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Medlive Technology Co., Ltd.

醫脈通科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2192)

VOLUNTARY ANNOUNCEMENT

THE ENTERING INTO OF NEW CONTRACTUAL ARRANGEMENTS

Reference is made to the sections headed “History, Reorganization and Corporate Structure” and “Contractual Arrangements” in the Prospectus in relation to, among other things, the Existing Contractual Arrangements. The Board announces that on 14 April 2023, Jinye Tiancheng, Yimaihutong and the Registered Shareholders entered into the New Contractual Arrangements, which are on the same terms and conditions as the Existing Contractual Arrangements, mainly due to the change of nominal shareholder of Yimaihutong from Dr. Li Zhuolin to Mr. Tian Lixin. The Existing Contractual Arrangements were terminated concurrently.

LISTING RULES IMPLICATIONS

At the time of the Listing, the Company sought and the Stock Exchange granted, the IPO Waiver in connection with the continuing connected transactions of the Group in the form of the Existing Contractual Arrangements. The IPO Waiver is subject to certain conditions including, among others, that on the basis that the Existing Contractual Arrangements provide an acceptable framework for the relationship between the Company and its subsidiaries in which the Company has direct shareholding on the one hand, and the Consolidated Affiliated Entities on the other hand, such framework may be renewed and/or reproduced in connection with any changes to the shareholders of the Consolidated Affiliated Entities, on substantially the same terms and conditions as the Existing Contractual Arrangements, without obtaining the approval of the Shareholders.

The Company has discussed with its auditor and confirmed that, upon the signing of the New Contractual Arrangements, the financial results of the Consolidated Affiliated Entities will continue to be consolidated into the financial statements of the Group as if they were subsidiaries of the Company under the prevailing accounting principles.

The Registered Shareholders are Ms. Tian Liping and Mr. Tian Lixin. Both Ms. Tian Liping and Mr. Tian Lixin are executive Directors. They are also shareholders of Tiantian Co., Limited, a controlling shareholder of the Company. Accordingly, the transactions contemplated under the New Contractual Arrangements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the New Contractual Arrangements are reproduced from the Existing Contractual Arrangements as provided under the conditions of the IPO Waiver, the Company has sought confirmation from the Stock Exchange, and the Stock Exchange has confirmed, that the transactions contemplated under the New Contractual Arrangements would fall within the scope of the waiver from the requirements of Chapter 14A of the Listing Rules as set out in the IPO Waiver and are exempt from (i) the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, (ii) the requirement of setting an annual cap for the transactions under the New Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the New Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, for so long as the Shares are listed on the Stock Exchange, subject to compliance with the same conditions of the IPO Waiver.

INTRODUCTION

Reference is made to the sections headed "History, Reorganization and Corporate Structure" and "Contractual Arrangements" in the Prospectus in relation to, among other things, the Existing Contractual Arrangements.

The Board announces that on 14 April 2023, Jinye Tiancheng, Yimaihutong and the Registered Shareholders entered into the New Contractual Arrangements, which are on the same terms and conditions as the Existing Contractual Arrangements, mainly due to the change of nominal shareholder of Yimaihutong from Dr. Li Zhuolin to Mr. Tian Lixin. The Existing Contractual Arrangements were terminated concurrently. Prior to the change of nominal shareholder, Yimaihutong was owned as to 50% by Ms. Tian Liping and 50% by Dr. Li Zhuolin. After the change, Yimaihutong is owned as to 50% by Ms. Tian Liping and 50% by Mr. Tian Lixin. Ms. Tian Liping is the chairwoman and chief executive officer of the Company and an executive Director and Mr. Tian Lixin is also an executive Director.

REASONS FOR USING CONTRACTUAL ARRANGEMENTS

The Group is primarily engaged in the operation of an online professional physician platform and mainly offers three types of solutions, namely precision marketing and corporate solutions, medical knowledge solutions and intelligent patient management solutions.

Yimaihutong operates the Group's *Medlive* website and desktop and mobile applications. The provision of medical knowledge solutions on the *Medlive* website and desktop and mobile applications involves the provision by Yimaihutong of medical information and content for fees (including membership fees) and therefore is subject to restrictions under PRC regulations relating to value-added telecommunication. Furthermore, Yimaihutong is engaging in the business of foreign related market investigation and is planning to engage in the production of online medical radio and television video shows and programs. Once such production commences, Yimaihutong will be engaging in the production of radio and television video and programs and Internet culture business. Yimaihutong holds the relevant licenses, including the value-added telecommunications business operating license for provision of Internet information services (the "**ICP License**"), the radio and television program production license (the "**Radio and TV License**"), the Internet cultural operation license (the "**Internet Culture License**") and the License for Foreign-Related Investigation (the "**Foreign-Related Investigation License**"), required for carrying out the above services and operating the aforementioned businesses.

