## OVERVIEW

Certain transactions between our Group and parties who will, upon completion of Listing, become our connected persons, will constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules upon Listing.

## RELEVANT CONNECTED PERSONS

| Connected Person | Connected relationship |
|---|---|
| Hybribio Biotech, Guangdong Hybribio Biotechnology Co., Ltd.* (廣東凱普生物科技股份有限公司, "**Guangdong Hybribio**") and its subsidiaries | As of the Latest Practicable Date, Hybribio Biotech, our substantial shareholder, is held as to 61% by Guangdong Hybribio, as its holding company. Guangdong Hybribio and its subsidiaries are thus connected persons of our Company. |
| Wuhan Ainuo Medical Testing Laboratory Co., Ltd.* (武漢艾諾醫學檢驗實驗室有限公司, "**Wuhan Ainuo Medical Laboratory**") | As of the Latest Practicable Date, Wuhan Ainuo Medical Laboratory is wholly owned by Dr. Zhang, our executive Director and a Controlling Shareholder, and is therefore an associate of Dr. Zhang and thus a connected person of our Company. |

## PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

### Framework Distribution Agreement

#### *Principal Terms*

On [●], 2026, our Company and Guangdong Hybribio entered into a framework distribution agreement (the "**Framework Distribution Agreement**"), pursuant to which, we sold our cancer detection products and related reagents and consumables to Guangdong Hybribio and its subsidiaries (the "**Hybribio Distributors**") for resale to selected healthcare institutions. Our sales to the Hybribio Distributors do not include ICervsure. Hybribio Distributors obtained regulatory approval for ICervsure, a cervical-cancer methylation-detection product developed under the Out-licensing Agreement with the Company. Accordingly, Hybribio Distributors are not required to purchase ICervsure directly from our Company, but they pay licensing fee for the use of our Company's patented technologies. The Framework Distribution Agreement does not contain sales-volume commitments and nor exclusivity provisions.

The Framework Distribution Agreement has an initial term commencing from the **[REDACTED]** to December 31, 2028. Subject to compliance with the Listing Rules and applicable laws and regulations, the Framework Distribution Agreement may be renewed for a further term of not more than three years from time to time, where the Hybribio Distributors will have priority renewal rights.

We typically set monthly and annual sales targets for the Hybribio Distributors. In the event the annual sales amount exceeds the annual sales target, the Hybribio Distributors would be entitled to a sales bonus. The purpose is to incentivize the Hybribio Distributors to increase the sales of our cancer detection products and related reagents and consumables to selected healthcare institutions nationwide to improve market penetration of such products.

The Framework Distribution Agreement is a framework agreement which provides the mechanism for the operation of the transactions described therein. The parties shall determine the volume of the products to be supplied on an order-by-order basis and enter into supplemental sales agreements.

***Pricing Policy***

Under the Framework Distribution Agreement, our cancer detection products and related reagents and consumables are sold to the Hybribio Distributors at a fixed selling price, which shall be determined after arm's length negotiations with reference to, among others, the prevailing market prices of similar products within the same authorized distribution region. The aforesaid pricing policy has been and will be comparable to, and no more favorable than, prices or terms offered to other independent third-party distributors.

***Payment Term***

Payment of the fees payable under the Framework Distribution Agreement shall be made by the relevant Hybribio Distributor within 15 business days after receipt of invoice and prior to product delivery by our Group, where our Group shall make delivery of the products within 5 business days upon receipt of payment.

***Historical Transaction Amounts***

The following table sets forth historical transaction amounts for our sales of cancer detection products and related reagents and consumables to the Hybribio Distributors during the Track Record Period:

| | Year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *(RMB in thousands)* | |
| Sales of cancer detection products and related reagents and consumables | 294 | 248[(1)] |

*Note:*

(1) The lower sales to Guangdong Hybribio in 2025 was primarily due to Guangdong Hybribio's own operational and business considerations. There is no sales volume commitment specified in the Framework Distribution Agreement.

***Annual Caps***

The following table sets forth proposed annual caps for the transaction amounts for the transactions contemplated under the Framework Distribution Agreement:

| | Year ending December 31, | | |
|---|---|---|---|
| | **2026** | **2027** | **2028** |
| | *(RMB in thousands)* | | |
| Sales of cancer detection products and related reagents and consumables | 600 | 900 | 1,500 |

The proposed annual caps for the sales of the cancer detection products and related reagents and consumables under the Framework Distribution Agreement have been estimated based on the following factors:

(i) aggregate historical transaction amounts with the Hybribio Distributors;

(ii) the market price of our cancer detection products and related reagents and consumables and the potential price fluctuation due to the increase in the price of raw materials and main ingredients; and

(iii) the expected increase in market demand for our cancer detection products and related reagents and consumables.

