether by reason of any misstatement or omission resulting in a prior breach of any of the Warranties or otherwise).

- 15.5. **Exercise of rights:** No delay or omission on the part of any party hereto in exercising any right, power or remedy under this Agreement shall impair such right, power or remedy or operate as a waiver thereof. The single or partial exercise of any right, power or remedy under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, power and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies (whether provided by Laws or otherwise).
- 15.6. **No partnership:** Nothing in this Agreement shall be deemed to give rise to a partnership or joint venture, nor establish a fiduciary or similar relationship, between the parties hereto.
- 15.7. **Entire agreement:** This Agreement, together with, in the case of the Sole Sponsor, the Engagement Letter, constitute the entire agreement between the parties and supersedes and extinguishes any prior drafts, agreements, undertakings, understanding, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, relating to such matters as have been regulated by the provisions of this Agreement. For the avoidance of doubt, the Engagement Letter shall continue to be in force and binding upon the parties thereto.
- 15.8. **Amendment and variations:** This Agreement may only be amended or supplemented in writing signed by or on behalf of each of the parties hereto. Without prejudice to Clause 15.12.3, no consent of any third party is required with respect to any variation, amendment, waiver, termination to this Agreement.
- 15.9. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by email attachment or telecopy shall be an effective mode of delivery. In relation to each counterpart, upon confirmation by or on behalf of a party that such party authorizes the attachment of its counterpart signature page to the final text of this Agreement, such counterpart signature page shall take effect, together with such final text, as a complete authoritative counterpart,
- 15.10. **Judgment Currency Indemnity:** In respect of any judgment or order or award given or made for any amount due under this Agreement to any Indemnified Party that is expressed and paid in a currency (the “**judgment currency**”) other than Hong Kong dollars, the Indemnifying Party will indemnify such Indemnified Party against any loss incurred by such Indemnified Party as a result of any variation as between (A) the rate of exchange at which the Hong Kong dollar amount is converted into the judgment currency for the purpose of such judgment or order or award and (B) the rate of exchange at which such Indemnified Party is able to purchase Hong Kong dollars with the amount of the judgment currency actually received by such Indemnified Party. The foregoing indemnity shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term “**rate of exchange**” shall include any premiums and costs of exchange payable in connection with the purchase of or conversion into Hong Kong dollars.

- 15.11. **Taxation:** All payments to be made by the Company, as the case may be, under this Agreement shall be paid free and clear of and without deduction or withholding for or on account of, any and all present or future Taxes. If any Taxes are required by any Laws to be deducted or withheld in connection with such payments, the Company, as the case may be, will increase the amount paid and/or to be paid so that the full amount of such payments as agreed in this Agreement is received by the other parties as applicable.

If any of the other parties is required by any Authority to pay any Taxes as a result of this Agreement, the Company will pay an additional amount to such party so that the full amount of such payments as agreed in this Agreement to be paid to such party is received by such party and will further, if requested by such party, use reasonable efforts to give such assistance as such party may reasonably request to assist such party in discharging its obligations in respect of such Taxes, including by (a) making filings and submissions on such basis and such terms as such party may reasonably request, (b) promptly making available to such party notices received from any Authority, and (c) subject to the receipt of funds from such party, by making payment of such funds on behalf of such party to the relevant Authority in settlement of such Taxes and, forwarding to such party for record an official receipt issued by the relevant Authority or other official document evidencing such payment.

- 15.12. **Contracts (Rights of Third Parties) Ordinance:** A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance to enforce any terms of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Ordinance, and to the extent otherwise set out in this Clause 15.12:

15.12.1 Indemnified Parties may enforce and rely on Clause 10 to the same extent as if they were a party to this Agreement.

15.12.2 An assignee pursuant to Clause 15.3 may enforce and rely on this Agreement as if it were a party to this Agreement.

15.12.3 This Agreement may be terminated or rescinded and any term may be amended, varied or waived without the consent of the persons referred to in Clause 15.12.1.

- 15.13. **Language:** This Agreement is prepared and executed in English only. For the avoidance of doubt, in the event that there are any inconsistencies between this Agreement and any translation, the English language version shall prevail.

- 15.14. **Recognition of the U.S. Special Resolution Regimes**

15.14.1 In the event that the Sole Sponsor that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such entity of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any interest and obligation in or under this Agreement, were governed by the laws of the United States or a state of the United States.

15.14.2 In the event that the Sole Sponsor that is a Covered Entity or a BHC Act Affiliate of such entity becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such entity are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

15.14.3 For the purposes of this Clause 15.14, the following definitions apply:

- (a) “**BHC Act Affiliate**” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).
- (b) “**Covered Entity**” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 U.S. Code of Federal Regulations §252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 U.S. Code of Federal Regulations §47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 U.S. Code of Federal Regulations §382.2(b).
- (c) “**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 U.S. Code of Federal Regulations §§252.81, 47.2 or 382.1, as applicable.
- (d) “**U.S. Special Resolution Regime**” means each of (i) the U.S. Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

15.15. **Further Assurance:** The Company shall from time to time, on being required to do so by the Sole Sponsor now or at any time in the future do or procure the doing of such acts and/or execute or procure the execution of such documents as the Sole Sponsor may reasonably require to give full effect to this Agreement and secure to the Sole Sponsor the full benefit of the rights, powers and remedies conferred upon them in this Agreement.

15.16. **Survival:** The provisions in this Clause 15 shall remain in full force and effect notwithstanding the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement or the termination of this Agreement.

15.17. **Officer’s Certificates:** Any certificate signed by any officer of the Company and delivered to the Sole Sponsor or any counsel for the Sole Sponsor pursuant to this Agreement shall be deemed to be a representation and warranty by the Company, as to matters covered thereby, to the Sole Sponsor.

IN WITNESS whereof this Agreement has been entered into the day and year first before written.

**SIGNED** by ZHANG YINGJUN  
for and on behalf of  
**SUNSHINE LAKE PHARMA CO., LTD.**  
(廣東東陽光藥業股份有限公司)

)  
)  
)  
)



**SIGNED by ZHONG LI**  
for and on behalf of  
**CHINA INTERNATIONAL CAPITAL CORPORATION**  
**HONG KONG SECURITIES LIMITED**

)  
)  
)  
)

A handwritten signature in black ink, appearing to be 'Zhong Li', written in a cursive style.

## **Schedule 1**

### **THE WARRANTIES**

#### **Representations and warranties**

The Company represents, warrants, agrees and undertakes to the Sole Sponsor as follows:

#### **1. Accuracy of information**

- 1.1. (a) The Listing Document to be filed pursuant to Listing Rules will comply when so filed in all material respects with Listing Rules and the rules and regulations of the Listing Committee; and (b) the Listing Document will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions in reliance upon and in conformity with the information relating to the Sole Sponsor furnished to the Company in writing by the Sole Sponsor expressly for use therein (the “**Information Furnished**”) ; it being understood and agreed that the only Information Furnished with respect to the Sole Sponsor consists of the name, logo and address of such Sole Sponsor.
- 1.2. All statements or expressions of opinion or intention, forward-looking statements, forecasts and estimates (including, without limitation, the statements regarding the future plans, sufficiency of working capital, capital expenditures, critical accounting policies, indebtedness, prospects, dividends, material contracts and litigation) contained in the Listing Document (A) have been made after due, careful and proper consideration, (B) are and will remain based on grounds and assumptions referred to in the Listing Document (to the extent there are any) or otherwise based on reasonable grounds and assumptions, and (C) represent and continue to represent reasonable and fair expectations honestly held based on facts known to the Company any other member of the Group, and/or any of their respective directors, officers, employees, affiliates or agents; there are no other material facts or matters the omission of which would or reasonably be expected to make any such expression, statement, forecast or estimate misleading.
- 1.3. The Listing Document contains or includes (A) all information and particulars required to be contained or included therein to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Listing Rules and all other Laws so far as applicable to any of the foregoing, the listing of the Shares on the Stock Exchange and (B) all such information as investors and their professional advisers would reasonably require, and reasonably expect to find therein, for the purpose of making an informed assessment of the activities, assets and liabilities, financial position, profits and losses, and management and prospects of the Company and the other members of the Group, taken as a whole, and the rights attaching to the Shares.
- 1.4. The Company has not distributed and, prior to the Listing Date and the completion of the Listing will not distribute any listing material in connection

with the Listing other than the Listing Document and other document, announcement, publication, press release or other materials as required by any Applicable Law or by any Governmental Authority to which the Company is subject or submits, wherever situated, including, without limitation, the Stock Exchange of Hong Kong Limited (the “SEHK”), the Securities and Futures Commission (the “SFC”), Hong Kong Monetary Authority, or China Securities Regulatory Commission (the “CSRC”).

- 1.5. All information disclosed or made available in writing or orally from time to time (and any new or additional information serving to update or amend such information) by or on behalf of the Company or any other member of the Group and/or any of their respective directors, officers, or employees to the SEHK, the SFC, the CSRC, the Sole Sponsor, the Reporting Accountants, the Internal Control Consultant, the Industry Consultant and/or the legal and other professional advisers for the Company in connection with the listing of the Shares on the SEHK (including, without limitation, for the purpose of replying to queries and comments raised by the SEHK, the SFC, and the CSRC, the answers and documents provided for or in the course of due diligence or contained in or referred to in the Verification Notes, or the discharge by the Sole Sponsor of its obligations as sponsor under the Code of Conduct, the Listing Rules and the CSRC Rules, was so disclosed or made available in full and in good faith and was and remains true and accurate and not misleading or deceptive.
- 1.6. The Company has complied with all requirements and timely submitted all requisite filings in connection with the listing (including, without limitation, the CSRC Filing Report) with the CSRC pursuant to the CSRC Filing Rules and all applicable Laws, and the Company has not received any notice of rejection, withdrawal or revocation from the CSRC in connection with such CSRC Filings. The CSRC Filing Report, including any letters, filings, correspondences, communications, documents, responses, and submissions in any form (including any amendments, supplements and/or modifications thereof) is complete, true and accurate in all material respects and not misleading, and does not omit any material information which would make the statements made therein, in light of the circumstances under which they are made, misleading.
- 1.7. The CSRC Filings made by or on behalf of the Company in connection with the Introduction had been and will be in compliance with the disclosure requirements pursuant to the CSRC Filing Rules.
- 1.8. None of the statements contained in the Listing Documentation and/or any notices, announcements or documents, including, without limitation, all filings and submissions provided by or on behalf of the Company to the SEHK, the SFC or the CSRC, issued or used by or on behalf of the Company in connection with the Introduction (including any supplement or amendment to them) was, when it was issued, or has become, untrue, inaccurate or incomplete in any respect or misleading or deceptive; and none of the estimates, forecasts, expressions of opinion, intentions or expectations contained in any of such documents is not fair and honest or based on reasonable assumptions.
- 1.9. Without prejudice to any of the other Warranties:

- 1.9.1. the statements in relation to the Company's products and data contained in the section of the Listing Document headed "Business" represent the true and honest belief of the Directors or the management of the Company arrived at after due, proper and careful consideration and enquiry.
- 1.9.2. the statements contained in the Listing Document relating to the Group's indebtedness as at close of business on April 30, 2025 are complete, true and accurate and all developments in relation to the Company's indebtedness have been disclosed.
- 1.9.3. the statements relating to the Group's working capital, liquidity and capital resources contained in the section of the Listing Document headed "Financial Information" are complete, true and accurate and not misleading.
- 1.9.4. the interests of the Directors in the share capital of the Company and in contracts with the Company and other members of the Group and all the interests or short positions of each of the Directors in the securities, underlying securities and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance) which will be required to be notified to the Company and the SEHK pursuant to Part XV of the Securities and Futures Ordinance, or which will be required pursuant to section 352 of the Securities and Futures Ordinance to be entered in the register referred to therein, or which will be required to be notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules are fully and accurately disclosed as required by applicable laws and regulations in the Listing Document.
- 1.9.5. the statements contained in the Listing Document in the section headed "Risk Factors," "Business," and "Financial Information," including the statement regarding accounts receivable, and social insurance and housing provident fund, are complete, true, and accurate and not misleading and represent the true and honest belief of the Directors or the management of the Company arrived at after due, proper, and careful consideration, and there are no other material risks or matters associated with the Group, financial or otherwise, or the earnings, affairs or business or trading prospects of the Group which have not been disclosed in the Listing Document.
- 1.9.6. the statements contained in the Listing Document in the section headed "Industry Overview", "History, Development and Corporate Structure", "Share Capital", "Appendix IV – Summary of Principal Legal and Regulatory Provisions", "Appendix V – Summary of the Articles of Association", "Appendix VII – Statutory and General Information", insofar as they purport to constitute summaries of the terms of the Shares and describe provisions of laws, regulations, documents and other legal matters referred to therein, are a fair and accurate summary of the relevant Laws, regulations, documents and legal matters and not misleading or deceptive.



