
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Qyuns Therapeutics Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2509)

- (1) 2025 WORK REPORT OF THE BOARD;**
 - (2) 2025 WORK REPORT OF THE BOARD OF SUPERVISORS;**
 - (3) 2025 ANNUAL REPORT;**
 - (4) 2025 PROFIT DISTRIBUTION PLAN;**
 - (5) 2026 REMUNERATION SCHEME FOR DIRECTORS AND SUPERVISORS;**
 - (6) ENGAGEMENT OF THE AUDITOR FOR 2026;**
 - (7) PROPOSED CHANGE IN USE OF PROCEEDS;**
 - (8) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE SHARES;**
 - (9) PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE H SHARES;**
 - (10) DISSOLUTION OF THE SUPERVISORY COMMITTEE AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES FOR THE GENERAL MEETING OF SHAREHOLDERS AND THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS;**
 - (11) PROPOSED ADOPTION OF THE 2026 SHARE INCENTIVE SCHEME;**
- AND**
NOTICE OF 2025 ANNUAL GENERAL MEETING
-

The notice convening the AGM of Qyuns Therapeutics Co., Ltd. to be held at North Conference Room, 2nd Floor, Building 1, No.907 Yaocheng Avenue, Taizhou City, Jiangsu Province, the PRC on Friday, May 29, 2026 at 10:00 a.m. is set out in this circular. A form of proxy for use at the AGM is enclosed herewith and also published on both the websites of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.qyuns.net>).

If you intend to appoint a proxy to attend the meeting, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the meeting (i.e. not later than 10:00 a.m. on Thursday, May 28, 2026 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion, signing and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof.

References to time and dates in this circular are to Hong Kong time and dates.

May 8, 2026

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2026 Share Incentive Scheme”	the 2026 Share Incentive Scheme proposed to be approved by the Shareholders at the AGM
“Adoption Date”	the date on which the 2026 Share Incentive Scheme is conditionally adopted by the Shareholders at the AGM
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at North Conference Room, 2nd Floor, Building 1, No.907 Yaocheng Avenue, Taizhou City, Jiangsu Province, the PRC on Friday, May 29, 2026 at 10:00 a.m. or any adjournment thereof
“Applicable Laws”	all applicable laws, regulations, ordinances or requirements of the relevant regulatory authorities including without limitation the Company Ordinance (Chapter 622 of the laws of Hong Kong), the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) or the Listing Rules
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors
“Board or its Delegate(s)”	the Board or the administration committee set up to administer the 2026 Share Incentive Scheme
“business day(s)”	any day on which securities are traded on the Stock Exchange
“C(WUMP)O”	Companies (Winding Up and Miscellaneous Provisions) Ordinance
“CCASS”	Central Clearing and Settlement System
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Qyuns Therapeutics Co., Ltd. (江蘇荃信生物醫藥股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Date of Grant”	the date on which the Board or its Delegate(s) resolves to make a grant of an Share Award to the Participant, which date must be a business day
“Director(s)”	the director(s) of the Company
“Employee Participant(s)”	any Director (including executive Directors, non-executive Directors and INEDs) and employee (whether full-time or part-time) of the Company or any of its subsidiaries (including any persons who are granted Share Awards as an inducement to enter into employment contracts with these companies)
“Exercise Period”	in respect of any Options, the period to be determined and notified by the Company to the Grantee thereof at the time of making an Offer provided that such period shall not go beyond the day immediately prior to the ten years of the Date of Grant
“Exercise Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an option as described in the 2026 Share Incentive Scheme
“Grantee”	any Participant who accepts an offer of the grant of a Share Award in accordance with the terms of the 2026 Share Incentive Scheme, or (where the context so permits) any person who is entitled in accordance with applicable laws of succession to any such Share Award in consequence of the death of the original Grantee, or the legal personal representative of such person
“Global Offering”	the global offering of 12,046,400 H Shares as described in the Prospectus
“Group”	the Company and its subsidiaries
“H Share(s)”	shares of the Company for which an application has been made for listing and permission to trade on the Stock Exchange
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong Special Administrative Region
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED(s)”	the independent non-executive Director(s)
“Latest Practicable Date”	April 28, 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing”	the listing of Shares on the Main Board
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the GEM of the Stock Exchange
“Mr. Qiu”	Mr. Qiu Jiwan (裘霽宛), our founder, executive Director, chairman of our Board, our general manager, and one of our controlling shareholders
“Offer” or “Offer Letter”	the offer of the grant of a Share Award made in accordance with the 2026 Share Incentive Scheme
“Option”	an option to subscribe for Shares granted pursuant to the terms of the 2026 Share Incentive Scheme
“Participant(s)”	an individual or corporate entity (as the case may be), being any of (i) an Employee Participant, (ii) a Service Provider, and (iii) a Related Entity Participant
“PRC”	The People’s Republic of China, but for the purpose of this circular and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Pre-IPO Share Incentive Scheme” or “Existing Share Scheme”	the pre-IPO employee incentive scheme of the Company approved and adopted by the Board in 2022, as amended from time to time
“Prospectus”	the Company’s prospectus dated March 12, 2024
“Purchase Price”	the consideration, if any, payable by a Grantee to purchase a Share Award, which shall be determined at the sole and absolute discretion of the Board or its Delegate(s)
“R&D”	research and development
“Related Entity Participant”	any person who is an employee (whether full-time or part-time), director or officer of the holding companies, fellow subsidiaries or associated companies of the Company

DEFINITIONS

“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase H Shares up to a maximum number of 10% of the total number of issued H Shares (excluding Treasury Shares) as of the date of the passing of Resolution No. 9
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	restricted share unit(s) conferring the Grantee a conditional right upon vesting of the RSU(s) to obtain, as determined by the Board or its Delegate(s) in its absolute discretion, either a H Share or an equivalent value in cash with reference to the market value of a Share on or around the vesting date of such RSU as determined by the Board or its Delegate(s) in its absolute discretion, less any tax, fees, levies, stamp duty and other charges applicable
“SAFE”	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“Scheme Mandate Limit”	has the meaning ascribed to it under the Rule 17.03(3) of the Listing Rules
“Scheme Period”	the period of ten years commencing on the Adoption Date
“Service Provider(s)”	any person (natural person or corporate entity) who provides services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, such as independent contractor, consultant, agent and/or advisor for research and development, manufacturing, product commercialization, innovation upgrading, strategic/commercial planning on corporate image and marketing and investor relations in investment environment of the Group (excluding any placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity)
“Service Provider Sublimit”	the total number of Shares which may be issued in respect of all awards and options (if any) involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) of the Company to the Service Providers
“Share Award(s)”	award(s) granted under the 2026 Share Incentive Scheme, which may be Options or RSUs
“Share Registrar”	the Hong Kong branch share registrar of the Company from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) of RMB1.00 each in the capital of the Company which are all H Shares
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it in the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buybacks
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules as amended from time to time
“Trust Deed”	a trust deed entered or to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the 2026 Share Incentive Scheme
“Trustee(s)”	the trustee(s) (which is/are independent of and not connected with the Company) appointed or to be appointed by the Company for the administration of the 2026 Share Incentive Scheme or any additional or replacement trustee(s)
“U. S.” or “United States”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States
“vest”	means (a) in respect of Share Awards underlying an Option, the Grantee becoming entitled to exercise the Option to subscribe for or acquire such Shares, and (b) in respect of Share Awards underlying an RSU, the Grantee becoming entitled to receive such Shares or an equivalent value in cash pursuant to the 2026 Share Incentive Scheme
“%”	per cent

LETTER FROM THE BOARD



Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2509)

Executive Directors:

Mr. Qiu Jiwan (*Chairman and General Manager*)

Mr. Wu Yiliang

Mr. Lin Weidong

Non-executive Directors:

Mr. Yu Xi

Mr. Wu Zhiqiang

Independent Non-executive Directors:

Mr. Fung Che Wai, Anthony

(Lead independent non-executive Director)

Dr. Zou Zhongmei

Dr. Ling Jianqun

Registered office and

headquarters in the PRC:

Room 1310, Building 1

No. 907 Yaocheng Avenue

Taizhou, Jiangsu

PRC

Principal place of business

in Hong Kong:

Room 1912, 19/F

Lee Garden One

33 Hysan Avenue

Causeway Bay

Hong Kong

May 8, 2026

To the Shareholders

Dear Sir or Madam,

- (1) 2025 WORK REPORT OF THE BOARD;**
 - (2) 2025 WORK REPORT OF THE BOARD OF SUPERVISORS;**
 - (3) 2025 ANNUAL REPORT;**
 - (4) 2025 PROFIT DISTRIBUTION PLAN;**
 - (5) 2026 REMUNERATION SCHEME FOR DIRECTORS AND SUPERVISORS;**
 - (6) ENGAGEMENT OF THE AUDITOR FOR 2026;**
 - (7) PROPOSED CHANGE IN USE OF PROCEEDS;**
 - (8) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE SHARES;**
 - (9) PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE H SHARES;**
 - (10) DISSOLUTION OF THE SUPERVISORY COMMITTEE AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES FOR THE GENERAL MEETING OF SHAREHOLDERS AND THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS;**
 - (11) PROPOSED ADOPTION OF THE 2026 SHARE INCENTIVE SCHEME;**
- AND**
- NOTICE OF 2025 ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to set out the notice of the AGM and to provide you with information in respect of certain resolutions to be considered at the AGM, so as to enable you to make informed decisions on whether to vote for or against the resolutions to be proposed at the AGM.

At the AGM, ordinary resolutions and special resolutions will be proposed to consider, and (if thought fit) approve:

1. the report of the Board of Directors for the year ended December 31, 2025 (the “**2025 Report of the Board of Directors**”);
2. the report of the Board of Supervisors for the year ended December 31, 2025 (the “**2025 Report of the Board of Supervisors**”);
3. the annual report of the Group for the year ended December 31, 2025 (the “**2025 Annual Report**”);
4. the annual profit distribution plan of the Company for the year ended December 31, 2025 (the “**2025 Profit Distribution Plan**”);
5. the remuneration scheme for Directors and Supervisors for the year ending December 31, 2026 (the “**2026 Remuneration Scheme**”);
6. the engagement of auditor of the Company for the year ending December 31, 2026;
7. the proposed change in use of proceeds from the Global Offering;
8. the proposed granting of general mandates to issue Shares;
9. the proposed granting of general mandates to repurchase H Shares;
10. the dissolution of the Supervisory Committee and the proposed amendments to the Articles of Association, the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors;
11. the proposed adoption of the 2026 Share Incentive Scheme and authorize the Board to handle matters in relation to the 2026 Share Incentive Scheme;
12. the proposed Scheme Mandate Limit (being 10.0% of the Shares in issue as at the date of adoption (excluding Treasury Shares and rounding to the nearest whole Share)), subject to and conditional upon the passing of resolution numbered 11 above; and
13. the proposed Service Provider Sublimit (being 1.0% of the total number of Shares in issue as at the date of adoption (excluding Treasury Shares and rounding to the nearest whole Share)), subject to and conditional upon the passing of resolutions numbered 11 and 12 above.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make an informed decision in the circumstances where sufficient and necessary information are available, we have provided detailed information in this circular to the Shareholders.

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE AGM

Ordinary Resolutions

(1) 2025 Report of the Board of Directors

An ordinary resolution will be proposed at the AGM to consider and approve the 2025 Report of the Board of Directors, the full text of which is set out in the 2025 Annual Report.

(2) 2025 Report of the Board of Supervisors

An ordinary resolution will be proposed at the AGM to consider and approve the 2025 Report of the Board of Supervisors, the full text of which is set out in the 2025 Annual Report.

(3) 2025 Annual Report

An ordinary resolution will be proposed at the AGM to consider and approve the 2025 Annual Report. The 2025 Annual Report is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.qyuns.net>). The annual report contains 2025 Report of the Board of Directors, 2025 Report of the Board of Supervisors, the audited consolidated financial statements, the auditor's report, the corporate governance report of the Company and its subsidiaries as of December 31, 2025, among others.

(4) 2025 Profit Distribution Plan

An ordinary resolution will be proposed at the AGM to consider and approve the 2025 Profit Distribution Plan. Based on the actual situation of the Company's financial position and business development, as of December 31, 2025, the Company did not have any profit available for distribution, therefore, the Company decided not to make profit distribution for 2025.

(5) 2026 Remuneration Scheme for Directors and Supervisors

An ordinary resolution will be proposed at the AGM to consider and approve the 2026 Remuneration Scheme for Directors and Supervisors.

In order to further improve the Company's incentive mechanism, and effectively motivate the work enthusiasm and creativity of the Company's Directors and Supervisors, the Company, with reference to the salary level of the Company's Directors and Supervisors in 2025, has formulated the 2026 Remuneration Scheme for Directors and Supervisors, details of which are as follows:

I. *Applicable targets: Directors and Supervisors of the Company*

II. *Applicable period of the scheme: January 1, 2026 to December 31, 2026*

LETTER FROM THE BOARD

III. Remuneration standard:

1. Remuneration standard of Directors:

- (1) Mr. Qiu, Mr. Wu Yiliang and Mr. Lin Weidong, as executive Directors, are remunerated based on their positions in the Company;
- (2) Mr. Yu Xi, as a non-executive Director, receives a remuneration of HK\$500,000 per year (before tax), and Mr. Wu Zhiqiang, as a non-executive Director, does not receive any remuneration from the Company;
- (3) Dr. Zou Zhongmei, Dr. Ling Jianqun and Mr. Feng Zhiwei, as INEDs, each receives a remuneration of HK\$300,000 per year (before tax).

2. Remuneration standard of Supervisors:

Supervisors who work in the Company shall receive remuneration based on their positions; and Supervisors who do not work in the Company shall not receive remuneration from the Company.

IV. Others

1. For Directors of the Company who leave office due to change of term, re-election or resignation during their terms of office, their remuneration shall be calculated and paid based on their actual terms of office.
2. The remuneration of Directors of the Company shall be paid on schedule in accordance with the regulations of the Company. The Company may adjust the remuneration scheme based on the industry conditions, actual operational conditions and specific performance of relevant personnel.

LETTER FROM THE BOARD

(6) *Engagement of Auditor for 2026*

An ordinary resolution will be proposed at the AGM to consider and approve the engagement of KPMG as the Company's international auditor for 2026, for a term from the date of approval at the 2025 AGM to the conclusion of the 2026 AGM of the Company and to authorize the Board to determine a total remuneration of RMB2.3 million (excluding relevant taxes and disbursement) for the engagement of the auditor for the year ending December 31, 2026.

The estimated audit fee represents a fair and reasonable estimation, after due consideration and arm's length negotiation between the Company and KPMG. The estimation takes into account various factors such as the size and structure of the Group, the nature and complexity of the Group's businesses, the expected scope, timetable and direction of the audit and the time and resources deployed by the auditor.

Furthermore, the estimated audit fee assumes there will be no additional material changes in the Group's businesses and operations, accounting policies or regulatory environment, and that the Company will provide timely and adequate assistance and information as required for the audit.

LETTER FROM THE BOARD

(7) Proposed Change in Use of Proceeds from the Global Offering

An ordinary resolution will be proposed at the AGM to consider and approve the Proposed Change of Use of Proceeds from the Global Offering.

The H Shares of our Company were listed on the Main Board of the Stock Exchange on March 20, 2024. The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by our Company in connection with the Global Offering, amounted to approximately HK\$163.3 million. As of December 31, 2025, our Company had utilized HK\$51.6 million of the proceeds from the Global Offering. The Board, after considering factors as set out below in the paragraph headed “Reasons for and benefits of the Change in Use of Proceeds”, has resolved to change the use of the unutilized portion of the net proceeds as illustrated in the table below:

The breakdown of our expected uses of proceeds from the Global Offering and expected timeline for unutilized amount is as follows:

	Original				Revised		Unutilized amount of proceeds as of December 31, 2025 subsequent to re-allocation	Expected timeline for unutilized amount
	Net proceeds for related purposes (HK\$'000,000)	Percentage of total net proceeds (%)	Actual utilized amount proceeds as of December 31, 2025 (HK\$'000,000)	Unutilized amount of proceeds as of December 31, 2025 (HK\$'000,000)	Net proceeds for related purposes subsequent to re-allocation (HK\$'000,000)	Percentage of total net proceeds subsequent to re-allocation (%)		
(i) Development and registration of our Core Product, QX002N:	49.2	30.1%	18.3	30.9	46.6	28.5%	28.3	By the end of 2027
(a) Fund the Phase III clinical trials (including costs for trial sites, CROs and subject enrollment) of QX002N in China for the treatment of AS	46.6	28.5%	18.3	28.3	46.6	28.5%	28.3	By the end of 2027
(b) CMC costs and the preparation of requisite registration filings of QX002N	2.6	1.6%	-	2.6	-	0.0%	-	N/A
(ii) Development and registration of our other Core Product, QX005N:	89.1	54.6%	28.9	60.2	78.8	48.2%	49.9	By the end of 2028
(a) Fund the clinical trials (including costs for trial sites, CROs and subject enrollment) of QX005N in China for the treatment of AD in adults:	44.1	27.0%	15.8	28.3	44.1	27.0%	28.3	By the end of 2028
(1) Phase II clinical trial	0.9	0.5%	0.9	-	0.9	0.6%	-	By the end of 2026
(2) Phase III clinical trial	43.2	26.5%	14.9	28.3	43.2	26.4%	28.3	By the end of 2028
(b) Fund the clinical trials (including costs for trial sites, CROs and subject enrollment) of QX005N in China for the treatment of PN	35	21.5%	11.5	23.5	33.1	20.2%	21.6	By the end of 2028
(1) Phase II clinical trial	3.1	1.9%	1.2	1.9	1.2	0.7%	-	By the end of 2026
(2) Phase III clinical trial	31.9	19.6%	10.3	21.6	31.9	19.5%	21.6	By the end of 2028
(c) Fund the Phase II clinical trials (including costs for trial sites, CROs and subject enrollment) of QX005N in China for the treatment of CRSwNP	2.1	1.3%	1.6	0.5	1.6	1.0%	-	By the end of 2026
(d) CMC costs and the preparation of requisite registration filings of QX005N	7.9	4.8%	-	7.9	-	0.0%	-	N/A

LETTER FROM THE BOARD

	Original			Revised			Unutilized amount of proceeds as of December 31, 2025 subsequent to re-allocation	Expected timeline for unutilized amount
	Net proceeds for related purposes (HK\$'000,000)	Percentage of total net proceeds (%)	Actual utilized amount proceeds as of December 31, 2025 (HK\$'000,000)	Unutilized amount of proceeds as of December 31, 2025 (HK\$'000,000)	Net proceeds for related purposes subsequent to re-allocation (HK\$'000,000)	Percentage of total net proceeds subsequent to re-allocation (%)		
(iii) Development and registration of QX004N, including costs for trial sites, CROs and subject enrollment for the Phase Ib and Phase II clinical trials of QX004N for the treatment of Ps and the Phase Ib and Phase II clinical trials of QX004N for the treatment of CD, and CMC costs of QX004N	14.2	8.7%	3.2	11	3.7	2.3%	0.5	By the end of 2026
(iv) Clinical development of QX006N, including the clinical trials (including costs for trial sites, CROs and subject enrollment), preparation of registration filings and CMC costs of QX006N	3.1	1.9%	0.6	2.5	0.6	0.4%	–	By the end of 2026
(v) Research and development of certain of our other assets, including QX007N, QX010N and QX013N, and drug discovery	7.7	4.7%	0.6	7.1	0.6	0.4%	–	By the end of 2026
(vi) Clinical development of QX027N, including the clinical trials (including costs for trial sites, CROs and subject enrollment), preparation of registration filings and CMC costs of QX027N					33.0	20.2%	33.0	By the end of 2028
Total	163.3	100.0%	51.6	111.7	163.3	100.0%	111.7	

Reasons for and Benefits of the Proposed Change in Use of Proceeds

The proposed change in use of proceeds is primarily based on the Company's strategic review of its overall R&D pipeline and considerations for optimizing the allocation of its resources. Since the proceeds were received, the Company has prioritized using bank loans, to make advance investments in the projects originally intended to be funded by the proceeds. As of the Latest Practicable Date, the R&D tasks originally planned for investment have been substantially performed. It is expected that no further proceeds will be used for the aforementioned projects in the future.

Given that the R&D tasks already implemented for the original projects have achieved their phased objectives, and taking into account the Company's long-term strategic planning and current development needs, to further focus on the R&D progress of future core product pipelines and to enhance the overall utilization efficiency of the proceeds and the implementation capacity of the funded projects, the Company, after careful consideration, proposes to reallocate the remaining proceeds originally intended for the aforementioned projects to the development of the Company's future R&D project, QX027N. This change will facilitate the Company's efficient integration of internal and external resources, optimize its pipeline layout, and is in line with the Company's long-term development strategy.

LETTER FROM THE BOARD

In view of the above, the Board considers the aforesaid change in use of proceeds will enable the Company to deploy its financial resources more effectively and will satisfy the current needs of the Group as the business continues to develop. The Board confirms that there is no material change in the principal business nature of the Group as set out in the Prospectus and considers that the change in use of proceeds is in line with the overall business strategy of the Group and will not have any material adverse impact on its operations and is in the best interests of the Company and its shareholders as a whole.

