

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

We are a private chain TCM healthcare service provider in China, with a particularly strong and established presence in Northern China. Our business principally operates through a network of self-established and self-operated (自建自營) offline licensed medical institutions, including TCM outpatient healthcare centers and TCM clinics. We provide TCM healthcare services which integrate (i) medical consultations and the dispensing of prescription medication, and (ii) ancillary therapeutics, into a single, ongoing treatment plan.

Our history dates back to 2015, when Mr. Guo Yang, our founder, the chairman of the Board, executive Director and general manager, entered the TCM industry with a focus on research on herbal paste and medication by investing in and establishing Harbin Huaxin Pujian Traditional Chinese Medicine Research Institute (哈爾濱華新普健中醫藥研究院). For the biographical details of Mr. Guo Yang, see “Directors and Senior Management.” Leveraging Mr. Guo Yang’s experience in the medical and health technology industry, he established our Company under the name of Harbin Gao Zhen Tang TCM Clinic Co., Ltd.* (哈爾濱膏珍堂中醫診所有限公司) on July 11, 2018 with a focus on providing a comprehensive range of TCM healthcare services designed to address patient’s diverse medical and long-term health management needs. Since then, we have expanded to 60 offline licensed medical institutions across eight provinces as of the Latest Practicable Date. In August 2025, our Company was converted into a joint stock company with limited liability.

BUSINESS DEVELOPMENT MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestone
2018 . .	Our Company was established as a limited company under the name of Harbin Gao Zhen Tang TCM Clinic Co., Ltd.* (哈爾濱膏珍堂中醫診所有限公司) and our first medical institution was opened in Harbin, Heilongjiang Province.
2020 . .	Focusing on Liaoning Province and Heilongjiang Province, we had been operated five medical institutions serving four major cities including Harbin, Suihua, Shenyang and Liaoyang.
2021 . .	We obtained the Medical Institution Preparation License (醫療機構製劑許可證), thereby acquiring the qualification for the production of in-hospital preparations.
2022 . .	At the end of year, we have successfully expanded our medical institutions network to nine medical institutions.
2023 . .	We expanded into Jilin Province and the number of our medical institutions reached 14 by the end of the year. We obtained the Internet Hospital (互聯網醫院) certification, thereby acquiring the qualification for providing hospital-based diagnosis and treatment services. We also launched the internet hospital system and HIS system.
2024 . .	We expanded into markets including Shandong Province and Hebei Province and the number of our medical institutions reached 31 by the end of the year.

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Year	Milestone
2025 . .	Our modernized manufacturing facility in Harbin, Heilongjiang Province went into operation. Our Company was converted into a joint stock limited company and renamed as Harbin Yu Yan Tang TCM Outpatient Group Co., Ltd. (哈爾濱譽研堂中醫門診集團股份有限公司) We expanded into Tianjin City and the number of our medical institutions reached 47 by the end of the year.
2026 . .	We expanded into Jiangsu and Henan Province and the number of our medical institutions reached 60 as of the Latest Practicable Date.

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

1. Establishment and Early Development of Our Company

On July 11, 2018, our Company was established under the name of Harbin Gao Zhen Tang TCM Clinic Co., Ltd. (哈爾濱膏珍堂中醫診所有限公司) as a limited liability company under the PRC Law, with an initial registered capital of RMB0.5 million. At the time of the establishment, our Company was owned as to 80% by Mr. Guo Yang, 10% by Ms. Guo Yi (郭一) and 10% by Harbin Gao Zhen Tang Chinese Medicine Research Institute* (哈爾濱膏珍堂中醫藥研究院) (“**Gao Zhen Tang Chinese Medicine Research Institute**”).

Mr. Guo Yang is the chairman of our Board, executive Director and general manager. Ms. Guo Yi is a supervisor of the Company and a sister of Mr. Guo Yang, and Gao Zhen Tang Chinese Medicine Research Institute was wholly owned by Guo Yi.