- 1.9.7. the reply to each question set out in the Verification Notes given by or on behalf of the Company or the Directors and all statements and information provided by or on behalf of the Company or the Directors in connection with any application or submission to or correspondence with the SEHK, the SFC and/or any applicable Authority were so given by a person having appropriate knowledge and duly authorized for such purposes and all such replies have been given in full and in good faith and were, and remain, complete, true and accurate and not misleading.
- 1.10. All statistical or market-related, operational or financial data included in the Listing Document, provided by the Company are derived and extracted from records of the Company and the other members of the Group subject to or using systems and procedures which incorporate adequate safeguards to ensure that the data are complete, true and accurate and not misleading in all material respects; all statistical or market-related data included in the Listing Document, derived from sources other than the Company are based on or derived and extracted from sources described therein which the Company believes in good faith to be reliable and accurate and agrees with such sources, and the Company has obtained the written consent to the use of such data from such sources to the extent required.
- 1.11. All information disclosed or made available in writing or orally from time to time (and any new or additional information serving to update or amend such information) which is disclosed or made available by or on behalf of the Company, any other member of the Group, and/or any of their respective directors, officers, employees, affiliates, advisers, or agents to the SEHK, the SFC, the CSRC, other applicable Authority, the Sole Sponsor, the Reporting Accountants, the Internal Control Consultant, the Industry Consultant and/or the legal and other professional advisers for the Company or the Sole Sponsor for the purposes of the listing of the Shares on the SEHK (including, without limitation, the answers and documents contained in or referred to in the Verification Notes, the information, answers and documents used as the basis of information contained in Listing Document or provided for or in the course of due diligence or the discharge by the Sponsor of its obligations as sponsor in relation to the listing of the Company, and the responses to queries and comments raised by the SEHK, the SFC, or any applicable Authority) and the information contained in the Listing Document, was so disclosed or made available in full and in good faith and was when given and, except as subsequently disclosed in the Listing Document or otherwise notified to the SEHK, the SFC, and/or any applicable Authority, as applicable, remains complete, true and accurate and not misleading in all material respects; all such information comprising expressions of opinion or intention, forward-looking statements, forecasts and estimates so disclosed or made available by the Company have been made after due, careful and proper consideration and are and remain based on grounds and assumptions referred to in the Listing Document (to the extent there are any) or otherwise based on reasonable grounds and assumptions and represent reasonable and fair expectations honestly held based on facts known to the Company, any other member of the Group, and/or any of their respective directors, officers, employees, affiliates or agents; there is no other information which has not been provided the result of

which would reasonably be expected to make the information so disclosed or made available misleading.

- 1.12. Without prejudice to any of the other representations and warranties of the Company herein, the Company has, as required under paragraph 3A.05 of the Listing Rules and as necessary or relevant to the performance of the duties of the Sole Sponsor in relation to the application for listing of the Shares on the Main Board of the SEHK under Chapter 3A of the Listing Rules and the Code of Conduct for Persons Licensed by or Registered with the SFC: (i) given to the Sole Sponsor, upon request, all information available or known to the Company or the Directors that is relevant to the Sole Sponsor's performance of such duties under Chapter 3A of the Listing Rules; (ii) afforded the Sole Sponsor's full access at all times in a reasonable manner to all persons, premises and documents relevant to the performance of such duties; and (iii) kept the Sole Sponsor informed of any and all changes to any information so given to the Sole Sponsor.
- 1.13. The Application Proof is in compliance with Chapters 3 and 6 of the Guide for New Listing Applicants published by the SEHK (the "**Guide**") on redactions therein and appropriate warning and disclaimer statements for publication thereof published by the SEHK.
- 1.14. The Application Proof does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, or an invitation to the public to make offers to subscribe for or purchase any securities, or is calculated to invite offers by the public to subscribe for or purchase any securities. The Application Proof is not an inducement to subscribe for or to purchase any securities, and no such inducement was intended or made by the Company in publishing the Application Proof.
- 1.15. No information was withheld from the Sole Sponsor, the Reporting Accountants, the Internal Control Consultant, the Industry Consultant and/or the legal and other professional advisers for the Company or the Sole Sponsor for the purposes of the listing of the Shares on the SEHK (including for the purposes of making submissions or applications to, or replying to queries or comments raised by, the SEHK, the SFC or the CSRC), and all information given by the Company to the Sole Sponsor, the Reporting Accountants, the Internal Control Consultant, the Industry Consultant and/or the legal and other professional advisers for the Company or the Sole Sponsor for such purposes was given in good faith and there is no other material information which has not been provided the result of which would make the information so received misleading.

## **2. The Company and the Group**

- 2.1. Save as disclosed in the PRC legal opinion to be issued by Jia Yuan Law Office (the "**PRC Legal Opinion**") in connection with the Introduction, as of the date of this Agreement, the Company has the authorized and issued share capital as set forth in the Listing Document, and all of the issued shares of the Company (A) have been duly authorized and validly issued and are fully paid and non-assessable, (B) have been issued in compliance with all applicable Laws, (C)

were not issued in violation of any pre-emptive right, resale right, right of first refusal or similar right, (D) are owned by the existing shareholders and in the amounts specified in the Listing Document, and (E) are not and will not be subject to any Encumbrance or adverse claims.

- 2.2. Neither the Company nor any other member of the Group has, since the date of the latest audited financial statements included in the Listing Document, (i) sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree or (ii) entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and the other members of the Group taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and the other members of the Group taken as a whole, in each case otherwise than as set forth or contemplated in the Listing Document; and, since the respective dates as of which information is given in the Listing Document, there has not been (x) any material adverse change in issued shares or long-term debt of the Company or any other member of the Group or (y) any Material Adverse Effect; as used in this Agreement, “**Material Adverse Effect**” shall mean a material adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders’ equity, position or condition (financial, trading or otherwise) of the Company or the Group as a whole, or (ii) the power or ability to perform any of the obligations under this Agreement, and/or other agreements or the transactions contemplated under such agreements and the Introduction.
- 2.3. Each of the Company and the other members of the Group has been (i) duly organized and is validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, with power and authority (corporate and other) to own, lease and operate its properties and to conduct its business as described in the Listing Document, and (ii) duly qualified for the transaction of business and is in good standing under the laws of each jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification. The currently effective articles of association or other constitutional or organizational documents of the Company comply with the requirements of applicable PRC law and are in full force and effect; the Company has been duly registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and the Articles of Association and other constituent or constitutive documents and the business license of the Company are consistent with the laws of the PRC and where applicable, the Listing Rules and Laws in Hong Kong.
- 2.4. Save as disclosed in the PRC Legal Opinion, (A) The Company and the other members of the Group possess, and are in compliance with the terms of all certificates, authorizations, franchises, licenses and permits (the “**Approvals and Filings**”) necessary or material to the conduct of their business now conducted; except for such as would not, individually or in the aggregate, result in a Material Adverse Effect. (B) the Company and the other members of the Group have not received any notice of proceedings relating to the revocation or

modification of any Approval or Filing that, if determined adversely to the Company or any other member of the Group, would, individually or in the aggregate, have a Material Adverse Effect, or has any reason to believe that any such Approvals and Filings will not be renewed in the ordinary course; and (C) all of the Approvals and Filings are valid and in full force and effect, except when the invalidity of such Approvals and Filings or the failure of such Approvals and Filings to be in full force and effect would not, singly or in the aggregate, result in a Material Adverse Effect.

- 2.5. (A) The Company has no subsidiaries other than those as set forth in the section of the Listing Document headed “Appendix I – Accountants’ Report”; (B) except as disclosed in the Listing Document, the Company owns all of the issued or registered share capital or other equity interests of or in each of the other members of the Group; (C) other than the share capital or other equity interests of or in the other members of the Group, the Company does not own, directly or indirectly, any share capital or any other equity interests or long-term debt securities of or in any corporation, firm, partnership, joint venture, association or other entity; (D) the Company has an authorized capitalization as set forth in Listing Document and all of the issued shares of each of the members of the Group have been duly authorized and validly issued, are fully paid up and non-assessable, conform in all material respects to their description contained in the Listing Document, have been issued in compliance with all applicable Laws and were not issued in violation of any pre-emptive right, resale right, right of first refusal or similar right and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims; (E) all of the registered capital of each of the members of the Group that is a PRC person has been duly and validly established, all of such registered capital has been duly paid in accordance with applicable PRC Laws and their respective articles of association, to the extent that such registered capital is required to be paid prior to the date hereof and the Listing Date; all of such registered capital has been issued in compliance with all applicable Laws and was not issued in violation of any pre-emptive right, resale right, right of first refusal or similar right and is owned by the Company subject to no Encumbrance or adverse claims to the best knowledge of the Company; and (F) there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any member of the Group, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any member of the Group, any such convertible or exchangeable securities or any such rights, warrants or options.
- 2.6. Each member of the Group is capable of suing and being sued in its own name; each member of the Group is duly qualified to transact business and is in good standing in each jurisdiction where such qualification is required (by virtue of its business, ownership or leasing of properties or assets or otherwise); each of the members of the Group that is a PRC person has passed each annual examination by the applicable PRC Authorities without being found to have any material deficiency or to be in material default under applicable PRC Laws and has timely received all requisite certifications from each applicable PRC

Authority. All Approvals and Filings applicable to or necessary for the establishment of each of the member of the Group, any of its constitutive documents or its registered or authorized share capital have been duly obtained or made, and all Approvals and Filings are unconditional and in full force and effect. Each member of the Group has full power and authority to declare, make or pay any dividend or other distribution and to repay loans to any of its shareholders without the need for any Approvals and Filings from any Authority.

- 2.7. Neither the Company nor any of the other members of the Group acts or carries on business in partnership with any other person or is a member of any corporate or unincorporated body, undertaking or association or holds or is liable for any share or security which is not fully paid up or which carries any liability; each joint venture contract, shareholders' agreement or other cooperative agreement or arrangement in respect of which the Company or any of the other members of the Group is a party is legal, valid, binding and (subject to equitable principles and applicable insolvency laws) enforceable in accordance with its terms under its governing law and all relevant approvals in respect thereof have been duly and validly obtained.
- 2.8. No member of the Group is conducting or proposes to conduct any business, or has or proposes to acquire or incur any property or asset or liability or obligation (including, without limitation, contingent liability or obligation), which is material to the Group as a whole but is not directly or indirectly related to the business of such member of the Group or the business of the Group, taken as a whole, as described in the Listing Document.
- 2.9. The Shareholders of the Company have completed Circular 37 registration to the extent required by applicable Laws.
- 2.10. Except as described in Listing Document, each member of the Group that were incorporated outside of the PRC has taken, or is in the process of taking, reasonable steps to comply with, and to ensure compliance by each of its shareholders, directors, officers, option holders and employees, that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen with any applicable rules and regulations of the relevant PRC government agencies (including but not limited to the Ministry of Commerce, the National Development and Reform Commission and the State Administration of Foreign Exchange) relating to overseas investment by PRC residents and citizens or the repatriation of the proceeds from overseas offering and listing by offshore special purpose vehicles controlled directly or indirectly by PRC companies and individuals, such as the Company, (the "**PRC Overseas Investment and Listing Regulations**"), including, without limitation, requesting each shareholder, director, officer, option holder and employee that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen, to complete any registration and other procedures required under applicable PRC Overseas Investment and Listing Regulations.
- 2.11. Neither the Company nor any of its subsidiaries is a party to any effective memorandum of understanding, letter of intent, definitive agreement or any similar agreements with respect to a merger or consolidation or an acquisition or disposition of assets, technologies, business units or businesses which is

required to be described in the in the Listing Document and which is not so described.

### **3. This Agreement**

- 3.1. The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated by this Agreement. Each of this Agreement and any other document required to be executed by the Company pursuant to the provisions of this Agreement has been duly authorized, executed and delivered by the Company and, when validly authorized, executed and delivered by the other parties hereto and thereto, constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms; to ensure the legality, validity, enforceability or admissibility into evidence of this Agreement in the PRC, it is not necessary that this Agreement be filed or recorded with any court or other authority in the PRC or that any stamp or similar tax in the PRC be paid on or in respect of this Agreement or any other documents to be furnished hereunder.