Special Resolutions

(8) Proposed Granting of General Mandate to Issue Shares

In order to ensure flexibility and discretion to the Board, in the event that it becomes desirable to issue any Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for a general mandate to issue Shares. At the forthcoming AGM, a special resolution will be proposed to grant a general mandate to the Directors, based on market conditions and needs of the Company, to exercise the powers of the Company to allot, issue or otherwise deal with H Shares, unlisted Shares or securities convertible into such Shares, options, warrants or similar rights to subscribe for H Shares of the Company up to 20% of total issued Shares (excluding Treasury Shares) as at the date of the passing of the proposed special resolution in relation to such general mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 224,567,600 issued Shares (excluding Treasury Shares) and 2,504,000 Treasury Shares, which are all H Shares. Subject to the passing of the proposed special resolution contained in item 8 of the notice of 2025 AGM and on the basis that no further Shares will be issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to issue a maximum of 44,913,520 Shares. The general mandate shall be effective from the time the relevant special resolution is passed until the earliest of: (i) the conclusion of the next AGM of the Company; (ii) the revocation or variation of the authority given under the above-mentioned resolution by a special resolution of the Shareholders in a general meeting; or (iii) the expiration of the period within which the next AGM of the Company is required by the Articles of Association or other applicable laws, rules and regulations to be held.

The Board will only exercise its power under the general mandate in accordance with the Listing Rules, and the applicable laws, rules and regulations of government and regulatory bodies of the PRC.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to such general mandate as at the Latest Practicable Date.

LETTER FROM THE BOARD

(9) Proposed Granting of General Mandate to Repurchase H Shares

The Company Law (to which the Company is subject to) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) using the shares for employee shareholding schemes or as share incentives; (d) the repurchase is made at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or division of the Company; (e) the repurchased shares are used for the corporate bonds convertible into shares of the listed company; or (f) the repurchase is necessary for maintaining the value of the listed company and the interests of its shareholders. The Articles of Association provides that subject to the approval of the relevant regulatory authorities and compliance with the Articles of Association, share repurchase may be effected by the Company for the purposes of reducing its share capital, granting Shares as rewards to the staff of the Company; at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or division of the Company; using the shares for conversion of convertible corporate bonds issued by the Company; maintaining the Company's value and the shareholders' equity; or in circumstances permitted by law or administrative regulations.

The Listing Rules permit shareholders of a joint stock limited company duly incorporated in the PRC to grant a general mandate to its directors to repurchase H shares of such company that are listed on the Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders in general meeting.

As the H Shares are traded on the Stock Exchange in Hong Kong dollars, the amount payable by the Company upon any repurchase of its H Shares will, therefore, be paid in Hong Kong dollars, the approvals of SAFE and other relevant government authorities are required for any repurchase of H shares.

The Directors wish to state that they will depend on the market condition to decide whether to repurchase any H Shares pursuant to such general mandate as at the Latest Practicable Date.

LETTER FROM THE BOARD

Conditions to Repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares, approval is proposed to be sought from the Shareholders for the Repurchase Mandate. In accordance with the legal and regulatory requirements described above, the Directors have given notice to convene the AGM. At the AGM, a special resolution will be proposed to grant to the Directors the Repurchase Mandate, i.e. a conditional general mandate to repurchase H Shares up to a maximum of 10% of the total number of H Shares in issue (excluding any Treasury Shares) as at the date of passing such special resolution on the Stock Exchange. Subject to the passing of the proposed special resolution contained in item 9 of the notice of 2025 AGM and on the basis that no further Shares will be issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to repurchase a maximum of 22,456,760 H Shares. The Repurchase Mandate shall be effective from the time the relevant special resolution is passed until the earliest of: (i) the conclusion of the next AGM of the Company; (ii) the revocation or variation of the authority given under the above-mentioned resolution by a special resolution of the Shareholders in a general meeting; or (iii) the expiration of the period within which the next AGM of the Company is required by the Articles of Association or other applicable laws, rules and regulations to be held. The full text of the special resolution to be proposed at the AGM in relation to the Repurchase Mandate is set out in Resolution No. 9 in the notice of the 2025 AGM.

Explanatory Statement

An explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in the Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

(10) Dissolution of the Supervisory Committee and the Proposed Amendments to the Articles of Association, the Rules, the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors

Reference is made to the announcement of the Company dated March 27, 2026 in relation to, among other things, the proposed amendments to the Articles of Association, the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors. The Company resolved to amend the Articles of Association in view of the amendments to The Company Law of the People's Republic of China (《中華人民共和國公司法》) has come into force on 1 July 2024. The main aspects of the proposed amendments of the Articles of Association are: (i) amend the registered capital of the Company; (ii) remove the establishment of the supervisory committee of the Company; and (iii) consequential amendments to the Articles of Association as a result of the legal and regulatory changes.

In order to reflect and align with the amendments to the Articles of Association, the Board also resolved to make certain amendments to the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors.

LETTER FROM THE BOARD

The Company confirms that the Proposed Amendments to the Articles of Association will not have any adverse effect on the existing businesses and operations of the Company and its subsidiaries and the Directors confirm that the Proposed Amendments to the Articles of Association are in compliance with the Listing Rules. The Company's legal advisers have confirmed that the Proposed Amendments to the Articles of Association are in compliance with the requirements of the Listing Rules and the relevant PRC laws and regulations. The Company also confirmed that there is nothing unusual about the Proposed Amendments to the Articles of Association for a company listed in Hong Kong.

The full text of the Proposed Amendments to the Articles of Association, the Proposed Amendments to the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors, which are prepared in the Chinese language, are set out in Appendix II, Appendix III and Appendix IV to this circular, respectively. The English translation is for reference only. In the event of any discrepancy between the Chinese and the English version, the Chinese version shall prevail.

(11) Proposed Adoption of the 2026 Share Incentive Scheme

(i) Introduction

Reference is made to the announcement of the Company dated March 27, 2026. The Board proposed the adoption of the 2026 Share Incentive Scheme. The 2026 Share Incentive Scheme shall become effective after being adopted and approved by the Shareholders at the AGM. The provisions of the 2026 Share Incentive Scheme will comply with the requirements of Chapter 17 of the Listing Rules. The principal terms of the 2026 Share Incentive Scheme are set out in Appendix V to this circular.

As at the Latest Practicable Date, save for the Existing Share Scheme disclosed in the section headed "(ii) The Existing Share Scheme" in this circular, the Company has no other share option scheme or share award scheme.

A. Purpose of the 2026 Share Incentive Scheme

The purposes of the 2026 Share Incentive Scheme are:

- (1) to establish and improve a long-term incentive mechanism for the Company, attract and retain Participants to promote the development and success of the business of the Group, effectively aligning the interests of stakeholders, the Company, and Participants, fostering a shared focus on the Company's long-term development, and driving the continuous achievement of the Company's strategic and operational goals; and
- (2) to retain talents for the continual operation and development of the Group and to attract suitable personnel for further development of the Group after the Listing.

LETTER FROM THE BOARD

Upon Listing, the Company has become a listed company. To meet market expectations and secure the top-tier talent essential for executing the Group's post-listing expansion plans, the Group considers moving beyond cash incentives. Adopting the 2026 Share Incentive Scheme, compliant with Chapter 17 of the Listing Rules, will allow the Group to offer long-term, equity based incentives tied to the Company's valuable public shares. The Company believes that this strategic shift is also crucial for retaining and attracting the select, high-caliber individuals who drive sustainable growth and long-term Shareholder value.

B. Effectiveness of the 2026 Share Incentive Scheme

This 2026 Share Incentive Scheme is conditional upon the following:

- (i) the passing of a special resolution by the Shareholders at the shareholders' meeting to approve the adoption of this 2026 Share Incentive Scheme and to authorize the Board or its delegate(s) to grant Share Awards under the 2026 Share Incentive Scheme, and to allot and issue, procure the transfer of, acquire and otherwise deal with the H Shares (including Treasury Shares) underlying the Share Awards granted in accordance with the terms and conditions of this 2026 Share Incentive Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the new H Shares to be allotted and issued underlying the Share Awards granted in accordance with the terms and conditions of the 2026 Share Incentive Scheme.

C. Duration

The 2026 Share Incentive Scheme shall be valid and effective for the period of ten years commencing on the Adoption Date (the "**Scheme Period**"). After the expiry of the Scheme Period (being the 10th (tenth) anniversary of the Adoption Date), no further Share Awards shall be offered or granted, but in all other respects the provisions of the 2026 Share Incentive Scheme shall remain in full force and effect to the extent necessary to give effect to the settlement of any Share Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the 2026 Share Incentive Scheme.

LETTER FROM THE BOARD

D. Administration

The 2026 Share Incentive Scheme shall be administered by the Board or its Delegate(s) and/or the Trustee (if the Trustee is appointed by the Company) in accordance with the rules of the 2026 Share Incentive Scheme and the terms of the Trust Deed, and the decision of the Board or its Delegate(s) regarding the administration and operation of the 2026 Share Incentive Scheme shall be final and binding on all parties. To the extent permitted under the Listing Rules, the Board or its Delegate(s) may also delegate the authority to administer the 2026 Share Incentive Scheme to other person(s)/committee(s) as deemed appropriate at its sole discretion.

The Company expects the Trustee to be an independent professional trustee, and none of the Directors are expected to have an interest in the Trustee.

E. Scope of Participant and the Basis of Determining the Eligibility of Participants

The Participant of the 2026 Share Incentive Scheme comprise: (i) any Employee Participant; (ii) any Service Provider; and (iii) any Related Entity Participant, who the Board or its Delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group.

(i) Employee Participant and the Basis of Eligibility

In assessing the eligibility of Employee Participants, the Board or its Delegate(s) will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (ii) the length of engagement with the Group; (iii) the individual contribution or potential contribution to the development and growth of the Group; and (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success.

The scope of the Employee Participants includes INEDs. The Directors (including the INEDs) consider that the inclusion of INEDs as Participants would provide the Group with flexibility to offer non-cash incentives to such persons for their continuous contributions to the Group's growth and development. Through the grant of the Share Awards, the Participants and the Group will share a common goal in the growth and development of the Group's business, and the Participants will reap additional rewards through their contribution.

As at the Latest Practicable Date, the Company has not formulated any concrete plan or intention to grant any Share Awards to the INEDs under the 2026 Share Incentive Scheme.

LETTER FROM THE BOARD

However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of Shareholders and all Board members, including the INEDs and (ii) the INEDs may provide crucial contributions to the Group's development and business in providing valuable insight and advice to the Company with their deep industry knowledge and professional background, the Board believes the inclusion of INEDs as Participants and the flexibility to grant Share Awards to the INEDs in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to INEDs when considering any future grants of Share Awards to the INEDs. The Company will generally only grant Share Awards (if any) with no performance-related elements and only as an alternative to cash-based incentives where necessary.

(ii) Service Provider and the Basis of Eligibility

Participants include Service Providers. In assessing a Service Provider's eligibility as a Participant, the Board or its Delegate(s) will consider in its sole discretion, on a case-by-case basis, the following factors, including but not limited to: (i) in general, (a) the individual performance of the Service Providers; (b) the frequency of collaboration and the length of business relationship with the Group; (c) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (d) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; (e) the scale of business dealings and/or collaboration with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Providers; (f) the actual contribution or potential contribution towards the long-term development and success of the Group; and (g) the remuneration packages of comparable listed peers for similar service providers based on available information in the industry; (ii) specifically in respect of Service Providers in the category of contractors, distributors and suppliers, (a) the benefits and strategic value brought by the Service Providers to the Group's development and future prospects in terms of the profits and/or income attributable to the Service Providers' collaboration with the Group; and (b) the business opportunities and external connections that the Service Providers have introduced or will potentially introduce to the Group; and (iii) specifically in respect of Service Providers in the category of partners and advisers, (a) the expertise, professional qualifications and industry experience of the Service Providers; (b) the prevailing market fees chargeable by other services providers; (c) the Group's period of engagement of or collaboration with the Service Providers; and (d) the Service Providers' actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.

LETTER FROM THE BOARD

Service Providers who are eligible under this 2026 Share Incentive Scheme are categorized into (a) contractors, distributors and suppliers; and (b) partners and advisers of any member of the Group who provide services to the Group to support the Group's business activities for the time being and in the future, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity. Set out below are the detailed descriptions of each category of Service Providers and the specific criteria for determining the eligibility of each type of Service Providers, on a case by case basis, under the 2026 Share Incentive Scheme:

Category	Scope of services	Eligibility criteria for Service Providers
(a) Contractors, distributors and suppliers	<p>Service providers under this category are those who directly contribute to the long-term growth of the Group's business by performing roles or providing services on a continuing and recurring basis in the ordinary course of the Group's business.</p> <p>The work of contractors, distributors and suppliers is closely connected with various aspects of the Group's day-to-day operations, including (i) sales of pharmaceutical products, (ii) procurement of services (including marketing, manufacturing and research and development of pharmaceutical products), and their performance directly impacts the Group's operating results and financial performance.</p>	<ul style="list-style-type: none"> (i) the scale of business dealings between the Service Provider and the Group, measured by the value of purchases or sales attributable to the collaboration; (ii) the Service Provider's ability to consistently maintain high service quality; (iii) the actual or potential contribution to the Group's profitability, cost reduction and operational efficiency; (iv) the duration and stability of the business relationship with the Group; and (v) the business opportunities and industry connections that the Service Provider has introduced or may introduce to the Group.

LETTER FROM THE BOARD

Category	Scope of services	Eligibility criteria for Service Providers
(b) Partners and advisers	<p>Service providers under this category are those who play significant roles in the Group's business development by contributing specialized skills, knowledge and expertise on a continuing and recurring basis.</p> <p>Such partners and advisers would possess industry-specific insights, technical expertise or valuable experience in the business, scientific, regulatory or commercial areas of the Group. Their ongoing engagement provides the Group with consistent strategic guidance and professional support, the value of which is substantively comparable to that of highly skilled or executive employees of the Group.</p>	<p>(i) the expertise, professional qualifications and industry experience of the Service Provider;</p> <p>(ii) the Group's period of engagement of or collaboration with the Service Provider; and</p> <p>(iii) the Service Provider's actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.</p>

(iii) **Related Entity Participant and the Basis of Eligibility**

In assessing the eligibility of the Related Entity Participants, the Board or its Delegate(s) will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (a) the experience of the Related Entity Participant on the Group's businesses; (b) his/her expertise and skill, the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group; (c) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group; (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share; (e) the amount of support, assistance, guidance, advice, efforts and contributions the Related Entity Participants have exerted and given towards the success of the Group in research, product development or commercialization, and/or the amount of other potential support, assistance, guidance, advice, efforts and contributions the Related Entity Participant is likely to be able to give or make towards the success of the Group in the future; and (f) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.

LETTER FROM THE BOARD

Before Listing, 27,500,000 incentive Shares had been granted under the Pre-IPO Share Incentive Scheme to 64 participants, of which:

- 15,550,000 incentive Shares were indirectly held by 62 participants who are the Group’s employee through our employee share incentive platforms held by Mr. Qiu;
- 10,000,000 incentive Shares were directly held by Mr. Qiu;
- 1,450,000 incentive Shares were directly held by Dr. Li Jianwei (李健偉) who was the Group’s employee at the time of grant and retired as a senior management of the Company with effect from December 31, 2025; and
- 500,000 incentive Shares were directly held by Dr. Yu Guoliang (余國良) who is an external consultant of the Company.

Applying the definitions relating to eligible participants under the 2026 Share Incentive Scheme, save as the granting to Dr. Yu Guoliang as a Services Provider, the other grants were made to Employee Participants.

Having considered the basis of determining the eligibility of Service Providers and Related Entity Participants, the Board considers that (i) the proposed categories of the Service Providers and Related Entity Participants are in line with the Company’s business needs and the industry norm of offering equity-based compensation to stakeholders; (ii) the success of the Group is not solely attributed to the contributions of employees and directors of the Group but also to the efforts and collaboration of non-employees, including Service Providers and Related Entity Participants, who contribute to the Group’s development and ongoing success and may contribute in the future; and (iii) in order to foster a sustainable and stable relationship vital to the Group’s business development, including Service Providers and Related Entity Participants are advantageous.

Particularly, the Board considers that the proposed categories of the Service Providers and Related Entity Participants are in line with the Company’s business needs and the industry norm for the following reasons:

- (a) For Related Entity Participants, the Company recognises their significant contributions (or potential contributions) to the Group’s long-term growth and sustainability through existing or prospective collaborations. Given the strategic and commercial value of these contributions, the Board considers it in the Company’s best interests to retain flexibility to grant Share Awards to such participants. Such grants align the interests of the Group and these participants, incentivise continued collaboration and value creation, and conserve cash by using equity-based incentives. This also fosters greater ownership and commitment, which is necessary and crucial to driving the Group’s sustained success.

LETTER FROM THE BOARD

- (b) For Service Providers:
- (i) granting Share Awards to Service Providers is common industry practice in the pharmaceutical sector, where the principal business of the Group is the manufacturing and sale of pharmaceuticals and research and development of pharmaceutical products. Engaging research and development professionals and institutions with specialised skill and knowledge as independent contractors is common industry practice and essential to advancing the Group's drug pipeline development and the Group's business success;
 - (ii) the Group has collaborated with consultants and advisers who provide specialised services in pharmaceutical research, manufacturing, sales in the PRC, business strategy, human resources and marketing. These Service Providers contribute critical expertise, industry experience, networks and strategic guidance that materially support the Group's development and operations; and (iii) granting Share Awards to Service Providers aligns their long-term interests with those of the Group and Shareholders, while preserving the Board's discretion to reward those who have made or will make significant contributions to the Group's sustained growth and value creation.

As such, it is considered the said proposed categories of the Service Providers and the Related Entity Participants are in line with the Company's business needs and the industry norm.

In light of the above, the Directors (including the INEDs) consider that it is beneficial to include the Related Entity Participants and Service Provider and aligns with the purposes of the 2026 Share Incentive Scheme and the business needs of the Company since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of Share Awards to these non-Employee Participants will align their interests with the Group's, incentivizing them to provide better services to the Group and/or contribute to the success of the Group in the long run.

LETTER FROM THE BOARD

F. Grant of Share Awards

On and subject to the terms of the 2026 Share Incentive Scheme, the Board or its Delegate(s) shall be entitled (but shall not be bound) at any time within the Scheme Period to make an Offer to any Participant, as the Board or its Delegate(s) may in its absolute discretion select, of a Share Award consisting of Options or RSUs as set forth in the Offer Letter and on and subject to such terms and conditions as the Board or its Delegate(s) may determine and impose and inform the Trustee and the Grantee accordingly. The Offer shall specify the terms and conditions on which the Share Award is to be granted. Such terms and conditions may include (a) whether the Share Award is in the form of an Option and/or an RSU, (b) the number of Shares underlying the Share Awards, (c) the vesting date and any conditions, restrictions or limitations that must be satisfied in order for the Share Award to vest in whole or in part, (d) in the case of a Share Award of an Option, the Exercise Price and the Exercise Period, and in the case of a Share Award of an RSU, the Purchase Price (if any), (e) any minimum period(s) for which a Share Award must be held, (f) if applicable, any minimum period(s) for which the Grantee must be employed or in service to the Group and/or any minimum performance target(s) that must be achieved such as linking its vesting to the attainment of program milestones and market capitalization milestones by the Group, (g) any clawback mechanism in respect of the Share Awards as described in section L, and (h) may include at the discretion of the Board or its Delegate(s) such other terms either on a case-by-case basis or generally, provided such terms shall not be inconsistent with any other terms and conditions of the 2026 Share Incentive Scheme.

Each grant of Share Awards to any Director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the INEDs of the Company (excluding any INED who is a proposed recipient of the grant of Share Awards).

Where any grant of RSUs to a Director (other than an INED) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all awards involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) already granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company (excluding any awards lapsed in accordance with the terms of the 2026 Share Incentive Scheme or any other share scheme(s) (if any) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the Date of Grant (excluding Treasury Shares), such further grant of Share Awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting.

LETTER FROM THE BOARD

Where any grant of Share Awards to a substantial shareholder or an INED of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all awards and options (if any) involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) already granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company (excluding any awards or options (if any) lapsed in accordance with the terms of the 2026 Share Incentive Scheme or any other share scheme(s) (if any) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the Date of Grant (excluding Treasury Shares), such further grant of Share Awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting.

The Exercise Period during which the Grantee may exercise an Option shall be determined and notified by the Board or its Delegate(s) to each Grantee. Such period may commence on a day after the Date of Grant and in any event shall end not later than 10 years from the Date of Grant but subject to the provisions for early termination thereof contained herein.

The Directors consider that the grant of the Share Award in accordance with the abovementioned process and eligibility considerations aligns with the purposes of the 2026 Share Incentive Scheme as it would allow the Company to award and incentivise the Participants based on an overall assessment of their historical and future potential contributions.

The Company has no present intention to grant Share Awards under the 2026 Share Incentive Scheme as at the Latest Practicable Date.

G. Scheme Mandate Limit and Individual Limit

As at the Latest Practicable Date, the issued share capital of the Company comprised 227,071,600 H Shares with a nominal value of RMB1.00 each. As at the Latest Practicable Date, the Company has 224,567,600 issued Shares (excluding Treasury Shares) and 2,504,000 Treasury Shares. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the AGM and after the resolutions regarding, among others, the proposed adoption of the 2026 Share Incentive Scheme are passed at the AGM.

The maximum number of the Shares which will be issued in respect of all awards and options involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date (excluding Treasury Shares and rounding to the nearest whole Share), being 22,456,760 H Shares.

LETTER FROM THE BOARD

Within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all awards and options (if any) involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to the Service Providers must not in aggregate exceed 2,245,676 H Shares, representing 1% of the total number of Shares in issue as at the Adoption Date (excluding Treasury Shares and rounding to the nearest whole Share) (the “**Service Provider Sublimit**”).

