In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant's arrangements for maintaining regular communication with the Stock Exchange.

Our headquarters are based, and most of the business operations of our Company and our subsidiaries are managed and conducted, in the PRC. Our executive Directors ordinarily reside in the PRC and play an important role in our Company's business operations. It is in our best interests for them to be based in places where our Group has significant operations. We consider it practically difficult and commercially unreasonable for us to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of our existing executive Directors or appointment of additional executive Directors. Therefore, our Company does not have, and does not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements set out in Rule 8.12 of the Listing Rules subject to the following conditions:

1. we have appointed Mr. Zhang and Ms. WONG Mei Fung Carrie (黃美鳳) ("**Ms. Wong**") as our authorized representatives ("**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our Company's principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;

2. when the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly at all times. We have provided the Stock Exchange with the contact details (i.e., mobile phone number, office phone number and email address) of all Directors to facilitate communication with the Stock Exchange;

3. all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon the request of the Stock Exchange;

4. we have appointed Maxa Capital Limited as our Compliance Adviser upon Listing pursuant to Rule 3A.19 of the Listing Rules. The Compliance Adviser will, among other things and in addition to the Authorized Representatives, provide our Company with professional advice on continuing obligations under the Listing Rules and act as the additional channel of communication with the Stock Exchange

during the period from the Listing Date to the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year immediately after the Listing; and

5. meetings between the Stock Exchange and our Directors could be arranged through our Authorized Representatives or the Compliance Adviser, or directly with our Directors within a reasonable period. Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the Authorized Representatives, the Directors and/or the Compliance Adviser of our Company in accordance with the Listing Rules.

POST-TRACK RECORD PERIOD ACQUISITION

Rules 4.04(2) and 4.04(4) of the Listing Rules require that the new applicant include in its accountants' report the results and balance sheet of any business or subsidiary acquired, agreed or proposed to be acquired, since the date to which its latest audited accounts have been made up, in respect of each of the three financial years immediately preceding the issue of the listing document.

Pursuant to note (4) of Rule 4.04(4) of the Listing Rules, the Stock Exchange may consider an application for a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules taking into account the following factors:

1. that all the percentage ratios (as defined under Rule 14.07 of the Listing Rules) are less than 5% by reference to the most recent audited financial year of the new applicant's trading record period;

2. if the acquisition will be financed by the proceeds raised from a public offer, the new applicant has obtained a certificate of exemption from the SFC in respect of the relevant requirements under paragraphs 32 and 33 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; and

3. (i) where a new applicant's principal activities involve the acquisition of equity securities (the Stock Exchange may require further information where securities acquired are unlisted), the new applicant is not able to exercise any control, and does not have any significant influence over the underlying company or business to which Rules 4.04(2) and 4.04(4) of the Listing Rules relate, and has disclosed in its listing document the reasons for the acquisition and a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the new applicant and its connected persons. In this regard, "control" means the ability to exercise or control the exercise of 30% (or any amount specified in the Hong Kong Code on Takeovers and Mergers as the level for triggering a mandatory general offer) or more of the voting power at general meeting, or being in a position to control the composition of a majority of the board of directors of the underlying company or business; or (ii) with respect to an acquisition of a business (including acquisition of an associated company and any equity interest in a company other than in the circumstances covered under sub-paragraph (i) above) or a subsidiary by a new applicant, the historical financial information of such business or subsidiary is unavailable, and it would be unduly burdensome for the new applicant to obtain or prepare such financial information; and the new applicant has disclosed in its listing document information required for the announcement for a discloseable transaction under Rules 14.58 and 14.60 of the Listing Rules on each acquisition. In this regard,

"unduly burdensome" will be assessed based on each new applicant's specific facts and circumstances (e.g. why the financial information of the acquisition target is not available and whether the new applicant or its controlling shareholder has sufficient control or influence over the seller to gain access to the acquisition target's books and records for the purpose of complying with the disclosure requirements under Rules 4.04(2) and 4.04(4) of the Listing Rules).

On July 9, 2024, we entered into a share and warrant purchase agreement and a corresponding shareholders agreement (the "**Agreements**") with the target company (the "**Target Company**"), its then shareholders and other subscribers to subscribe newly issued shares of the Target Company, representing 11.8375% of its then equity interests (on a diluted basis), at a total consideration of US$6,068,965 (the "**Acquisition**").