### **4. No conflict, compliance and approvals**

- 4.1. Neither the Company nor any other member of the Group is (i) in violation of its articles of association or any other organizational document, (ii) in violation of any law, order, rule or regulation judgment, order, writ or decree applicable to the Company or any other member of the Group of any court, stock exchange or any government, regulatory body, administrative agency or other governmental body having jurisdiction, except as disclosed in the Listing Document, or (iii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except, in the case of the foregoing clauses (ii) and (iii), for such defaults as would not, individually or in the aggregate, result in a Material Adverse Effect.
- 4.2. The execution, delivery and performance of this Agreement and any other document required to be executed by the Company pursuant to the provisions of this Agreement, the compliance by the Company with this Agreement, the consummation of the transactions herein and therein contemplated, and the fulfillment of the terms hereof, do not and will not conflict with, or result in a material breach or violation of any of the terms or provisions of, or constitute a default under any indenture, mortgage, indebtedness, deed of trust, loan agreement or other agreement or instrument to which the Company or any member of the Group is a party or by which the Company or any member of the Group is bound or to which any of the property or assets of the Company or any member of the Group is subject, nor will such action result in any violation of the provisions of the articles of association or any other organizational document of the Company or any member of the Group or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any member of the Group or any of their properties; or constitute any event which, with notice or lapse of time or fulfillment of any condition or compliance with any formality or all of the

foregoing, would result in a breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or part of such indebtedness under, or result in the creation or imposition of an Encumbrance on any property or assets of any member of the Group pursuant to (A) the articles of association or other constituent or constitutive documents or the business license of any member of the Group, or (B) any indenture, mortgage, deed of trust, loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which any member of the Group is a party or by which any member of the Group is bound or any of its properties or assets may be bound or affected, or (C) any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over any member of the Group or any of its properties or assets.

- 4.3. Approval in principle has been obtained from the Listing Committee for the listing of, and permission to deal in, the Shares on the Main Board of the SEHK and remains valid.
- 4.4. Except for the final approval from the SEHK, all approval (including the CSRC approval letter dated June 16, 2025, for the submission of the application to list Shares on the SEHK issued to the Company, and referred to as the “**PRC Approval**”), authorization, order, registration or qualification for the Introduction and the listing of the Shares of the Company under any Laws applicable to, or from or with any Authority having jurisdiction over, the Company or any other members of the Group or any of their respective properties or assets, or otherwise from or with any other persons, required in connection with the listing of Shares, the execution or delivery by the Company of this Agreement or the performance by the Company of its obligations hereunder, or the consummation by the Company of the transactions contemplated by this Agreement, and for the Company and the other members of the Group to carry on their business and operations as described in the Listing Document, are in full force and effect, and there is no reason to believe that any such approvals, including the PRC Approval, may be revoked, suspended or modified.
- 4.5. Except otherwise disclosed in the Listing Document, (A) no person has the right, contractual or otherwise, to cause the Company to issue or sell to it any Shares or shares of any other capital stock of the Company, (B) no person has any preemptive rights, resale rights, rights of first refusal or other rights to purchase any Shares or any other shares of the Company and (C) no person has the right to act as an underwriter or as a financial adviser to the Company in connection with the Introduction or the listing of the Shares; and (D) no person has the right, contractual or otherwise, to cause the Company to include any Shares or any other shares of the Company in the Introduction.
- 4.6. (A) The Company and the other members of the Group (i) have conducted and are conducting their respective businesses and operations in compliance with all Laws applicable thereto in all material respects and (ii) have obtained or made and hold and are in compliance with all material Approvals and Filings under any Laws applicable to, or from or with any Authority having jurisdiction over

the Company or any of its properties or assets, or otherwise from or with any other persons, required in order to own, lease, license and use its properties and assets and conduct its businesses and operations in the manner presently conducted or proposed to be conducted as described in the Listing Document; (B) all such Approvals and Filings contain no conditions precedent that have not been fulfilled or performed or other materially burdensome restrictions or conditions not described in the Listing Document; (C) all such Approvals and Filings are valid and in full force and effect, and no member of the Group is in violation of, or in default under, or has received notice of any action, suit, proceeding, investigation or inquiry relating to revocation, suspension or modification of, or has any reason to believe that any Authority is considering revoking, suspending or modifying, any such Approvals and Filings, and there are no facts or circumstances existing or that have in the past existed which may lead to the revocation, rescission, avoidance, repudiation, withdrawal, non-renewal or change, in whole or in part, of any of the existing Approvals and Filings, or any requirements for additional Approvals and Filings which could prevent, restrict or hinder the operations of any member of the Group or cause any member of the Group to incur additional material expenditures; and (D) no governmental authorities, in its inspection, examination or audit of any member of the Group have reported findings or imposed penalties that have resulted in or could reasonably be expected to have individually or in the aggregate, a Material Adverse Effect.

- 4.7. None of the Company or, to the best knowledge of the Company, any other member of the Group, nor any person acting on behalf of any of them has taken any action, nor have any steps been taken or any actions, suits or proceedings under any Laws been started or threatened, to (A) wind up, liquidate, dissolve, make dormant or eliminate the Company or any other member of the Group or (B) to withdraw, revoke or cancel any Approvals and Filings under any Laws applicable to, or from or with any Authority having jurisdiction over, the Company, any other member of the Group, or any of their respective properties or assets, or otherwise from or with any other persons, required in order to conduct the business of the Company or any other member of the Group.
- 4.8. The transactions provided for or contemplated by this Agreement and all related arrangements, in so far as they are the responsibility of the Company, any other member of the Group, have been and will be carried out in accordance with all applicable Laws and regulatory requirements in the PRC, Hong Kong, and any other relevant jurisdictions.
- 4.9. There are no contracts, agreements or understandings between the Company and any person (other than this Agreement) that would give rise to a valid claim against the Company or the Sole Sponsor for a brokerage commission, finder's fee or other like payment in connection with the Introduction.

## **5. Accounts and other financial information**

- 5.1. The Reporting Accountants, who have audited certain financial statements of the Company and its subsidiaries, are independent public accountants as defined by the Hong Kong Institute of Certified Public Accountants and its rulings and interpretations.



- 5.2. (A) The audited consolidated financial statements (and the notes thereto) of the Company included in the Listing Document give a true and fair view of the consolidated financial position of the Group as of the dates indicated and the consolidated results of operations, cash flows and changes in shareholders' equity of the Group for the periods specified, and have been prepared in conformity with International Financial Reporting Standards ("IFRS") applied on a consistent basis throughout the periods involved; (B) the supporting schedules, if any, present fairly in accordance with IFRS the information required to be stated therein; (C) all summary and selected financial data included in the Listing Document are derived from the accounting records of the Group and present fairly the information shown therein and have been compiled on a basis consistent with that of the audited consolidated financial statements of the Company included therein; (D) the pro forma net tangible assets (and the notes thereto) (and all other pro forma financial statements, information or data, if any) included in the Listing Document are presented in a fair manner as shown therein and have been prepared in accordance with the applicable requirements of the Listing Rules, the assumptions used in the preparation of such pro forma net tangible assets (and other pro forma financial statements, information and data, if any) are reasonable and disclosed therein and there are no other assumptions or sensitivities which should reasonably be taken into account in the preparation of such information that are not so taken into account, the pro forma adjustments used therein are appropriate to give effect to the transactions or circumstances described therein, and the pro forma adjustments have been properly applied to the historical amounts in the compilation of the pro forma net tangible assets (and other pro forma financial statements, information and data, if any); (E) there are no financial statements (historical or pro forma) or supporting schedules that are required (including, without limitation, by the Listing Rules) to be included in the Listing Document that are not included as required; and (F) the Group does not have any material liabilities or obligations, direct or contingent (including, without limitation, any off-balance sheet obligations), not described in the Listing Document.
- 5.3. The memorandum of the Board on profit forecast for the year ending December 31, 2025 and on cash flow forecast for the period beginning March 1, 2025 and ending June 30, 2026 has been approved by the Directors and reviewed by the Reporting Accountants, has been prepared after due and careful enquiry and on the basis and assumptions stated in such memorandum which the Directors honestly believe to be fair and reasonable and (A) all statements of fact in such memorandum are complete, true and accurate and not misleading, (B) all expressions of opinion contained in such memorandum are fair and reasonable, are honestly held by the Directors and can be properly supported; and (C) there are no other facts or assumptions which in any case ought reasonably to have been taken into account which have not been taken into account in the preparation of such memorandum.
- 5.4. (A) The prospective information (i) included in the profit forecast as set forth in the memorandum of the Board on profit forecast for the year ending December 31, 2025 and on cash flow forecast for the period beginning March 1, 2025 and ending June 30, 2026 and (ii) included in the planned capital expenditures and projected working capital as set forth in the sections of the Listing Document

headed “Financial Information – Liquidity and Capital Resources,” and “Financial Information – Commitments” (collectively, the “**Prospective Financial Information**”), in each case has been prepared after due and proper consideration, and represents reasonable and fair expectations honestly held, by the Company on the basis of facts after due and careful inquiry and the bases and assumptions stated in the memorandum and the Listing Document, and in accordance with the Company’s accounting policies described in the Listing Document consistently applied; (B) the bases and assumptions used in the preparation of the Prospective Financial Information (i) are all those that the Company believes are significant in forecasting the consolidated profit attributable to the shareholders of the Company for the year ending December 31, 2025 and estimating the capital expenditures and the projected working capital of the Company for the period beginning March 1, 2025 and ending June 30, 2026, as applicable, and (ii) reflect, for each relevant period, a fair and reasonable forecast or estimate by the Company of the events, contingencies and circumstances described therein; and (C) the Prospective Financial Information represents a fair and reasonable forecast by the Company of the consolidated profit attributable to the shareholders of the Company for the year ending December 31, 2025 and fair and reasonable estimates by the Company of the estimated capital expenditures and the projected working capital of the Company for the period beginning March 1, 2025 and ending June 30, 2026, as applicable.

- 5.5. The unaudited consolidated management financial information of the Company and the other members of the Group as of March 31, 2025 and for the period from January 1, 2025 to March 31, 2025 (and the notes thereto) and other accounting records of the Group (A) have been reviewed by the Reporting Accountants, (B) have been prepared in conformity with IFRSs applied on a consistent basis throughout the period from January 1, 2025 to March 31, 2025, (C) have been compiled on a basis consistent with the audited consolidated financial statements of the Company included in the Listing Document, (D) have been properly written up and give a true and fair view of, and reflect in conformity with the accounting policies of the Company and IFRSs, all the transactions entered into by the Company or any of the other members of the Group or to which the Company or any other member of the Group was a party during the period from January 1, 2025 to March 31, 2025, (E) reflect normal recurring adjustments which are necessary for a fair presentation of the consolidated results of operations of the Group for the period from January 1, 2025 to March 31, 2025, (F) contain no material inaccuracies or discrepancies of any kind, and (G) fairly present the consolidated financial position of the Group as of March 31, 2025 and the consolidated results of operations of the Group for the period from January 1, 2025 to March 31, 2025.
- 5.6. The statements set forth in the section of the Listing Document headed “Financial Information – Critical Accounting Policies and Estimates” accurately and fully describes in all material respects of (A) accounting policies which the Company believes are the most important in the portrayal of the financial condition and results of operations of the Group on a consolidated basis and which require management’s most difficult, subjective or complex judgments (“**critical accounting policies**”); (B) judgments and uncertainties

affecting the application of critical accounting policies; and (C) explanation of the likelihood that materially different amounts would be reported under different conditions or using different assumptions. The Company's board of directors and senior management have reviewed and agreed with the selection, application and disclosure of critical accounting policies. The statements set forth in the section of the Listing Document headed "Financial Information" accurately and fully describe (x) all material trends, demands, commitments, events, uncertainties and risks, and the potential effects thereof, that the Company believes would materially affect liquidity and are reasonably likely to occur; and (y) all material off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources of the Company and the other members of the Group on a consolidated basis. All governmental tax waivers from national and local governments of the PRC and other local and national PRC tax relief, concession and preferential treatment or obtained by the Company or any Member of the Group are valid, binding and enforceable.