In addition, the business focus of Yinchuan Yimaitong, a wholly-owned subsidiary of Yimaihutong, is to provide online consultation and e-prescription services through its own platform through cooperation with a qualified hospital in Ningxia Autonomous Region, or Internet hospital services. Yinchuan Yimaitong holds the medical institution practicing license (the "**Medical Institution Practicing License**"), required for carrying out the Internet hospital service. Furthermore, the business scope of Shanghai Huilin, a 60% subsidiary of Yimaihutong, includes data processing and storage support services which are subject to foreign investment restrictions.

After the Company's Listing, in October 2021, the Group acquired 60% equity interest of Beijing Medcon. Beijing Medcon is a well-known software as a service ("**SaaS**") solution platform for academic conferences in the PRC and is one of the leading professional and prominent technology providers in academic conference management focusing on medical conference. Beijing Medcon currently holds (i) the Radio and TV License; (ii) the Internet Culture License; and (iii) the ICP License.

The aforementioned businesses conducted by Yimaihutong, Yinchuan Yimaitong, Shanghai Huilin and Beijing Medcon are considered to involve (i) value added telecommunications services; (ii) foreign-related market investigation business; (iii) radio and television program production business; (iv) Internet culture business; (v) data processing and storage support services; and/or (vi) Internet hospital services, which are subject to foreign investment restrictions and/or prohibition under applicable PRC laws and regulations.

The Group had in place the Existing Contractual Arrangements, which was designed to allow the Company to exercise management control over the operations of the Consolidated Affiliated Entities, being Yimaihutong, Yinchuan Yimaitong, Shanghai Huilin and Beijing Medcon, and enjoy all economic benefits of them. Not all of the Group's revenue were derived from the Consolidated Affiliated Entities. The revenue contribution of all of the Consolidated Affiliated Entities to the Group amounted to approximately 29.4% of the total revenue of the Group for the year ended 31 December 2022. As at 31 December 2022, the total assets of the Consolidated Affiliated Entities in aggregate represent approximately 4.7% of the total assets of the Group.

The New Contractual Arrangements were entered into among Jinye Tiancheng, Yimaihutong and the Registered Shareholders and the Existing Contractual Arrangements were terminated concurrently. The corporate structures before and after the New Contractual Arrangements are set out in the section headed "DIAGRAM OF THE CORPORATE STRUCTURES BEFORE AND AFTER THE NEW CONTRACTUAL ARRANGEMENTS" of this announcement.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

As described under the section headed "REASONS FOR USING CONTRACTUAL ARRANGEMENTS", certain of the Group's businesses are subject to foreign investment restrictions and hence the Existing Contractual Arrangements (which are being replaced by the New Contractual Arrangements) have been put in place to provide a framework for the Group to control and enjoy the economic benefits of such businesses. The Group intends to continue carry on and to grow such businesses and it is important that the contractual arrangements are as sustainable as possible in the longest term permitted. Hence, consistent with such intention, the Company considers that it is appropriate to change the nominee shareholder of Yimaihutong from Dr. Li Zhuolin, who has resigned from the position of non-executive Director with effect from 14 April 2023, to Mr. Tian Lixin, one of the founders of the Company, a 37% shareholder of Tiantian Co., Limited (another controlling shareholder of the Company) and an executive Director. Ms. Tian Liping is the elder sister of Mr. Tian Lixin.

VIEWS OF DIRECTORS ON THE NEW CONTRACTUAL ARRANGEMENTS

Both Ms. Tian Liping and Mr. Tian Lixin are executive Directors of the Company. They are also shareholders of Tiantian Co., Limited, a controlling shareholder of the Company. Accordingly, the transactions contemplated under the New Contractual Arrangements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Directors are of the view that (i) the New Contractual Arrangements are narrowly tailored to minimise the potential conflict with relevant PRC laws and regulations; (ii) the New Contractual Arrangements are not in violation of applicable laws and regulations in the PRC; (iii) the New Contractual Arrangements do not contravene the current articles of association of Yimaihutong; (iv) the New Contractual Arrangements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC civil code; and (v) except for the clause providing that an arbitral body may award injunctive relief or winding up orders and that courts in Hong Kong and the Cayman Islands may grant interim remedies which may not be enforceable under the PRC laws, the New Contractual Arrangements are enforceable under the laws of the PRC. Based on the above, the Directors are of the view that the New Contractual Arrangements conferring significant control and economic benefits from the Consolidated Affiliated Entities is enforceable under the relevant laws and regulations.