2. Equity Transfers in January 2021

On December 20, 2020, Mr. Guo Yang, Ms. Guo Yi, Gao Zhen Tang Chinese Medicine Research Institute entered into equity transfer agreements with Gao Zhen Tang Co., Ltd. (膏珍堂有限公司) (“**Gao Zhen Tang**”) and Shenyang Gaozhentang Traditional Chinese Medicine Outpatient Department Co., Ltd. (瀋陽膏珍堂中醫門診部有限公司) (“**Shenyang Gaozhentang**”), respectively, pursuant to which, Mr. Guo Yang, Ms. Guo Yi, and Gao Zhen Tang Chinese Medicine Research Institute agreed to transfer all their equity interests of our Company to Gao Zhen Tang and Shenyang Gaozhentang at the consideration of nil. At that time, Gao Zhen Tang was owned by Mr. Guo Yang and Mr. Gao Lifu as to 51% and 49%, respectively, and Shenyang Gaozhentang was owned by Gao Zhen Tang and our Company as to 99% and 1%, respectively. Upon completion of such equity transfers on January 12, 2021, our Company was owned by Gao Zhen Tang and Shenyang Gaozhentang as to 99% and 1%, respectively. The ultimate shareholding of Mr. Guo Yang and Mr. Gao Lifu in our Company was 51% and 49%, respectively.

3. Equity Transfer and Capital Increase in December 2021

To streamline the shareholding of our Company, on December 19, 2021, our Company introduced Heilongjiang Yuyantang Investment Co., Ltd. (黑龍江譽研堂投資有限公司) (“**Yuyantang Investment**”) and Heilongjiang Zhitongdaohe Investment Partnership (Limited Partnership) (黑龍江志同道合投資合夥企業(有限合夥)) (“**Zhitongdaohe Investment**”) as its new Shareholders. The registered capital of our Company was increased from RMB0.5 million to RMB5 million, which was subscribed by Yuyantang Investment and Zhitongdaohe Investment. Yuyantang Investment was owned by Mr. Guo Yang and Mr. Gao Lifu as to 67% and 33%, respectively. Zhitongdaohe Investment was held by Mr. Guo Yang, as the general partner, as to 45.67% of the partnership interest, and Mr. Gao Lifu, as a

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limited partner, as to 54.33% of the partnership interest. Upon the completion of such shareholding change on December 22, 2021, our Company was owned by Yuyantang Investment and Zhitongdaohe Investment as to 70% and 30%, respectively. The ultimate shareholding of Mr. Guo Yang and Mr. Gao Lifu in our Company changed from 51% : 49% to approximately 60.60% : 39.40%.

4. Investment by Hainan Youzhuo in July 2024

On June 25, 2024, Hainan Youzhuo Technology Co., Ltd. (海南友卓科技有限公司) (“**Hainan Youzhuo**”) entered into a capital increase agreement with our Company, pursuant to which, Hainan Youzhuo agreed to subscribe for an increased registered capital of RMB154,600 for a consideration of RMB1,391,400. The consideration was determined based on arm’s length negotiations between our Company and Hainan Youzhuo after taking into consideration (i) the timing of the subscription, (ii) discount for lack of marketability of the Company’s shares as a private company when the Pre-IPO Investment was made, and (iii) the business, operations and status of our business and operating entities. The consideration was fully settled on December 27, 2024. For details, see “— [REDACTED]”.

Upon completion of the abovementioned capital increase on July 2, 2024, the registered capital of our Company was increased from RMB5 million to RMB5,154,600, and the shareholding structure of our Company was as follows:

Name of Shareholder	Registered capital held	Percentage of shareholding
	(RMB)	
Yuyantang Investment	3,500,000	67.90%
Zhitongdaohe Investment	1,500,000	29.10%
Hainan Youzhuo	154,600	3.00%
Total	5,154,600	100.00%

5. Capital Increase in February 2025

Pursuant to the Shareholder resolution passed on February 27, 2025, the registered capital of our Company was increased from RMB5,154,600 to RMB15 million and the increased registered capital of RMB9,845,400 was converted from undistributed profit in proportion to the then Shareholders’ then shareholding.

6. Establishment of Employee Incentive Platform and Capital Increase in April 2025

To establish long-term incentives, on March 31, 2025, Zhitongdaohe Yidai, our employee incentive platform, entered into a capital increase agreement with the then Shareholders, pursuant to which, Zhitongdaohe Yidai agreed to subscribe for an increased registered capital of RMB845,352 for the consideration of RMB3,592,746. The consideration was determined based on the business, operations and status of our business and operating entities and was fully settled on April 21, 2025. For details, see “— Employee Incentive Platform”.

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Upon completion of such capital increase on April 1, 2025, the registered capital of our Company was increased from RMB15 million to RMB15,845,352, and the shareholding structure of our Company was as follows:

Name of Shareholder	Registered capital held	Percentage of shareholding
	<i>(RMB)</i>	
Yuyantang Investment	10,185,075	64.28%
Zhitongdaohe Investment	4,365,030	27.55%
Zhitongdaohe Yidai	845,352	5.34%
Hainan Youzhuo	449,895	2.84%
Total	15,845,352	100.00%

7. Conversion into a Joint Stock Limited Company in August 2025

On August 8, 2025, our Company was converted from a limited liability company into a joint stock limited company and renamed as Harbin Yu Yan Tang TCM Outpatient Group Co., Ltd. (哈爾濱譽研堂中醫門診集團股份有限公司) with 15,845,352 issued Shares of RMB1.00 each.