In light of the progress of the required regulatory approval for the Acquisition and the Target Company's funding needs, the structure of the Acquisition was subsequently adjusted. On January 16, 2026, the Company entered into (i) a side agreement with, among others, the Target Company, (ii) a new shareholders agreement with, among others, the Target Company and its then shareholders, and (iii) a convertible bond loan agreement with, among others, the Target Company and an indirectly wholly owned subsidiary of the Target Company ("**Target Company Subsidiary**") (the convertible bond loan agreement together with the side agreement and the shareholders agreement, the "**New Agreements**"). Pursuant to the New Agreements, the Company provided a convertible bond loan of RMB30 million (equivalent to US$4,137,931) to the Target Company Subsidiary, and the Target Company issued corresponding share warrants to the Company. Following completion of the regulatory approval, the Target Company Subsidiary shall repay the loan, and the Company will then pay the subscription price of the warrants and hold the corresponding shares in the Target Company. The remaining consideration of US$1,931,034 will be applied by the Company to subscribe for newly issued shares in the Target Company directly pursuant to the original Agreements. The Acquisition is currently subject to the satisfaction of completion conditions and is expected to be completed by early 2027.

The Target Company is a company incorporated in the Cayman Islands, and its proposed business is to utilize organ-on-chip technology in conjunction with computer vision and artificial intelligence for efficient preclinical drug safety and efficacy testing, new drug discovery, and personalized precision medicine. According to the unaudited financial statements of the Target Company, (i) the total assets of the Target Company amounted to approximately RMB49.7 million as of December 31, 2025, (ii) the Target Company recorded a total revenue of RMB5.8 million for the year ended December 31, 2025, and (iii) the Target Company recorded a net loss of approximately RMB49.7 million for the year ended December 31, 2025.

The consideration of the Acquisition is determined based on arm's length negotiations between the parties after taking into account factors including but not limited to the timing of investment and business prospects of the Target Company. The Acquisition is in the ordinary and usual course of business of our Company, and will enable the Company to further expand and enhance its technologies, in line with our growth and business development strategy. Our Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole. To the best of our Directors' knowledge, information and belief and having made all reasonable enquiries, the Target Company, the other parties to the Agreements and their beneficial owners are Independent Third Parties. The consideration for the Acquisition is to be satisfied by the internal resources of our Group and will not use any proceeds from the [**REDACTED**].

Our Company has applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules in respect of the above Acquisition on the following grounds:

(i) Immateriality of the Acquisition

Under Rule 14.04(9) of the Listing Rules, all the applicable percentage ratios under Rule 14.07 of the Listing Rules in relation to the Acquisitions are below 5% by reference to the most recent audited financial year of the Track Record Period. We consider the Acquisitions to be immaterial in the context of our Company's operations as a whole and therefore a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules will not affect potential investors' assessment of our business and future prospects when considering an investment in our Company.

(ii) Impracticality and undue burden

As of the Latest Practicable Date, the Acquisition was yet to have been completed. Prior to the completion of the Acquisition, given that (i) the Target Company, the other parties to the Agreements and their beneficial owners are Independent Third Parties; and (ii) our Company has no representation or control over the board of directors of the Target Company, our Group is not in a position to be able to compel the disclosure of financial information to our Group and/or our Reporting Accountants for inclusion in this Document to the standards required under Rules 4.04(2) and 4.04(4) of the Listing Rules. Further, as our Group is not involved in the day-to-day management of the Target Group, and particularly when there is no statutory audit requirement under the laws of Cayman Islands, our Company and our Reporting Accountants will unlikely gain full access to the financial information of the Target Group in a readily available manner. In addition, given that there is no statutory audit requirement, the accounts of the Target Group were prepared for internal management purposes and not for audit purposes. It would require considerable time and resources to become fully familiarized with the accounting system and accounting policies and to gather, compile and audit the necessary financial information and supporting documents for disclosure in this document. As a result, preparing the financial information of the Target Group in accordance with the IFRS and within a short period of time in order for such audited financial information to be included in the Accountants' Report in this document would present an onerous challenge. Therefore, it would be impracticable and burdensome for our Company to prepare and include the full historical financial information of the Target Group in this document.

(iii) Alternative disclosure

With a view of allowing our potential investors to understand in greater details, we have provided information in this Document the following information regarding the Acquisition, which is comparable to the information required for a discloseable transaction under Chapter 14 of the Listing Rules, including, among others: (a) a general description of the principal business activities of the Target Group and the consolidated financial information of the Target Company that are available to us; (b) confirmation that the Target Company, the other parties to the Agreements and their beneficial owners are Independent Third Parties; (c) the consideration of the Acquisition; (d) the basis on which the consideration is determined; (e) how the consideration is expected to be satisfied; and (f) the reasons for and benefits of the Acquisition.