This Service Provider Sublimit represents a maximum limit and that the Company retains the flexibility to allocate Share Awards from this Service Provider Sublimit to satisfy Share Awards to other Participants depending on business growth and needs in the future as and when appropriate. For example, where the Company considers that the business needs of the Group at a future point in time suggests that the full Service Provider Sublimit is no longer needed for Service Provider and that it would be more appropriate and beneficial to serve the purpose of the 2026 Share Incentive Scheme to allocate a portion of the Share Awards under this Service Provider Sublimit to other Participants.

The Company considers the Service Provider Sublimit to be appropriate and reasonable, as it strictly complies with Rule 17.03A of the Listing Rules and provides sufficient flexibility to incentivise qualified service providers who contribute critical services to the Company’s long-term R&D, commercialization and strategic expansion. The proposed sublimit is also consistent with the prevalent market practice among Hong Kong listed companies, where such sublimit typically ranges from 1% to 2% of the total issued shares as at the adoption date. Furthermore, all grants under the sublimit will be subject to the Board’s strict and prudent discretion to ensure that they are made in the best interests of the Company and its Shareholders.

The Company may seek the approval of its Shareholders at general meeting to refresh the Scheme Mandate Limit or the Service Provider Sublimit after three years from the Adoption Date or the date of Shareholders’ approval for the last refreshment (as the case may be), such that the total number of Shares which may be issued in respect of all awards and options involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid approval for refreshment by the Shareholders in general meeting (excluding Treasury Shares). Awards and options lapsed in accordance with the terms of the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company will not be regarded as utilized for the purpose of calculating the limit as refreshed. The Company shall send a circular to the Shareholders containing the number of awards and options that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the refreshment.

LETTER FROM THE BOARD

Any refreshment within any abovementioned three year period must be approved by the Shareholders subject to: (i) any controlling shareholder(s) of the Company and their respective associates or if there is no controlling shareholder(s), Directors (excluding INEDs) and the chief executive(s) of the Company and their respective associates must abstain from voting in favor of the relevant resolution at the general meeting; and (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules. The requirements under (i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2) (a) of the Listing Rules such that the unused part of the Scheme Mandate Limit or the Service Provider Sublimit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit or the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

Unless approved by the Shareholders in the manner set out in the 2026 Share Incentive Scheme, the total number of Shares issued and to be issued in respect of all awards and options granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to each Participant in any 12-month period shall not exceed 1% of the total number of Shares in issue (excluding Treasury Shares (if any)) (the “**Individual Limit**”). Where any grant of Share Awards under the 2026 Share Incentive Scheme to a Participant would result in the aggregate number of Shares issued and to be issued in respect of all awards and options (if any) granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to such Participant (excluding any options and awards lapsed in accordance with the terms of the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company) in the 12-month period up to and including the date of such grant exceeding the Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such Participant and his/her close associates (or his/her associates if the Participant is a connected person of the Company) abstaining from voting.

H. Alignment with the Purpose of the 2026 Share Incentive Scheme

The Company confirms that the core terms of the 2026 Share Incentive Scheme have been designed to fully align with its key objectives: attracting, retaining and motivating key talents; driving the Company’s strategic and operational goals; and aligning participants’ interests with those of the Company and its Shareholders. For details of the vesting period, performance targets, basis of determination of Purchase Price and Exercise Price and the claw back mechanism of the 2026 Share Incentive Scheme, please refer to Appendix V to this circular.

LETTER FROM THE BOARD

The specific rationale is set out as follows:

(i) Vesting Period

The vesting structure has been formulated with reference to prevailing industry practices. The multi-year staggered vesting directly supports long-term talent retention by conditioning benefit entitlement on continued employment. Limited discretion to allow flexible vesting arrangements further enhances the 2026 Share Incentive Scheme's ability to attract top talent and reward exceptional performance.

(ii) Performance Targets

Performance targets are primarily tied to the Company's overall strategic and operational objectives, ensuring that incentives are aligned with corporate success. Differentiated requirements will be established at the individual level to recognize personal contributions. The Board retains reasonable adjustment authority to maintain fairness and operational flexibility.

(iii) Determination of Purchase Price and Exercise Price

The pricing framework complies with all applicable regulatory requirements. The Board has carefully balanced the interests of existing Shareholders with the need to provide meaningful and attractive incentives to participants, thereby aligning employees' efforts with long-term shareholder value creation.

(iv) Clawback Mechanism

The clawback mechanism in the 2026 Share Incentive Scheme provides a choice for the Company to clawback the equity incentives granted to Participants culpable of misconduct and aligns with the purpose of the 2026 Share Incentive Scheme and the interests of Shareholders. By prioritizing benefits for employees who remain in continuous service, it further reinforces the 2026 Share Incentive Scheme's long-term talent retention and value creation objectives.

I. Application for Listing

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the H Shares which may fall to be issued and allotted in respect of all Share Awards that may be granted pursuant to 2026 Share Incentive Scheme.

LETTER FROM THE BOARD

(ii) *The Existing Share Scheme*

Pre-IPO Share Incentive Scheme

The Company adopted a pre-IPO share incentive scheme (the “**Pre-IPO Share Incentive Scheme**”) on September 15, 2022. The terms of the Pre-IPO Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve any grant of options or Shares by the Company after the Listing.

As at the Latest Practicable Date and as disclosed in the 2025 annual report, the total number of Shares underlying the Share Awards under the Pre-IPO Share Incentive Scheme was 27,500,000, representing approximately 12.11% of the issued Shares. As of the Latest Practicable Date, 27,500,000 incentive Shares had been granted to 64 participants, of which 15,550,000 incentive Shares were indirectly held by 62 participants through our employee share incentive platforms and the remaining 11,950,000 incentive Shares were directly held by Mr. Qiu, Dr. Li Jianwei and Dr. Yu Guoliang at consideration of RMB1 per Share pursuant to the Pre-IPO Share Incentive Scheme.

(iii) *Proposed Authorization to the Board to Handle Matters relating to the 2026 Share Incentive Scheme*

In order to ensure the successful implementation of the 2026 Share Incentive Scheme, the Board proposes that, subject to the approval of the 2026 Share Incentive Scheme by the Shareholders at the AGM, it is proposed to the Shareholders to grant an authorization to the Board to handle matters in relation to the 2026 Share Incentive Scheme with full authority, including but not limited to:

- (a) interpret and construe the provisions of the 2026 Share Incentive Scheme;
- (b) determine the persons who will be granted Share Awards under the 2026 Share Incentive Scheme;
- (c) the terms and conditions on which Share Awards are granted and when the RSUs granted pursuant to the 2026 Share Incentive Scheme may vest;
- (d) determine how the Exercise Price will be settled;
- (e) allot and issue new Shares to the Trustee to hold, for the purpose of fulfilling delivery obligations upon the vesting of Share Awards;

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- (f) direct and arrange for the Trustee to purchase existing H Shares (which may be made on-market or off-market) for the purpose of fulfilling delivery obligations upon the vesting of Share Awards (the Company shall ensure that sufficient funds are provided to the Trustee by any means determined by the Board to enable it to fulfill its obligations related to the administration of this 2026 Share Incentive Scheme);
- (g) without prejudice to the foregoing, whether the H Shares underlying the Share Awards are acquired through secondary market purchases or, fulfilled by the use of Treasury Shares by subscription for new H Shares shall be determined by the Board, taking into comprehensive consideration factors such as the Company's financial condition, cash position, and the prevailing market price of the H Shares at the relevant time;
- (h) make such other decisions or determinations as it shall deem appropriate in the administration of the 2026 Share Incentive Scheme; and
- (i) on behalf of the Company, approve, execute, amend, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or give effect to all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case.

The aforementioned authorization to the Board shall be valid so long as the 2026 Share Incentive Scheme is in full force and effect.

General

Pursuant to Note 1 to Rule 17.03(2) of the Listing Rules, the Board has sought legal advice on the prospectus requirements of the C(WUMP)O in relation to the 2026 Share Incentive Scheme proposed to be adopted. The Company understands that while the 2026 Share Incentive Scheme are not restricted to executives and employees of the Group, the adoption of the 2026 Share Incentive Scheme would not constitute an offer to public and therefore the prospectus requirements under the C(WUMP) O are not applicable. The Company will ensure compliance with the C(WUMP) O when granting Share Awards under the 2026 Share Incentive Scheme, if applicable.

The Company may issue new H Shares, utilize Treasury Shares (if any) or direct and procure the Trustee to purchase existing H Shares (either on-market or off-market) to satisfy the grant of the Share Award(s) under the 2026 Share Incentive Scheme. Therefore, the 2026 Share Incentive Scheme constitutes a share scheme involving issue of new shares by the Company under Chapter 17 of the Listing Rules.

LETTER FROM THE BOARD

3. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM to be held at North Conference Room, 2nd Floor, Building 1, No.907 Yaocheng Avenue, Taizhou City, Jiangsu Province, the PRC on Friday, May 29, 2026 at 10:00 a.m. is set out in this circular and is also published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the website of the Company at <http://www.qyuns.net>.

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, May 26, 2026 to Friday, May 29, 2026, both dates inclusive, during which period no transfer of shares will be registered. The record date for determining the identity of the Shareholders who are entitled to attend and vote at the AGM is Friday, May 29, 2026. In order to be eligible to attend and vote at the AGM, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30p.m. on Friday, May 22, 2026 (Hong Kong time).

A form of proxy for use at the AGM is enclosed herewith and also published on both the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.qyuns.net>). If you intend to appoint a proxy to attend the AGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM (i.e. at or before 10:00 a.m. on Thursday, May 28, 2026 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM.

4. RECOMMENDATION

The Directors consider that all resolutions as set out in the notice of the AGM are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

5. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll. Therefore, the resolutions set out in the notice of the 2025 AGM will be voted by poll. For avoidance of doubt, holders of Treasury Shares, if any, shall abstain from voting at the AGM, as required under the Listing Rules. The poll results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the website of the Company at <http://www.qyuns.net> upon the conclusion of the AGM.

6. DOCUMENTS ON DISPLAY

A copy of the 2026 Share Incentive Scheme will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.qyuns.net>) for at least 14 days prior to the date of the AGM and will be available for inspection at the AGM.

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement herein or this circular misleading.

8. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Qyuns Therapeutics Co., Ltd.
Mr. Qiu Jiwan
Chairman of the Board and Executive Director

APPENDIX I EXPLANATORY STATEMENT ON H SHARE PURCHASE

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 227,071,600 H Shares with a nominal value of RMB1.00 each. As at the Latest Practicable Date, the Company has 224,567,600 issued Shares (excluding Treasury Shares) and 2,504,000 Treasury Shares.

2. REASONS FOR REPURCHASE OF H SHARES

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to seek a mandate from the Shareholders to enable the Company to repurchase H Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. EXERCISE OF THE REPURCHASE MANDATE

Subject to the passing of the relevant special resolution set out in the notice of the AGM, the Directors will be granted the Repurchase Mandate until the end of the Relevant Period for Repurchase (as defined in the notice of the AGM). In addition, the exercise of the Repurchase Mandate is subject to the approvals of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained.

As at the Latest Practicable Date, assuming the Repurchase Mandate is approved at the AGM, the exercise in full of the Repurchase Mandate would result in up to 22,456,760 H Shares (assuming there is no issue or repurchase of additional H Shares from the Latest Practicable Date up to the date of the AGM) being repurchased by the Company during the Relevant Period for Repurchase (as defined in the notice of the AGM).

4. FUNDING OF REPURCHASE OF H SHARES

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of PRC and/or any other applicable laws, as the case may be.

In accordance with the requirements of PRC applicable laws or administrative regulations, and subject to the approval of relevant authority, the Company is entitled by its Articles of Association to purchase its H Shares. The Company may not repurchase H Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

APPENDIX I EXPLANATORY STATEMENT ON H SHARE PURCHASE

Based on the financial position disclosed in the recently published audited accounts for the year ended December 31, 2025, the Directors consider that there will not be any material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing and in the best interests of the Company.

5. STATUS OF REPURCHASED H SHARES

As at the Latest Practicable Date, the Listing Rules provide that the listing of all the H Shares repurchased by the Company shall be automatically cancelled and the relevant share certificates shall be cancelled and destroyed. The listing of all shares which are held as Treasury Shares shall retained. The listing of all H Shares which are purchased by the Company but not held as Treasury Shares shall be automatically cancelled and the relevant share certificates shall be cancelled and destroyed.

6. MARKET PRICES OF H SHARES

The highest and lowest prices per H Share at which H Shares have traded on the Stock Exchange during each of the previous 12 months preceding up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
April 2025	11.92	7.80
May 2025	11.78	10.76
June 2025	17.50	11.24
July 2025	21.15	14.02
August 2025	28.66	19.40
September 2025	34.88	22.74
October 2025	36.50	21.20
November 2025	24.26	18.36
December 2025	22.46	17.43
January 2026	24.50	18.01
February 2026	21.26	16.41
March 2026	19.99	15.95
April 2026 (up to the Latest Practicable Date)	22.56	17.34

7. GENERAL INFORMATION

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined under the Listing Rules) have any present intention, in the event that the proposed grant of the Repurchase Mandate are approved by the Shareholders, to sell any Shares to the Company.

The Company has not been notified by any core connected persons (as defined under the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company, in the event that the proposed grant of the Repurchase Mandate are approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of the H Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the PRC.

The Company has confirmed that neither the explanatory statement nor the proposed share repurchase has any unusual features.

The Company may cancel such Shares repurchased or hold them as Treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

For any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as Treasury Shares.

8. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Qiu had an attributable interest of approximately 31.21% of the issued share capital of the Company (excluding Treasury Shares). In the event that the Directors would exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholdings of Mr. Qiu in the Company would be increased to approximately 34.68% of the issued share capital of the Company (excluding Treasury Shares), or in the event that any increase by more than 2% of the shareholding of Mr. Qiu, such increases will give rise to an obligation on their part to make a mandatory offer under Rule 26 of the Takeovers Code. Save as disclosed aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code and/or result in the aggregate number of H Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

APPENDIX I EXPLANATORY STATEMENT ON H SHARE PURCHASE

9. REPURCHASE OF SHARES BY THE COMPANY IN PREVIOUS SIX MONTHS

During the six months preceding the Latest Practicable Date, the Company has repurchased a total of 2,504,000 H Shares on the Stock Exchange and the details of the share repurchases are set out below:

Date of Repurchase	Number of Shares Repurchased	Highest price (HK\$)	Lowest price (HK\$)
November 6, 2025	89,200	22.80	21.70
November 7, 2025	304,200	22.08	19.22
November 10, 2025	156,400	19.84	18.42
November 11, 2025	52,200	19.23	18.65
November 17, 2025	34,600	20.72	20.16
November 18, 2025	48,800	20.50	20.04
November 19, 2025	97,200	20.70	20.38
November 20, 2025	46,800	21.50	21.00
November 21, 2025	49,200	20.60	19.96
November 25, 2025	23,200	20.46	20.20
December 1, 2025	90,000	22.00	21.58
December 29, 2025	92,800	18.20	17.80
December 30, 2025	267,400	19.08	17.80
December 31, 2025	160,000	19.39	18.10
January 2, 2026	25,000	19.20	18.75
January 6, 2026	38,800	20.10	19.96
January 12, 2026	79,600	22.08	21.68
January 13, 2026	28,400	22.40	22.40
January 14, 2026	27,200	22.88	22.54
January 15, 2026	29,600	23.18	23.02
January 16, 2026	45,000	23.32	22.98
January 19, 2026	53,000	23.08	21.98
January 20, 2026	84,000	22.22	21.62
January 21, 2026	44,000	22.50	22.08
January 26, 2026	89,600	21.96	21.32
January 27, 2026	14,600	21.96	21.80
January 29, 2026	35,000	21.98	21.24
January 30, 2026	91,200	21.90	20.96
February 2, 2026	98,800	20.76	19.86
February 3, 2026	99,000	20.34	19.93
February 4, 2026	93,000	20.98	19.50
February 6, 2026	16,200	20.38	20.06
Total	<u>2,504,000</u>		

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

**ARTICLES OF ASSOCIATION (DRAFT REVISION) OF
QYUNS THERAPEUTICS CO., LTD.**

Before amendments		After amendments	
Article 6	The registered capital of the Company was RMB222,071,600.	Article 6	The registered capital of the Company was RMB227,071,600.
Article 10	<p>The Articles of Association have been adopted by a special resolution at the general meeting of the Company and shall become effective. From its effective date, the articles of association previously filed with the company registration authority shall automatically become invalid.</p> <p>From its effective date, the Articles of Association shall become a legally binding document regulating the Company’s organization and activities, as well as the rights and obligations between the Company and its shareholders and among its shareholders.</p> <p>Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, the directors, supervisors and senior management of the Company and the Company, and the Company may take legal action against its shareholders, directors, supervisors and senior management.</p>	Article 10	<p>The Articles of Association have been adopted by a special resolution at the general meeting of the Company and shall become effective. From its effective date, the articles of association previously filed with the company registration authority shall automatically become invalid.</p> <p>From its effective date, the Articles of Association shall become a legally binding document regulating the Company’s organization and activities, as well as the rights and obligations between the Company and its shareholders and among its shareholders.</p> <p>Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, the directors and senior management of the Company and the Company, and the Company may take legal action against its shareholders, directors and senior management.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 34	<p>The shares of the Company held by the promoters shall not be transferred within one year after the establishment of the Company. The shares issued before the Company’s public offering of shares shall not be transferred within one year from the date when the Company’s shares are listed and traded on the stock exchange.</p>	Article 34	<p>The shares of the Company held by the promoters shall not be transferred within one year after the establishment of the Company. The shares issued before the Company’s public offering of shares shall not be transferred within one year from the date when the Company’s shares are listed and traded on the stock exchange.</p>
	<p>The directors, supervisors and senior management of the Company shall report to the Company their shareholdings and changes thereof and shall not transfer more than 25% of the total number of shares of the same class held by them in the Company per annum during their terms of office determined at the time of appointment. These shares of the Company held thereby shall not be transferred within one year from the date when the Company’s shares are listed and traded. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate services with the Company.</p>		<p>The directors and senior management of the Company shall report to the Company their shareholdings and changes thereof and shall not transfer more than 25% of the total number of shares of the same class held by them in the Company per annum during their terms of office determined at the time of appointment. These shares of the Company held thereby shall not be transferred within one year from the date when the Company’s shares are listed and traded. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate services with the Company.</p>
	<p>If shares are pledged within the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge right within the restricted transfer period.</p>		<p>If shares are pledged within the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge right within the restricted transfer period.</p>
<p>Where there are other requirements on the transfer restrictions of H Shares by the securities regulatory authorities in the place where the Company’s shares are listed, such requirements shall prevail.</p>	<p>Where there are other requirements on the transfer restrictions of H Shares by the securities regulatory authorities in the place where the Company’s shares are listed, such requirements shall prevail.</p>		