- 5.7. (A) The factual contents related to the Group of the reports and letters of the Reporting Accountants are complete, true and accurate (and where such information is subsequently amended, updated or replaced, such amended, updated or replaced information is complete, true and accurate) and no fact or matter has been omitted therefrom which would make the contents of any of such reports or letters misleading, and the opinions attributed to the Directors in such reports or letters or certificates are held in good faith based upon facts within their best knowledge; (B) no material information was withheld from the Reporting Accountants for the purposes of their preparation of their reports contained in the Listing Document and the comfort letters to be issued by the Reporting Accountants in connection with the listing of the Shares on the Stock Exchange and all information given to the Reporting Accountants for such purposes was given in good faith and there is no other information which has not been provided the result of which would make the information so received misleading; and (C) no information was withheld from the Reporting Accountants or the Sole Sponsor for the purposes of their review of the forecasts of profit and earnings per share and the pro forma net tangible assets and all other pro forma financial statements, information or data, if any, of the Company included in the Listing Document or their review of the Company's profit forecast, cash flow and working capital projections, estimated capital expenditures and financial reporting procedures.
- 5.8. The Group has established and maintains and evaluates disclosure and corporate governance controls and procedures to ensure that (A) material information relating to the Company or any other member of the Group is made known in a timely manner to the Company's board of directors and management by others within those entities, and (B) the Company and its board of Directors comply in a timely manner with the requirements of the Listing Rules, the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, the Securities and Futures Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance and any other applicable Law, including, without limitation, the requirements of the Listing Rules on

disclosure of inside information (as defined and required in the Securities and Futures Ordinance) and notifiable, connected and other transactions required to be disclosed, and such disclosure and corporate governance controls and procedures are effective to perform the functions for which they were established and documented properly and the implementation of such disclosure and corporate governance controls and procedures policies are monitored by the responsible persons (as used herein, the term “**disclosure and corporate governance controls and procedures**” means controls and other procedures that are designed to ensure that information required to be disclosed by the Company, including, without limitation, information in reports that it files or submits under any applicable Law, inside information and information on notifiable, connected and other transactions required to be disclosed, is recorded, processed, summarized and reported, in a timely manner and in any event within the time period required by applicable Law).

## **6. Indebtedness and material obligations**

- 6.1. (A) There are no relationship or transactions, including indebtedness (actual or contingent), between the Company or any other member of the Group on the one hand and their respective affiliates, officers and directors or their shareholders, third party contractors, customers or suppliers on the other hand, (B) there are no relationships or transactions between the Company or any other member of the Group, on the one hand, and any holder of 1% or more of the outstanding ordinary shares of the Company or any affiliate of any such holder, on the other hand, other than on normal commercial terms in the ordinary and usual course of business, and the statements in the Listing Document in this regard are true, accurate and complete and do not omit any facts necessary to make such statements, in the light of the circumstances under which they are made, not misleading, and (C) other than on normal commercial terms in the ordinary and usual course of business, there is no actual or contingent indebtedness, contract or arrangement outstanding between the Company or any other member of the Group, on the one hand, and any Director or officer of the Company or any other member of the Group or any person connected with such Director or officer (including but not limited to his or her spouse or child, or any company or undertaking in which he or she holds a controlling interest).
- 6.2. Except as otherwise disclosed in all of the Listing Document (A) no member of the Group has any outstanding liabilities, term loans, other borrowings or indebtedness in the nature of borrowings, including, without limitation, bank overdrafts and loans, debt securities or similar indebtedness, and hire purchase commitments, or any mortgage or charge or any material guarantee or other contingent liabilities, (B) no outstanding indebtedness of any member of the Group has (or, with notice or lapse of time or fulfillment of any condition or compliance with any formality or all of the foregoing, will) become repayable before its stated maturity, nor has (or, with notice or lapse of time or fulfillment of any condition or compliance with any formality or all of the foregoing, will) any security in respect of such indebtedness become enforceable by reason of default of such member of the Group, (C) no person to whom any material indebtedness of any member of the Group that is repayable on demand is owed has demanded or threatened to demand repayment of, or to take steps to enforce

any security for, the same, (D) no circumstance has arisen such that any person is now entitled to require payment of any material indebtedness of any member of the Group or under any guarantee of any liability of any member of the Group by reason of default of such member of the Group or any other person or under any guarantee given by any member of the Group and (E) no member of the Group has stopped or suspended payments of its debts, has become unable to pay its debts or otherwise become insolvent.

- 6.3. (A) The amounts borrowed by each member of the Group do not exceed any limitation on its borrowing contained in its articles of association or other constituent or constitutive documents or its business license or in any debenture or other deed or document binding upon it; (B) no member of the Group has factored any of its material debts or engaged in financing of a type which would not be required to be shown or reflected in its audited accounts; and (C) with respect to each of the borrowing facilities of any member of the Group which, taken as a whole, is material to the Group, (i) such borrowing facility has been duly authorized, executed and delivered, is legal, valid, binding and enforceable in accordance with its terms and is in full force and effect, (ii) all undrawn amounts under such borrowing facility is or is expected to be capable of drawdown pursuant to the terms thereof, and (iii) no event has occurred, and no circumstances exist, which could cause any undrawn amounts under such borrowing facility to be unavailable for drawing as required; and (D) no event has occurred, and no circumstances exist, in relation to any investment grants, loan subsidies or financial assistance received by or granted to or committed to be granted or pledged to the Company or any of the other members of the Group from or by any Authority in consequence of which the Company or the relevant member of the Group is or could be held liable to forfeit or repay in whole or in part any such grant or loan or financial assistance.
- 6.4. There are no outstanding guarantees or other contingent obligations of the Company or any other member of the Group that could reasonably be expected to have a Material Adverse Effect.

## 7. Subsequent events

- 7.1. Except as otherwise disclosed in the Listing Document, subsequent to the date of the latest audited consolidated financial statements included in the Listing Document, (the “**Latest Audited Balance Sheet Date**”), no member of the Group has (A) entered into or assumed or otherwise agreed to be bound by any contract or agreement (B) incurred, assumed or acquired or otherwise agreed to become subject to any liability (including, without limitation, contingent liability) or other obligation, (C) acquired or disposed of or agreed to acquire or dispose of any business or asset, or (D) cancelled, waived, released or discounted in whole or in part any debt or claim, (E) purchased or reduced, or agreed to purchase or reduce, its capital stock of any class, (F) declared, made or paid any dividend or distribution of any kind on its capital stock of any class, (G) had any lapse of any Intellectual Property (as defined below), or (H) entered into an agreement, a letter of intent or memorandum of understanding (or announced an intention to do so) relating to any matters identified in clauses (A) through (G) above.

- 7.2. Subsequent to the Latest Audited Balance Sheet Date, no member of the Group has sustained any loss or interference with its business from fire, explosion, flood, earthquake or other calamity, whether or not covered by insurance, or from any labor dispute or any action, order or decree of any Authority.
- 7.3. Subsequent to the Latest Audited Balance Sheet Date and save as disclosed in the Listing Document, (A) there has been no material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting the business, properties, general affairs, management, financial position, stockholders' equity or results of operations of the Company and any member of the Group, taken as a whole, (B) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its issued shares and (C) there has been no material adverse change in the issued shares (other than as result of the exercise, if any, of share options or the award, if any, of share options or restricted shares in the ordinary course of business pursuant to the Company's equity plans that are described in the Listing Document), long-term indebtedness, net current assets or net assets of the Company and the any member of the Group. The Company and any member of the Group have no material contingent obligations which are not disclosed in the Company's financial statements which are included in the Listing Document.
- 7.4. Except as otherwise disclosed in the Listing Document, (A) there has been no material change in the capital stock, total current assets or total current liabilities of the Group as of (i) the date of this Agreement, (ii) the Listing Document Date, or (iii) the Listing Date, as applicable, in each case as compared to amounts shown in the audited consolidated balance sheet of the Group as of Latest Audited Balance Sheet Date included in the Listing Document; and (B) there has been no material decreases in revenues, gross profit, gross profit margin and operating expenses of the Group during the period beginning December 31, 2024 ending (i) the date of this Agreement, (ii) the Listing Document Date, or (iii) the Listing Date, as applicable, in each case as compared to the corresponding period in the preceding financial year ended December 31, 2024 of the Company.
- 7.5. No customer, supplier, partner or distributor of the Group has ceased or, so far as the Company is aware, is considering ceasing to deal with the Group except to the extent which, individually or in the aggregate, would not result in a Material Adverse Effect.

## **8. Assets**

- 8.1. Except for certain issues relating to certain property titles and the risk of not commencing development as stipulated in the relevant land grant contracts as disclosed in the Listing Document, the Company and the other members of the Group have good and marketable title to all self-owned real property and good and marketable title to all material personal property owned by them, in each case, free and clear of all liens, encumbrances and defects except such as are described in the Listing Document or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and the other members of the Group; and any real property and buildings held under lease by the Company and the other

members of the Group are held by them under valid, subsisting and enforceable leases with such exceptions as disclosed in the Listing Document or are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and the other members of the Group .

- 8.2. Except for certain ongoing intellectual property disputes as disclosed in the Listing Document, the Company and the other members of the Group own or possess adequate rights to use or can acquire on reasonable terms sufficient trademarks, trade names, service marks, domain names and other source identifiers, patent rights, copyrights and copyrightable works, licenses, approvals, trade secrets, inventions, software, technology, know-how and other intellectual property and similar rights, including, as applicable, registrations and applications for registration thereof and goodwill associated therewith (collectively, “**Intellectual Property Rights**”) used or held for use in, necessary for or material to the conduct of the business now conducted (collectively, “**Company’s Intellectual Property Rights**”), except for such as would not individually or in aggregate, have or result in a Material Adverse Effect, and the expected expiration of any such Company’s Intellectual Property Rights would not, individually or in the aggregate, have a Material Adverse Effect. Except as disclosed in the Listing Document, and except as would not, individually or in the aggregate, result in a Material Adverse Effect, (A) there are no rights of third parties to any of the Company’s Intellectual Property Rights owned by the Company or any members of the Group; (B) there is no infringement, misappropriation, breach, default or other violation, or the occurrence of any event that with notice or the passage of time would constitute any of the foregoing, to the best knowledge of the Company by the Company or any other members of the Group of any of the Intellectual Property Rights of any third parties; (C) there is no pending or to the best knowledge of the Company threatened action, suit, proceeding or claim by others challenging the Company’s or any other members of the Group’ rights in or to, or the violation of any of the terms of, any of their Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (D) there is no pending or, to the best knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the validity, enforceability or scope of any such Company’s Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (E) there is no pending or, to the best knowledge of the Company, threatened action, suit, proceeding or claim by others that the Company or any other members of the Group infringes, misappropriates or otherwise violates or conflicts with any Intellectual Property Rights or other proprietary rights of others and the Company is unaware of any facts which would form a reasonable basis for any such claim; and (F) to the best knowledge of the Company, none of the Intellectual Property Rights used by the Company or the other members of the Group in their businesses has been obtained or is being used by the Company or the other members of the Group in violation of any contractual obligation binding on the Company or any other member of the Group in violation of the rights of any persons.

- 8.3. The trademarks, patents, domain names and copyrights shown in the section headed “Appendix IV – Statutory and General Information – B. Further

Information about Our Business – 2. Our Intellectual Property Rights” of the Listing Document are the registered trademarks, patented, domain names and copyrights owned by the Group which are material to the business of the Group as currently conducted.

- 8.4. Any Company-derived statistical and market-related data included in the Listing Document have been derived from the records of the Company using systems and procedures that incorporate adequate safeguards to ensure that the data are complete, true and accurate in all material respects and are not misleading; any third-party statistical and market-related data included in the Listing Document are based on or derived from sources that the Company believes to be reliable and accurate, and the Company has obtained the written consents to the use of such data from such sources to the extent required.
- 8.5. (A) All computer systems, communications systems, software and hardware which are currently owned, licensed or used by the Company or any other member of the Group (collectively, the “**Information Technology**”) comprise all of the information technology systems and related rights necessary to conduct the respective businesses of the Company and the other members of the Group as currently conducted or as proposed to be conducted; (B) the Company and the other members of the Group either legally and beneficially own, or have obtained licenses for, or other rights to use, all of the Information Technology; (C) each agreement pursuant to which the Company or any other member of the Group has obtained licenses for, or other rights to use, the Information Technology is legal, valid, binding and enforceable in accordance with its terms, the Company and the other members of the Group have complied with the terms of each such agreement which is in full force and effect, and no default (or event which, with notice or lapse of time or fulfillment of any condition or compliance with any formality or all of the foregoing, would constitute such a default) by the Company or any of the other members of the Group has occurred and is continuing or is likely to occur under any such agreement and no notice has been given by or to any party to terminate any such agreement; (D) all the records and systems (including but not limited to the Information Technology) and all data and information of the Company and the other members of the Group are maintained and operated by the Company and the other members of the Group and are not wholly or partially dependent on any facilities not under the exclusive ownership or control of the Company and the other members of the Group; (E) in the event that the persons providing maintenance or support services for the Company and the other members of the Group with respect to the Information Technology cease or are unable to do so, the Company and the other members of the Group have all the necessary rights and information to continue to maintain and support or have a third party maintain or support the Information Technology; (F) there are no defects relating to the Information Technology; (G) each member of the Group has in place procedures to prevent unauthorized access and the introduction of viruses and to enable the taking and storing on-site and off-site of back-up copies of the software and data; and (H) each member of the Group has in place adequate back-up policies and disaster recovery arrangements which enable its Information Technology and the data and information stored thereon to be replaced and substituted without material disruption to the business of the relevant member of the Group.



