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HighTide Therapeutics, Inc.

君圣泰医药

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2511)

UPDATE ON CONNECTED TRANSACTION TERMINATION OF THE LOAN AGREEMENT

Reference is made to the announcement of HighTide Therapeutics, Inc. (the “**Company**”) dated April 27, 2026 (the “**Announcement**”) in relation to the connected transaction regarding the Loan Agreement. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

TERMINATION OF THE LOAN AGREEMENT

The Board hereby announces that on July 2, 2026, the Company (as the lender) and Dr. LIU Liping (“**Dr. Liu**”) (as the Borrower) have mutually agreed to terminate the Loan Agreement with immediate effect and the parties have unconditionally discharged each other from their obligations under the Loan Agreement. No amount under the facility has been drawn down prior to the termination of the Loan Agreement. The Directors consider that the termination will have no material adverse effect on the business and operations of the Group.

VIEWS OF THE STOCK EXCHANGE

As disclosed in the Announcement, as the highest applicable percentage ratio for the transaction contemplated under the Loan Agreement exceeds 0.1% but is less than 5%, the transaction is subject to the reporting and announcement requirements, but is exempt from the circular and independent shareholders’ approval requirements pursuant to Rule 14A.76(2) of the Listing Rules (the “**Partial Exemption**”).

Rule 14A.76(2) of the Listing Rules states that the Partial Exemption from the circular (including independent financial advice) and independent shareholders’ approval requirements applies to a connected transaction conducted on normal commercial terms or better.

When determining the interest rate of the facility, the Company used HIBOR (which represents a base lending rate between commercial banks and prime borrowers in Hong Kong) as a benchmark in determining the interest rate applicable to the facility, plus a margin reflecting an additional risk premium, and at the time, considered the reference to HIBOR to be consistent with precedent cases of other Hong Kong listed issuers.

Subsequent to the Announcement, the Stock Exchange has raised its concerns to the Company that the facility may not be on normal commercial terms or better, and accordingly, the Partial Exemption should not have been applied to the facility and the transaction contemplated thereunder should have been subject to the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, for the reasons summarized below:

- (a) the provision of the facility is outside the ordinary and usual course of business of the Company as a pre-revenue biotech company. The Stock Exchange considered that the specific risk profiles of Dr. Liu as a borrower and the Company itself as a lender were inherently higher than those of a prime borrower and a commercial bank respectively. Benchmarking with other market precedents would not be an appropriate approach to address the Stock Exchange's concerns;
- (b) the Stock Exchange also considered that the Borrower has yet to demonstrate that an unsecured personal loan on comparable terms would be available from independent commercial lender; and
- (c) the Stock Exchange's concern was further complicated by the fact that the facility carries minimal or no spread with reference to the Company's cost of borrowings.

Accordingly, the Company should have complied with the following Listing Rules on a timely basis:

- (a) Rule 14A.36 of the Listing Rules requires that a connected transaction must be conditional on shareholders' approval at a general meeting held by the listed issuer. Any shareholder who has a material interest in the transaction must abstain from voting on the resolution;
- (b) Rule 14A.39 of the Listing Rules requires an issuer to set up an independent board committee and appoint an independent financial advisor if the connected transaction requires shareholders' approval; and
- (c) Rule 14A.46 of the Listing Rules requires an issuer to send a circular to its shareholders if the connected transaction is to be approved by its shareholders in a general meeting.

RESPONSES FROM THE COMPANY

The Company attaches the utmost importance to compliance with the Listing Rules and all applicable laws and regulations. In light of the concern from the Stock Exchange, the parties have terminated the Loan Agreement, and no amount under the facility has been drawn down. Neither the interests of the Company nor those of the Shareholders have been prejudiced. The Company will comprehensively review and enhance its internal policies and procedures, so that the Directors, senior management and responsible personnel can make appropriate judgments on potential Listing Rules issues, and if necessary, escalate to the Board and/or seek professional advice on a timely basis.

By order of the Board
HighTide Therapeutics, Inc.
Dr. LIU Liping
Executive Director and Chief Executive Officer

Hong Kong, July 2, 2026

As at the date of this announcement, the Board comprises Dr. LIU Liping and Ms. YU Meng as executive Directors; Dr. ZHU Xun, Mr. MA Lixiong and Mr. JIANG Feng as non-executive Directors; and Dr. LI Jin, Mr. HUNG Tak Wai and Mr. CHEN Mingyu as independent non-executive Directors.