Upon the Listing, certain transactions between us and our connected persons will constitute our connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

OUR CONNECTED PERSONS

We have entered into certain transactions in the ordinary and normal course of our business with the following connected persons:

Name of our connected persons	Connected Relationship
Guangzhou Hanpu Pharmaceutical Co., Ltd. (廣州市漢普醫藥有限公司) ("**Hanpu Pharmaceutical**", together with its subsidiaries, "**Hanpu Pharmaceutical Group**")	As of the Latest Practicable Date, Hanpu Pharmaceutical is held as to 75.72% by Mr. Xu, who is our executive Director and Controlling Shareholder. Therefore, Hanpu Pharmaceutical will become a connected person of our Company upon Listing.
Sanhe Environmental (together with its subsidiaries, "**Sanhe Environmental Group**")	As of the Latest Practicable Date, Sanhe Environmental is indirectly wholly-owned by Mr. Xu, who is our executive Director and Controlling Shareholder. Therefore, Sanhe Environmental will become a connected person of our Company upon Listing.

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

Transaction	Counterparty	Category of continuing connected transaction	Applicable Listing Rules
Hanpu Pharmaceuticals Framework Agreement	Hanpu Pharmaceutical Group	Fully-exempt	14A.76(1)
Sanhe Environmental Framework Agreement	Sanhe Environmental Group	Fully-exempt	14A.76(1)

FULLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Hanpu Pharmaceuticals Framework Agreement

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Hanpu Pharmaceuticals Framework Agreement**") with Hanpu Pharmaceutical (for itself and on behalf of its subsidiaries), pursuant to which:

(i) our Group will provide lease of certain properties, and provide ancillary services (including but not limited to warehousing and administrative services), to Hanpu Pharmaceutical Group, and

(ii) Hanpu Pharmaceutical Group will lease certain properties to our Group.

The term of the Hanpu Pharmaceuticals Framework Agreement will be from the Listing Date to December 31, 2028.

We had, and will continue to from time to time, lease certain properties which are not in use by our Group to other parties, and such leases will be entered into on normal commercial terms in the ordinary and usual course of our business with third parties including Independent Third Parties and Hanpu Pharmaceutical. As of the Latest Practicable Date, we had leased properties located in Guangzhou, Guangdong Province, PRC to Hanpu Pharmaceutical Group, with an aggregate area of approximately 125 sq. meter and aggregate annual lease rental fee of no more than RMB60,000. In connection with the leasing, we also provide ancillary service such as warehousing and administrative services to Hanpu Pharmaceutical Group, which are charged at the same rate as applicable to Independent Third Parties. The annual service fee for such ancillary services is expected to be no more than RMB50,000.

Historically, our Group has been leasing certain premises and equipment from Hanpu Pharmaceutical Group as office use at market rate. To avoid unnecessary disruption to our operations, our Group intends to continue with the leasing arrangements after the Listing. The continuation of such lease is cost efficient and beneficial to our business operations. In light of the above, our Directors are of the view that the transactions under the Hanpu Pharmaceuticals Framework Agreement are fair and reasonable and in the best interest of our Group and the Shareholders as a whole.

As of the Latest Practicable Date, we have leased properties located in Guangzhou, Guangdong Province, PRC from Hanpu Pharmaceutical Group, with an aggregate area of approximately 6,478 sq. meter. The total annual rental fee for the leased premises and equipment was no more than RMB1,890,000.

Our Group (on the one hand) and Hanpu Pharmaceutical Group (on the other hand) will enter into separate agreements setting out the specific terms and conditions (including rental conditions, property rents, payment methods and other usage fees) in respect of the relevant leased properties based on the principles, and within the parameters provided, under the Hanpu Pharmaceuticals Framework Agreement.

As the highest applicable percentage ratio of each of the provision of leasing and ancillary service to and the receipt of leasing services from Hanpu Pharmaceutical Group under the Hanpu Pharmaceuticals Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is less than 0.1% on an annual basis, such transactions will, upon Listing, constitute continuing connected transactions of our Company but will be fully exempt from all of the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

If any of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the transactions with Hanpu Pharmaceutical Group is expected to exceed the applicable de minimis thresholds stipulated under Rule 14A.76(1) of the Listing Rules, we will comply with all applicable requirements under Chapter 14A of the Listing Rules.

Sanhe Environmental Framework Agreement

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Sanhe Environmental Framework Agreement**") with Sanhe Environmental (for itself and on behalf of its subsidiaries), pursuant to which Sanhe Environmental Group will lease certain properties to our Group.

The term of the Sanhe Environmental Framework Agreement will be from the Listing Date to December 31, 2028.

Members of our Group (on the one hand) and Sanhe Environmental Group (on the other hand) will enter into individual agreements for each of the specific transactions contemplated thereunder, provided that any such individual agreement shall follow the principles as set out in the Sanhe Environmental Framework Agreement.

Historically, our Group has been leasing certain premises from Sanhe Environmental Group as office use at market rate. To avoid unnecessary disruption to our operations, our Group intends to continue with the leasing arrangements after the Listing. The continuation of such lease is cost efficient and beneficial to our business operations. In light of the above, our Directors are of the view that the transactions under the Sanhe Environmental Framework Agreement are fair and reasonable and in the best interest of our Group and the Shareholders as a whole.

As of the Latest Practicable Date, we have leased properties located in Guangzhou, Guangdong Province, PRC from Sanhe Environmental Group, with an aggregate area of approximately 310 sq. meter and aggregate annual lease rental fee of no more than RMB525,000.

Our self-owned premises are unable to meet our operational needs, and we have been using the premises leased from Sanhe Environmental Group during the Track Record Period. Any relocation may cause unnecessary disruption to our operations and incur additional costs.

Our Group (on the one hand) and Sanhe Environmental Group (on the other hand) will enter into separate agreements setting out the specific terms and conditions (including rental conditions, property rents, payment methods and other usage fees) in respect of the relevant leased properties based on the principles, and within the parameters provided, under the Sanhe Environmental Framework Agreement.

As the highest applicable percentage ratio of the receipt of leasing services from Sanhe Environmental Group under the Sanhe Environmental Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is less than 0.1% on an annual basis, such transactions will, upon Listing, constitute continuing connected transactions of our Company but will be fully exempt from all of the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

If any of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the transactions with Sanhe Environmental Group is expected to exceed the applicable de minimis thresholds stipulated under Rule 14A.76(1) of the Listing Rules, we will comply with all applicable requirements under Chapter 14A of the Listing Rules.