Pursuant to the promoters’ agreement entered into by all the then Shareholders dated August 7, 2025 and the resolutions resolved by all the then Shareholders dated August 7, 2025, (i) a portion of our Company’s net assets value in an amount of RMB15,845,352.00 as of April 30, 2025 was converted into 15,845,352 Shares with a nominal value of RMB1.00 each, which were issued to the then Shareholders in proportion to their respective equity interest in the registered capital of our Company, and (ii) the remaining net assets value of RMB11,486,028.41 were credit as capital reserves of our Company.

Upon the completion of the Conversion, the shareholding structure of our Company was as follows:

Name of Shareholder	Number of Shares	Percentage of shareholding
Yuyantang Investment	10,185,075	64.28%
Zhitongdaohe Investment	4,365,030	27.55%
Zhitongdaohe Yidai	845,352	5.34%
Hainan Youzhuo	449,895	2.84%
Total	15,845,352	100.00%

8. Share Split upon [REDACTED]

As approved by our then Shareholders at the general meeting held on January 8, 2026, immediately upon [REDACTED], the ordinary Shares of the Company will be split on a one-for-eight basis, and the nominal value of the Shares will be changed from RMB1.00 each to RMB0.125 each.

Immediately after such Share Split, the registered share capital of the Company will be RMB15,845,352 with 126,762,816 Shares with a nominal value of RMB0.125 each.

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OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, the following entities were our major subsidiaries which had made a material contribution to our results of operation (as identified as principal subsidiaries in Note 1 to the Accountants’ Report) during the Track Record Period:

Name of major subsidiary	Place of incorporation	Date of incorporation	Ownership as of the Latest Practicable Date	Principal business activities of the major subsidiary and/or its branch(es)
Shenyang Gaozhentang Traditional Chinese Medicine Outpatient Department Co., Ltd. (瀋陽膏珍堂中醫門診部有限公司)	PRC	November 19, 2018	100%	Provision of TCM healthcare services
Suihua Beilin District Gaozhentang Traditional Chinese Medicine Outpatient Department Co., Ltd. (綏化市北林區膏珍堂中醫門診有限公司)(“ Suihua Gaozhentang ”)	PRC	October 30, 2019	100%	Provision of TCM healthcare services
Harbin Gaozhentang Fushun Outpatient Department Co., Ltd. (哈爾濱膏珍堂福順專科門診有限公司)(“ Gaozhentang Fushun ”)	PRC	September 9, 2021	100%	Provision of TCM healthcare services
Harbin Gaozhentang Renhe Traditional Chinese Medicine Outpatient Co., Ltd. (哈爾濱膏珍堂仁和中醫門診有限公司)(“ Gaozhentang Renhe ”)	PRC	September 26, 2021	100%	Provision of TCM healthcare services
Shenyang Gaozhentang Shenzhou Traditional Chinese Medicine Outpatient Department Co., Ltd. (瀋陽膏珍堂瀋州中醫門診部有限公司)(“ Gaozhentang Shenzhou ”)	PRC	March 11, 2022	100%	Provision of TCM healthcare services
Heilongjiang Yuyantang Pharmaceutical Group Co., Ltd. (黑龍江譽研堂藥業集團有限公司)(“ Yuyantang Pharmaceutical ”)	PRC	August 26, 2022	100%	Sales of pharmaceuticals and provision of herbal decoction services
Harbin Gaozhentang Shangzhi Specialized Outpatient Department Co., Ltd. (哈爾濱膏珍堂尚質專科門診有限公司)(“ Gaozhentang Shangzhi ”)	PRC	July 30, 2025	100%	Provision of TCM healthcare services
Shenyang Tiexi Gaozhentang General Outpatient Department Co., Ltd. (瀋陽鐵西膏珍堂綜合門診部有限公司)(“ Tiexi Gaozhentang ”)	PRC	March 4, 2022	100%	Provision of TCM healthcare services
Changchun Gaozhentang Shande Medical Service Co., Ltd. (長春膏珍堂善德醫療服務有限公司)(“ Gaozhentang Shande ”)	PRC	November 23, 2023	100%	Provision of TCM healthcare services