- 8.6. (A) as of the date of this Agreement, the Company and the other members of the Group have complied with all applicable data protection Laws being effective from time to time; (B) as of any dates subsequent to this Agreement for which the Warranties are deemed to be repeated, the Company and the other members of the Group have complied in all material aspects with all applicable data protection Laws being effective from time to time; (C) neither the Company nor any other member of the Group has received any notice (including, without limitation, any enforcement notice, deregistration notice or transfer prohibition notice), letter, complaint or allegation from the relevant data protection Authority alleging any breach or non-compliance by it of the applicable data protection Laws or prohibiting the transfer of data to a place outside the relevant jurisdiction; (D) neither the Company nor any other member of the Group has received any claim for compensation from any person in respect of its business under the applicable data protection Laws and industry standards in respect of inaccuracy, loss, unauthorized destruction or unauthorized disclosure of data and there is no outstanding order against the Company or any other member of the Group in respect of the rectification or erasure of data; and (E) no warrant has been issued authorizing the data protection Authority (or any of its officers, employees or agents) to enter any of the premises of the Company nor any other member of the Group for the purposes of, inter alia, searching them or seizing any documents or other material found there.

## **9. Compliance with employment and labor laws**

- 9.1. Each of the Company and the other members of the Group is in compliance with the labor and employment Laws and collective bargaining agreements and extension orders applicable to their employees in the jurisdiction of its incorporation, registration or organization.
- 9.2. Except as disclosed in the Listing Document, no member of the Group is making or has made any contribution to, or participates or has participated in, or has any material obligation to provide housing, provident fund, social insurance, severance, pension, retirement, death, social security or disability benefits or other actual or contingent employee benefits to any of its present or past employees or to any other person. Where any member of the Group participates in, or has participated in, or is liable to contribute to any such schemes, the Group does not have any outstanding payment obligations or unsatisfied liabilities under the rules of such schemes or the applicable Laws; where there are such outstanding payment obligations or unsatisfied liabilities (the details of which have been disclosed in the Listing Document), the Group has set aside sufficient funds to satisfy the same. There are no amounts owing or promised to any present or former directors, employees or consultants of any member of the Group other than remuneration accrued, due or for reimbursement of business expenses. No directors or senior management or key employees of any member of the Group have given or been given notice terminating their contracts of employment; there are no proposals to terminate the employment or consultancy of any directors, key employees or consultants of any member of the Group or to vary or amend their terms of employment or consultancy (whether to their detriment or benefit). No member of the Group has any material undischarged

liability to pay to any Authority in any jurisdiction any taxation, contribution or other impost arising in connection with the employment or engagement of directors, key employees or consultants by them. No material liability has been incurred by any member of the Group for breach of any director's, employee's or consultant's contract of service, contract for services or consultancy agreement, redundancy payments, compensation for wrongful, constructive, unreasonable or unfair dismissal, failure to comply with any order for the reinstatement or re-engagement of any director, employee or consultant, or the actual or proposed termination or suspension of employment or consultancy, or variation of any terms of employment or consultancy of any present or former employee, director or consultant of any member of the Group.

- 9.3. All contracts of service in relation to the employment of the employees, directors and consultants of each member of the Group are on usual and normal terms which do not and will not in any way whatsoever impose any unusual or onerous obligation on the relevant member of the Group and all subsisting contracts of service to which any member of the Group is a party are legal, valid, binding and enforceable in accordance with their respective terms and are determinable at any time on reasonable notice without compensation (except for statutory compensation) and there are no claims pending or threatened or capable of arising against the relevant member of the Group, by any employee, director, consultant or third party, in respect of any accident or injury not fully covered by insurance; each member of the Group has, in relation to its respective directors, employees or consultants (and so far as relevant to each of its respective former directors, employees or consultants), complied with all terms and conditions of such directors', employees' or consultants' (or former directors', employees' or consultants') contracts of employment or consultancy.
- 9.4. (A) There is (i) no dispute with the Directors and no labor dispute, work stoppage, slow down or other conflict with the employees of any member of the Group exists or, to the knowledge of the Company, is imminent or threatened, except for such dispute, stoppage, slow down or other conflict as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (ii) no union representation dispute currently existing concerning the employees of any member of the Group, and (iii) no existing, imminent or, to the best knowledge of the Company, threatened labor disturbance by the employees of any of the principal suppliers, contractors or customers of any member of the Group, and (B) there have been and are no violations of any labor and employment Laws of the jurisdictions in which the Group operates by any member of the Group except for matters which would not, individually or in the aggregate, result in a Material Adverse Effect.

## **10. Compliance with environmental laws**

- 10.1. Neither the Company nor any other member of the Group is in violation of any statute, rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, the "**Environmental Laws**"), owns or operates any real property contaminated with any substance that is subject to any Environmental Laws, is liable for any

offsite disposal or contamination pursuant to any Environmental Laws, which violation, contamination, liability or claim would individually or in the aggregate have a Material Adverse Effect or is subject to any claim relating to any Environmental Laws; and the Company is not aware of any pending investigation which might lead to such a claim.

## 11. Compliance with cybersecurity and data protection

- 11.1. (A) Each of the Company and the other members of the Group has complied with all applicable Laws concerning cybersecurity, data protection, confidentiality and archive administration (collectively, the “**Data Protection Laws**”); (B) neither the Company nor any other members of the Group has received any notice (including, without limitation, any enforcement notice, de-registration notice or transfer prohibition notice), letter, complaint or allegation from the relevant cybersecurity, data protection, confidentiality or archive administration Authority alleging any breach or non-compliance by it of the applicable data protection Laws or prohibiting the transfer of data to a place outside the relevant jurisdiction; (C) neither the Company nor any other members of the Group has received any claim for compensation from any person in respect of its business under the applicable data protection Laws and industry standards in respect of inaccuracy, loss, unauthorized destruction or unauthorized disclosure of data in the previous three years and there is no outstanding order against the Company or any other members of the Group in respect of the rectification or erasure of data; (D) neither the Company nor any other member of the Group has been designated as a critical information infrastructure operator in the PRC under the Cybersecurity Law of the PRC (《中华人民共和国网络安全法》); (E) neither the Company nor any other member of the Group is subject to any investigation, inquiry or sanction relating to data privacy, confidentiality or archive administration, or any cybersecurity review by the Cyberspace Administration of the PRC (the “**CAC**”), the competent telecommunications department of the State Council, public security departments, the CSRC and other relevant government authorities (collectively, the “**CAC and Authorized authorities**”); (F) neither the Company nor any other member of the Group has received any communication, enquiry, notice, warning or sanctions with respect to the Cybersecurity Law of the PRC or from the CAC or pursuant to the Data Protection Laws (including, without limitation, the CSRC Archive Rules); (G) the Company is not aware of any pending or threatened investigation, inquiry or sanction relating to cybersecurity, data protection, confidentiality or archive administration, or any cybersecurity review by the CAC, the CSRC, or any other Authorized authorities on the Company or any other member of the Group; (H) the Company is not aware of any pending or threatened actions, suits, claims, demands, investigations, judgments, awards and proceedings on the Company or any other member of the Group or any of their respective directors, officers and employees pursuant to the Data Protection Laws (including, without limitation, the CSRC Archive Rules); (I) no warrant has been issued authorizing any cybersecurity, data protection, confidentiality or archive administration Authority (or any of its officers, employees or agents) to enter any of the premises of the Company nor any other member of the Group for the purposes of, inter alia, searching them or seizing any documents or other material found there; and (J) neither the

Company nor any other member of the Group has received any objection to listing or the transactions contemplated under this Agreement from the CSRC, the CAC or any other relevant governmental authority.

- 11.2. The Group has implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their confidential information and the integrity, continuous operation, redundancy and security of all IT systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data used in connection with their businesses, and there have been no breaches, violations, outages, leakages or unauthorized uses of or accesses to the same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same.

## **12. Insurance**

- 12.1. The Company and each of the other members of the Group carry, or are covered by, insurance for the conduct of their respective businesses and the value of their respective properties, if applicable, in such amounts and covering such risks as is adequate and as is customary for companies engaged in similar businesses.
- 12.2. Nothing material has been done or has been omitted to be done whereby any of the insurance policies taken out by or for the benefit of the Company or any member of the Group has or may become void or voidable and the Company or any member of the Group is entitled to the full benefits of such insurances. No material claim under any insurance policies taken out by the Company or any other members of the Group is outstanding.

## **13. Internal controls**

- 13.1. The Company maintains a system of internal control over financial reporting (“**Internal Controls**”) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company’s internal control over financial reporting are effective and, except as disclosed in the Listing Document, the Company is not aware of any material weaknesses in its internal control over financial reporting and disclosure controls and procedures; since the date of the latest audited financial statements included in the Listing Document, there has been (A) no material weaknesses or significant deficiencies in the internal controls of the Company and members of the Group over accounting and financial reporting, (B) no change in the internal control of Company and members of the Group over accounting and financial reporting or other factors that have materially and adversely affected, or could reasonably be expected to materially and adversely affect, the internal controls of the Company and the other members of the Group, (C) no fraud involving management or other employees who have a significant role in Internal Controls.
- 13.2. The Company maintains disclosure controls and procedures that have been designed to ensure that (A) information relating to the Company or any other member of the Group is made known in a timely manner to the Company’s

board of directors and management by others within those entities, and (B) the Company and its board of directors comply in a timely manner with the requirements of the Listing Rules, the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, the Securities and Futures Ordinance, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and any other applicable Law relating to disclosure of information and reporting obligations, including, without limitation, the requirements of the Listing Rules on disclosure of price-sensitive information and notifiable, connected and other transactions required to be disclosed, and such disclosure and corporate governance controls and procedures are effective to perform the functions for which they were established and documented properly and the implementation of such disclosure and corporate governance controls and procedures policies are monitored by the responsible persons (as used herein, the term “**disclosure and corporate governance controls and procedures**” means controls and other procedures that are designed to ensure that information required to be disclosed by the Company, including, without limitation, information in reports that it files or submits under any applicable Law, price-sensitive information, inside information (as defined in Part XIV of the Securities and Futures Ordinance) and information on notifiable, connected and other transactions required to be disclosed, is recorded, processed, summarized and reported, in a timely manner and in any event within the time period required by applicable Law).

- 13.3. Any issues or deficiencies identified and as disclosed in any internal control report prepared by the Internal Control Consultant have been rectified or improved in accordance with the recommendations set out in the internal control report to a sufficient standard or level for the operation and maintenance of efficient systems of internal accounting and financial reporting controls and disclosure and corporate governance controls and procedures that are effective to perform the functions for which they were established and to allow compliance by the Company and its board of directors with all applicable Laws, and no such issues have materially and adversely affected, or could reasonably be expected to materially and adversely affect, such controls and procedures or such ability to comply with all applicable Laws.
- 13.1. None of the deficiencies and issues in the internal control report prepared by the Internal Control Consultant would or could be expected to, individually or in the aggregate, limit, restrict or otherwise affect the ability of any member of the Group to comply with any applicable Laws. The statutory books, books of account and other records of whatsoever kind of each member of the Group are in the proper possession, up-to-date and contain complete and accurate records as required by Law to be dealt with in such books and no notice or allegation questioning the accuracy and rectification has been received; all accounts, documents and returns required by Law to be delivered or made to the Registrar of Companies in Hong Kong, SFC or any other Authority in any jurisdiction have been duly and correctly delivered or made;

#### **14. Compliance with bribery, money laundering and sanctions Laws**

- 14.1. Neither the Company nor any other member of the Group, any director, officer, or employee of the Company, nor, to the best knowledge of the Company, any

agent, affiliate, or person acting on behalf of any of them (A) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder, the UK Bribery Act (2010), and any other applicable anti-bribery or anti-corruption laws, rules or regulations; (B) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (C) has made, promised to make, or authorized to make any direct or indirect unlawful payment from corporate funds to any foreign or domestic (i) government official, (ii) government employee or employee of government-owned or controlled entity or of a public international organization, (iii) political party or official of any political party or any candidate for any political office, in each case in order to influence official action or secure an improper advantage; or (D) has paid, promised to pay or authorized to pay, any bribe, rebate, pay-off, influence payment, kick-back or other unlawful or improper payment or benefit. The Company and the other members of the Group and, to the knowledge of the Company, its other affiliates have conducted their businesses in compliance with all applicable anti-corruption and anti-bribery laws and have instituted, maintained and enforced, and will continue to maintain and enforce, policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

- 14.2. Neither the Company nor any other member of the Group, or any director, officer, or to the best knowledge of the Company, any employee, affiliate, agent, or representatives of the Company or any other member of the Group is an individual or entity ("**Person**") that is, or is owned 50% or more or controlled by one or more Persons that are (such Persons referred to as "**Sanctioned Persons**"): (A) the subject or target of any sanctions administered or enforced by the U.S. government (including but not limited to the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "**blocked person**"), the United Nations Security Council ("**UNSC**"), the European Union, Her Majesty's Treasury ("**HMT**") or any other relevant sanctions authority (collectively, "**Sanctions**"), including by being listed on any Sanctions related list of designated persons, or (B) located, organized or resident in, or a national, governmental entity, or agent of, a country, region or territory that is the subject or target Sanctions (as of the date hereof, including but not limited to, the so-called Donetsk People's Republic, so-called Luhansk People's Republic or any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Crimea (each, a "**Sanctioned Country**")); the Company represents and covenants that the Company and the other members of the Group have not engaged in, are not now engaged in, and will not engage in, any dealings or transactions directly or indirectly with any Sanctioned Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject or the target of Sanctions. For the past five years, the Company and the other members of the Group have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

- 14.3. The operations of the Company and the other members of the Group are and have been conducted at all times in compliance with to the extent applicable, financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended (including by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 or the U.S. PATRIOT Act), the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency having jurisdiction over the Company or any other member of the Group (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any other member of the Group with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.
- 14.4. None of the execution, delivery and performance of this Agreement, the consummation of any other transaction contemplated by this Agreement or the provision of services contemplated by this Agreement to the Company will result in a violation of any of the Money Laundering Laws or Sanctions.