The Directors (including the independent non-executive Directors) are of the view that the New Contractual Arrangements, though entered into among different parties, have terms and conditions substantially the same as those of the Existing Contractual Arrangements and are a reproduction of the Existing Contractual Arrangements, save for the identity of the Registered Shareholders.

Save for Ms. Tian Liping, Mr. Tian Lixin and Dr. Li Zhuolin, none of the Directors have a material interest in the transactions contemplated under the New Contractual Arrangements. Therefore, apart from Ms. Tian Liping, Mr. Tian Lixin and Dr. Li Zhuolin, no Director was required to abstain from voting on the Board resolutions approving the New Contractual Arrangements. In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of each of the New Contractual Arrangements are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

THE NEW CONTRACTUAL ARRANGEMENTS

A summary of the principal terms of the New Contractual Arrangements is set out below.

(1) Exclusive Operation Services Agreement

Date: 14 April 2023

Parties: Yimaihutong
the Registered Shareholders
Jinye Tiancheng

Subject: Yimaihutong agreed to engage Jinye Tiancheng as its exclusive provider of technical support, consulting services and other services in exchange for a service fee.

Under the Exclusive Operation Services Agreement, the services to be provided include but are not limited to:

- (i) provide advice, support and assistance relating to the operation of medical information business, investigation business and e-detailing business, operation, project and membership management and accounting and tax management;
- (ii) formulate plans relating to Yimaihutong's current and future assets and business operations and be responsible for implementing these plans;
- (iii) provide opinions, suggestions and management to improve Yimaihutong's human resources and operational capabilities;
- (iv) assist Yimaihutong in collecting technical and commercial data and conducting market research and provide industry information and management strategies;
- (v) screen and recommend customers for Yimaihutong and provide recommendations and strategies relating to promotion;
- (vi) second Jinye Tiancheng's technicians and employees to Yimaihutong to provide technical operation monitoring, market strategy research, and formulate operating strategies;
- (vii) provide suggestions and opinions on the establishment and improvement of company structure, management system and department configuration;
- (viii) screen and recommend suppliers for Yimaihutong;

- (ix) license Yimaihutong the right to use all necessary intellectual property rights of Jinye Tiancheng; and
- (x) other relevant technical services, operation and maintenance, equipment and facilities provision, management and consulting services provided from time to time at the request of Yimaihutong as permitted by the laws and regulations of the PRC.

Jinye Tiancheng has exclusive proprietary rights and interests to all the intellectual properties developed or created by itself from the performance of these services and has the right to use such proprietary rights free of charge. During the term of the Exclusive Operation Service Agreement, Jinye Tiancheng may use the intellectual property rights owned by Yimaihutong and its subsidiary free of charge and without any conditions. Yimaihutong and its subsidiary may also use the intellectual property work created by Jinye Tiancheng from the services performed by Jinye Tiancheng in accordance with the Exclusive Operation Service Agreement. Without the prior written consent of Jinye Tiancheng, Yimaihutong shall not, and shall procure its subsidiary not to, assign, transfer, mortgage, license or otherwise dispose of any of the above intellectual property rights.

Under the Exclusive Operation Services Agreement, the service fee shall be an amount equal to 100% of the distributable net profit of Yimaihutong of a given audited financial year, after deducting losses from the previous financial years (if any) and any statutory provident fund (if applicable). Apart from the service fees, Yimaihutong shall reimburse all reasonable costs, reimbursed payments and out-of-pocket expenses incurred by Jinye Tiancheng in connection with the performance of the Exclusive Operation Services Agreement and provision of services.

In addition, without a prior written consent of Jinye Tiancheng, during the term of the Exclusive Operation Services Agreement, the Registered Shareholders and Yimaihutong shall not directly or indirectly accept the same or any similar services provided by any third party and shall not establish similar corporation relationships with any third party. Jinye Tiancheng has the right to appoint any third party to provide any or all of the services, or to fulfill its obligations under the Exclusive Operation Services Agreement.