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Name of major subsidiary	Place of incorporation	Date of incorporation	Ownership as of the Latest Practicable Date	Principal business activities of the major subsidiary and/or its branch(es)
Dandong Gaozhentang Medical Service Co., Ltd (丹東高珍堂醫療服務有限公司)(“ Dandong Gaozhentang ”)	PRC	March 2, 2023	51% ⁽¹⁾	Provision of TCM healthcare services
Changchun Yuyuan Gaozhentang Medical Service Co., Ltd (長春譽遠高珍堂醫療服務有限公司)(“ Changchun Gaozhentang ”)	PRC	November 20, 2023	51% ⁽²⁾	Provision of TCM healthcare services

Notes:

- (1) Dandong Gaozhentang is currently owned by our Company, Shenyang Tongjinze Enterprise Management Co., Ltd. (瀋陽同濟企業管理有限公司)(“**Shenyang Tongjinze**”) and Jilin Jiushuntong Enterprise Management Co., Ltd. (吉林省九順通企業管理有限公司)(“**Jilin Jiushuntong**”) as to 51.00%, 31.24% and 17.76%, respectively. Shenyang Tongjinze is owned by Zhang Xin (張欣) and Xu Hongtao (許洪濤) as to 95% and 5%, respectively. Jilin Jiushuntong is wholly owned by Pang Xueyan (龐雪艷). Each of Zhang Xin, Xu Hongtao and Pang Xueyan is an Independent Third Party.
- (2) As of the Latest Practicable Date, Changchun Gaozhentang is owned by our Company and Chen Lin (陳林) as to 51% and 49%, respectively. Chen Lin also serves as an executive director and the general manager of Changchun Gaozhentang. Chen Lin is a substantial shareholder and a director of Changchun Gaozhentang, our significant subsidiary, and accordingly is our connected person.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We had no major acquisitions, disposals or mergers which falls within the scope of Rule 4.05A of the Listing Rules during the Track Record Period and up to the Latest Practicable Date.

In September 2025, due to capital needs of Heilongjiang Qingzhu Female Medicine Management Co., Ltd.* (黑龍江省青主女科醫療管理有限公司)(“**Qingzhu Female Medicine**”), Wu Jinyu (吳金宇), being the then minority shareholder of Qingzhu Female Medicine, made additional investment of RMB6 million to Qingzhu Female Medicine, resulting Wu Jinyu’s interest in Qingzhu Female Medicine increased from 25% to 81.25%, whereas the Company’s interest in Qingzhu Female Medicine reduced from 60% to 15% (the “**Deemed Disposal**”). From February 2023 to June 2025, Wu Jinyu was an employee of the Group and served as an assistant to general manager of the Group. Having considered (i) Qingzhu Female Medicine specialized on female’s health, while the Group intended to provide a comprehensive range of TCM healthcare services; (ii) Wu Jinyu’s intention to have a greater level of involvement in the decision-making of Qingzhu Female Medicine; and (iii) the Group’s business strategies, including but not limited to focusing on, fostering deeper loyalty and cultivating a higher level of recognition for the brands of “Gao Zhen Tang” and “Yu Yan Tang”, the Company and Wu Jinyu mutually agreed the Deemed Disposal (i.e. Wu Jinyu contributed additional capital of RMB6 million to Qingzhu Female Medicine to obtain its controlling stake, whereas the Company retained its initial investment of RMB1.2 million and became a minority shareholder). Prior to the Deemed Disposal, Qingzhu Female Medicine focused on female’s TCM outpatient services and had one offline licensed medical institution.

Save for Qingzhu Female Medicine, during the Track Record Period, the Group deregistered nine subsidiaries. The Company confirms that none of Qingzhu Female Medicine and the nine other subsidiaries deregistered during the Track Record Period were the subject of any material non-compliance or was involved in any pending or threatened litigation, arbitration or administrative proceedings immediately prior to the relevant deregistration or disposal by the Group.

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COMPLIANCE WITH PRC LAW

Our PRC Legal Advisor has advised that we have obtained the requisite legal approvals and completed requisite governmental registrations or filings with relevant governmental authorities in the PRC with respect to all the aforesaid capital increases and equity transfers in all material respects, and the [REDACTED] was completed in compliance with the applicable PRC laws and regulations in all material aspects.