As the number of our approved cancer detection products continues to increase, our customers are expected to have a broader range of products available for purchase. We expect Hybribio Distributors' procurement from our Group to gradually increase in the future and propose to increase the annual caps accordingly.

***Reasons for the Transaction***

Guangdong Hybribio, a provider of in vitro diagnostic assays in the PRC, has a fully integrated operation chain extending to sales and marketing, and is positioned as a top player in the molecular diagnostics market. Its HPV diagnostic kit series plays a significant role in diagnosis and screening of early-stage cervical cancer. Through granting distributorship rights to the Hybribio Distributors, we can broaden our sales channels and product distribution outreach by leveraging on the diversified channel resources, large downstream customer base, sufficient capital resources and strong brand recognition of Guangdong Hybribio. Given the renowned reputation of Guangdong Hybribio in the cancer screening industry, the cooperation between Guangdong Hybribio and our Group is thus commercially reasonable and in our best interests.

***Listing Rules Implications***

As one or more of the applicable percentage ratios (other than the profit ratio) calculated for the purposes of Chapter 14A of the Listing Rules is expected to be more than 5% but less than 25% and the highest annual cap is less than HK$10 million, the transactions contemplated under the Framework Distribution Agreement are exempt from circular and independent Shareholders' approval requirements but are subject to the annual reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

## NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

### Framework Sales Agreement

***Principal Terms***

On [●], 2026, our Company and Wuhan Ainuo Medical Laboratory entered into a framework sales agreement (the "**Framework Sales Agreement**"), pursuant to which, we agreed to sell our cancer detection products and related reagents and consumables to Wuhan Ainuo Medical Laboratory.

The Framework Sales Agreement has an initial term commencing from the **[REDACTED]** to December 31, 2028. Subject to compliance with the Listing Rules and applicable laws and regulations, the Framework Sales Agreement may be renewed for a further term of not more than three years from time to time. Upon renewal of the Framework Sales Agreement, the parties may amend the terms of the agreement based on the then prevailing circumstances.

Pursuant to the terms of the Framework Sales Agreement, our sales of cancer detection products and related reagents and consumables will be made on the basis of individual orders specifying, among other things, the type of product, purchase volume and delivery date.

The Framework Sales Agreement is a framework agreement which provides the mechanism for operation of the transactions described therein. Separate underlying agreements will be entered into between the parties to set out the detailed terms of the transactions within the parameters provided under the Framework Sales Agreement. The definitive terms of such underlying agreements will be determined on a case-by-case, fair and reasonable basis after arm's length negotiations between the parties.

***Pricing Policy***

Under the Framework Sales Agreement, the sales price of our cancer detection products and related reagents and consumables shall be determined after arm's length negotiations with reference to, among others, the prevailing market prices of similar products. The aforesaid pricing policy has been and will be comparable to, and no more favorable than, prices or terms offered to our independent customers.

***Payment Term***

Payment of the fees payable under the Framework Sales Agreement shall be made prior to the delivery of products by our Group, where our Group shall make delivery of the products within 5 business days upon receipt of the order.

***Historical Transaction Amounts***

The following table sets forth historical transaction amounts for our sales of early cancer detection and other related products to Wuhan Ainuo Medical Laboratory during the Track Record Period:

| | Year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *(RMB in thousands)* | |
| Sales of cancer detection products and related reagents and consumables | 3,774 | 2,656[1] |

*Note:*

(1) The lower sales to Wuhan Ainuo Medical Laboratory in 2025 were attributable to decline in Wuhan Ainuo Medical Laboratory's overall business scale resulted from its loss of certain major customers, which indirectly resulted in a reduction in its purchase amount from us. Wuhan Ainuo Medical Laboratory may adjust its procurement volume from its suppliers, including our Company, in response to market development and technological changes, as there are alternative suppliers available in the market.

***Annual Caps***

The following table sets forth proposed annual caps for the transaction amount for the transactions contemplated under the Framework Sales Agreement:

| | Year ending December 31, | | |
|---|---|---|---|
| | **2026** | **2027** | **2028** |
| | *(RMB in thousands)* | | |
| Sales of cancer detection products and related reagents and consumables | 3,800 | 5,000 | 6,000 |

The proposed annual caps for the sales of the cancer detection products and related reagents and consumables under the Framework Sales Agreement have been estimated based on the following factors:

(i) historical transaction amounts with Wuhan Ainuo Medical Laboratory;

(ii) the market price of our cancer detection products and related reagents and consumables and the potential price fluctuation;

(iii) the expected increase in market demand for our cancer detection products and related reagents and consumables; and

(iv) the testing capacity of Wuhan Ainuo Medical Laboratory.