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

	Before amendments		After amendments
Article 35	<p>Where a shareholder holding more than 5% of the Company’s shares, director, supervisor or senior management sells the Company’s shares held within six months after purchase, or buys them again within six months after sale, the proceeds thus earned shall belong to the Company, and the board of directors of the Company shall recover the proceeds, except for the securities company holding more than 5% of the shares as a result of underwriting the purchase of the remaining shares after the sale and other circumstances specified by relevant regulatory authorities.</p> <p>The shares or other securities with equity nature held by directors, supervisors, senior management and individual shareholders referred to in the preceding paragraph include the shares held by their spouses, parents and children, as well as shares held through the account of others.</p> <p>If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, shareholders shall have the right to request the board of directors to do so within 30 days. If the board of directors of the Company fails to do so within the said period, shareholders shall have the right to file a lawsuit directly with the People’s Court in its own name for the benefit of the Company.</p> <p>If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, the responsible directors shall be jointly and severally liable according to law.</p> <p>If H Shares are involved in the transfer stated in this article, the relevant regulations of the securities regulatory authorities in the place where the Company’s shares are listed shall be observed.</p>	Article 35	<p>Where a shareholder holding more than 5% of the Company’s shares, director or senior management sells the Company’s shares held within six months after purchase, or buys them again within six months after sale, the proceeds thus earned shall belong to the Company, and the board of directors of the Company shall recover the proceeds, except for the securities company holding more than 5% of the shares as a result of underwriting the purchase of the remaining shares after the sale and other circumstances specified by relevant regulatory authorities.</p> <p>The shares or other securities with equity nature held by directors, senior management and individual shareholders referred to in the preceding paragraph include the shares held by their spouses, parents and children, as well as shares held through the account of others.</p> <p>If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, shareholders shall have the right to request the board of directors to do so within 30 days. If the board of directors of the Company fails to do so within the said period, shareholders shall have the right to file a lawsuit directly with the People’s Court in its own name for the benefit of the Company.</p> <p>If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, the responsible directors shall be jointly and severally liable according to law.</p> <p>If H Shares are involved in the transfer stated in this article, the relevant regulations of the securities regulatory authorities in the place where the Company’s shares are listed shall be observed.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 38	<p>The shareholders of the Company shall have the following rights:</p> <p>(1) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(2) to lawfully require, hold, convene, preside over or attend general meetings either in person or by proxy and exercise the corresponding speaking and voting right;</p> <p>(3) to supervise, make recommendations or make inquiries about the operations of the Company;</p> <p>(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, relevant regulations of the securities regulatory authorities in the place where the Company’s shares are listed, and the Articles of Association;</p> <p>(5) to inspect and copy the Articles of Association after paying the cost, the register of shareholders, stubs of corporate bonds, minutes of general meetings of shareholders, resolutions of the board of directors, resolutions of the supervisory committee, and financial and accounting reports;</p>	Article 38	<p>The shareholders of the Company shall have the following rights:</p> <p>(1) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(2) to lawfully require, hold, convene, preside over or attend general meetings either in person or by proxy and exercise the corresponding speaking and voting right;</p> <p>(3) to supervise, make recommendations or make inquiries about the operations of the Company;</p> <p>(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, relevant regulations of the securities regulatory authorities in the place where the Company’s shares are listed, and the Articles of Association;</p> <p>(5) to inspect and copy the Articles of Association after paying the cost, the register of shareholders, stubs of corporate bonds, minutes of general meetings of shareholders, resolutions of the board of directors, and financial and accounting reports;</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments
<p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(7) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(8) other rights stipulated by laws, administrative regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association.</p> <p>Subject to compliance with applicable laws, administrative regulations and securities regulatory rules in the place where the shares of the Company are listed, the Company may reject the requests if the content to be inspected and copied involves the business secrets and inside information of the Company or the personal privacy of relevant personnel.</p>	<p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(7) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(8) other rights stipulated by laws, administrative regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association.</p> <p>Subject to compliance with applicable laws, administrative regulations and securities regulatory rules in the place where the shares of the Company are listed, the Company may reject the requests if the content to be inspected and copied involves the business secrets and inside information of the Company or the personal privacy of relevant personnel.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 43	<p>Where the Company incurs losses as a result of violation by directors and members of the senior management of laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the board of supervisors to initiate proceedings to the People’s Court; where the Company incurs losses as a result of violation by the board of supervisors of any provisions of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing to the board of directors to initiate proceedings to the People’s Court.</p> <p>In the event that the board of supervisors or the board of directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company’s interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company initiate proceedings to the People’s Court directly in their own names.</p>	Article 43	<p>Where the Company incurs losses as a result of violation by directors (other than members of the Audit Committee) and members of the senior management of laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the Audit Committee to initiate proceedings to the People’s Court; where the Company incurs losses as a result of violation by the members of the Audit Committee of any provisions of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing to the board of directors to initiate proceedings to the People’s Court.</p> <p>In the event that the Audit Committee or the board of directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company’s interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company initiate proceedings to the People’s Court directly in their own names.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments
<p>Where the Company incurs losses as a result of infringement upon the legitimate rights and interests of the Company by any other persons, the shareholders stated in paragraph 1 of this article may initiate proceedings to the People’s Court pursuant to the provisions of the first two paragraphs.</p> <p>Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholders severally or jointly holding 1% or more of the Company’s shares for a period of 180 consecutive days or longer, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to request the supervisory committee or board of directors of the wholly-owned subsidiary to initiate legal proceedings with the people’s court in writing or directly initiate legal proceedings with the people’s court in its own name.</p>	<p>Where the Company incurs losses as a result of infringement upon the legitimate rights and interests of the Company by any other persons, the shareholders stated in paragraph 1 of this article may initiate proceedings to the People’s Court pursuant to the provisions of the first two paragraphs.</p> <p>Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholders severally or jointly holding 1% or more of the Company’s shares for a period of 180 consecutive days or longer, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to request the supervisory committee or board of directors of the wholly-owned subsidiary to initiate legal proceedings with the people’s court in writing or directly initiate legal proceedings with the people’s court in its own name. If a wholly-owned subsidiary of the Company does not have a board of supervisors or supervisors but instead has an audit committee, the provisions of the first and second paragraphs of this Article shall apply.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 51	<p>The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to laws:</p> <p>(1) to decide on the Company’s business policy and investment plans;</p> <p>(2) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;</p> <p>(3) to consider and approve the reports of the board of directors;</p> <p>(4) to consider and approve the reports of the board of supervisors;</p> <p>(5) to consider and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(6) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(7) to resolve on the plans for issuance of corporate bonds or other securities and listing;</p> <p>(8) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;</p>	Article 51	<p>The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to laws:</p> <p>(1) to elect and replace directors who are not employee representatives, and determine the remunerations of directors;</p> <p>(2) to consider and approve the reports of the board of directors;</p> <p>(3) to consider and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(4) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(5) to resolve on the plans for issuance of corporate bonds or other securities and listing;</p> <p>(6) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;</p> <p>(7) to amend the Articles of Association;</p> <p>(8) to resolve on the matters such as the employment, dismissal of the accounting firm that undertakes the Company’s auditing activities as well as of its remuneration;</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments
<p>(9) to amend the Articles of Association;</p> <p>(10) to resolve on the matters such as the employment, dismissal of the accounting firm that undertakes the Company's auditing activities as well as of its remuneration;</p> <p>(11) to consider and approve the guarantee matters stipulated in the Articles of Association that shall be approved by the general meeting;</p> <p>(12) to consider the Company's purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(13) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(14) to consider share incentive plan and employee stock ownership plan;</p> <p>(15) to consider other matters which, in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association, shall be approved by the general meeting.</p>	<p>(9) to consider and approve the guarantee matters stipulated in the Articles of Association that shall be approved by the general meeting;</p> <p>(10) to consider the Company's purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(11) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(12) to consider share incentive plan and employee stock ownership plan;</p> <p>(13) to consider other matters which, in accordance with laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association, shall be approved by the general meeting.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	<p>Matters which, in accordance with the provisions of the laws, administrative regulations and the Articles of Association, are required to be approved by the general meetings must only be considered at the general meeting so as to protect the decision-making power of the shareholders of the Company on such matters. Under necessary, reasonable and lawful circumstances, the general meeting may authorize the board of directors to decide, as permitted by laws, regulations and the Articles of Association and within the scope of authorization granted by the general meeting, specific matters which are relevant to the aforementioned resolutions and cannot be decided at the general meeting.</p> <p>The general meeting may, when necessary, reasonable and legal, authorize or entrust the board of directors to handle matters authorized or entrusted by it, including but not limited to carrying out the following matters at the general meeting:</p> <p>Subject to the applicable laws, regulations and listing rules, to give a general mandate to the board of directors to issue, allot and deal with additional overseas-listed shares not exceeding 20% of the shares in issue (or other proportions as required by the applicable laws, administrative regulations and listing rules of the place where the Company's shares are listed);</p> <p>To authorize the board of directors, within the cap amount of debt issuance, to determine the specific terms and the relevant matters in relation to the issuance of the debt financing instrument(s) such as domestic short-term financial instruments, mid-term financial notes, corporate bonds, overseas USD bonds in accordance with the needs of production, operation and capital expenditure as well as the market conditions, including but not limited to the determination of the value, interest rate, term, targeted group and use of proceeds of the bond(s), as well as the preparation for, execution and disclosure of all necessary documents thereof subject to the aforementioned limits.</p>		<p>The general meeting may authorize the board of directors to resolve on the issuance of corporate bonds.</p> <p>The Company may issue shares or corporate bonds convertible into shares by a resolution of the general meeting, or by a resolution of the board of directors pursuant to authorization granted by the Articles of Association or the general meeting. The specific implementation shall comply with the provisions of laws, administrative regulations, the China Securities Regulatory Commission and the relevant securities regulatory authorities of the place where the Company's shares are listed.</p> <p>Unless otherwise provided by laws, administrative regulations, the China Securities Regulatory Commission, or the relevant securities regulatory rules of the place where the Company's shares are listed, the functions and powers of the general meeting mentioned above shall not be exercised by the board of directors or other institutions or individuals through authorization.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 54	<p>The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:</p> <p>(1) the number of directors is less than the number provided for in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;</p> <p>(2) the losses of the Company that have not been made up reach one-third of its total paid-in share capital;</p> <p>(3) a written request is made by a shareholder or shareholders holding separately or in aggregate more than 10% of the shares of the Company;</p> <p>(4) the board of directors considers it necessary;</p> <p>(5) when proposed by the board of supervisors;</p> <p>(6) other situations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.</p> <p>If the extraordinary general meeting is convened in accordance with the provisions of the securities regulatory rules for the listing of the Company's shares, the actual date of the extraordinary general meeting may be adjusted based on the approval progress of the stock exchange where the shares of the Company are listed.</p>	Article 54	<p>The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:</p> <p>(1) the number of directors is less than the number provided for in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;</p> <p>(2) the losses of the Company that have not been made up reach one-third of its total paid-in share capital;</p> <p>(3) a written request is made by a shareholder or shareholders holding separately or in aggregate more than 10% of the shares of the Company;</p> <p>(4) the board of directors considers it necessary;</p> <p>(5) when proposed by the Audit Committee;</p> <p>(6) other situations stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.</p> <p>If the extraordinary general meeting is convened in accordance with the provisions of the securities regulatory rules for the listing of the Company's shares, the actual date of the extraordinary general meeting may be adjusted based on the approval progress of the stock exchange where the shares of the Company are listed.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 57	<p>The board of supervisors shall be entitled to propose to the board of directors to convene an extraordinary general meeting, and shall put forward its proposal to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the proposal.</p>	Article 57	<p>The Audit Committee shall be entitled to propose to the board of directors to convene an extraordinary general meeting, and shall put forward its proposal to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the proposal.</p>
	<p>If the board of directors agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within 5 days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of the board of supervisors shall be obtained.</p>		<p>If the board of directors agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within 5 days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of the Audit Committee shall be obtained.</p>
	<p>If the board of directors does not agree to hold the extraordinary general meeting or fails to give a reply within 10 days after receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and the board of supervisors may convene and preside over the meeting by itself.</p>		<p>If the board of directors does not agree to hold the extraordinary general meeting or fails to give a reply within 10 days after receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and the Audit Committee may convene and preside over the meeting by itself.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 58	<p>Shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to request the board of directors to convene an extraordinary general meeting, and shall put forward such request to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the written proposal.</p>	Article 58	<p>Shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to request the board of directors to convene an extraordinary general meeting, and shall put forward such request to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the written proposal.</p>
	<p>If the board of directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the proposal shall be obtained.</p>		<p>If the board of directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the proposal shall be obtained.</p>
	<p>If the board of directors does not agree to hold the extraordinary general meeting, or fails to give a reply within 10 days after receipt of the proposal, shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to propose to the board of supervisors to convene an extraordinary general meeting, and shall put forward such request to the board of supervisors in writing.</p>		<p>If the board of directors does not agree to hold the extraordinary general meeting, or fails to give a reply within 10 days after receipt of the proposal, shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to propose to the Audit Committee to convene an extraordinary general meeting, and shall put forward such request to the Audit Committee in writing.</p>
<p>If the board of supervisors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the request shall be obtained.</p>	<p>If the Audit Committee agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the request shall be obtained.</p>		
<p>In the case of failure to issue the notice for the general meeting within the term stipulated, the board of supervisors shall be deemed as failing to convene and preside over the general meeting. The shareholder(s) severally or jointly holding 10% or above shares of the Company for 90 consecutive days or above may convene and preside over such meeting by itself/themselves.</p>	<p>In the case of failure to issue the notice for the general meeting within the term stipulated, the Audit Committee shall be deemed as failing to convene and preside over the general meeting. The shareholder(s) severally or jointly holding 10% or above shares of the Company for 90 consecutive days or above may convene and preside over such meeting by itself/themselves.</p>		

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 59	<p>If the board of supervisors or shareholders decide to convene a shareholders' general meeting by themselves, they must notify the board of directors in writing and file a case to the stock exchange where the shares of the Company are listed.</p> <p>Prior to the announcement of the resolution of the general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%.</p> <p>The board of supervisors or the convening shareholders shall submit the relevant supporting documents to the stock exchange where the shares of the Company are listed when issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' general meeting.</p>	Article 59	<p>If the Audit Committee or shareholders decide to convene a shareholders' general meeting by themselves, they must notify the board of directors in writing and file a case to the stock exchange where the shares of the Company are listed.</p> <p>Prior to the announcement of the resolution of the general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%.</p> <p>The Audit Committee or the convening shareholders shall submit the relevant supporting documents to the stock exchange where the shares of the Company are listed when issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' general meeting.</p>
Article 60	<p>The board of directors and the board secretary shall support the general meeting convened by the board of supervisors or shareholders. The board of directors shall provide a register of shareholders as of the date of share registration.</p>	Article 60	<p>The board of directors and the board secretary shall support the general meeting convened by the Audit Committee or shareholders. The board of directors shall provide a register of shareholders as of the date of share registration.</p>
Article 61	<p>For the general meeting convened by the board of supervisors or by the shareholders, the expenses necessary for the meeting shall be borne by the Company.</p>	Article 61	<p>For the general meeting convened by the Audit Committee or by the shareholders, the expenses necessary for the meeting shall be borne by the Company.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 63	Where the Company convenes a general meeting, the board of directors, the board of supervisors and the shareholder(s) severally or jointly holding 1% or above shares of the Company may make proposals to the Company.	Article 63	Where the Company convenes a general meeting, the board of directors, the Audit Committee and the shareholder(s) severally or jointly holding 1% or above shares of the Company may make proposals to the Company.
	Shareholder(s) severally or jointly holding 1% or above shares of the Company may submit written provisional proposals to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting of shareholders within 2 days after receiving the proposal, announce the contents of the provisional proposal, and include the matters in the proposal that fall within the scope of responsibilities of the general meeting of shareholders on the agenda of the meeting for submission to the general meeting of shareholders for consideration and approval.		Shareholder(s) severally or jointly holding 1% or above shares of the Company may submit written provisional proposals to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting of shareholders within 2 days after receiving the proposal, announce the contents of the provisional proposal, and include the matters in the proposal that fall within the scope of responsibilities of the general meeting of shareholders on the agenda of the meeting for submission to the general meeting of shareholders for consideration and approval.
	Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.		Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.
Proposals that have not been set forth in the notice of the general meeting of shareholders or do not comply with the provisions of the Articles of Association shall not be voted and resolved at the general meeting of shareholders.	Proposals that have not been set forth in the notice of the general meeting of shareholders or do not comply with the provisions of the Articles of Association shall not be voted and resolved at the general meeting of shareholders.		