[REDACTED]

1. Principal Terms of the [REDACTED]

The following table summarizes the key terms of the Pre-IPO Investment to our Company made by the [REDACTED]:

Date of agreement	June 25, 2024
Date of full settlement of consideration	December 27, 2024
Total amount of consideration (RMB)	1,391,400.00
Number of Shares immediately upon the completion of the Share Split ⁽¹⁾	1,236,800
Cost per Share (RMB) ⁽²⁾	1.13
Discount to the [REDACTED]	[REDACTED]
Basis of determining the consideration paid	Please refer to the disclosure in “— Establishment and Major Shareholding Changes of Our Company — 4. Investment by Hainan Youzhuo in July 2024” above.
Lock-up period	Under the applicable PRC Law, all existing Shareholders (including the [REDACTED] Investor) are subject to a lock-up period of twelve months following the [REDACTED].

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[REDACTED] from
the [REDACTED]

We utilize the proceeds from [REDACTED] Investment for business expansion, capital expenditures and general working capital of our Group. As of the Latest Practicable Date, approximately 100% of [REDACTED] received by our Company from the [REDACTED] paid to our Company had been utilized.

Strategic benefits the
[REDACTED] brought to our
Company

At the time of the [REDACTED], our Directors were of the view that our Company could benefit from the additional funds provided by the Pre-IPO Investor’s investment in our Company and the exposure, knowledge and professional experience in the capital market of the [REDACTED]. For further details, please refer to the disclosure in “— 4. Information relating to our [REDACTED]”

Notes:

- (1) The registered capital initially subscribed by Hainan Youzhuo was RMB154,600.00. See “— Establishment and Major Shareholding Changes of Our Company” for details.
- (2) Calculated based on the number of Shares as adjusted after the conversion to a joint stock company in August 2025 and the completion of the Share Split.
- (3) The discount to [REDACTED] is calculated based on the currency translation of HK\$1.00 to RMB0.90161 and the assumption that [REDACTED] per H Share (being the mid-point of the [REDACTED]).

2. Special rights of the [REDACTED]

No special rights have been granted to the [REDACTED] Investor.

3. Compliance with the Guide

On the basis that (i) the [REDACTED] investment was settled longer than 28 clear days before the date of first filing and (ii) no special rights have been granted to the [REDACTED] Investors, the Joint Sponsors confirm that the [REDACTED] Investment is in compliance with Chapter 4.2 of the Guide.

4. Information relating to our [REDACTED]

Hainan Youzhuo, a limited company established in the PRC in April 2024 primarily engaged in investment holding, is wholly owned by Mr. Chen Wen (陳文), an Independent Third Party. Mr. Chen Wen was introduced to our Group by Mr. Guo Yang, our executive Director and chairman of the Board. Mr. Chen Wen and Mr. Guo Yang became acquainted at a private event in 2021. After the introduction, based on his extensive experience in corporate finance and management, and the development opportunities in the traditional Chinese medicine industry after the pandemic, Mr. Chen Wen and Mr. Guo Yang reached consensus on the Group’s potential development with the help of equity market.

Mr. Chen Wen has extensive experience in corporate finance and management. From March 2009 to April 2010, Mr. Chen worked in a subsidiary of Syneer Food Holdings Limited, a company listed on the main board of Singapore Exchange Limited from 2006 to 2013. From April 2012 to January 2014, Mr. Chen successively serviced as a deputy general manager, the financial controller, executive general manager, general manager and a director of Henan Xindaxin Materials

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Co., Ltd. (河南新大新材料股份有限公司)(currently known as Henan Yicheng New Energy Co., Ltd. (河南易成新能源股份有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 300080). From March 2019 to March 2026, Mr. Chen was a director of Wanjiang New Energy Co., Ltd.* (萬江新能源股份有限公司), a company specializing in geothermal energy. Since August 2017, Mr. Chen has been the general partner holding approximately 7.8% of equity interest in Suzhou Jinshan Xinda Venture Capital Enterprise (Limited Partnership)* (蘇州金杉信達創業投資企業(有限合夥)), a limited partnership engaged in venture capital and related consulting services. It is expected that the exposure and experience of Mr. Chen Wen could contribute to our Company from an investor’s perspective and share his professional experience.