As the number of our approved cancer detection products continues to increase, our customers are expected to have a broader range of products available for purchase. We therefore expect Wuhan Ainuo Medical Laboratory's procurement from our Group to gradually increase in the future. With the increasing maturity of the industry and the stabilization of downstream customer demand, the overall growth rate and contribution of the third-party medical laboratory channel are expected to continue to increase steadily. Accordingly, our Group proposes to increase the annual caps.

***Reasons for the Transaction***

The principal business activity of our Group is providing methylation-based early cancer detection products. As a supplier of relevant cancer detection products for Wuhan Ainuo Medical Laboratory, our Group has benefitted from and established a stable complementary business relationship with Wuhan Ainuo Medical Laboratory. Such relationship is fair and reasonable, beneficial for the stable operation and business expansion of our Group and in the interests of our Company and the Shareholders as a whole.

***Listing Rules Implications***

As one or more of the applicable percentage ratios (other than the profit ratio) calculated for the purposes of Chapter 14A of the Listing Rules is expected to be more than 25% on an annual basis, the transactions contemplated under the Framework Sales Agreement will constitute non-exempt continuing connected transactions of our Company subject to the annual reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## EXEMPT CONTINUING CONNECTED TRANSACTION

### Out-licensing Agreement

***Principal Terms***

In May 2018, our Company and Hybribio Biotech entered into the Out-licensing Agreement, which was subsequently amended in March 2019. According to the Out-licensing Agreement, our Company granted Hybribio Biotech the exclusive licenses to utilize the patents, patent applications and know-how to develop, manufacture and commercialize ICervsure (艾宮舒), an early cancer detection product for cervical cancer, in the PRC, for a period of 10 years after obtaining the Class III medical registration of ICervsure (艾宮舒).

Pursuant to the terms of the Out-licensing Agreement, our Company remains as the patent holder and owner of the know-how for ICervsure (艾宮舒), retaining all underlying intellectual property rights therein, where Hybribio Biotech holds an exclusive, non-transferrable, royalty-bearing license to use in the PRC the relevant patents and know-how, which include all patent application documents, production process specification documents and quality inspection methods (the "**License-out Subject**"). Under the Out-licensing Agreement, our Company shall provide technical services in respect of the License-out Subject, which include guidance on technical implementation and on-site technical guidance for trial production of ICervsure (艾宮舒).

***Term of Agreement***

Under the Out-licensing Agreement, our Company and Hybribio Biotech had initially agreed to a term of ten years commencing from March 10, 2018 and ending on March 9, 2028. As ICervsure (艾宮舒) had yet to receive NMPA approval in May 2018, the commencement date of the ten-year term was adjusted by way of entering into a supplemental agreement in March 2019. According to the supplemental agreement, the term of 10 years starts after the obtaining of the Class III medical registration of ICervsure (艾宮舒). The Class III medical registration of

ICervsure (艾宫舒) was obtained on September 10, 2024 and the term of the licensing is from September 10, 2024 to September 9, 2034 accordingly.

As required by Rule 14A.52 of the Listing Rules, the period for the agreement for a continuing connected transaction must not exceed three years, except in cases where the nature of the transaction requires the agreement to be of a duration longer than three years. Our Directors (including our independent non-executive Directors) are of the view that the Out-licensing Agreement was entered into on normal commercial terms, and believe that it is normal business practice and in the interests of our Company and its Shareholders as a whole for the term of the Out-licensing Agreement to be longer than three years, given (i) the nature of the License-out Subject; (ii) the term provides certainty for Hybribio Biotech to use the License-out Subject without interruption in the long run; and (iii) the long-term nature of the arrangement provides comfort that we would not be required to spend unnecessary time, costs and resources to re-negotiate the terms of use of the License-out Subject, which would be financially, operationally and administratively burdensome. According to Frost & Sullivan, out-licensing agreement with terms of 10 years is considered as an industry norm. Having considered the terms of the Out-licensing Agreement, the nature of the transactions contemplated under the Out-licensing Agreement, the reasons for the transaction and the industry consultant's view as mentioned below, the Joint Sponsors concur that it is normal business practice for agreements of a similar nature to have a term longer than three years.

***Reasons for the Transaction***

Hybribio Biotech is a pharmaceutical company in the PRC with ample successful experience in the development and commercialization of new drugs. Our Company has limited operating history in terms of product commercialization, and our operations to date since inception have focused on business planning, raising capital, conducting preclinical studies and clinical trials. Hybribio Biotech's strong commercialization capabilities in the PRC with an experienced and specialized in-house sales and marketing team for pharmaceutical products would enable our Company to achieve market penetration of ICervsure (艾宫舒). The collaboration achieved by way of offering an exclusive license on the License-out Subject and using royalty-based profit-sharing arrangements is in the best interests of our Company and its Shareholders as a whole, as it enables our Company to diversify R&D risks, further accelerate the commercialization of ICervsure (艾宫舒), maximize its total marketable value and boost its overall revenue generation and value realization.