## **15. Experts**

- 15.1. Each of the Reporting Accountants, the Industry Consultant, the Internal Control Consultant and all legal counsels to the Company is independent of the Company (as determined by reference to Rule 3A.07 of the Listing Rules) and is able to form and report on its views free from any conflict of interest and has granted its consent to including its report, opinions, letters or certificates (as the case may be) in the Listing Document and has not withdrawn its consent.
- 15.2. (A) The factual contents of the reports, opinions, letters or certificates of the Reporting Accountants, the Industry Consultant, the Internal Control Consultant and all legal counsels to the Company, respectively, are and will remain complete, true and accurate (and where such information is subsequently amended, updated or replaced, such amended, updated or replaced information is complete, true and accurate) and no fact or matter has been omitted therefrom which would make the contents of any of such reports, opinions, letters or certificates misleading, and the opinions attributed to the Directors in such reports, opinions, letters or certificates are held in good faith based upon facts, and none of the Company and the Directors disagree with any aspect of such opinions, reports, letters or certificates; and (B) no material information was withheld from the Reporting Accountants, the Industry Consultant, the Internal Control Consultant or any legal counsels to the Company, as applicable, for the purposes of its preparation of its report, opinion, letter or certificate, whether or not contained in the Listing Document and all information given to each of the foregoing persons for such purposes was given in good faith and there is no other information which has not been provided the result of which would make the information so received misleading.

**16. Provision of information to research analysts**

- 16.1. None of the Company, or to the best of the Company's knowledge, any member of the Group, and/or any of their respective directors, officers, employees, affiliates and/or agents, has (whether directly or indirectly, formally or informally, in writing or verbally) provided to any research analyst any information, including forward looking information (whether qualitative or quantitative) concerning the Company or any member of the Group that is not, or is not reasonably expected to be, included in the Listing Document or publicly available.

**17. Material contracts and connected transactions**

- 17.1. All contracts or agreements entered into within two (2) years of the Listing Document Date (other than contracts entered into in the ordinary course of business) to which the Company or any of the other members of the Group is a party and which are required to be disclosed as material contracts in the Listing Document or made available as documents on display on the website of the SEHK have been so disclosed, in their entirety, without omission or redaction; no material contracts which have not been so disclosed will, without the written consent of the Sole Sponsor, be entered into, nor will the terms of any material contracts so disclosed and filed be changed, prior to or on the Listing Date; neither the Company, any other member of the Group, nor any other party to any material contract, has sent or received any communication regarding termination of, or intent not to renew, any such material contract, and no such termination or non-renewal has been threatened by the Company or any other member of the Group, to the best knowledge of the Company, any other party to any such material contract. All contracts material to the business of the Company are enforceable and in compliance with Laws.
- 17.2. Each of the contracts listed as being material contracts in the section of the Listing Document headed "Appendix IV - Statutory and General Information – B. Further Information about the business – 1. Summary of Material Contracts" has been duly authorized, executed and delivered and is legal, valid, binding and enforceable in accordance with its terms.
- 17.3. None of the Company and the other members of the Group has any material capital commitment, or is, or has been, party to any unusual, long-term or onerous commitments, contracts or arrangements not wholly on an arm's length basis in the ordinary and usual course of business (for these purposes, a long-term contract, commitment, or arrangement is one which is unlikely to have been fully performed in accordance with its terms more than six months after the date it was entered into or undertaken or is incapable of termination by either the Company or any other member of the Group (as relevant) on six months' notice or less).
- 17.4. None of the Company and the other members of the Group is a party to any agreement or arrangement which prevents or restricts it in any way from carrying on business in any jurisdiction.



- 17.5. To the best knowledge of the Company, no distributor, third-party promoter or supplier of the Group has failed to comply with Company's code of conduct applicable to such persons or is considering ceasing to deal with the Company or the other members of the Group or reducing the extent or value of its dealings with the Company or the other members of the Group which would, or is likely to, individually or in the aggregate, result in a Material Adverse Effect.
- 17.6. Neither the Company nor any of the other members of the Group is engaged in any trading activities involving commodity contracts or other trading contracts which are not currently traded on a securities or commodities exchange and for which the market value cannot be determined.
- 17.7. None of the Company and the other members of the Group is a party to any agreement or arrangement or is carrying on any practice (A) which in whole or in part contravenes or is invalidated by any anti-trust, anti-monopoly, competition, fair trading, consumer protection or similar Laws in any jurisdiction where the Company or any of the other members of the Group has assets or carries on business, or (B) in respect of which any filing, registration or notification is required or is advisable pursuant to such Laws (whether or not the same has in fact been made).
- 17.8. In respect of the connected transactions (as defined in the Listing Rules) of the Company (the "**Connected Transactions**"), (A) the statements set forth in the Listing Document relating to the Connected Transactions are complete, true and accurate in all material respects, and there are no facts or matters the omission of which would make any such statements misleading, and there are no other Connected Transactions which have not been disclosed in all of the Listing Document; (B) all information (including, without limitation, historical figures) disclosed or made available (or which ought reasonably to have been disclosed or made available) in writing or orally by or on behalf of the Company in relation to the Connected Transactions to the Sole Sponsor, the Reporting Accountants, the legal and other advisers to the Company, the SEHK, and/or the SFC was so disclosed or made available in full and in good faith and was and remains complete, true and accurate, and there is no other information which has not been provided the result of which would make the information so received misleading; (C) the Connected Transactions disclosed in the Listing Document, have been entered into and carried out, and will be carried out, in the ordinary course of business and on normal commercial terms and are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole, and the Directors, including, without limitation, the independent non-executive Directors, in coming to their view have made due and proper inquiries and investigations of such Connected Transactions; (D) the Company has complied with and will continue to comply with the terms of the Connected Transactions disclosed in the Listing Document, so long as the agreement or arrangement relating thereto is in effect, and shall inform the Sole Sponsor promptly should there be any breach of any such terms before or after the listing of the Shares on the Stock Exchange; (E) the Connected Transactions and each of the related agreements as disclosed in the Listing Document, has been duly authorized, executed and delivered, constitutes a legal, valid and binding agreement or undertaking of the parties thereto, enforceable in

accordance with its terms, and is in full force and effect; and (F) each of the Connected Transactions disclosed in the Listing Document was and will be carried out by the Group in compliance with all applicable Laws.

- 17.9. Except as disclosed in the Listing Document, no material indebtedness (actual or contingent) and no contract, agreement or arrangement (other than employment contracts or service agreements with current directors or officers of the Company or of any other member of the Group) is or will be outstanding between the Company or the relevant member of the Group, on the one hand, and any substantial shareholder or any current or former director or any officer of the Company or of the relevant member of the Group, or any associate (as the term is defined in the Listing Rules) of any of the foregoing persons, on the other hand.
- 17.10. Except as disclosed in the Listing Document, neither any of the Directors, nor any of the directors or officers of any member of the Group or any of their respective associates (as the term is defined in the Listing Rules), either alone or in conjunction with or on behalf of any other person, is interested in any business that competes or is likely to compete, directly or indirectly, with the business of any member of the Group, nor is any of the Directors or any of the directors or officers of any member of the Group or any of their respective associates, interested, directly or indirectly, in any assets which have since the date two years immediately preceding the Listing Document Date been acquired or disposed of by or leased to either the Company or any other member of the Group. Neither any of the Directors, nor any of the directors or officers of any member of the Group or any of their respective associates (as the term is defined in the Listing Rules), is or will be interested in any agreement or arrangement with the Company or any other member of the Group which is subsisting on the Listing Date.
- 17.11. No indebtedness (actual or contingent) and no contract, agreement or arrangement (other than employment contracts or service agreements with current directors or officers of the Company or of any other member of the Group) is or will be outstanding between the Company or the relevant member of the Group, on the one hand, and any supervisor or any current or former director or any officer of the Company or of the relevant member of the Group or any associate (as the term is defined in the Listing Rules) of any of the foregoing persons, on the other hand.
- 17.12. None of the Directors has revoked or withdrawn the authority and confirmations in the responsibility letter, statement of interests and power of attorney issued by him to the Company and the Sole Sponsor, and such authority and confirmations remain in full force and effect.
- 17.13. There are no relationships or transactions not in the ordinary course of business between the Company or any other member of the Group, on one hand, and their respective customers or suppliers or partners, on the other hand.

## **18. Business**

- 18.1. (A) Except as disclosed in the Listing Document, no relationship, direct or indirect, exists between or among the Group, on the one hand, and any customers, suppliers or distributors of the Group, on the other hand; (B) the customers, suppliers and distributors are independent of the Group, and there was no past or present relationship, including employment, financing, family or otherwise, between the operators of these customers, distributors and suppliers of the Group (including their directors, shareholders and senior management, and their respective associates) and the Group; (C) there are no outstanding loans, advances (except normal advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any other member of the Group to or for the benefit of any of the officers, directors, director nominees or supervisors of the Company and any other member of the Group or any of their respective family members; and (D) neither the Company nor any other member of the Group has extended or maintained credit, arranged for the extension of credit, or renewed an extension of credit, in the form of a personal loan to or for any officer, director, director nominee or supervisor of the Company or any other member of the Group.
- 18.2. There are no relationships or transactions not in the ordinary course of business between the Company or any of the other members of the Group, on one hand, and their respective customers, suppliers or distributors on the other hand.
- 18.3. Save as disclosed in the Listing Document, none of the shareholders or directors of any member of the Group or any of their respective associates (as the term is defined in the Listing Rules), either alone or in conjunction with or on behalf of any other person is, or was during the period from January 1, 2022 to the date of this Agreement, directly or indirectly, interested in the Group's five largest suppliers, customers or distributors.
- 18.4. The Company does not have any reason to believe that any significant customer, supplier or distributor of the Company or any member of the Group is considering ceasing or has ceased to deal with the Company or any member of the Group, or is considering significantly modifying other terms of its dealings with the Company or any other members of the Group contrary to the manner disclosed in the Listing Document or in a manner materially inconsistent with its past dealings with the Group.
- 18.5. Neither the Company nor any other members of the Group is engaged in any trading activities involving commodity contracts or other trading contracts which are not currently traded on a securities or commodities exchange and for which the market value cannot be determined.
- 18.6. Neither the Company nor any other members of the Group is a party to any agreement or arrangement or is carrying on any practice (A) which in whole or in part contravenes or is invalidated by any anti-trust, anti-monopoly, competition, fair trading, consumer protection or similar Laws in any jurisdiction where the Company or any member of the Group has assets or carries on business, or (B) in respect of which any filing, registration or

notification is required or is advisable pursuant to such Laws (whether or not the same has in fact been made).