SHAREHOLDING OF OUR COMPANY

The following table sets forth our shareholding structure as of the Latest Practicable Date and immediately upon the [REDACTED] (assuming the [REDACTED] is not exercised):

Name of Shareholder	As of the Latest Practicable Date			Immediately after the completion of the Share Split			Immediately after the completion of the [REDACTED]		
	Number of Shares	Description of Shares	Approximate Ownership Percentage	Number of Shares	Description of Shares	Approximate Ownership Percentage	Number of Shares	Description of Shares	Approximate Ownership Percentage
Yuyantang Investment	10,185,075	Domestic Shares	64.28%	81,480,600	Domestic Shares	64.28%	[REDACTED]	[REDACTED]	[REDACTED]
							[REDACTED]	[REDACTED]	[REDACTED]
Zhitongdaohe Investment . .	4,365,030	Domestic Shares	27.55%	34,920,240	Domestic Shares	27.55%	[REDACTED]	[REDACTED]	[REDACTED]
							[REDACTED]	[REDACTED]	[REDACTED]
Zhitongdaohe Yidai	845,352	Domestic Shares	5.34%	6,762,816	Domestic Shares	5.34%	[REDACTED]	[REDACTED]	[REDACTED]
							[REDACTED]	[REDACTED]	[REDACTED]
Hainan Youzhuo	449,895	Domestic Shares	2.84%	3,599,160	Domestic Shares	2.84%	[REDACTED]	[REDACTED]	[REDACTED]
							[REDACTED]	[REDACTED]	[REDACTED]
Sub-total.	15,845,352	Domestic Shares	100.0%	126,762,816	Domestic Shares	100.0%	[REDACTED]	[REDACTED]	[REDACTED]
Other investors taking part in the [REDACTED] . . .	–	–	–	–	–	–	[REDACTED]	[REDACTED]	[REDACTED]
Total	15,845,352	Domestic Shares	100.0%	126,762,816	Domestic Shares	100.0%	[REDACTED]	[REDACTED]	[REDACTED]

FULL CIRCULATION

Our Company has applied for H Share full circulation to convert an aggregate of [REDACTED] Domestic Shares held by existing Shareholders, representing approximately [REDACTED] of the total issued Shares of our Company immediately upon completion of the Share Split and [REDACTED] of the total issued Shares of our Company upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised).

PUBLIC FLOAT

Immediately upon completion of the Conversion of Domestic Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised), our Company will have [REDACTED] Shares, including [REDACTED] H Shares and [REDACTED] Domestic Shares. Among the [REDACTED] H Shares, [REDACTED] H Shares, representing approximately [REDACTED] of our total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised), are held by our Controlling Shareholders and thus, together with [REDACTED] Domestic Shares, representing approximately [REDACTED] of our total

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issued Shares, will not be counted towards the public float of our Company; whereas, [REDACTED] H Shares, representing approximately [REDACTED] of our total issued Shares, will be counted towards the [REDACTED] for the purpose of Rule 19A.13A of the Listing Rules.

Considering that the indicative [REDACTED] range from [REDACTED] per H Share, the expected market value of the H Shares at [REDACTED] will not exceed HK\$[REDACTED], and the minimum public float percentage applicable to the H Shares upon [REDACTED] is [REDACTED] pursuant to Rule 19A.13A(1) of the Listing Rules. Hence, our Company will be able to comply with Rule 19A.13A(1) of the Listing Rules.

FREE FLOAT

Rule 19A.13C(1) of the Listing Rules provides that, there must be sufficient shares for which [REDACTED] is sought by a new applicant that are held by the public and available for trading upon [REDACTED] where a new applicant is a PRC issuer with no other listed shares at the time of [REDACTED], this will normally mean that the portion of H shares for which [REDACTED] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of [REDACTED], must: (i) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of [REDACTED] (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000; or (ii) have an expected market value at the time of [REDACTED] of not less than HK\$600,000,000.

Under the applicable PRC Law, all existing Shareholders (including the [REDACTED] Investors) are subject to a lock-up period of twelve months following the [REDACTED]. As such, H Shares held by all existing Shareholders upon the [REDACTED] shall not be counted towards the free float of the H Shares of the Company at the time of [REDACTED]. Based on (i) [REDACTED] initially available under the [REDACTED], representing approximately [REDACTED]% of our total issued Shares upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised); and (ii) the minimum [REDACTED] of HK\$[REDACTED] per H Share, the Company will satisfy the free float requirement under Rule 19A.13C(1) of the Listing Rules.

EMPLOYEE INCENTIVE PLATFORM

In recognition of the contributions of our employees, Zhitongdaohe Yidai and Zhitongdaohe Erdai were established under the PRC Law as our Company’s employee incentive platforms.