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 66	<p>In the event that matters involving the election of directors and supervisors are to be considered at the general meeting, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors and supervisors, which shall at least include the following:</p> <p>(1) personal particulars including full name, education background, working experience and any part-time job, especially regarding work particulars relating to the controlling shareholders, de facto controller, and other entities;</p> <p>(2) whether there is any connected relationship with the Company, its controlling shareholders and de facto controller, shareholders holding more than 5% of the Company's shares, and other directors, supervisors, and senior management of the Company;</p> <p>(3) disclosure of the shareholdings in the Company;</p> <p>(4) whether or not it has been penalized by relevant regulatory authorities and other relevant authorities and stock exchanges;</p> <p>(5) other matters required by the Hong Kong Listing Rules.</p> <p>Apart from directors and supervisors elected through the cumulative voting system, each candidate of director or supervisor shall be individually proposed.</p>	Article 66	<p>In the event that matters involving the election of directors are to be considered at the general meeting, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors, which shall at least include the following:</p> <p>(1) personal particulars including full name, education background, working experience and any part-time job, especially regarding work particulars relating to the controlling shareholders, de facto controller, and other entities;</p> <p>(2) whether there is any connected relationship with the Company, its controlling shareholders and de facto controller, shareholders holding more than 5% of the Company's shares, and other directors and senior management of the Company;</p> <p>(3) disclosure of the shareholdings in the Company;</p> <p>(4) whether or not it has been penalized by relevant regulatory authorities and other relevant authorities and stock exchanges;</p> <p>(5) other matters required by the Hong Kong Listing Rules.</p> <p>Apart from directors elected through the cumulative voting system, each candidate of director shall be individually proposed.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 76	In the event that the shareholders’ general meeting requires directors, supervisors , and senior management to attend, the directors, supervisors , and senior management shall attend and be questioned by the shareholders.	Article 76	In the event that the shareholders’ general meeting requires directors and senior management to attend, the directors and senior management shall attend and be questioned by the shareholders.
Article 77	<p>The general meeting shall be convened by the board of directors in accordance with laws and shall be presided over by the chairman of the Board. If the chairman of the Board is unable or fails to perform its duties, the meetings shall be presided over by a director jointly elected by more than half of the directors.</p> <p>A general meeting convened by the board of supervisors on its own shall be presided over by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, the meetings shall be presided over by a supervisor jointly elected by more than half of the supervisors.</p> <p>A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convener.</p> <p>During a general meeting, in the event that the chairman of the meeting violates the rules of procedures so that the general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of shareholders with a majority of the voting rights present at the meeting.</p>	Article 77	<p>A general meeting convened by the board of supervisors on its own shall be presided over by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, the meetings shall be presided over by a supervisor jointly elected by more than half of the supervisors.</p> <p>A general meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform its duties, the meetings shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee.</p> <p>A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convener.</p> <p>During a general meeting, in the event that the chairman of the meeting violates the rules of procedures so that the general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of shareholders with a majority of the voting rights present at the meeting.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 79	At an annual general meeting, the board of directors and the board of supervisors shall report to the meeting on their work over the past year. Each independent non-executive director shall present reports on their work.	Article 79	At an annual general meeting, the board of directors shall report to the meeting on its work over the past year. Each independent non-executive director shall present reports on their work.
Article 80	Directors, supervisors and senior management shall answer or give explanation to any questions raised and suggestions made by shareholders at general meetings unless they cannot be disclosed at the general meeting pursuant to the relevant laws and administrative regulations or due to the involvement of the Company's trade secrets.	Article 80	Directors and senior management shall answer or give explanation to any questions raised and suggestions made by shareholders at general meetings unless they cannot be disclosed at the general meeting pursuant to the relevant laws and administrative regulations or due to the involvement of the Company's trade secrets.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 82	<p>Minutes of general meetings shall be recorded by secretary to the board of directors.</p> <p>The minutes of a meeting shall record the following:</p> <p>(1) time, place, agenda of meeting and the name of the convener;</p> <p>(2) names of the chairman of the meeting, directors, supervisors, general manager and other senior management officer(s) attending or present at the meeting;</p> <p>(3) number of shareholders and proxies attending the meeting, total number of the shares carrying voting rights held by them, and the percentage of shares carrying voting rights held by them to the total number of shares of the Company;</p> <p>(4) process of consideration, key points of the speech and voting results for each proposal;</p> <p>(5) shareholders' enquiries or recommendations and respective answers or explanations;</p> <p>(6) names of the lawyer(s) (if any), vote counter and the scrutinizer;</p> <p>(7) other matters which shall be recorded in the meeting minutes pursuant to the Articles of Association.</p>	Article 82	<p>Minutes of general meetings shall be recorded by secretary to the board of directors.</p> <p>The minutes of a meeting shall record the following:</p> <p>(1) time, place, agenda of meeting and the name of the convener;</p> <p>(2) names of the chairman of the meeting, directors, general manager and other senior management officer(s) attending or present at the meeting;</p> <p>(3) number of shareholders and proxies attending the meeting, total number of the shares carrying voting rights held by them, and the percentage of shares carrying voting rights held by them to the total number of shares of the Company;</p> <p>(4) process of consideration, key points of the speech and voting results for each proposal;</p> <p>(5) shareholders' enquiries or recommendations and respective answers or explanations;</p> <p>(6) names of the lawyer(s) (if any), vote counter and the scrutinizer;</p> <p>(7) other matters which shall be recorded in the meeting minutes pursuant to the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 83	<p>The convener of the general meeting shall ensure the truthfulness, accuracy and completeness of the meeting minutes. Directors, supervisors, secretary to the board of directors, the convener of the meeting or its representative and the chairman of the meeting shall sign on the meeting minutes. The meeting minutes shall be maintained with the signature book of attending shareholders, the proxy forms of their proxies and valid information on voting via other manners, for a period of not less than 10 years.</p>	Article 83	<p>The convener of the general meeting shall ensure the truthfulness, accuracy and completeness of the meeting minutes. Directors, secretary to the board of directors, the convener of the meeting or its representative and the chairman of the meeting shall sign on the meeting minutes. The meeting minutes shall be maintained with the signature book of attending shareholders, the proxy forms of their proxies and valid information on voting via other manners, for a period of not less than 10 years.</p>
Article 86	<p>The following matters shall be passed by way of ordinary resolution at a general meeting:</p> <p>(1) the work report of the board of directors and the board of supervisors;</p> <p>(2) the board of directors' proposed profit distribution plan and loss recovery plan;</p> <p>(3) appointment and dismissal of members of the board of directors and the board of supervisors, and their remuneration and payment method;</p> <p>(4) the Company's annual report;</p> <p>(5) matters other than those that are required to be passed by special resolution in accordance with the laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.</p>	Article 86	<p>The following matters shall be passed by way of ordinary resolution at a general meeting:</p> <p>(1) the work report of the board of directors;</p> <p>(2) the board of directors' proposed profit distribution plan and loss recovery plan;</p> <p>(3) appointment and dismissal of members of the board of directors, and their remuneration and payment method;</p> <p>(4) the Company's annual report;</p> <p>(5) matters other than those that are required to be passed by special resolution in accordance with the laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 91	The list of candidates for non-staff representative directors and supervisors shall be submitted to the general meeting for voting in the form of proposal.	Article 91	The list of candidates for non-staff representative directors shall be submitted to the general meeting for voting in the form of proposal.
Article 96	<p>Before voting takes place on a proposal at a general meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and its proxy(ies) shall not participate in the vote counting and scrutinizing.</p> <p>When voting takes place on a proposal at a general meeting, representatives of shareholders and supervisors and other relevant persons appointed pursuant to the Hong Kong Listing Rules shall be jointly responsible for vote counting and scrutinizing in accordance with the Hong Kong Listing Rules, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.</p> <p>Shareholders or their proxies who vote via other means have the right to check the results of their votes in the corresponding voting system.</p>	Article 96	<p>Before voting takes place on a proposal at a general meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and its proxy(ies) shall not participate in the vote counting and scrutinizing.</p> <p>When voting takes place on a proposal at a general meeting, representatives of shareholders and other relevant persons appointed pursuant to the Hong Kong Listing Rules shall be jointly responsible for vote counting and scrutinizing in accordance with the Hong Kong Listing Rules, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.</p> <p>Shareholders or their proxies who vote via other means have the right to check the results of their votes in the corresponding voting system.</p>
Article 103	Where a proposal on election of director or supervisor is passed at the general meeting, the term of office of the newly elected directors and supervisors shall commence on the day when the resolution is approved by the general meeting.	Article 103	Where a proposal on election of director is passed at the general meeting, the term of office of the newly elected directors shall commence on the day when the resolution is approved by the general meeting.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 108	<p>Directors shall comply with laws, administrative regulations and the Articles of Association, and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a manager should typically have for the Company's best interests.</p> <p>Directors shall bear the following duties of diligence to the Company:</p> <p>(1) directors shall be prudent, scrupulous and diligent in exercising the authority conferred by the Company to ensure that the business activities of the Company comply with the laws, administrative regulations and various economic policy requirements, and that the business activities do not go beyond the scope of business activities specified in the Company's business license;</p> <p>(2) directors shall treat all shareholders equally;</p> <p>(3) directors shall keep abreast of the Company's business management status;</p> <p>(4) directors shall sign written statements confirming periodic reports of the Company, and ensure that the information disclosed by the Company is true, accurate, and complete;</p> <p>(5) directors shall provide accurate information and materials to the board of supervisors, and shall not interfere with the performance of duties by the board of supervisors or individual supervisors;</p> <p>(6) directors shall have other diligence duties prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.</p>	Article 108	<p>Directors shall comply with laws, administrative regulations and the Articles of Association, and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a manager should typically have for the Company's best interests.</p> <p>Directors shall bear the following duties of diligence to the Company:</p> <p>(1) directors shall be prudent, scrupulous and diligent in exercising the authority conferred by the Company to ensure that the business activities of the Company comply with the laws, administrative regulations and various economic policy requirements, and that the business activities do not go beyond the scope of business activities specified in the Company's business license;</p> <p>(2) directors shall treat all shareholders equally;</p> <p>(3) directors shall keep abreast of the Company's business management status;</p> <p>(4) directors shall sign written statements confirming periodic reports of the Company, and ensure that the information disclosed by the Company is true, accurate, and complete;</p> <p>(5) directors shall provide accurate information and materials to the Audit Committee, and shall not interfere with the performance of duties by the Audit Committee;</p> <p>(6) directors shall have other diligence duties prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 114	<p>The relevant matters of the independent non-executive directors of the Company shall be carried out in accordance with the laws, administrative regulations, relevant regulations of the relevant regulatory authorities and stock exchanges. Except as otherwise provided by this section, the provisions relating to the qualifications and obligations of directors in the Articles of Association shall apply to independent non-executive directors. The independent non-executive Directors shall perform their duties faithfully and protect the interests of the Company, particularly paying attention to ensuring that the legal rights and interests of public shareholders are not harmed, so as to ensure that the interests of all shareholders are adequately represented.</p> <p>In the event that any independent non-executive director becomes non-compliant with the qualifications, independence requirements, or other conditions that make it inappropriate for him/her to act as an independent non-executive director as stipulated by the Hong Kong Listing Rules, resulting in the number of independent non-executive directors of the Company falling below the number required by the Articles of Association, the Company shall promptly notify the Hong Kong Stock Exchange and shall state the relevant details and reasons in the form of an announcement. The Company shall, in accordance with the regulations, make up the number of independent non-executive directors within three months after its failure to comply with the relevant requirements to meet the requirements of the Hong Kong Listing Rules.</p>		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 117	<p>The board of directors exercises the following powers:</p> <p>(1) to convene the general meeting and report work to the general meeting;</p> <p>(2) to carry out the resolutions of the general meeting;</p> <p>(3) to decide on the operational and investment plans of the Company;</p> <p>(4) to formulate the profit distribution and loss recovery plans of the Company;</p> <p>(5) to formulate the plans for increasing or decreasing the Company’s registered capital, the issuance of bonds or other securities and listing;</p> <p>(6) to formulate plans for major acquisition, purchase of shares of the Company, merger, division and dissolution and change of the form of the Company;</p> <p>(7) in accordance with the Articles of Association or within the scope authorized by the general meeting, to determine matters such as the Company’s external investments, the purchase and sale of assets, asset mortgages, external guarantees, entrusted management of finance, connected transactions and external donations;</p> <p>(8) to decide on the organizational setup of the Company;</p>	Article 116	<p>The board of directors exercises the following powers:</p> <p>(1) to convene the general meeting and report work to the general meeting;</p> <p>(2) to carry out the resolutions of the general meeting;</p> <p>(3) to decide on the operational and investment plans of the Company;</p> <p>(4) to formulate the profit distribution and loss recovery plans of the Company;</p> <p>(5) to formulate the plans for increasing or decreasing the Company’s registered capital, the issuance of bonds or other securities and listing;</p> <p>(6) to formulate plans for major acquisition, purchase of shares of the Company, merger, division and dissolution and change of the form of the Company;</p> <p>(7) in accordance with the Articles of Association or within the scope authorized by the general meeting, to determine matters such as the Company’s external investments, the purchase and sale of assets, asset mortgages, external guarantees, entrusted management of finance, connected transactions and external donations;</p> <p>(8) to decide on the organizational setup of the Company;</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	<p>(9) to decide on the appointment or dismissal of the general manager, secretary to the board of directors, and other senior managers of the Company and determine their remuneration, rewards and punishments; based on the nomination of the general manager, to decide on the appointment or dismissal of senior management of the Company such as deputy general manager, chief financial officer and other senior managers and determine their remuneration and rewards and punishments;</p> <p>(10) to formulate the basic management systems of the Company;</p> <p>(11) to formulate the modification plan to the Articles of Association;</p> <p>(12) to manage disclosure matters of the Company;</p> <p>(13) to make proposals to the general meeting on the appointment or replacement of the accounting firm that provides auditing services to the Company;</p> <p>(14) to hear work report of the general manager and to inspect the general manager’s work;</p>		<p>(9) to decide on the appointment or dismissal of the general manager, secretary to the board of directors, and other senior managers of the Company and determine their remuneration, rewards and punishments; based on the nomination of the general manager, to decide on the appointment or dismissal of senior management of the Company such as deputy general manager, chief financial officer and other senior managers and determine their remuneration and rewards and punishments;</p> <p>(10) to formulate the basic management systems of the Company;</p> <p>(11) to formulate the modification plan to the Articles of Association;</p> <p>(12) to manage disclosure matters of the Company;</p> <p>(13) to make proposals to the general meeting on the appointment or replacement of the accounting firm that provides auditing services to the Company;</p> <p>(14) to hear work report of the general manager and to inspect the general manager’s work;</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	<p>(15) to formulate and implement share incentive plans of the Company;</p> <p>(16) other powers and duties authorized by the laws, administrative regulations, department rules, listing rules in the place where the Company’s shares are listed or the Articles of Association.</p> <p>Matters beyond the scope of authorization by the shareholders’ meeting shall be submitted to the shareholders’ meeting for consideration.</p> <p>The board of directors has established the following special committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy and Development Committee. The special committees shall be responsible for the board of directors and shall perform their duties as stipulated in the Articles of Association and as authorized by the board of directors. Proposals shall be submitted to the board of directors for consideration. All members of the special committees shall be directors. Independent non-executive directors shall account for the majority of members of the Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee. The specific composition and qualification requirements shall refer to laws, administrative regulations, departmental rules, and the regulatory rules of the place where Company’s shares are listed. The board of directors is responsible for formulating the terms of reference of the special committees, which include matters such as composition, responsibilities and authorities, decision-making processes, meeting systems, and relevant remuneration assessment mechanisms, to regulate the operation of the special committees.</p>		<p>(15) to formulate and implement share incentive plans of the Company;</p> <p>(16) other powers and duties authorized by the laws, administrative regulations, department rules, listing rules in the place where the Company’s shares are listed or the Articles of Association.</p> <p>Matters beyond the scope of authorization by the shareholders’ meeting shall be submitted to the shareholders’ meeting for consideration.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 118	<p>The Board of directors shall obtain the approval of more than half of all members of the Audit Committee before making resolutions on the following matters:</p> <p>(1) the appointment and dismissal of the accounting firm responsible for the Company’s audit;</p> <p>(2) the appointment and dismissal of the financial officer;</p> <p>(3) the disclosure of financial accounting reports;</p> <p>(4) other matters as stipulated by the securities regulatory authority of the State Council.</p>		Delete
Article 119	<p>Any material matters to be decided by the board of directors of the Company must be handled in strict accordance with the specified procedure, and notice shall be given to all directors at the time required by the Articles of Association and sufficient information shall be given at the same time. The directors may request additional information. When one-fourth or more of the directors or two or more of the independent non-executive directors consider that the information and materials are not sufficient or they are unable to make a decision on the matters for other reasons, they may jointly propose to postpone the board meetings or delay the discussion of certain matters to be resolved in the board meetings, and the board of directors shall adopt the relevant proposal.</p>	Article 117	<p>Any material matters to be decided by the board of directors of the Company must be handled in strict accordance with the specified procedure, and notice shall be given to all directors at the time required by the Articles of Association and sufficient information shall be given at the same time. The directors may request additional information. When one-fourth or more of the directors or two or more of the independent non-executive directors consider that the information and materials are not sufficient or they are unable to make a decision on the matters for other reasons, they may jointly propose to postpone the board meetings or delay the discussion of certain matters to be resolved in the board meetings, and the board of directors shall adopt the relevant proposal.</p> <p>The board of directors of the Company shall provide an explanation to the general meeting regarding any non-standard audit opinion issued by the certified public accountants on the Company’s financial report.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 125	Board meetings are classified as regular meetings and extraordinary meetings. The board of directors shall convene regular board meetings at least four times a year, approximately once every quarter, shall be convened by the chairman and shall be notified in writing to all directors and supervisors 14 days prior to the meeting and, if necessary, to the general manager and other senior management.	Article 123	Board meetings are classified as regular meetings and extraordinary meetings. The board of directors shall convene regular board meetings at least four times a year, approximately once every quarter, shall be convened by the chairman and shall be notified in writing to all directors 14 days prior to the meeting and, if necessary, to the general manager and other senior management.
Article 126	Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent non-executive directors, the board of supervisors or the general manager may propose an extraordinary board meetings. The chairman shall convene and preside over the board meetings within 10 days after receiving such proposal. The chairman of the board of directors may also convene an extraordinary board meetings when it deems it necessary.	Article 124	Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent non-executive directors, the Audit Committee or the general manager may propose an extraordinary board meetings. The chairman shall convene and preside over the board meetings within 10 days after receiving such proposal. The chairman of the board of directors may also convene an extraordinary board meetings when it deems it necessary.
Article 127	A reasonable notice for convening the extraordinary board meetings shall be notified to all directors, supervisors and the general manager, and, if necessary, other senior management of the Company prior to the convening of the meeting.	Article 125	A reasonable notice for convening the extraordinary board meetings shall be notified to all directors and the general manager, and, if necessary, other senior management of the Company prior to the convening of the meeting.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Newly added		Section 3 Independent Non-executive Directors	
	Newly added	Article 134	Independent non-executive directors shall, in accordance with the provisions of laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, diligently perform their duties, play a role in participating in decision-making, providing checks and balances through supervision, and offering professional advice within the board of directors, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 135	<p>Independent non-executive directors must maintain independence. The following persons shall not serve as independent non-executive directors:</p> <p>(1) Persons holding a position in the Company or its subsidiaries, and their spouses, parents, children and major social relations; (2) Natural person shareholders who directly or indirectly hold more than one percent of the Company’s issued shares, or are among the top ten shareholders of the Company, and their spouses, parents and children;</p> <p>(3) Persons holding a position in a shareholder that directly or indirectly holds more than five percent of the Company’s issued shares, or in one of the Company’s top five shareholders, and their spouses, parents and children;</p> <p>(4) Persons holding a position in a subsidiary of the Company’s controlling shareholders or de facto controllers, and their spouses, parents, and children;</p> <p>(5) Persons who have material business dealings with the Company, its controlling shareholders, de facto controllers, or their respective subsidiaries, or persons holding a position in an entity that has material business dealings with the Company, or such entity’s controlling shareholders or de facto controllers;</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
			<p>(6) Persons who provide financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholders, de facto controllers, or their respective subsidiaries, including but not limited to all project team members, reviewers at all levels, signatories on reports, partners, directors, senior management and principal responsible persons of intermediary institutions providing services;</p> <p>(7) Persons who have fallen under any of the circumstances listed in items (1) to (6) within the last twelve months;</p> <p>(8) Other persons who lack independence as stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.</p> <p>The subsidiaries of the Company’s controlling shareholders or de facto controllers referred to in items (4) to (6) of the preceding paragraph do not include enterprises that are controlled by the same state-owned assets management institution as the Company and do not constitute a connected relationship with the Company according to relevant regulations.</p> <p>Independent non-executive directors shall conduct an annual self-assessment of their independence and submit the self-assessment to the board of directors. The board of directors shall annually evaluate the independence of the incumbent independent non-executive directors and issue a special opinion, which shall be disclosed in accordance with laws and regulations.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 136	<p>To serve as an independent non-executive director of the Company, a person shall meet the following conditions:</p> <p>(1) Possess the qualifications to serve as a director of a listed company according to laws, administrative regulations, securities regulatory rules of the place where the Company’s shares are listed and other relevant regulations;</p> <p>(2) Meet the independence requirements stipulated in the Articles of Association;</p> <p>(3) Possess basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations and rules;</p> <p>(4) Have the work experience in the pharmaceutical industry or in fields such as law, accounting or economic management necessary to perform the duties of an independent non-executive director;</p> <p>(5) Possess good personal character and have no record of major dishonesty or other negative records;</p> <p>(6) Other conditions stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 137	<p>Independent non-executive directors, as members of the board of directors, owe fiduciary duties and duties of diligence to the Company and all shareholders, and shall prudently perform the following duties:</p> <p>(1) Participate in decision-making of the board of directors and express clear opinions on matters under discussion;</p> <p>(2) Supervise matters involving potential major conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors or senior management, and protect the legitimate rights and interests of minority shareholders;</p> <p>(3) Provide professional and objective advice on the Company's business development, contributing to enhancing the decision-making level of the board of directors;</p> <p>(4) Other duties stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 138	<p>Independent non-executive directors shall exercise the following special powers:</p> <p>(1) Independently engage intermediary institutions to audit, consult on or verify specific matters of the Company;</p> <p>(2) Propose to the board of directors the convening of an extraordinary general meeting;</p> <p>(3) Propose the convening of a meeting of the board of directors;</p> <p>(4) Publicly solicit shareholders' rights from shareholders in accordance with the law;</p> <p>(5) Express independent opinions on matters that may harm the interests of the Company or minority shareholders;</p> <p>(6) Other powers stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.</p> <p>When independent non-executive directors exercise the powers listed in items (1) to (3) of the preceding paragraph, the matter shall be approved by more than half of all independent non-executive directors.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 139	<p>Independent non-executive directors may convene special meetings of independent non-executive directors to study and discuss on matters requiring their opinions.</p> <p>Special meetings of independent non-executive directors shall be convened and presided over by an independent non-executive director jointly elected by more than half of all independent non-executive directors; if the convener fails or is unable to perform their duties, two or more independent non-executive directors may convene the meeting themselves and elect a representative to preside over the meeting.</p> <p>The chairman of the board of directors shall hold at least one special meeting annually with the independent non-executive directors without the presence of other directors, for open and candid communication on topics such as corporate governance, strategy, risks, management performance and remuneration.</p> <p>Minutes shall be prepared for special meetings of independent non-executive directors, recording the opinions of the independent non-executive directors. Independent non-executive directors shall sign to confirm the minutes.</p> <p>The Company shall provide convenience and support for convening special meetings of independent non-executive directors.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Newly added		Section 4 Special Committees of the Board of Directors	
	Newly added	Article 140	The board of directors of the Company shall establish an Audit Committee, which shall exercise the functions and powers of the board of supervisors as stipulated by the Company Law.
	Newly added	Article 141	The Audit Committee shall consist of three members, all of whom must be non-executive directors. More than half of the members shall be independent non-executive directors, and the chairman shall be an accounting professional from among the independent non-executive directors.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 142	<p>The Audit Committee is responsible for reviewing the Company’s financial information and its disclosure, supervising and evaluating internal and external audit work and internal controls. The following matters shall be submitted to the board of directors for deliberation after obtaining the approval of more than half of all members of the Audit Committee:</p> <p>(1) Disclosure of financial accounting reports and financial information in periodic reports, as well as internal control evaluation reports;</p> <p>(2) Appointment or dismissal of the accounting firm engaged for undertaking audit of the listed company;</p> <p>(3) Appointment or dismissal of the chief financial officer of the listed company;</p> <p>(4) Changes in accounting policies or accounting estimates, or corrections of significant accounting errors, for reasons other than changes in accounting standards;</p> <p>(5) Other matters stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 143	<p>The Audit Committee shall meet at least once every six months. An interim meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary.</p> <p>A meeting of the Audit Committee requires the attendance of at least two-thirds of its members to be held.</p> <p>Resolutions of the Audit Committee shall be passed by more than half of its members.</p> <p>Voting on resolutions of the Audit Committee shall be conducted on a one-vote-per-member basis.</p> <p>Minutes of the Audit Committee shall be prepared in accordance with relevant rules, and members attending the meeting shall sign the minutes.</p> <p>The terms of reference of the Audit Committee shall be formulated by the board of directors.</p>
	Newly added	Article 144	<p>The board of directors of the Company may establish special committees such as the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy and Development Committee. These committees shall perform their duties in accordance with the Articles of Association and the authorization of the board of directors, and proposals from the special committees shall be submitted to the board of directors for deliberation and decision. The terms of reference of the special committees shall be formulated by the board of directors.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 145	<p>More than half of the members of the Nomination Committee shall be independent non-executive directors. The committee is responsible for formulating the selection criteria and procedures for directors and senior management members, selecting and reviewing candidates for directors and senior management members and their qualifications, and making recommendations to the board of directors on the following matters:</p> <p>(1) Nomination or removal of directors;</p> <p>(2) Appointment or dismissal of senior management members;</p> <p>(3) Other matters stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.</p> <p>If the board of directors does not adopt, or only partially adopts, the recommendations of the Nomination Committee, the resolution of the board of directors shall record the Nomination Committee’s opinions and the specific reasons for not adopting them, and shall disclose such information in accordance with laws and regulations.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	Newly added	Article 146	<p>More than half of the members of the Remuneration and Appraisal Committee shall be independent non-executive directors. The committee is responsible for formulating appraisal standards for directors and senior management members and conducting appraisals, formulating and reviewing remuneration policies and plans for directors and senior management members, including decision-making mechanisms, decision-making processes, payment and clawback arrangements, and making recommendations to the board of directors on the following matters:</p> <p>(1) Remuneration of directors and senior management member;</p> <p>(2) Formulating or amending equity incentive plans and employee share ownership plans, and the conditions for the grant and vesting of interests for incentive recipients;</p> <p>(3) Arrangements for directors and senior management members to hold shares in proposed subsidiaries to be spun off;</p> <p>(4) Other matters stipulated by laws, administrative regulations, rules of the China Securities Regulatory Commission, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p> <p>If the board of directors does not adopt, or only partially adopts, the recommendations of the Remuneration and Appraisal Committee, the resolution of the board of directors shall record the Remuneration and Appraisal Committee's opinions and the specific reasons for not adopting them, and shall disclose such information in accordance with laws and regulations.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
CHAPTER 7 BOARD OF SUPERVISORS		Delete	
Section 1 Supervisors		Delete	
Article 146	<p>The circumstances of disqualification for directors of the Articles of Association shall be applicable to supervisors.</p> <p>Directors, the general manager and other senior management members shall not serve concurrently as supervisors.</p>		Delete
Article 147	<p>The means and procedure of nomination for supervisors shall be:</p> <p>The board of supervisors and the shareholder(s) individually or jointly holding at least 3% voting shares of the Company may nominate candidates for non-employee representative supervisors, while the board of supervisors will review the qualifications, and if the candidates meet the qualifications, the board of supervisors will submit the list to the general meeting for voting.</p> <p>The employee representative supervisors are democratically elected by the employees of the Company through the employee representative meeting, the employee meeting or other means.</p>		Delete
Article 148	<p>The supervisors shall observe the laws, administrative regulations and the Articles of Association. They shall shoulder the duties of loyalty and due diligence to the Company, and shall not accept any bribery or other illegal income by using their powers and position, or seize the assets of the Company.</p>		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 149	Each supervisor shall serve for a term of three years, and may be re-elected upon expiry of its term of office.		Delete
Article 150	Supervisors may resign before the expiration of their term. The provisions of the Articles of Association regarding the resignation of directors shall apply to supervisors.		Delete
Article 151	The original supervisor shall continue to perform its duties in accordance with the laws, administrative regulations and the Articles of Association until a re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of its term of office, or if the resignation of supervisor results in the number of supervisors being less than the quorum.		Delete
Article 152	Supervisors shall ensure that information disclosed by the Company is true, accurate and complete.		Delete
Article 153	Supervisors may attend board of directors meetings and may raise queries or proposals regarding matters resolved at such meetings.		Delete
Article 154	Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.		Delete
Article 155	If supervisors have violated the provisions of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Section 2 Board of Supervisors		Delete	
Article 156	<p>The Company shall have a board of supervisors, which shall consist of three supervisors. The board of supervisors shall have one chairman, who shall be selected by at least one half of all supervisors. The chairman of the board of supervisors shall convene and preside over meetings of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, a supervisor jointly selected by at least one half of the supervisors shall convene and preside over the meeting of the board of supervisors.</p> <p>The board of supervisors shall consist of shareholder’s representatives and employee’s representatives, of which employee’s representatives shall account for no less than one-third.</p>		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
<p>Article 157</p>	<p>The board of supervisors exercises the following powers:</p> <p>(1) review regular reports prepared by the board of directors and provide review opinions in writing;</p> <p>(2) examine the financial standing of the Company;</p> <p>(3) supervise the Company’s duties performing of directors and senior management, and put forward suggestions for dismissing any directors or senior management who are in breach of the laws, administrative regulations, the Articles of Association or resolutions of the general meetings;</p> <p>(4) require the directors and senior management to take corrective measures when their actions are detrimental to the Company’s interests;</p> <p>(5) propose to convene an extraordinary general meeting and to convene and preside over the general meeting when the board of directors fails to perform its duty to convene and preside over a general meeting prescribed in the Company Law;</p>		<p>Delete</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
	<p>(6) submit proposals to the general meetings;</p> <p>(7) bring a lawsuit against any director or senior manager in accordance with the Company Law;</p> <p>(8) conduct investigation if any abnormality in the operation of the Company is found, and, where necessary, engage an accounting firm, law firm or any other specialized agency to assist in its work at the expense of the Company;</p> <p>(9) other powers conferred by laws, administrative regulations, departmental rules, the listing rules of the place where the shares of the Company are listed or the Articles of Association.</p>		
Article 158	<p>Meetings of the board of supervisors are classified as regular meetings and extraordinary meetings.</p> <p>At least one regular meeting of the board of supervisors shall be held every six months. A supervisor can propose to convene an extraordinary meeting of the board of supervisors. A notice of regular or extraordinary meetings of the board of supervisors shall be given to all supervisor 10 days and 5 days prior to the meetings respectively.</p>		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 159	<p>A notice of meeting of the board of supervisors shall include the followings:</p> <p>(1) the date, venue and duration of the meeting;</p> <p>(2) the subject matter and issues;</p> <p>(3) the date the notice is given.</p>		Delete
Article 160	<p>Should an extraordinary meeting of the board of supervisors be required to convene as soon as possible in case of emergency, the notice of meeting of the board of supervisors may be given orally, which shall at least include the date, venue, subject matter and issues of the meeting, as well as an explanation of the emergency to convene an extraordinary meeting of the board of supervisors as soon as possible.</p> <p>The board of supervisors shall formulate the rules of procedure of the board of supervisors, which shall specify the procedures for the discussion of matters and voting at such meetings so as to ensure the efficiency of the work and rationality of the decisions of the board of supervisors. The rules of procedure of the board of supervisors shall be annexed to the Articles of Association and shall be prepared by the board of supervisors and approved by the general meeting.</p>		Delete
Article 161	<p>Proceedings of the board of supervisors: each supervisor shall have one vote.</p>		Delete