## **19. Pre-Listing Investments**

- 19.1. The descriptions of the events, transactions and documents relating to the fund raising before the Company's listing on the SEHK set forth in the section of the Listing Document headed "History, Development and Corporate Structure" (the "**Pre-Listing Investments**") are complete, true and accurate and not misleading, and there are no other facts or matters the omission of which would or may make such disclosure in relation to the Pre-Listing Investments misleading in any material respect.
- 19.2. The Pre-Listing Investments and the execution, delivery and performance of the agreements and documents relating to the Pre-Listing Investments ("**Pre-Listing Investments Documents**") do not and will not conflict with, or result in a breach or violation of, or constitute a default under (or constitute any event which, with notice or lapse of time or fulfillment of any condition or compliance with any formality or all of the foregoing, would result in a breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or part of such indebtedness under), or result in the creation or imposition of an Encumbrance on any property or assets of the Company or any other member of the Group pursuant to (A) the Articles of Association or other constituent or constitutive documents or the business license of the Company or any of the other members of the Group, or (B) any indenture, mortgage, deed of trust, loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which the Company, any of the other members of the Group is a party or by which the Company, any of the other members of the Group is bound or any of their respective properties or assets may be bound or affected, (C) any Laws applicable to the Company, any of the other members of the Group or any of their respective properties or assets or (D) any management agreements to which any member of the Group is a party. Neither the Pre-Listing Investments nor the execution, delivery and performance any of the Pre-Listing Investments Documents has rendered any member of the Group liable to any additional tax, duty, charge, impost or levy which has not been provided for in the accounts based upon which the Accountants' Report was prepared by the Reporting Accountants or otherwise described in the Listing Document.
- 19.3. All Approvals and Filings under any Laws applicable to, or from or with any Authority having jurisdiction over any member of the Group or any of its properties or assets, or otherwise from or with any other persons, required in connection with the Pre-Listing Investments and the execution, delivery and performance of the Pre-Listing Investments Documents have been unconditionally obtained or made; all such Approvals and Filings are valid and in full force and effect and none of such Approvals and Filings is subject to any condition precedent which has not been satisfied or performed or other burdensome restrictions or conditions not described in all of the Listing Document; no member of the Group is in violation of, or in default under, or has received notice of any action, suit, proceeding, investigation or inquiry

relating to revocation, suspension or modification of, or has any reason to believe that any Authority is considering revoking, suspending or modifying, any such Approvals and Filings.

- 19.4. Transactions contemplated by the Pre-Listing Investments have been effected prior to the date hereof in compliance with all applicable Laws in the PRC and in accordance with the Pre-Listing Investments Documents; other than the Pre-Listing Investments Documents, there are no other documents or agreements, written or oral, that have been entered into by any member of the Group in connection with the Pre-Listing Investments which have not been previously provided, or made available, to the Sole Sponsor and/or the legal and other professional advisers to the Sole Sponsor and which have not been disclosed in all of the Listing Document.
- 19.5. The Pre-Listing Investments are in compliance with the applicable Guidance Letters issued and updated by the SEHK.

## **20. Taxation**

- 20.1. Each of the Company and the other members of the Group has timely filed all required tax returns, reports and filings that have been due, except as would not have a Material Adverse Effect. Such returns, reports or filings are not the subject of any disputes with revenue or other authorities other than disputes which, if determined adversely to the Company or any other member of the Group, would not have a Material Adverse Effect. Except as would not have a Material Adverse Effect, (i) each of the Company and the other members of the Group has paid all taxes (including any assessments, fines or penalties) required to be paid by it, and (ii) none of the Company or any other member of the Group has any knowledge of any tax deficiency which might be assessed against it; the statements set forth in the section of the Listing Document headed “Appendix III – Taxation and Foreign Exchange” are complete, true and accurate and not misleading.
- 20.2. Each of the waivers and other relief concession and preferential treatment relating to Taxes granted to the Company or any of the other members of the Group by any Authority is valid and in full force and effect, and does not and will not conflict with, or result in a breach or violation or constitute a default under any applicable Laws.
- 20.3. Except as disclosed in the Listing Document, no stamp, registration, value added issuance, transfer or similar Taxes and no capital gains, income, withholding or other Taxes are payable by or on behalf of the Company or any of the other members of the Group in Hong Kong, the PRC, or to any taxing or other Authority thereof or therein in connection with the execution, delivery, performance or enforcement of this Agreement or the consummation of the transactions contemplated by this Agreement.
- 20.4. Except for any net income, capital gains or franchise taxes imposed on the Sole Sponsor by the PRC and Hong Kong as a result of any present or former connection (other than any connection solely resulting from the transactions contemplated by this Agreement) between the Sole Sponsor and the jurisdiction

imposing such tax, no stamp or other issuance, capital, value-added, documentary or transfer taxes or duties and no capital gains, income, withholding or other taxes are payable by or on behalf of the Sole Sponsor to the PRC, Hong Kong, or any political subdivision or taxing authority thereof or therein or in connection with the execution, delivery, performance and admission in court proceedings of this Agreement and the consummation of the transactions contemplated hereby and thereby.

## **21. Dividends**

- 21.1. Save as disclosed in the Listing Document, all dividends and other distributions declared and payable on the Shares to the shareholders of the Company are not subject to, and may be paid free and clear of and without deduction for or on account any, withholding or other Taxes imposed, assessed or levied by or under the Laws of Hong Kong, the PRC or any taxing or other Authority thereof or therein.
- 21.2. None of the Company's subsidiaries is currently prohibited, directly or indirectly, from paying any dividends to the Company or its other subsidiaries, from making any other distribution on such subsidiary's capital stock, from repaying to the Company or the other subsidiaries any loans or advances to such subsidiary from the Company or the other subsidiaries or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary. All dividends declared by a subsidiary in the PRC may under the current laws and regulations of the PRC be freely transferred out of the PRC and may be paid in United States dollars, Hong Kong dollar or any other freely exchangeable currencies, subject to the successful completion of PRC formalities required for such remittance, and all such dividends and other distributions will not be subject to withholding or other taxes under the laws and regulations of the PRC and are otherwise free and clear of any other tax, withholding or deduction in the PRC, and without the necessity of obtaining any governmental authorization in the PRC.

## **22. Litigation and other proceedings**

- 22.1. Save as disclosed in the PRC Legal Opinion, there are (A) no actual or pending legal or governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) ("**Actions**") to which the Company or any member of the Group is a party or of which any properties of the Company or any member of the Group or any of its respective directors, officers or employees is or may be a party or to which any of their respective properties or assets is or may be subject, at law or in equity, or before or by any Authority, whether or not arising from transactions in the ordinary course of business, (B) no Laws that have been enacted, adopted or issued or that has been proposed by any Authority, and (C) no judgments, decrees or orders of any Authority, which, in any such case described in clause (A), (B) or (C) above, would, or could reasonably be expected to, result in, individually or in the aggregate, a Material Adverse Effect or materially and adversely affect the power or ability of the Company to perform its obligations under this Agreement, to consummate the transactions

contemplated by this Agreement or otherwise materially and adversely affect the listing of the Shares on the Stock Exchange, or are required to be described in any of the Listing Document but are not so described, and to the best of the Company's knowledge, no such Actions are threatened or contemplated by governmental authorities or threatened by others.

- 22.2. None of the Company and the other members of the Group, nor to the best knowledge of the Company, any person acting on behalf of any of them, has taken any action, nor have any steps been taken or any actions, suits or proceedings under any Laws been started or threatened, to (A) wind up, liquidate, dissolve, make dormant or eliminate or declare insolvent any member of the Group, (B) to withdraw, revoke or cancel any Approvals and Filings under any Laws applicable to, or from or with any Authority having jurisdiction over any member of the Group or any of its properties or assets, or otherwise from or with any other persons, required in order to conduct the business of any member of the Group, or (C) to bring an adverse effect on the completion of the Introduction.
- 22.3. No member of the Group which is a party to a joint venture or shareholders' agreement is in dispute with the other parties to such joint venture or shareholders' agreement and, to the best knowledge of the Company, there are no circumstances which may give rise to any material dispute or affect the relevant member's relationship with such other parties.

## **23. Market conduct**

- 23.1. None of the Company and the other members of the Group and their respective directors, officers, employees, agents, affiliates or controlling persons, nor any person acting on behalf of any of them, has taken any action which is designed to or which might have been expected to create a false or misleading impression as to the market in or the value of the Shares and any associated securities.
- 23.2. None of the Company and the other members of the Group and their respective directors, officers, employees, agents, affiliates or controlling persons, nor any person acting on behalf of any of them, (A) has taken any action which is designed to or which has constituted or which might have been expected to cause or result in stabilization or manipulation of the price of any security of the Company in connection with the listing of any security of the Company to facilitate the sale or resale of any security of the Company or otherwise, or (B) has taken or will take, directly or indirectly, any action which would constitute a violation of the market misconduct provisions of Parts XIII and XIV of the Securities and Futures Ordinance. For completeness, as disclosed in the Listing Document, two Directors were named in CSRC administrative penalty notices (the "**CSRC Notices**") issued in 2019 in connection with insider dealings by others. There has been no enforcement action to date, and the CSRC Notices do not affect the suitability of Mr. Zhang and Mr. Zhu to serve as Directors under the listing rules.

## **24. Immunity**

24.1. Under the Laws of Hong Kong or the PRC, none of the Company nor the other members of the Group or any of their respective properties, assets or revenues has any right of immunity, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of PRC and Hong Kong, from service of process, attachment upon or prior to judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Agreement; and, to the extent that the Company or any other member of the Group, or any of their properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings may at any time be commenced, the Company or the other members of the Group waives or will waive such right to the extent permitted by law and has consented to such relief and enforcement.

## **25. Choice of law and dispute resolution**

25.1. The choice of law provisions set forth in this Agreement will be recognised and given effect to by the courts of Hong Kong and the PRC; the Company can sue and be sued in its own name under the Laws of the PRC and Hong Kong; the agreement to resolve any dispute by arbitration pursuant to Clause 14, the waiver of any objection to the venue of an action, suit or proceeding, the waiver and agreement not to plead an inconvenient forum and the waiver of immunity on the grounds of sovereignty or otherwise and the agreement that this Agreement shall be governed by and construed in accordance with the laws of Hong Kong are legal, valid and binding under the Laws of the PRC and Hong Kong and will be respected by the courts of the PRC and Hong Kong; service of process effected in the manner set forth in this Agreement will be effective, insofar as the Laws of the PRC and Hong Kong are concerned, to confer valid personal jurisdiction over the Company, as applicable; and any arbitral award obtained pursuant to Clause 14 will be recognized and enforced by the courts of Hong Kong and the PRC subject to the uncertainty as disclosed in the Listing Document.

## **26. No other arrangements relating to listing of the Shares**

26.1. Except pursuant to this Agreement, neither the Company nor any of the other members of the Group has incurred any liability for any finder's or broker's fee or agent's commission or other payments in connection with the execution and delivery of this Agreement or the consummation of the Introduction or the transactions contemplated by this Agreement.

## **27. No Personal Liability of Holders**

27.1. No holder of the Shares after the consummation of the Introduction and the transactions contemplated by this Agreement is or will be subject to any personal liability in respect of any liability of the Company by virtue only of its holding of any such Shares; and



there are no limitations on the rights of holders of the Shares to hold or transfer their securities.

## **28. Solvency**

- 28.1. At and immediately after Listing Document Date, the Company (after giving effect to the transactions related thereto as described in the Listing Document) will be Solvent. As used in this paragraph, the term “**Solvent**” means, with respect to a particular date, that on such date (i) the present fair market value (or present fair saleable value) of the assets of the Company is not less than the total amount required to pay the liabilities of the Company on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured; (ii) the Company is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business; and (iii), the Company is not incurring debts or liabilities beyond its ability to pay as such debts and liabilities mature.

## **29. United States aspects**

- 29.1. The offer to exchange (“**Exchange Offer**”) the shares (the “**Subject Securities**”) of Yichang HEC ChangJiang Pharmaceutical Co., Ltd. (宜昌東陽光長江藥業股份有限公司) (“**HEC CJ Pharm**”) by the Company qualifies as an offering exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”) provided by Rule 802 thereunder.
- 29.2. Each of the Company and HEC CJ Pharm is a “foreign private issuer” as defined in Rule 405 under the Securities Act.
- 29.3. U.S. holders (as defined in Rule 800 of the Securities Act) own no more than 10% of the total number of shares of HEC CJ Pharm, as calculated in accordance with Rule 802 promulgated under the Securities Act.
- 29.4. U.S. holders are permitted to participate in the Exchange Offer on terms at least as favorable as those offered any other holder of the Subject Securities.
- 29.5. HEC CJ Pharm has furnished all required informational document, including any amendments thereto, in English, to the U.S. Securities and Exchange Commission on Form CB together with a Form F-X to appoint an agent for service in the United States.