Zhitongdaohe Yidai was established as a limited partnership on March 24, 2025. As of the Latest Practicable Date, Zhitongdaohe Yidai was held by (i) Mr. Guo Yang, as the general partner, as to approximately 27.72% partnership interest; (ii) Zhitongdaohe Erdai, as a limited partner, as to approximately 24.43% partnership interest; and (iii) 34 limited partners, as to the rest of approximately 47.85% partnership interest. The partnership interest represents the vested and exercised awards of grantees. Among the 34 grantees, Ms. Jiang Yujuan (our executive Director) held approximately 0.35% partnership interest, Ms. Guo Yi (our supervisor) held approximately 2.43% partnership interest, Ms. Liu Yanxue (our supervisor) held approximately 1.24% partnership interest, Mr. Chen Gang (our supervisor) held approximately 1.18% partnership interest, Mr. Yan Haitao (our chief financial officer) held approximately 2.40% partnership interest, Mr. Chen Lin (a director of Changchun Gaozhentang) held approximately 4.18% partnership interest, Mr. Ning Fulin (a supervisor of Changchun Gaozhentang) held approximately 7.16% partnership interest, and 27 current employees of our Company, together, held approximately 28.91% partnership interest.

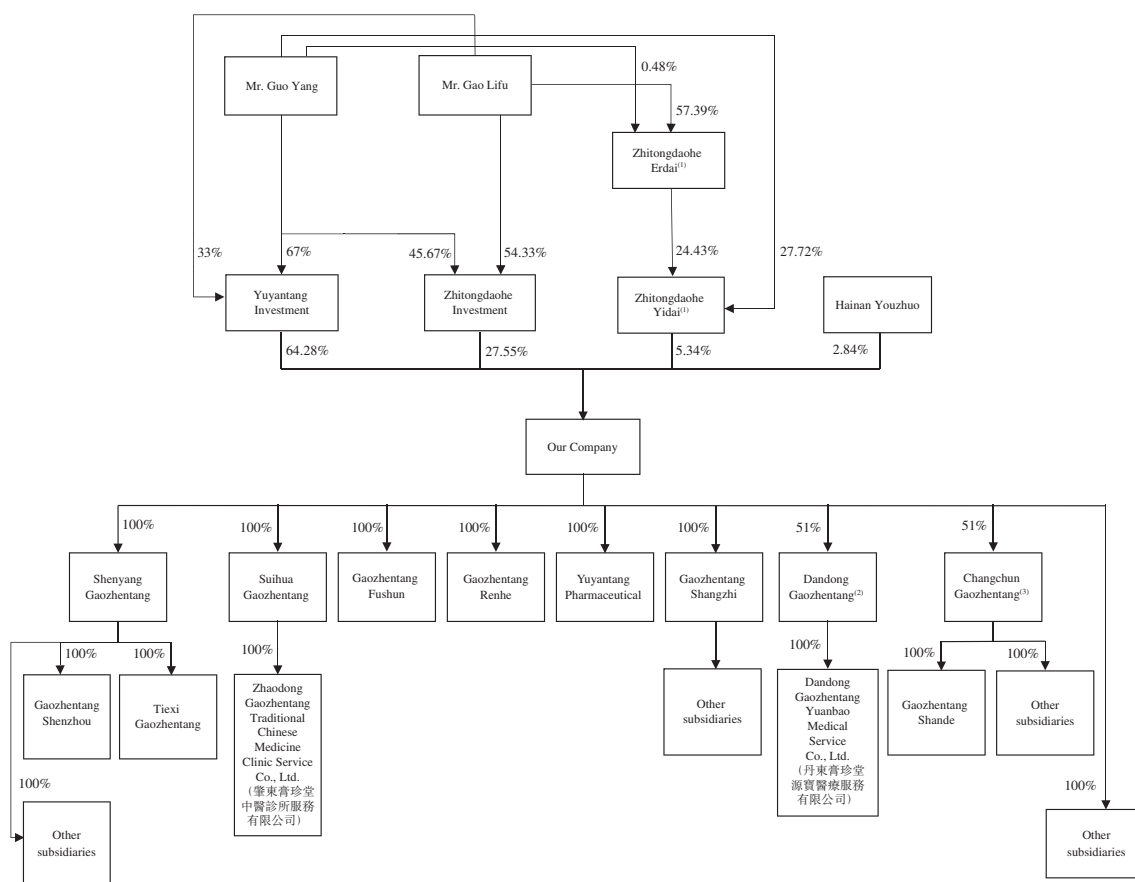
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Zhitongdaohe Erdai was established as a limited partnership on March 24, 2025. As of the Latest Practicable Date, Zhitongdaohe Erdai was held by (i) Mr. Gao Lifu, as the general partner, as to 57.39% partnership interest; (ii) Mr. Guo Yang, as the limited partner, as to 0.48% partnership interest; and (iii) 16 limited partners, as to the rest of 42.13% partnership interest. The partnership interest represents the vested and exercised awards of grantees. All the 17 grantees are current employees of our Company.