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 162	Resolutions of the board of supervisors shall be passed by more than half of the supervisors.		Delete
Article 163	The extraordinary meeting of the board of supervisors can be held by means of video conference, teleconference or written signing and resolution can be made provided that the supervisors' chances to fully express their opinions are guaranteed. Supervisors attending the meeting shall sign their names.		Delete
Article 164	<p>The board of supervisors shall prepare meeting minutes on matters discussed. Supervisors attending the meeting shall sign on the meeting minutes.</p> <p>A supervisor is entitled to request the addition to the minutes of some explanatory record concerning its speech made during the meeting. Minutes of the meeting of board of supervisors shall be kept as a company file for a period of no less than ten years.</p>		Delete
Article 177	The engagement and dismissal of an accounting firm shall be submitted to the board of directors for consideration after being approved by more than half of all members of the Audit Committee and shall be determined by the general meeting. The board of directors shall not appoint any accounting firm prior to a decision made by the general meeting.	Article 169	The engagement and dismissal of an accounting firm shall be submitted to the board of directors for consideration after being approved by more than half of all members of the Audit Committee and shall be determined by the general meeting. The board of directors shall not appoint any accounting firm prior to a decision made by the general meeting.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments		After amendments	
Article 185	The meeting notice of the board of supervisors of the Company shall be made by hand, email, post, announcement or other methods specified by the rules of procedure of the board of supervisors.		Delete
Article 221	The appendices to the Articles of Association include the rules of procedure of the general meeting, the rules of procedure of the board of directors and the rules of procedure of the board of supervisors . In case of any discrepancy between the rules of procedure of the general meeting, the rules of procedure of the board of directors and the rules of procedure of the board of supervisors and the Articles of Association, the Articles of Association shall prevail.	Article 212	The appendices to the Articles of Association include the rules of procedure of the general meeting and the rules of procedure of the board of directors. In case of any discrepancy between the rules of procedure of the general meeting and the rules of procedure of the board of directors and the Articles of Association, the Articles of Association shall prevail.

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

**THE RULES AND PROCEDURES FOR THE GENERAL MEETINGS
(DRAFT REVISION) OF QYUNS THERAPEUTICS CO., LTD.**

Before amendments	After amendments
<p>Article 6 Shareholders requesting the convening of an extraordinary general meeting or a class meeting shall follow the procedures below:</p> <p>(1) Shareholder(s) individually or jointly holding 10% or more of the Company’s shares may sign one or more written requisitions in the same format, requesting the board of directors to convene an extraordinary general meeting and specifying the agenda of the meeting. The board of directors shall, within 10 days of receiving such written requisition, provide a written response indicating whether it agrees to convene the extraordinary general meeting. If the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the board resolution is made. Any changes to the original request in the notice shall require the consent of the requisitioning shareholders. The aforementioned shareholding shall be calculated as of the date the shareholders submit the written request.</p> <p>(2) If the board of directors disagrees to convene the extraordinary general meeting, or fails to provide a response within 10 days of receiving the request, the requisitioning shareholders may, in writing, request the board of supervisors to convene the extraordinary general meeting. If the board of supervisors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days of receiving the request. Any changes to the original request in the notice shall require the consent of the requisitioning shareholders.</p>	<p>Article 6 Shareholders requesting the convening of an extraordinary general meeting or a class meeting shall follow the procedures below:</p> <p>(1) Shareholder(s) individually or jointly holding 10% or more of the Company’s shares may sign one or more written requisitions in the same format, requesting the board of directors to convene an extraordinary general meeting and specifying the agenda of the meeting. The board of directors shall, within 10 days of receiving such written requisition, provide a written response indicating whether it agrees to convene the extraordinary general meeting. If the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the board resolution is made. Any changes to the original request in the notice shall require the consent of the requisitioning shareholders. The aforementioned shareholding shall be calculated as of the date the shareholders submit the written request.</p> <p>(2) If the board of directors disagrees to convene the extraordinary general meeting, or fails to provide a response within 10 days of receiving the request, the requisitioning shareholders may, in writing, request the Audit Committee to convene the extraordinary general meeting. If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days of receiving the request. Any changes to the original request in the notice shall require the consent of the requisitioning shareholders.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>(3) If the board of supervisors fails to issue the notice of the general meeting within the specified period, it shall be deemed that the board of supervisors is not convening and presiding over the general meeting. In such case, shareholder(s) individually or jointly holding 10% or more of the Company’s shares for 90 consecutive days or more may convene and preside over the meeting themselves.</p> <p>If the board of supervisors or shareholders decide to convene a general meeting on their own, they must provide written notice to the board of directors and, concurrently, file a record with the stock exchange of the place where the Company’s shares are listed.</p> <p>Reasonable expenses incurred for a meeting convened and held by shareholders due to the failure of the board of directors to convene a meeting as requested above shall be borne by the Company and may be deducted from any amounts payable by the Company to the defaulting directors.</p>	<p>(3) If the Audit Committee fails to issue the notice of the general meeting within the specified period, it shall be deemed that the Audit Committee is not convening and presiding over the general meeting. In such case, shareholder(s) individually or jointly holding 10% or more of the Company’s shares for 90 consecutive days or more may convene and preside over the meeting themselves.</p> <p>If the Audit Committee or shareholders decide to convene a general meeting on their own, they must provide written notice to the board of directors and, concurrently, file a record with the stock exchange of the place where the Company’s shares are listed.</p> <p>Reasonable expenses incurred for a meeting convened and held by shareholders due to the failure of the board of directors to convene a meeting as requested above shall be borne by the Company and may be deducted from any amounts payable by the Company to the defaulting directors.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 8 Where the Company convenes a general meeting, the board of directors, the board of supervisors and the shareholder(s) severally or jointly holding 1% or above shares of the Company may make proposals to the Company.</p> <p>Shareholder(s) severally or jointly holding 1% or above shares of the Company may submit written provisional proposals to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting of shareholders within 2 days after receiving the proposal, announce the contents of the provisional proposal, and include the matters in the proposal that fall within the scope of responsibilities of the general meeting of shareholders on the agenda of the meeting for submission to the general meeting of shareholders for consideration and approval.</p> <p>Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.</p> <p>Proposals that have not been set forth in the notice of the general meeting of shareholders or do not comply with the provisions of the Articles of Association shall not be voted and resolved at the general meeting of shareholders.</p>	<p>Article 8 Where the Company convenes a general meeting, the board of directors, the Audit Committee and the shareholder(s) severally or jointly holding 1% or above shares of the Company may make proposals to the Company.</p> <p>Shareholder(s) severally or jointly holding 1% or above shares of the Company may submit written provisional proposals to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting of shareholders within 2 days after receiving the proposal, announce the contents of the provisional proposal, and include the matters in the proposal that fall within the scope of responsibilities of the general meeting of shareholders on the agenda of the meeting for submission to the general meeting of shareholders for consideration and approval.</p> <p>Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.</p> <p>Proposals that have not been set forth in the notice of the general meeting of shareholders or do not comply with the provisions of the Articles of Association shall not be voted and resolved at the general meeting of shareholders.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 11 Unless otherwise provided by relevant laws, regulations, normative documents, the securities regulatory authorities of the place where the Company’s shares are listed or the Articles of Association, notice of a general meeting shall be given to shareholders (regardless of whether they have voting rights at the general meeting) by personal delivery or by prepaid mail, addressed to the shareholder’s address as recorded in the register of members; or, subject to compliance with applicable laws, regulations and the listing rules of the place where the Company’s shares are listed, published on the Company’s website and the website designated by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).</p> <p>Notices issued by the Company by way of public announcement shall, once made, be deemed to have been received by all relevant persons (including all holders of the Company’s unlisted shares and H Shares).</p> <p>When the board of supervisors or convening shareholders issue a notice of a general meeting, they shall submit relevant supporting documents to the stock exchange of the place where the Company’s shares are listed.</p>	<p>Article 11 Unless otherwise provided by relevant laws, regulations, normative documents, the securities regulatory authorities of the place where the Company’s shares are listed or the Articles of Association, notice of a general meeting shall be given to shareholders (regardless of whether they have voting rights at the general meeting) by personal delivery or by prepaid mail, addressed to the shareholder’s address as recorded in the register of members; or, subject to compliance with applicable laws, regulations and the listing rules of the place where the Company’s shares are listed, published on the Company’s website and the website designated by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).</p> <p>Notices issued by the Company by way of public announcement shall, once made, be deemed to have been received by all relevant persons (including all holders of the Company’s unlisted shares and H Shares).</p> <p>When the Audit Committee or convening shareholders issue a notice of a general meeting, they shall submit relevant supporting documents to the stock exchange of the place where the Company’s shares are listed.</p>
<p>Article 21 In the event that the shareholders’ general meeting requires directors, supervisors, and senior management to attend, the directors, supervisors, and senior management shall attend and be questioned by the shareholders, except where attendance is impossible due to objective reasons. Other persons may observe the meeting with the permission of the meeting chairperson.</p>	<p>Article 21 In the event that the shareholders’ general meeting requires directors and senior management to attend, the directors and senior management shall attend and be questioned by the shareholders, except where attendance is impossible due to objective reasons. Other persons may observe the meeting with the permission of the meeting chairperson.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 29 The general meeting shall be convened by the board of directors in accordance with laws and shall be presided over by the chairman of the board of directors. If the chairman of the board of directors is unable or fails to perform its duties, the meetings shall be presided over by a director jointly elected by more than half of the directors.</p> <p>A general meeting convened by the board of supervisors on its own shall be presided over by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, the meetings shall be presided over by a supervisor jointly elected by more than half of the supervisors.</p> <p>A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convener.</p> <p>During a general meeting, in the event that the chairman of the meeting violates the rules of procedures so that the general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of shareholders with a majority of the voting rights present at the meeting.</p>	<p>Article 29 The general meeting shall be convened by the board of directors in accordance with laws and shall be presided over by the chairman of the board of directors. If the chairman of the board of directors is unable or fails to perform its duties, the meetings shall be presided over by a director jointly elected by more than half of the directors.</p> <p>A general meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform its duties, the meetings shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee.</p> <p>A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convener.</p> <p>During a general meeting, in the event that the chairman of the meeting violates the rules of procedures so that the general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of shareholders with a majority of the voting rights present at the meeting.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 36 Before voting takes place on a proposal, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and its proxy(ies) shall not participate in the vote counting and scrutinizing.</p> <p>When voting takes place on a proposal at a general meeting, representatives of shareholders and supervisors and other relevant persons appointed pursuant to the Hong Kong Listing Rules shall be jointly responsible for vote counting and scrutinizing in accordance with the Hong Kong Listing Rules, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.</p> <p>Shareholders or their proxies who vote via other means have the right to check the results of their votes in the corresponding voting system.</p>	<p>Article 36 Before voting takes place on a proposal, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and its proxy(ies) shall not participate in the vote counting and scrutinizing.</p> <p>When voting takes place on a proposal at a general meeting, representatives of shareholders and other relevant persons appointed pursuant to the Hong Kong Listing Rules shall be jointly responsible for vote counting and scrutinizing in accordance with the Hong Kong Listing Rules, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.</p> <p>Shareholders or their proxies who vote via other means have the right to check the results of their votes in the corresponding voting system.</p>
<p>Article 38 The following matters shall be passed by way of ordinary resolution at a general meeting:</p> <p>(1) the work report of the board of directors and the board of supervisors;</p> <p>(2) the board of directors' proposed profit distribution plan and loss recovery plan;</p> <p>(3) appointment and dismissal of members of the board of directors and the board of supervisors, and their remuneration and payment method;</p> <p>(4) the Company's annual report;</p> <p>(5) matters other than those that are required to be passed by special resolution in accordance with the laws, administrative regulations or the Articles of Association.</p>	<p>Article 38 The following matters shall be passed by way of ordinary resolution at a general meeting:</p> <p>(1) the work report of the board of directors;</p> <p>(2) the board of directors' proposed profit distribution plan and loss recovery plan;</p> <p>(3) appointment and dismissal of members of the board of directors, and their remuneration and payment method;</p> <p>(4) the Company's annual report;</p> <p>(5) matters other than those that are required to be passed by special resolution in accordance with the laws, administrative regulations or the Articles of Association.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 41 The nomination methods and procedures for the election of directors and supervisors (excluding employee representative supervisors) at the general meeting are as follows:</p> <p>(1) Shareholder(s) holding or jointly holding 3% or more of the total voting shares of the Company may nominate candidates for directors and candidates for non-employee representative supervisors to the general meeting by way of written proposal, provided that the number of nominees must comply with the provisions of the Articles of Association and shall not exceed the number of persons to be elected. Such proposals submitted by shareholders to the Company shall be delivered to the Company at least seven days before the date of the general meeting.</p> <p>(2) Directors and supervisors may, within the limit on the number of persons stipulated in the Articles of Association and based on the number of persons to be elected, propose a recommended list of director and supervisor candidates and submit them to the board of directors and the board of supervisors for review respectively. After the board of directors and the board of supervisors review and determine the candidates for directors and supervisors by resolution, such candidates shall be submitted to the general meeting by way of a written proposal.</p>	<p>Article 41 The nomination methods and procedures for the election of directors at the general meeting are as follows:</p> <p>(1) Shareholder(s) holding or jointly holding 3% or more of the total voting shares of the Company may nominate candidates for directors to the general meeting by way of written proposal, provided that the number of nominees must comply with the provisions of the Articles of Association and shall not exceed the number of persons to be elected. Such proposals submitted by shareholders to the Company shall be delivered to the Company at least seven days before the date of the general meeting.</p> <p>(2) Directors may, within the limit on the number of persons stipulated in the Articles of Association and based on the number of persons to be elected, propose a recommended list of director candidates and submit them to the board of directors for review. After the board of directors review and determine the candidates for directors by resolution, such candidates shall be submitted to the general meeting by way of a written proposal.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>(3) Written notices of the intention to nominate candidates for directors or non-employee representative supervisors, and the nominees' indication of willingness to accept nomination, as well as relevant written materials regarding the nominees' particulars, shall be delivered to the Company no less than seven days before the date of the general meeting (the seven-day notice period shall commence no earlier than the day following the dispatch of the notice convening the relevant election meeting and shall end no later than seven days before the general meeting). The board of directors and the board of supervisors shall provide shareholders with the resumes and basic information of the candidates for directors and supervisors.</p> <p>(4) The period for submitting nominations for director and supervisor candidates to the Company, as well as the period for nominees to submit the aforementioned notices and documents (calculated from the day following the date of dispatch of the notice of general meeting), shall be no less than seven days.</p> <p>(5) The general meeting shall vote on each candidate for director and supervisor individually.</p> <p>(6) In the event of interim additions of directors or supervisors, the board of directors or the board of supervisors shall submit a proposal to the general meeting for election or replacement.</p>	<p>(3) Written notices of the intention to nominate candidates for directors, and the nominees' indication of willingness to accept nomination, as well as relevant written materials regarding the nominees' particulars, shall be delivered to the Company no less than seven days before the date of the general meeting (the seven-day notice period shall commence no earlier than the day following the dispatch of the notice convening the relevant election meeting and shall end no later than seven days before the general meeting). The board of directors shall provide shareholders with the resumes and basic information of the candidates for directors.</p> <p>(4) The period for submitting nominations for director candidates to the Company, as well as the period for nominees to submit the aforementioned notices and documents (calculated from the day following the date of dispatch of the notice of general meeting), shall be no less than seven days.</p> <p>(5) The general meeting shall vote on each candidate for director individually.</p> <p>(6) In the event of interim additions of directors, the board of directors shall submit a proposal to the general meeting for election or replacement.</p>
<p>Article 47 Registered shareholders of the Company or their authorized proxies, directors, supervisors, senior management members, as well as guests and journalists invited by the board of directors or the proposing shareholders may attend the general meeting. Other persons shall not be admitted.</p>	<p>Article 47 Registered shareholders of the Company or their authorized proxies, directors, senior management members, as well as guests and journalists invited by the board of directors or the proposing shareholders may attend the general meeting. Other persons shall not be admitted.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 49 During the deliberation of proposals, only shareholders or their proxies have the right to speak. Other attendees shall not ask questions or speak. A shareholder or proxy wishing to speak shall first raise their hand to signal, and after permission from the host, may speak from their seat or proceed to the designated speaking area.</p> <p>When multiple shareholders or proxies raise their hands to speak, the host shall designate the speaker.</p> <p>The host shall determine the speaking time and number of times each person may speak based on specific circumstances. A shareholder’s speech shall not be interrupted during the specified speaking period to ensure the shareholder fully enjoys the right to speak.</p> <p>The host may refuse or stop a speech made by a shareholder or proxy in violation of the provisions of the preceding three paragraphs.</p> <p>Directors, supervisors, the general manager, other senior management members of the Company attending the meeting and others approved by the host may speak.</p>	<p>Article 49 During the deliberation of proposals, only shareholders or their proxies have the right to speak. Other attendees shall not ask questions or speak. A shareholder or proxy wishing to speak shall first raise their hand to signal, and after permission from the host, may speak from their seat or proceed to the designated speaking area.</p> <p>When multiple shareholders or proxies raise their hands to speak, the host shall designate the speaker.</p> <p>The host shall determine the speaking time and number of times each person may speak based on specific circumstances. A shareholder’s speech shall not be interrupted during the specified speaking period to ensure the shareholder fully enjoys the right to speak.</p> <p>The host may refuse or stop a speech made by a shareholder or proxy in violation of the provisions of the preceding three paragraphs.</p> <p>Directors, the general manager, other senior management members of the Company attending the meeting and others approved by the host may speak.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Before amendments	After amendments
<p>Article 54 Resolutions passed by the general meeting shall be implemented by the board of directors, which shall, according to the content of the resolution, assign the general manager to organize relevant personnel for specific execution. Matters that the general meeting resolution requires the board of supervisors to handle shall be directly organized and implemented by the board of supervisors.</p> <p>After the conclusion of a general meeting, the Company shall disclose information in accordance with the requirements of the Hong Kong Listing Rules and other relevant laws, regulations and normative documents. Prior to such disclosure, attending shareholders, other attendees (including those present and observing), minute-takers and service personnel at the meeting are obliged to maintain the confidentiality of the resolution content.</p>	<p>Article 54 Resolutions passed by the general meeting shall be implemented by the board of directors, which shall, according to the content of the resolution, assign the general manager to organize relevant personnel for specific execution.</p> <p>After the conclusion of a general meeting, the Company shall disclose information in accordance with the requirements of the Hong Kong Listing Rules and other relevant laws, regulations and normative documents. Prior to such disclosure, attending shareholders, other attendees (including those present and observing), minute-takers and service personnel at the meeting are obliged to maintain the confidentiality of the resolution content.</p>
<p>Article 55 The chairman of the board of directors of the Company shall supervise and inspect the implementation of resolutions passed by the general meeting, except for those matters that should be implemented by the board of supervisors, and when necessary, may convene an extraordinary board meeting to hear and deliberate reports on the implementation of general meeting resolutions.</p>	<p>Article 55 The chairman of the board of directors of the Company shall supervise and inspect the implementation of resolutions passed by the general meeting, and when necessary, may convene an extraordinary board meeting to hear and deliberate reports on the implementation of general meeting resolutions.</p>
<p>Article 60 When the board of supervisors or shareholders convene a general meeting in accordance with relevant laws, regulations and the Articles of Association, they shall submit relevant supporting documents to the stock exchange of the place where the Company's shares are listed when issuing the announcement of resolution of general meeting.</p>	<p>Article 60 When the Audit Committee or shareholders convene a general meeting in accordance with relevant laws, regulations and the Articles of Association, they shall submit relevant supporting documents to the stock exchange of the place where the Company's shares are listed when issuing the announcement of resolution of general meeting.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD OF DIRECTORS**