**Schedule 2**  
**CONDITIONS PRECEDENT DOCUMENTS**

**Part A**

1. One certified true copy of the resolutions of the board of directors of the Company:
  - 1.1. approving and authorising this Agreement, the Registrar Agreement, the Material Contracts (save for those Material Contracts that have been previously approved by the Board) and such documents as may be required to be executed by the Company pursuant to each such document or which are necessary or incidental to the Introduction and the Privatization and the execution on behalf of the Company of, and the performance by the Company of its obligations under, each such document;
  - 1.2. approving the Introduction and the Privatization and any issue of H Shares pursuant thereto;
  - 1.3. approving and authorising the issue of the Listing Documentation and the Formal Notice; and
  - 1.4. approving the Verification Notes.
2. One certified true copy of the shareholders' resolutions of the Company dated December 11, 2024 in relation to the Introduction and the Privatization referred to in Appendix VI to the Listing Document;
3. One printed copy of the Listing Document duly signed by two Directors or their respective duly authorised attorneys and, if signed by their respective duly authorised attorneys, one certified true copies of the relevant powers of attorneys;
4. One certified true copy of each of the responsibility letters, powers of attorney and statements of interests signed by each of the Directors.
5. One certified true copy of each of the contracts referred to in the section of the Listing Document headed "Appendix VI – Statutory and General Information – B. Further Information about Our Business – 1. Summary of Material Contracts" duly signed by the parties thereto.
6. One certified true copy of the written notification issued by HKSCC stating that the Shares will be Eligible Securities (as defined in the Listing Rules).
7. One signed original of the accountants' report dated the Listing Document Date from the Reporting Accountants, the text of which is contained in Appendix I to the Listing Document.
8. One signed original of the letter from the Reporting Accountants, dated the Listing Document Date and addressed to the Company, relating to the unaudited pro forma financial information relating to the adjusted net tangible assets and fully diluted forecast earnings per Share, the text of which is contained in Appendix II to the Listing Document.

9. One signed original of the letter from the Reporting Accountants, dated the Listing Document Date and addressed to the Company and the Sole Sponsor, and in form and substance satisfactory to the Sole Sponsor, which letter shall, *inter alia*, confirm the indebtedness statement contained in the Listing Document and comment on the statement contained in the Listing Document as to the sufficiency of the Group's working capital contained in the Listing Document.
10. One signed original of the comfort letter from the Reporting Accountants, dated the date of the Listing Document and addressed to the Sole Sponsor, and in form and substance satisfactory to the Sole Sponsor, which letter shall cover, without limitation, the various financial information disclosed in the Listing Document.
11. One certified true copy of the profit forecast and working capital forecast memorandum adopted by the Board.
12. One signed original of the legal opinion from Jia Yuan Law Offices, the Company's legal adviser as to PRC law, dated the Listing Document Date, addressed to the Company in respect of (i) the properties owned and leased by the Group and (ii) the establishment, business and legal status of the Group under PRC law, in form and substance satisfactory to the Sole Sponsor.
13. One signed original of the legal opinion from Tian Yuan Law Firm, the Sole Sponsor's legal adviser as to PRC law, dated the Listing Document Date, addressed to the Sole Sponsor and in respect of (i) the properties owned and leased by the Group and (ii) the establishment, business and legal status of the Group under PRC law in form and substance satisfactory to the Sole Sponsor.
14. One signed original of the industry report from the Industry Consultant dated the Listing Document Date.
15. One signed original of the letter from each of the experts stated in the section headed "E. Other Information – 7. Qualification of Experts" in Appendix VI to the Listing Document, dated the Listing Document Date, consenting to the issue of the Listing Document with the inclusion of references to them and of their report and letter in the form and context in which they are included.
16. One signed original of the Verification Notes for the Listing Document, duly signed by or on behalf of the Company and each of the Directors (or their respective duly authorized attorneys) and the Verification Notes for the CSRC Filing Report, duly signed by or on behalf of the Company and one of the Directors (or his/her duly authorised attorney).
17. One signed original of the internal control report from the Internal Control Consultant.
18. One certified true copy of the Registrar Agreement duly signed by the parties thereto.
19. One certified true copy of the undertaking from the Controlling Shareholders to the SEHK pursuant to Rule 10.07 of the Listing Rules.

20. One signed original of certificate given by the relevant translator relating to the translation of the Listing Documentation and a certificate by Toppan Nexus Limited as to the competency of such translator.
21. One certified true copy of the compliance adviser agreement between the Company and the compliance adviser.
22. One certified true copy of the service contracts (or the letter of appointment in respect of the independent non-executive Directors) of each of the Directors.
23. One certified copy of each of the following:
  - (a) the business license of the Company;
  - (b) the certificate of registration of the Company under Part 16 of the Companies Ordinance;
  - (c) the Articles of Association which will take effect on the Listing Date; and
  - (d) the current business registration certificate of the Company issued pursuant to the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong).
24. One copy of all waiver approval letters issued by the Stock Exchange.
25. One copy of the notification issued by the CSRC on the Company's completion of the PRC filing procedures for the Introduction and the listing of the H Shares on the Stock Exchange.

## **Part B**

1. One signed original of the bringdown comfort letter from the Reporting Accountants, dated the Listing Date and addressed to the Sole Sponsor, and in form and substance satisfactory to the Sole Sponsor, which letter shall cover, without limitation, the various financial information disclosed in the Listing Document.
2. One signed original of the legal opinion from Jia Yuan Law Offices, the legal adviser to the Company as to PRC law, dated the Listing Date, addressed to the Company and in form and substance satisfactory to the Sole Sponsor.
3. One signed original of the legal opinion from Tian Yuan Law Firm, the Sole Sponsor's legal adviser as to PRC law, dated the Listing Date, addressed to the Sole Sponsor and in form and substance satisfactory to the Sole Sponsor.
4. One signed original of the legal opinion from Slaughter and May, the legal adviser to the Company as to United States law, dated the Listing Date, addressed to the Company and in form and substance satisfactory to the Sole Sponsor.
5. One signed original of the legal opinion from Jia Yuan Law Office, the legal adviser to the Company as to Hong Kong law, dated the Listing Date, addressed to the Company and the Sole Sponsor and in form and substance satisfactory to the Sole Sponsor.
6. One signed original of the legal opinion of Freshfields, the Sole Sponsor's legal adviser as to United States law, dated the Listing Date, and in form and substance satisfactory to the Sole Sponsor.
7. One signed original of the legal opinion of Freshfields, the Sole Sponsor's legal adviser as to Hong Kong law, dated the Listing Date, addressed to the Sole Sponsor and in form and substance satisfactory to the Sole Sponsor.
8. One signed original of the certificate of the general manager of the Company, dated the Listing Date, in a form set out in Schedule 3, which certificate shall cover, inter alia, the truth and accuracy as of the Listing Date of the representations and warranties of the Company contained in this Agreement.
9. One signed original of the certificate of the general manager and the head of finance of the Company, dated the Listing Date, in a form set out in Schedule 4, which certificate shall cover financial, operational and business data contained in the Listing Document that are not comforted by the Reporting Accountants.
10. One signed original of the certificate of the company secretary of the Company dated the Listing Date from the Company substantially in the form set out in Schedule 5.
11. One certified true copy of the letter from the SEHK approving the listing of the H Shares.

**Schedule 3**  
**COMPANY'S CLOSING CERTIFICATE**

\_\_\_\_\_, 2025

China International Capital Corporation Hong Kong Securities Limited  
29/F, One International Finance Centre  
1 Harbour View Street, Central  
Hong Kong

(the “**Sole Sponsor**”)

Dear Sirs,

**SUNSHINE LAKE PHARMA CO., LTD.**

We refer to the Sponsor Agreement dated \_\_\_\_\_, 2025 (the “**Sponsor Agreement**”) entered into in relation to the above by the Sole Sponsor and the Company. Capitalized terms in this letter shall bear the same meaning as such terms are defined in the Sponsor Agreement.

Pursuant to paragraph 8 of Part B of Schedule 2 to the Sponsor Agreement, we confirm that none of the Warranties made or given by us pursuant to Clause 6.1 of the Sponsor Agreement has been breached or was untrue or inaccurate or misleading when made, and none of such Company Warranties would be breached or would be untrue, inaccurate or misleading were it to be repeated by reference to the facts and circumstances subsisting as at the dates referred to in Clause 6.2 of the Sponsor Agreement.

We further confirm that we have performed all our obligations and have satisfied all conditions under the Sponsor Agreement which were required to be performed or satisfied on or prior to the date of this certificate.

We further confirm that subsequent to the execution and delivery of the Sponsor Agreement and prior to and including the date hereof, there has not occurred any change resulting in a material adverse effect on the assets, liabilities, business, management, prospects, shareholders' equity, profits, losses, results of operations or condition (financial or otherwise), or performance of the Company and the other members of the Group, taken as a whole.

This certificate shall be governed by and construed in accordance with the laws of Hong Kong.

**IN WITNESS WHEREOF** we have executed this certificate on this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: General Manager

**Schedule 4**  
**OFFICER’S CERTIFICATE RE NON-COMFORTED DATA**

We, \_\_\_\_\_, the general manager of Sunshine Lake Pharma Co., Ltd., a company incorporated in the People’s Republic of China with limited liability (the “**Company**”), and \_\_\_\_\_, the head of finance of the Company, do hereby certify on \_\_\_\_\_, 2025 that:

1. We are providing this certificate in connection with the proposed listing of the Company’s issued shares on the Hong Kong Stock Exchange by way of introduction (the “**Proposed Listing**”).
2. We are familiar with the accounting, operations, records systems and internal controls of the Company and the Group.
3. We have participated in the preparation of the Listing Documentation. In connection with such participation, we have reviewed the disclosure in the Listing Documentation and have discussed such disclosure with other members of the board of directors and other members of the senior management of the Company, the counsels to the Company, the Sole Sponsor and the Reporting Accountant to the Company.
4. In particular, we have reviewed the financial and operating data and other information that have been identified on the copies of the Listing Documentation attached hereto as Appendix A (the “**Company Information**”).
5. Where the Company Information is derived from the Company’s accounting records and internal controls, we confirm that the Company Information has been properly extracted from such records and is accurately reproduced in the Listing Documentation.
6. We confirm that all Company Information is true and fair in all material respects and does not omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Capitalized terms used herein that are not otherwise defined shall have the same meanings as defined in the sponsor agreement dated \_\_\_\_\_, 2025.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: General Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Head of Finance

## Appendix A



**Schedule 5**  
**CERTIFICATE OF COMPANY SECRETARY OF THE COMPANY**

I, \_\_\_\_\_, the Secretary of Sunshine Lake Pharma Co., Ltd., a company incorporated in the People's Republic of China with limited liability (the "**Company**"), hereby certify on \_\_\_\_\_, 2025 that:

1. No amendment relating to or affecting the Articles of Association attached hereto as Appendix A has been approved by the board of directors or shareholders of the Company since \_\_\_\_\_, and no action has been taken by the Company or its shareholders, directors or officers in contemplation of the filing of any such amendment or other document, other than as disclosed in the Listing Document. The Articles of Association attached in Appendix A is a true, accurate and complete copy of the articles of association of the Company.

2. Attached hereto as Appendix B are true, accurate and complete copies of resolutions duly adopted by the board of directors of the Company or a committee thereof at meetings duly called and held on \_\_\_\_\_, 2025 and \_\_\_\_\_, 2025, at each of which a quorum was present and acting throughout; such resolutions have not been amended, modified or rescinded and remain in full force and effect; and such resolutions are the only resolutions adopted by the Company's board of directors or any committee thereof or by the Company's shareholders relating to the Proposed Listing.

3. There have not been any written communications, or any memoranda relating to conversations, between the Company, its directors, officers and employees or, to the best of its knowledge after due and careful inquiry, its accountants, counsel or representatives (excluding, for the avoidance of doubt, the Sole Sponsor to the Company's application for the listing of the Shares on the Stock Exchange) on the one hand and the Stock Exchange, the SFC, Hong Kong Monetary Authority, China Securities Regulatory Commission or other applicable PRC government authority, or their respective staff, on the other hand, relating to the Introduction that contradict any of the submissions made by the Sole Sponsor, their counsel or representatives or on behalf of the Company.

4. Each person who, as a director or officer of the Company or attorney-in-fact of such director or officer, signed any document delivered prior to or on the date hereof in connection with the Introduction was at the respective times of such signing and delivery and is now duly elected or appointed, qualified and acting as such director or officer or duly appointed and acting as such attorney-in-fact, and the signatures of such persons appearing on such documents are their genuine signatures.

Capitalized terms used herein that are not otherwise defined shall have the same meanings as defined in the listing document of the Company dated \_\_\_\_\_, 2025 and the Sponsor Agreement dated \_\_\_\_\_, 2025.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Secretary of the Company

## Appendix A

## Appendix B