For the details of the Employee Incentive Scheme, see “Appendix IV — Statutory and General Information — D. Our Incentive Schemes”.

CORPORATE STRUCTURE

Corporate structure immediately prior to the completion of the [REDACTED]



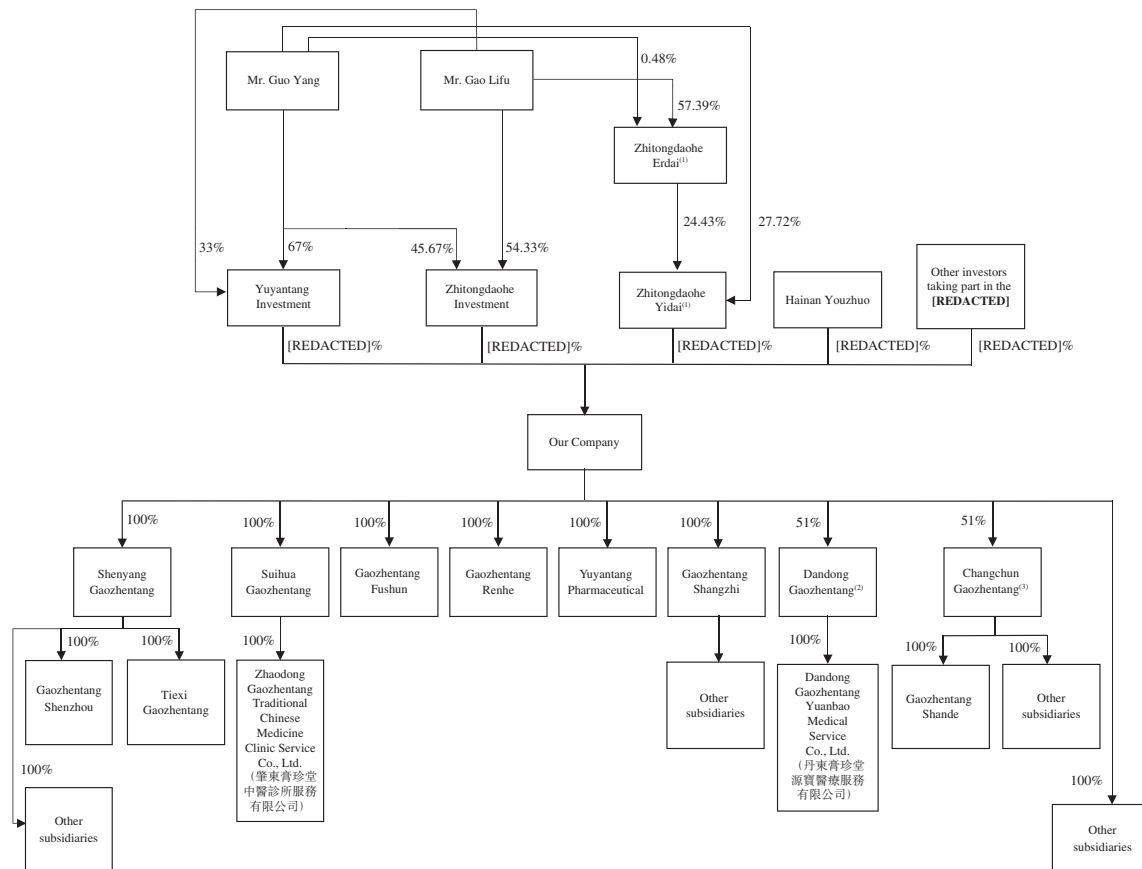
Notes:

- (1) Zhitongdaohe Yidai and Zhitongdaohe Erdai are the employee incentive platforms. See “— Employee Incentive Platform” for details.
- (2) Dandong Gaozhentang is currently owned by our Company, Shenyang Tongjinze and Jilin Jiushuntong as to 51.00%, 31.24% and 17.76%, respectively. See “— Our Major Subsidiaries” for details.
- (3) As of the Latest Practicable Date, Changchun Gaozhentang is owned by our Company and Chen Lin as to 51% and 49%, respectively. See “— Our Major Subsidiaries” for details.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Corporate structure immediately following the completion of the [REDACTED]

The chart below sets out the shareholding structure of our Group immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised):



Note: See the notes to “ — Corporate Structure — Corporate structure immediately prior to the completion of the [REDACTED].”