**THE RULES AND PROCEDURES FOR BOARD MEETINGS
(DRAFT REVISION) OF QYUNS THERAPEUTICS CO., LTD.**

Before amendments	After amendments
<p>Article 3 Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent non-executive directors, the board of supervisors or the general manager may propose an extraordinary board meetings. The chairman of the board of directors may also convene an extraordinary board meetings when it deems it necessary.</p>	<p>Article 3 Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent non-executive directors, the Audit Committee or the general manager may propose an extraordinary board meetings. The chairman of the board of directors may also convene an extraordinary board meetings when it deems it necessary.</p>
<p>Article 7 Regular meetings of the board of directors shall be notified in writing to all directors and supervisors 14 days prior to the meeting and, if necessary, to the general manager and other senior management.</p> <p>A reasonable notice for convening the extraordinary board meetings shall be notified to all directors, supervisors and the general manager, and, if necessary, other senior management of the Company prior to the convening of the meeting.</p>	<p>Article 7 Regular meetings of the board of directors shall be notified in writing to all directors 14 days prior to the meeting and, if necessary, to the general manager and other senior management.</p> <p>A reasonable notice for convening the extraordinary board meetings shall be notified to all directors and the general manager, and, if necessary, other senior management of the Company prior to the convening of the meeting.</p>
<p>Article 25 After each proposal has been fully discussed, the host shall duly call for a vote among the attending directors.</p> <p>Upon completion of voting by the attending directors, the secretary to the board of directors or a designated staff member shall promptly collect the votes. The votes shall be counted by a staff member designated by the board of directors under the supervision of a supervisor.</p> <p>For meetings held in person, the meeting host shall announce the voting results on the spot. For meetings convened through other means, the meeting host shall require a staff member designated by the board of directors to notify the directors of the voting results by the next working day following the specified voting deadline.</p>	<p>Article 25 After each proposal has been fully discussed, the host shall duly call for a vote among the attending directors.</p> <p>Upon completion of voting by the attending directors, the secretary to the board of directors or a designated staff member shall promptly collect the votes. The votes shall be counted by a staff member designated by the board of directors under the supervision of a member of the Audit Committee or a director not related to the proposal designated by the board of directors, or the secretary to the board of directors.</p> <p>For meetings held in person, the meeting host shall announce the voting results on the spot. For meetings convened through other means, the meeting host shall require a staff member designated by the board of directors to notify the directors of the voting results by the next working day following the specified voting deadline.</p>

APPENDIX V PRINCIPAL TERMS OF THE 2026 SHARE INCENTIVE SCHEME

The following is the principal terms of 2026 Share Incentive Scheme proposed to be approved at the AGM.

Unless otherwise provided hereunder, for the purposes of 2026 Share Incentive Scheme, references to new shares include Treasury Shares, and references to the issue of shares or securities include the transfer of Treasury Shares.

A. PURPOSE

The purpose of the 2026 Share Incentive Scheme is to establish and improve a long-term incentive mechanism for the Company, attract and retain Participants to promote the development and success of the business of the Group, effectively aligning the interests of stakeholders, the Company, and Participants, fostering a shared focus on the Company's long-term development, and driving the continuous achievement of the Company's strategic and operational goals.

The Company currently does not have any share award scheme relating to the grant of RSUs or options as underlying awards upon the Listing. Although the Company has adopted the Pre-IPO Share Incentive Scheme while it will not involve the grant of new options or awards by the Company after the Listing, the Board believes that the 2026 Share Incentive Scheme will provide flexibility to the Company on rewarding and retaining talents for the continual operation and development of the Group and to attract suitable personnel for further development of the Group after the Listing.

The Company may issue new H Shares, utilize Treasury Shares (if any) or direct and procure the Trustee to purchase existing H Shares (either on-market or off-market) to satisfy the grant of the Share Award(s) under the 2026 Share Incentive Scheme.

B. CONDITIONS

The 2026 Share Incentive Scheme is conditional upon:

- (i) the passing of special resolution(s) by the Shareholders at the shareholders' meeting to approve the adoption of the 2026 Share Incentive Scheme, and to authorize the Board or its Delegate(s) to grant Share Awards under the 2026 Share Incentive Scheme and to allot and issue, procure the transfer of, acquire and otherwise deal with the Shares (including Treasury Shares) underlying the Share Awards granted in accordance with the terms and conditions of the 2026 Share Incentive Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the new H Shares to be allotted and issued underlying the Share Awards granted in accordance with the terms and conditions of the 2026 Share Incentive Scheme.

As at the Latest Practicable Date, none of the aforesaid conditions of the 2026 Share Incentive Scheme had been fulfilled. An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new H Shares to be allotted and issued underlying the Share Awards granted in accordance with the terms and conditions of the 2026 Share Incentive Scheme. At the shareholders' meeting, special resolutions will be proposed for the Shareholders to consider and, if thought fit, approve the adoption of the 2026 Share Incentive Scheme. So far as the Directors are aware of, as at the Latest Practicable Date, none of the Shareholders is required to abstain from voting for said resolution.

C. DURATION AND ADMINISTRATION

The 2026 Share Incentive Scheme shall be valid and effective for the period of ten years commencing on the Adoption Date (the "**Scheme Period**"). After the expiry of the Scheme Period (being the 10th (tenth) anniversary of the Adoption Date), no further Share Awards shall be offered or granted, but in all other respects the provisions of the 2026 Share Incentive Scheme shall remain in full force and effect to the extent necessary to give effect to the settlement of any Share Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the 2026 Share Incentive Scheme.

The 2026 Share Incentive Scheme shall be administered by the Board or its Delegate(s) and/or the Trustee (if the Trustee is appointed by the Company) in accordance with the rules of the 2026 Share Incentive Scheme and the terms of the Trust Deed, and the decision of the Board or its Delegate(s) regarding the administration and operation of the 2026 Share Incentive Scheme shall be final and binding on all parties. To the extent permitted under the Listing Rules, the Board or its Delegate(s) may also delegate the authority to administer the 2026 Share Incentive Scheme to other person(s)/committee(s) as deemed appropriate at its sole discretion.

D. PARTICIPANTS OF THE SHARE AWARD SCHEME AND THE BASIS OF DETERMINING THE ELIGIBILITY OF PARTICIPANTS

The eligible persons who may be selected to become a participant of the 2026 Share Incentive Scheme are any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant; (ii) a Service Provider; and (iii) a Related Entity Participant, who the Board or its Delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group.

(i) Employee Participant and the Basis of Eligibility

In assessing the eligibility of Employee Participants, the Board or its Delegate(s) will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (ii) the length of engagement with the Group; (iii) the individual contribution or potential contribution to the development and growth of the Group; and (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success.

(ii) Service Provider and the Basis of Eligibility

In assessing a Service Provider's eligibility as a Participant, the Board or its Delegate(s) will consider in its sole discretion, on a case-by-case basis, the following factors, including but not limited to: (i) in general, (a) the individual performance of the Service Providers; (b) the frequency of collaboration and the length of business relationship with the Group; (c) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (d) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; (e) the scale of business dealings and/or collaboration with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Providers; (f) the actual contribution or potential contribution towards the long-term development and success of the Group; and (g) the remuneration packages of comparable listed peers for similar service providers based on available information in the industry; (ii) specifically in respect of Service Providers in the category of contractors, distributors and suppliers, (a) the benefits and strategic value brought by the Service Providers to the Group's development and future prospects in terms of the profits and/or income attributable to the Service Providers' collaboration with the Group; and (b) the business opportunities and external connections that the Service Providers have introduced or will potentially introduce to the Group; and (iii) specifically in respect of Service Providers in the category of partners and advisers, (a) the expertise, professional qualifications and industry experience of the Service Providers; (b) the prevailing market fees chargeable by other services providers; (c) the Group's period of engagement of or collaboration with the Service Providers; and (d) the Service Providers' actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.

Service Providers who are eligible under this 2026 Share Incentive Scheme are categorized into (a) contractors, distributors and suppliers; and (b) partners and advisers of any member of the Group who provide services to the Group to support the Group's business activities for the time being and in the future, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity. Set out below are the detailed descriptions of each category of Service Providers and the specific criteria for determining the eligibility of each type of Service Providers, on a case by case basis, under the 2026 Share Incentive Scheme:

Category	Scope of services	Eligibility criteria for Service Providers
(a) Contractors, distributors and suppliers	<p>Service providers under this category are those who directly contribute to the long-term growth of the Group's business by performing roles or providing services on a continuing and recurring basis in the ordinary course of the Group's business.</p> <p>The work of contractors, distributors and suppliers are closely connected with various aspects of the Group's day-to-day operations, including (i) sales of pharmaceutical products, (ii) procurement of services (including marketing, manufacturing and research and development of pharmaceutical products), and their performance directly impacts the Group's operating results and financial performance.</p>	<p>(i) the scale of business dealings between the Service Provider and the Group, measured by the value of purchases or sales attributable to the collaboration;</p> <p>(ii) the Service Provider's ability to consistently maintain high service quality;</p> <p>(iii) the actual or potential contribution to the Group's profitability, cost reduction and operational efficiency;</p> <p>(iv) the duration and stability of the business relationship with the Group; and</p> <p>(v) the business opportunities and industry connections that the Service Provider has introduced or may introduce to the Group.</p>
(b) Partners and advisers	<p>Service providers under this category are those who play significant roles in the Group's business development by contributing specialized skills, knowledge and expertise on a continuing and recurring basis.</p> <p>Such partners and advisers would possess industry-specific insights, technical expertise or valuable experience in the business, scientific, regulatory or commercial areas of the Group. Their ongoing engagement provides the Group with consistent strategic guidance and professional support, the value of which is substantively comparable to that of highly skilled or executive employees of the Group.</p>	<p>(i) the expertise, professional qualifications and industry experience of the Service Provider;</p> <p>(ii) the Group's period of engagement of or collaboration with the Service Provider; and</p> <p>(iii) the Service Provider's actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.</p>

(iii) Related Entity Participants and the Basis of Eligibility

In assessing the eligibility of the Related Entity Participants, the Board or its Delegate(s) will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (a) the experience of the Related Entity Participant on the Group's businesses; (b) his/her expertise and skill, the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group; (c) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group; (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share; (e) the amount of support, assistance, guidance, advice, efforts and contributions the Related Entity Participants have exerted and given towards the success of the Group in research, product development or commercialization, and/or the amount of other potential support, assistance, guidance, advice, efforts and contributions the Related Entity Participant is likely to be able to give or make towards the success of the Group in the future; and (f) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.

E. GRANT OF SHARE AWARDS

On and subject to the terms of the 2026 Share Incentive Scheme, the Board or its Delegate(s) shall be entitled (but shall not be bound) at any time within the Scheme Period to make an Offer to any Participant, as the Board or its Delegate(s) may in its absolute discretion select, of a Share Award consisting of Options or RSUs as set forth in the Offer Letter and on and subject to such terms and conditions as the Board or its Delegate(s) may determine and impose and inform the Trustee and the Grantee accordingly. The Offer shall specify the terms and conditions on which the Share Award is to be granted. Such terms and conditions may include (a) whether the Share Award is in the form of an Option and/or an RSU, (b) the number of Shares underlying the Share Awards, (c) the vesting date and any conditions, restrictions or limitations that must be satisfied in order for the Share Award to vest in whole or in part, (d) in the case of a Share Award of an Option, the Exercise Price and the Exercise Period, and in the case of a Share Award of an RSU, the Purchase Price (if any), (e) any minimum period(s) for which a Share Award must be held, (f) if applicable, any minimum period(s) for which the Grantee must be employed or in service to the Group and/or any minimum performance target(s) that must be achieved such as linking its vesting to the attainment of program milestones and market capitalization milestones by the Group, (g) any clawback mechanism in respect of the Share Awards as described in section L, and (h) may include at the discretion of the Board or its Delegate(s) such other terms either on a case-by-case basis or generally, provided such terms shall not be inconsistent with any other terms and conditions of the 2026 Share Incentive Scheme.

Each grant of Share Awards to any Director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed recipient of the grant of Share Awards).

Where any grant of RSUs to a Director (other than an independent non-executive Director) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all awards involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) already granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company (excluding any awards lapsed in accordance with the terms of the 2026 Share Incentive Scheme or any other share scheme(s) (if any) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the Date of Grant (excluding Treasury Shares), such further grant of Share Awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting.

Where any grant of Share Awards to a substantial shareholder or an independent non-executive Director of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all awards and options (if any) involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) already granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company (excluding any awards or options (if any) lapsed in accordance with the terms of the 2026 Share Incentive Scheme or any other share scheme(s) (if any) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the Date of Grant (excluding Treasury Shares), such further grant of Share Awards shall be subject to prior approval by the independent Shareholders (voting by way of poll) in general meeting.

The Exercise Period during which the Grantee may exercise an Option shall be determined and notified by the Board or its Delegate(s) to each Grantee. Such period may commence on a day after the Date of Grant and in any event shall end not later than 10 years from the Date of Grant but subject to the provisions for early termination thereof contained herein.

The Board may, from time to time, at its absolute discretion grant such number of Share Awards or Share to any selected Participant at such consideration (the “**Grant Consideration**”). If the payment of Grant Consideration is required in the grant notice, the selected participant shall pay the full amount of the required Grant Consideration in cleared funds in such manner and on or before such deadline as prescribed in the grant notice to the Company.

F. SCHEME MANDATE LIMIT AND INDIVIDUAL LIMIT

The maximum number of the Shares which will be issued in respect of all awards and options involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date (excluding Treasury Shares and rounding to the nearest whole Share), being 22,456,760 H Shares the (“**Scheme Mandate Limit**”).

Within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all awards and options (if any) involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to the Service Providers must not in aggregate exceed 2,245,676 H Shares, representing 1% of the total number of Shares in issue as at the Adoption Date (excluding Treasury Shares and rounding to the nearest whole Share) (the “**Service Provider Sublimit**”).

This Service Provider Sublimit represents a maximum limit and that the Company retains the flexibility to allocate Share Awards from this Service Provider Sublimit to satisfy Share Awards to other Participants depending on business growth and needs in the future as and when appropriate. For example, where the Company considers that the business needs of the Group at a future point in time suggests that the full Service Provider Sublimit is no longer needed for Service Provider and that it would be more appropriate and beneficial to serve the purpose of the 2026 Share Incentive Scheme to allocate a portion of the Share Awards under this Service Provider Sublimit to other Participants.

The Company may seek the approval of its Shareholders at general meeting to refresh the Scheme Mandate Limit or the Service Provider Sublimit after three years from the Adoption Date or the date of Shareholders’ approval for the last refreshment (as the case may be), such that the total number of Shares which may be issued in respect of all awards and options involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid approval for refreshment by the Shareholders in general meeting (excluding Treasury Shares). Awards and options lapsed in accordance with the terms of the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company will not be regarded as utilized for the purpose of calculating the limit as refreshed. The Company shall send a circular to the Shareholders containing the number of awards and options that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the refreshment.

Any refreshment within any abovementioned three year period must be approved by the Shareholders subject to: (i) any controlling shareholder(s) of the Company and their respective associates or if there is no controlling shareholder(s), Directors (excluding independent non-executive Directors) and the chief executive(s) of the Company and their respective associates must abstain from voting in favor of the relevant resolution at the general meeting; and (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules. The requirements under (i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2) (a) of the Listing Rules such that the unused part of the Scheme Mandate Limit or the Service Provider Sublimit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit or the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

Unless approved by the Shareholders in the manner set out in the 2026 Share Incentive Scheme, the total number of Shares issued and to be issued in respect of all awards and options granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to each Participant in any 12-month period shall not exceed 1% of the total number of Shares in issue (excluding Treasury Shares (if any)) (the “**Individual Limit**”). Where any grant of Share Awards under the 2026 Share Incentive Scheme to a Participant would result in the aggregate number of Shares issued and to be issued in respect of all awards and options (if any) granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to such Participant (excluding any options and awards lapsed in accordance with the terms of the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company) in the 12-month period up to and including the date of such grant exceeding the Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such Participant and his/her close associates (or his/her associates if the Participant is a connected person of the Company) abstaining from voting.

G. PURCHASE PRICE

Unless otherwise determined by the Board or its Delegate(s) at its sole discretion or as required by applicable laws in respect of the Purchase Price (if any) of any particular RSU under a Share Award, which shall be clearly specified in the Offer Letter, the following rules shall apply:

- (i) No consideration shall be payable by the Grantee for the grant of the contractual right attached to the RSU (the “**Grant Price**”);
- (ii) Where the underlying Shares to be delivered upon vesting of the RSU are to be allotted and issued as new H Shares by the Company, the Grantee shall pay a Purchase Price of no less than the nominal value of each H Share;
- (iii) Where the underlying Shares to be delivered upon vesting of the RSU are sourced from Treasury Shares of the Company or existing H Shares purchased on-market or off-market by the Trustee, the Grantee is not required to pay any Purchase Price to the Company for the underlying Shares.

H. EXERCISE PRICE OF OPTION

The Exercise Price in respect of any Options shall be a price determined by the Board or its Delegate(s) in its absolute discretion and notified to a Grantee (subject to any adjustments made pursuant to Section N) which shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Date of Grant, which must be a Business Day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Date of Grant; and
- (iii) the nominal value of an H Share.

I. VESTING PERIOD

The vesting period in respect of any Share Award shall not be less than 12 months from the Date of Grant, except that only Employee Participants may be subject to a shorter vesting period solely in the following exhaustive circumstances, at the sole discretion of the Board or its Delegate(s):

- (i) grants of “make-whole” Share Awards to new joiners to replace the share awards or options they forfeited when leaving their previous employers;
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any uncontrollable event. In those circumstances the vesting of share awards may accelerate;
- (iii) grants that are made in batches during a year for administrative or compliance reasons, which include Share Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Share Awards would have been granted;
- (iv) grants with a mixed or accelerated vesting schedule such as where the Share Awards may vest evenly over a period of twelve (12) months, or where the Share Awards may vest by several batches with the first batch to vest on or after the date which is 12 months from the Date of Grant and the last batch to vest within the overall vesting period;
- (v) grants with performance-based vesting conditions provided in the 2026 Share Incentive Scheme or as specified in the Offer Letter in lieu of time-based vesting criteria.

To ensure the practicability in fully attaining the purpose of the 2026 Share Incentive Scheme, the Board is of the view that (i) there are certain instances where a strict 12-month vesting requirement would not work or would not be fair to the holders of the Share Awards, such as those set out in the above paragraphs; (ii) there is need for the Company to retain flexibility in certain cases to provide competitive remuneration package to attract and retain talents to provide services to the Group, to provide for succession planning and the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; and (iii) such vesting period is in line with the requirements under the Listing Rules and customary market practice. Therefore, the Board is of the view that the shorter vesting period prescribed herein is in line with the market practice and is appropriate and aligns with the purpose of the 2026 Share Incentive Scheme.

Subject to the terms of the 2026 Share Incentive Scheme and the Offer Letter, the Board or its Delegate(s) may decide at its sole and absolute discretion (subject to, including but not limited to, the execution of any transfer documents, the payment of any purchase price or the provision of any transfer or sale direction by the Grantee as may be required by the Board or its Delegate(s) and/or the Trustee, and in accordance with the provisions stated in the Offer Letter to the Grantee) to:

- (i) direct the Trustee to transfer the number of the H Shares underlying the Share Awards to the Grantee which the Trustee has acquired by making purchases of existing H Shares (either on-market or off-market) which are held pending the vesting of the relevant Share Award(s);
- (ii) procure the Company to allot and issue the number of the Shares or transfer the Treasury Shares underlying the Options or RSUs to the Grantee (as new H Shares (including the Shares to be allotted and issued using Treasury Shares) under the Scheme Mandate Limit) as fully paid-up Shares directly; and/or
- (iii) pay, or procure the payment of, an amount equivalent to the market value of the Shares underlying the Options or RSUs to the Grantee in cash,

for the purpose of satisfying the relevant Share Awards of the Grantee upon vesting. In circumstances set out in (i) and (ii) above, the Board or its Delegate(s) may instruct the Share Registrar to issue the share certificates of the relevant Shares at no cost to the relevant Grantees (or his/her estate in the event of an issuance to his/her personal representative(s), as the case may be).