***Transaction Amount***

Under the Out-licensing Agreement, our revenue is primarily derived from a royalty rate of 8% to 10% of Hybribio Biotech's sales related to the ICervsure (艾宫舒). Based on the historical transaction amounts of RMB81 thousand and RMB111 thousand of royalty in 2024 and 2025, respectively, and the expected sales of ICervsure (艾宫舒) in the next three years, we expect the transaction amount arising from this arrangement to remain within HK$3.0 million on an annual basis in the coming three years.

***Listing Rules Implications***

As all the applicable percentage ratios (other than the profits ratio) are expected to be less than 5% and the transaction amount in respect of the Out-licensing Agreement is less than HK$3.0 million on an annual basis, the transactions contemplated under the Out-licensing Agreement are fully exempt from the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As required by Rule 14A.52 of the Listing Rules, the period for the agreement for the continuing connected transactions must not exceed three years, except in cases where nature of the transaction requires the agreement to be of a duration longer than three years. Pursuant to the Out-licensing Agreement, the term of the continuing connected transactions contemplated thereunder is ten years and exceeds three years.

## WAIVER APPLICATIONS FOR CONTINUING CONNECTED TRANSACTIONS

In respect of the transactions contemplated under the Framework Distribution Agreement and the Framework Sales Agreement, as one or more of the applicable percentage ratios (other than the profit ratio) calculated for the purposes of Chapter 14A of the Listing Rules is expected to be more than 25% on an annual basis, the transactions will constitute non-exempt continuing connected transactions of our Company subject to the annual reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. In respect of the transactions contemplated under the Out-licensing Agreement, as all the applicable percentage ratios (other than the profit ratio) are expected to be less than 5% and the transaction amount in respect of the Out-licensing Agreement is less than HK$3.0 million on an annual basis, the transactions will constitute exempt continuing connected transactions of our Company subject to the requirement of limiting the term of continuing connected transactions to three years or less under Rules 14A.52 and 14A.76 of the Listing Rules.

As the transactions contemplated under the Framework Distribution Agreement and the Framework Sales Agreement are expected to continue on a recurring and continuing basis, our Directors consider that strict compliance with all the requirements under Chapter 14A of the Listing Rules would be impractical, impose unnecessary administrative costs and be unduly burdensome to us. In respect of the Out-licensing Agreement, our Directors consider that it is normal business practice and in the interests of our Company and its Shareholders as a whole for the term of the Out-licensing Agreement to be longer than three years. Pursuant to Rule 14A.52 and 14A.105 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], waivers to us from compliance with the announcement, circular and independent Shareholders' approval requirements (in respect of the Framework Distribution Agreement and the Framework Sales Agreement) and the requirement of limiting the term of the continuing connected transactions to three years or less (in respect of the Out-licensing Agreement) for the above continuing connected transactions, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above). Upon the Listing, apart from the announcement, circular, independent Shareholders' approval requirements and the requirement of limiting the term of the continuing connected transactions to three years or less which [have been] waived by the Stock Exchange, the Company will comply with the other relevant requirements under Chapter 14A of the Listing Rules.

In the event of any future amendments to the Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on the continuing connected transactions referred to above, our Company will take immediate steps to ensure compliance with such new requirements within a reasonable time.

## CONFIRMATION FROM OUR DIRECTORS

Our Directors (including our independent non-executive Directors) are of the opinion that (i) the non-exempt continuing connected transactions under the Framework Distribution Agreement and the Framework Sales Agreement as set out above have been entered into, and will be carried out, in the ordinary and usual course of business of our Company and on normal commercial terms or better to us and are fair and reasonable and are in the interest of our Company and its Shareholders as a whole; (ii) the term of the Out-licensing Agreement, which is longer than three years, is considered normal business practice of our Company, is in the interests of our Company and its Shareholders as a whole and it is normal business practice for license agreements of the type to be of a similar or longer duration in order to minimize any disruption to our Company's business operations and the occurrence of unnecessary costs; and

(iii) the proposed caps are fair and reasonable and in the interests of our Company and its Shareholders as a whole.

## CONFIRMATION FROM THE JOINT SPONSORS

The Joint Sponsors are of the view that (i) the non-exempt continuing connected transactions, and for which waivers have been sought, have been entered into in the ordinary and usual course of business of our Company on normal commercial terms or better to our Company, and are fair and reasonable and in the interest of our Company and its Shareholders as a whole; (ii) it is in the normal business practice of our Company and in the interests of our Company and its Shareholders as a whole to enter into the Out-licensing Agreement with a term longer than three years; and (iii) the proposed caps are fair and reasonable and in the interests of our Company and its Shareholders as a whole.