Without prejudice to the foregoing, whether the Shares underlying the Options or RSUs are to be subscribed for is determined by the Board or its Delegate(s) having regard to, among other things, the financial position of the Company, the cash position of the Company and the market price of the relevant Shares at the relevant time. The Trustee will hold any Shares underlying the Options or RSUs so purchased in accordance with the terms of the 2026 Share Incentive Scheme and the provisions of the Trust Deed. The Trustee holding ungranted or unvested Share Awards of the 2026 Share Incentive Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given and shall not have rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register on a date prior to such registration. Unless otherwise agreed under the Offer Letter, such Shares so acquired and/or subscribed for will, subject to the receipt by the Trustee of a confirmation from the Company that all vesting conditions have been fulfilled, be transferred to the Grantee.

Notwithstanding the foregoing, if the Company, the Trustee or any Grantee would or might be prohibited from dealing in the Shares by the Listing Rules (where applicable) or by any other applicable laws, regulations or rules, the date on which the relevant Shares shall be transferred to the Grantee shall occur as soon as possible after the date when such dealing is permitted by the Listing Rules or by any other applicable laws, regulations or rules.

If a Grantee fails to execute the relevant transfer documents or pay the purchase price, give the relevant direction to transfer or sell required by the Board or its Delegate(s) and/or the Trustee, the relevant part of the Share Award made to such Grantee shall automatically lapse and the relevant Shares shall not vest on the relevant vesting date but shall become returned shares for the purposes of the 2026 Share Incentive Scheme, unless the Board or its Delegate(s) determines otherwise.

The H Shares to be allotted and issued pursuant to any Share Award granted hereunder shall be identical to the then existing issued shares of the Company and subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the other fully paid Shares in issue on the date the name of the Grantee is registered on the register of members of the Company or if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date the name of the Grantee is registered on the register of members of the Company or if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, save that the Grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register on a date prior to such registration.

No Grantee shall enjoy any rights of a Shareholder (including but not limited to any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Share Awards) by virtue of the grant of a Share Award pursuant to the 2026 Share Incentive Scheme, unless and until the Shares are actually issued or transferred to the Grantee pursuant to the vesting of a Share Award. The Share Awards do not carry any right to vote at general meetings of the Company, or dividend rights and other rights, including those arising on a liquidation of the Company until such Share Awards have been vested as Shares.

J. PERFORMANCE TARGET

Vesting of Share Award shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Board or its Delegate(s) from time to time. The Board or its Delegate(s) shall have the authority, after the grant of any Share Award which is performance-linked, to make fair and reasonable adjustments to the prescribed performance targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the prescribed performance targets and are considered fair and reasonable by the Board or its Delegate(s) (as the case may be). The performance targets may include the attainment of program milestones and market capitalization milestones by the Group, which may vary among the Grantees. The Board or its Delegate(s) (as the case may be) will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether and the extent to which such targets have been met. If, after the assessment, the Board or its Delegate(s) determines that any prescribed performance targets have not been met, the unvested Share Award(s) shall lapse automatically.

The performance targets attached to Share Awards granted under the 2026 Share Incentive Scheme will be determined and confirmed by the Board or its Delegate(s) at the time of each grant. When assessing the satisfaction of performance targets, the Company will take into account both corporate-level indicators and individual performance as appropriate, which may include both quantitative and qualitative measures. Corporate-level targets will be aligned with the Company's medium-to-long-term strategic and operational objectives. The specific targets may be adjusted across different grant batches to reflect the Company's evolving business priorities. Individual-level assessment will be differentiated based on the actual performance of each grantee.

K. LAPSE OF SHARE AWARDS

A Share Award shall lapse automatically (to the extent not already vested/exercised) on the earliest of:

- (i) No-fault departure conditions: the date on which the Grantee ceases to be a Participant for reason of (i) his or her death, or being declared dead or missing by a people's court of competent jurisdiction, (ii) his or her resignation due to retirement, where the Company does not propose re-employment, (iii) his or her termination of the labor or employment relationship by the Group due to work-related injury resulting in permanent and total loss of working ability, (iv) after the expiration of the his or her employment contract term, the Group decides not to renew the contract, (v) his or her resignation resulting from his or her inability to perform duties, (vi) his or her submission of a resignation request to the Group and mutual agreement to terminate employment, and (vii) other no-fault departure conditions as determined by the Board or its Delegate(s) (the "No-fault Departure Conditions");
- (ii) Fault departure conditions: the date on which the Grantee ceases to be a Participant for reason of (i) during his or her employment period, the damage caused by him or her to the Group or affecting the Group's reputation due to bribery, embezzlement, theft, disclosure of trade or technical secrets, or other illegal or disciplinary acts, (ii) his or her criminal conviction for illegal actions that prevent his or her normal work, and (iii) other fault departure conditions as determined by the Board or its Delegate(s) (the "**Fault Departure Conditions**");
- (iii) the date of the commencement of the winding-up, change in control, merger, division or other significant change circumstances of the Company;
- (iv) unless the Company otherwise determines, the date the Grantee ceases to be a Participant for any other reason; and
- (v) In the case of an Option, the expiry of the Exercise Period as stipulated in the Offer Letters.

L. CLAWBACK MECHANISM

In the event that:

- (i) a Grantee ceases to be a Participant by reason of the Fault Departure Conditions (as defined in Section K); or
- (ii) in the reasonable opinion of the Board or its Delegate(s), a Grantee has engaged in serious misconduct or breached the terms of the 2026 Share Incentive Scheme or other contracts of significance in any material respect,
- (iii) the granting of any Share Awards was based on material misstatements in financial statements or any other materially inaccurate performance metric criteria,

then the Board or its Delegate(s) may make a determination at its absolute discretion that: (i) any Share Awards granted but not yet vested or exercised shall immediately lapse, regardless of whether such Share Awards have vested or not, and (ii) with respect to any Shares transferred to the Grantee pursuant to any Share Awards granted under the 2026 Share Incentive Scheme, the Grantee shall be required to transfer back to the Company (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), and/or (iii) with respect to any Shares held by the Trustee for the benefit of the Grantee, those Shares shall no longer be held on trust for nor inure to the benefit of the Grantee. For losses caused to the Group, the Group has the right to require such Grantee to compensate for the damages caused to the Group's interests and reputation.

M. CANCELLATION

Save for the circumstances of lapse as set out in the 2026 Share Incentive Scheme, the Board or its Delegate(s) may at any time at its sole and absolute discretion cancel any Share Award granted but not vested or lapsed. The Shares Awards cancelled will be regarded as utilised for the purpose of calculating the 2026 Share Incentive Scheme's Scheme Mandate Limit and Service Provider Sublimit and any new grant to the same participant may only be made under a scheme with available scheme mandate limit and/or service provider sublimit approved by Shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules.

N. REORGANIZATION OF CAPITAL STRUCTURE

In the event of an alteration in the capital structure of the Company whilst any Share Award remains outstanding by way of capitalization of profits or reserves, rights issue, open offer (with price-dilutive elements), subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange, such corresponding alterations (if any) shall be made to the number and/or Exercise Price or Purchase Price of Shares comprised in each Share Award to the extent outstanding as the Auditors or an independent financial advisor engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board or its Delegate(s), either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each Grantee the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that Grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a H Share to be issued at less than its nominal value. The capacity of the Auditors or independent financial advisor (as the case may be) in this section is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors or independent financial advisor (as the case may be) shall be borne by the Company.

The method of adjustment of number of Share Awards so far as outstanding is set out as below:

Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Share Awards before the adjustment; “n” represents the ratio of the capitalization issue; “Q” represents the number of Share Awards after the adjustment.

Rights issue or open offer

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

Where: “Q0” represents the number of Share Awards before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the exercise price of the rights issue or open offer; “n” represents the ratio of allotment; “Q” represents the number of Share Awards after the adjustment.

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

Where: “Q0” represents the number of Share Awards before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “Q” represents the number of Share Awards after the adjustment.

The method of adjustment of the Purchase Price/Exercise Price (if any) of Share Award is set out as below:

Capitalization issue

$$P = P0 \div (1 + n)$$

Where: “P0” represents the Purchase Price/Exercise Price before the adjustment; “n” represents the ratio of the capitalization issue; “P” represents the Purchase Price/Exercise Price after the adjustment.

Rights issue or open offer

$$P = P0 \times (P1 + P2 \times n) \div (P1 \times (1 + n))$$

Where: “P0” represents the Purchase Price/Exercise Price before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the exercise price in respect of the rights issue or open offer; “n” represents the ratio of allotment; “P” represents the Purchase Price/Exercise Price after the adjustment.

Consolidation of Shares or share subdivision or reduction of the share capital

$$P = P0 \div n$$

Where: “P0” represents the Purchase Price/Exercise Price before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “P” represents the Purchase Price/Exercise Price after the adjustment.

In above circumstances, other than any made on a capitalization of profits or reserves, the Auditors or the independent financial advisor, as the case may be, shall confirm to the Board or its Delegate(s) in writing that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and/or such other requirement prescribed under the Listing Rules and such other applicable guidance and/or interpretation of the Listing Rules from time to time.

For the avoidance of doubt, issue of securities by the Company as consideration for a transaction may not be regarded as a circumstance requiring adjustment.

O. ALTERATION

The Board or its Delegate(s) may amend any of the provisions of the 2026 Share Incentive Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the 2026 Share Incentive Scheme) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date).

Any alterations to the terms and conditions of the 2026 Share Incentive Scheme which are of a material nature, or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Participants, must be approved by Shareholders in general meeting. Any change to the terms of Share Awards granted to a Participant, must also, to be effective, be approved by the Board or its Delegate(s), the independent non-executive Directors of the Company and/or the Shareholders in general meeting(as the case may be) if the initial grant of the Share Awards was approved by the Board or its Delegate(s), the independent non-executive Directors of the Company and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2026 Share Incentive Scheme. The 2026 Share Incentive Scheme so altered must comply with Chapter 17 of the Listing Rules. Any change to the authority of the Board or its Delegate(s), the Trustee or other administrator of the 2026 Share Incentive Scheme in relation to any alteration to the terms of the 2026 Share Incentive Scheme must be approved by the Shareholders in general meeting.

P. TRANSFERABILITY

A Share Award shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest in favor of or enter into any agreement with any other person over or in relation to any Share Award or any property held by the Trustee on trust for the Grantees. Any breach of the foregoing shall entitle the Company to cancel an outstanding Share Awards without payment of any consideration therefor.

Q. TERMINATION

The Company by ordinary resolution in general meeting or the Board or its Delegate(s) may at any time resolve to terminate the operation of the 2026 Share Incentive Scheme prior to the expiry of the Scheme Period, and in such event no further Share Awards will be offered or granted but the provisions of the 2026 Share Incentive Scheme shall remain in full force to the extent necessary to give effect to the settlement of any Share Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the 2026 Share Incentive Scheme.

R. GOVERNING LAW

The 2026 Share Incentive Scheme shall operate subject to the Articles of Association of the Company and any applicable law and regulations to which the Company is subject. The 2026 Share Incentive Scheme is governed by and shall be construed in accordance with the laws of Hong Kong. Hong Kong courts shall be the exclusive jurisdiction for resolving dispute relating to or arising from the 2026 Share Incentive Scheme.

S. RESTRICTION ON THE TIME OF GRANT OF SHARE AWARDS

No offer of a Share Award shall be made and no Share Award shall be granted to any Participant after inside information has come to the knowledge of the Company until such inside information has been publicly announced in accordance with the Listing Rules or during any period of time which is prohibited from any such offer and/or grant under the Listing Rules or any applicable law. In particular, no Share Award shall be granted during the period commencing 30 days immediately preceding the earlier of (i) the date of the Board meeting (such date as first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (ii) the deadline for the Company to announce its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. The period during which no Share Award may be granted will cover any period of delay in the publication of a results announcement.

NOTICE OF 2025 ANNUAL GENERAL MEETING



Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2509)

NOTICE OF 2025 ANNUAL GENERAL MEETING

Notice is hereby given that the AGM of Qyuns Therapeutics Co., Ltd. (the “**Company**”) will be held at North Conference Room, 2nd Floor, Building 1, No.907 Yaocheng Avenue, Taizhou City, Jiangsu Province, the PRC on Friday, May 29, 2026 at 10:00 a.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. To consider and approve the resolution on the report of the Board of Directors of the Company for the year ended December 31, 2025.
2. To consider and approve the resolution on the report of the Board of Supervisors of the Company for the year ended December 31, 2025.
3. To consider and approve the annual report of the Company for the year ended December 31, 2025.
4. To consider and approve the proposed profit distribution plan of the Company for the year ended December 31, 2025.
5. To consider and approve the 2026 remuneration scheme of the Directors and Supervisors of the Company.
6. To consider and approve the engagement of KPMG as the auditor of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Board to determine their remuneration.
7. To consider and approve the proposed change in use of proceeds from the Global Offering.

NOTICE OF 2025 ANNUAL GENERAL MEETING

AS SPECIAL RESOLUTIONS

8. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“THAT:

- (1) the Board be granted an unconditional general mandate to issue, allot or otherwise deal with additional Shares (including H Shares, unlisted Shares or securities convertible into such Shares, options, warrants or similar rights to subscribe for H Shares of the Company), and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations, in respect thereof, subject to the following conditions:
- (a) the aggregate amount of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Board pursuant to the mandate above, shall not exceed 20% of the aggregate number of total issued Shares (excluding Treasury Shares) as at the date of passing this resolution; and
- (b) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) (as the same may be amended from time to time);

For the purpose of this resolution:

“H Shares” means the overseas listed foreign invested ordinary share in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars;

“Relevant Period” means the period from the passing of this resolution until the earliest of:

- A. the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- B. the revocation or variation of the authority given under the above-mentioned resolution by a special resolution of the Shareholders in a general meeting; or
- C. the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held.

NOTICE OF 2025 ANNUAL GENERAL MEETING

- (2) subject to the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
- (a) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities, and entering into an underwriting agreement (or any other agreements);
 - (b) determine the use of proceeds and to make all necessary filings and registrations with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate);
 - (c) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, to register the increase of capital with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdiction (as appropriate) and to make such amendments to the articles of association of the Company as it thinks fit so as to reflect the increase and any other resultant changes in the registered capital of the Company; and
 - (d) authorize the Chairman and the relevant authorized persons to approve, sign and issue the relevant documents, announcements and circulars and to make the relevant disclosures in accordance with the applicable laws and regulation.”

9. **“THAT:**

- (1) subject to sub-paragraphs (2) and (3) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Stock Exchange during the Relevant Period for Repurchase, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Stock Exchange or any other governmental or regulatory bodies.
- (2) the total number of H Shares of the Company authorised to be repurchased subject to the approval in sub-paragraph (1) above during the Relevant Period for Repurchase shall not exceed 10% of the total number of the H Shares in issue of the Company as at the date of the passing of this resolution (excluding any Treasury Shares).

NOTICE OF 2025 ANNUAL GENERAL MEETING

- (3) “Relevant Period for Repurchase” means the period from the passing of this resolution until the earliest of:
- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the revocation or variation of the authority given under the above-mentioned resolution by a special resolution of the Shareholders in a general meeting; or
 - (c) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held.
- (4) subject to approval of all relevant PRC regulatory authorities for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (a) exercise all the powers of the Company to repurchase certain issued H Shares on the Stock Exchange on such terms as it thinks fit and to deal with related matters, including but not limited to the specific plan for the repurchase of the relevant H Shares (including but not limited to the repurchase price, the number of H Shares to be repurchased, the timing of the repurchase, etc.) which may be formulated, adjusted or terminated by the Board in accordance with the relevant laws and regulations; to handle the repurchase, cancel or hold the repurchased H Shares in treasury within the scope permitted by the Listing Rules and applicable laws and regulations;
 - (b) decide whether to implement or terminate the specific plan (if any) in relation to the repurchase of H Shares in light of the Company’s actual operation and share price performance;
 - (c) cancel the repurchased H Shares, reduce the registered share capital of the Company, make corresponding amendments to the Articles of Association, notify the creditors of the Company, publish an announcement and convene a debenture holders’ meeting (if any), and carry out the relevant statutory registrations and filings, in accordance with the relevant laws and regulations and Articles of Association. or hold the repurchased H Shares in treasury to the extent permitted by the Listing Rules and applicable laws and regulations; and
 - (d) other matters relating to the repurchase of H Shares, unless the relevant laws and regulations expressly provide that such repurchase must be exercised by the Shareholders at a general meeting and has not been authorized by the Board.”

NOTICE OF 2025 ANNUAL GENERAL MEETING

10. To consider and approve the dissolution of the Supervisory Committee and the proposed amendments to the Articles of Association, the Rules of Procedures for the General Meeting of Shareholders and the Rules of Procedures for the Board of Directors and authorize the Board to deal with on behalf of the Company all relevant procedures and matters to effect the amendments.
11. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the shares of the Company (not exceeding 10% of the Company’s issued share capital on the date of this resolution) which may fall to be issued upon the exercise of the options to be granted under the 2026 Share Incentive Scheme, the rules of which are contained in the document marked “A” produced to the meeting and signed by the Chairman of the meeting for identification purposes or other schemes of the Company, the 2026 Share Incentive Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorized to grant options and to allot, issue and deal with the shares which fall to be issued pursuant to the exercise of any option granted under the 2026 Share Incentive Scheme and to take all such steps as may be necessary or expedient in order to give full effect to the 2026 Share Incentive Scheme including, but not limited to:

- (a) interpret and construe the provisions of the 2026 Share Incentive Scheme;
- (b) determine the persons who will be granted Share Awards under the 2026 Share Incentive Scheme;
- (c) the terms and conditions on which Share Awards are granted and when the RSUs granted pursuant to the 2026 Share Incentive Scheme may vest;
- (d) determine how the Exercise Price will be settled;
- (e) allot and issue new Shares to the Trustee to hold, for the purpose of fulfilling delivery obligations upon the vesting of Share Awards;
- (f) direct and arrange for the Trustee to purchase existing H Shares (which may be made on-market or off-market) for the purpose of fulfilling delivery obligations upon the vesting of Share Awards (the Company shall ensure that sufficient funds are provided to the Trustee by any means determined by the Board to enable it to fulfill its obligations related to the administration of this 2026 Share Incentive Scheme);

NOTICE OF 2025 ANNUAL GENERAL MEETING

- (g) without prejudice to the foregoing, whether the H Shares underlying the Share Awards are acquired through secondary market purchases or, fulfilled by the use of Treasury Shares by subscription for new H Shares shall be determined by the Board, taking into comprehensive consideration factors such as the Company's financial condition, cash position, and the prevailing market price of the H Shares at the relevant time;
 - (h) make such other decisions or determinations as it shall deem appropriate in the administration of the 2026 Share Incentive Scheme; and
 - (i) on behalf of the Company, approve, execute, amend, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or give effect to all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case.”
12. “**THAT**, the limit on the total number of shares of the Company that may be issued in respect of all options and awards involving issue of new H Shares (including the Shares to be allotted and issued using Treasury Shares) to be granted under the 2026 Share Incentive Scheme and any other share scheme(s) of the Company (the “**Scheme Mandate Limit**”) of 10 per cent. (10%) of the total number of Shares of the Company in issue on the date of adoption of the 2026 Share Incentive Scheme be and is hereby approved and adopted, and any directors of the Company be and is hereby authorized to take all such steps and attend all such matters, approve and execute (whether under hand under seal) such documents and do such other things, for and on behalf of the Company, as he may in his absolute discretion consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”
13. “**THAT**, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all awards and options (if any) involving issue of new H Shares that may be granted under the 2026 Share Incentive Scheme and any other share scheme(s) (if any) of the Company to the Service Providers must not in aggregate exceed 1% of the total number of Shares in issue as at the date of adoption (excluding Treasury Shares and rounding to the nearest whole Share) (the “**Service Provider Sublimit**”).”

By Order of the Board
Qyuns Therapeutics Co., Ltd.
Mr. Qiu Jiwan

Chairman of the Board and Executive Director

Hong Kong, May 8, 2026

NOTICE OF 2025 ANNUAL GENERAL MEETING

As of the date of this notice, the Board comprises Mr. Qiu Jiwan as chairman and executive Director, Mr. Wu Yiliang and Mr. Lin Weidong as executive Directors, Mr. Yu Xi and Mr. Wu Zhiqiang as non-executive Directors, and Mr. Fung Che Wai, Anthony, Dr. Zou Zhongmei and Dr. Ling Jianqun as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the articles of association of the Company and the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, May 26, 2026 to Friday, May 29, 2026, both dates inclusive, during which period no transfer of shares will be registered. The record date for determining the identity of the Shareholders who are entitled to attend and vote at the AGM is Friday, May 29, 2026. In order to be eligible to attend and vote at the AGM, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, May 22, 2026 (Hong Kong time) for registration.
3. A shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies can only vote on a poll.

For the avoidance of doubt and for the purposes of the Listing Rules, holders of Treasury Shares (if any) are not entitled to vote at the Company's general meetings.

4. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorising that attorney to sign must be notarised.
5. In order to be valid, the form of proxy together with the notarised power of attorney or other authorisation document (if any) must be deposited at the H share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time fixed for the meeting (i.e. not later than 10:00 a.m. on Thursday, May 28, 2026 (Hong Kong time)).
6. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was signed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the AGM.
7. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
8. Shareholders or their proxies shall produce their identification documents for inspection when attending the AGM.
9. The AGM is expected to last for no more than half of a working day. Shareholders and their proxies attending the meeting shall be responsible for their own traveling and accommodation expenses.
10. Designated contact for the AGM:

Telephone No.: +86 523-80276311

Attention: Yanbao Hu