The Exclusive Operation Services Agreement is effective from its date of execution until being terminated in accordance with the terms therein. According to the Exclusive Operation Services Agreement, unless otherwise required by applicable PRC laws and regulations, none of the parties to the agreement (except Jinye Tiancheng) is entitled to unilaterally terminate the agreement. Furthermore, pursuant to the Exclusive Operation Services Agreement, it may only be terminated in the event that:

- (i) continued performance of the obligations of the agreements will result in violation of or non-compliance with applicable PRC laws and regulations, the Listing Rules or the requirements of the Stock Exchange;
- (ii) Jinye Tiancheng or its designated person(s) directly holds all the equity interests in Yimaihutong, and all of the Registered Shareholders' equity interests in Yimaihutong or all of the assets of Yimaihutong attributable to the Registered Shareholders are transferred to Jinye Tiancheng pursuant to applicable PRC laws and regulations; or
- (iii) Jinye Tiancheng unilaterally terminates the agreement.

(2) Exclusive Option Agreement

Date: 14 April 2023

Parties: Yimaihutong
the Registered Shareholders
Jinye Tiancheng

Subject: (i) each of the Registered Shareholders irrevocably and unconditionally grants an exclusive option to Jinye Tiancheng which entitles Jinye Tiancheng to elect to purchase at any time, itself or through its designated person(s), when permitted by the then applicable PRC laws, (a) all or any part of the equity interests in Yimaihutong and (b) the Registered Shareholders' present and future rights, interests, income, claims, current or future receivables and compensations related to their equity interests in Yimaihutong and dividends and other payments distributed from Yimaihutong to the Registered Shareholders from time to time; and (ii) Yimaihutong irrevocably and unconditionally grants an exclusive option to Jinye Tiancheng which entitles Jinye Tiancheng to elect to purchase at any time, itself or through its designated person(s), when permitted by the then applicable PRC laws, all or part of the assets of Yimaihutong. The transfer price of the relevant equity interests and assets shall be the minimum purchase price permitted under PRC law, and each of the Registered Shareholders and Yimaihutong will undertake that he/she/it will, subject to applicable PRC laws, return in full the consideration received in relation to such transfer of equity interests or assets to Jinye Tiancheng.

The Registered Shareholders undertake to develop the business of Yimaihutong and not to take any action which may affect their asset value, goodwill and effectiveness of business licenses. Furthermore, in the absence of prior written consent of Jinye Tiancheng, the Registered Shareholders shall not:

- (i) transfer or otherwise dispose of any option under the Exclusive Option Agreement, or create any encumbrances thereon; and Yimaihutong shall not assist in transferring or otherwise disposing of any option under the Exclusive Option Agreement, or creating any encumbrances thereon;
- (ii) require Yimaihutong to distribute dividends or other forms of profit distribution in respect of their equity interest of Yimaihutong. In any event, if the Registered Shareholders receive any of Yimaihutong's income, profit distribution, or dividends, the Registered Shareholders shall, within the scope permitted by laws and regulations of the PRC, waive the receipt of such income, profit distribution, or dividends, and immediately pay the same to Jinye Tiancheng or its designated person(s);
- (iii) directly or indirectly (by itself or through the entrustment of any other natural person or legal person entity) carry out, own or acquire any business compete with or likely compete with the business of Jinye Tiancheng or the Group; and
- (iv) engage in business operations or any other conduct which will adversely affect Jinye Tiancheng's reputation.

In the absence of prior written consent of Jinye Tiancheng, Yimaihutong shall not:

- (i) directly or indirectly dispose or dilute the rights and interests of its subsidiary and branches;
- (ii) change its principal business, conduct any business activities that may have a significant impact on its assets, business, rights and operations;
- (iii) carry out merger, form partnership or joint venture with any person, acquire or invest in any person, carry out division or reorganization, amend its articles of association or any joint venture contract and change registered capital or the form of the company; and
- (iv) incur, inherit, guarantee or allow any debt, except (a) debts generated in the normal course of business other than through loans; and (b) debts that have been disclosed to, and approved in writing by, Jinye Tiancheng.

In addition, the Registered Shareholders and Yimaihutong undertake that, upon Jinye Tiancheng issuing the notice to exercise the option in accordance with the Exclusive Option Agreement, they will implement necessary actions to effect the transfer and relinquish any pre-emptive right, if any. Each of the parties to the Exclusive Option Agreement confirms and agrees that:

- (i) in the event of a dissolution or liquidation of Yimaihutong under the PRC laws, all the residual assets which are attributable to the Registered Shareholders shall be transferred to Jinye Tiancheng or its designated person(s) at the minimum purchase price permitted under PRC law, and each of the Registered Shareholders and Yimaihutong undertakes that they will, subject to applicable PRC laws, return in full the consideration received in relation to such transfer to Jinye Tiancheng or its designated person(s);
- (ii) in the event of bankruptcy, death or incapacity, divorce of the Registered Shareholders, change of shareholders or any other event which causes changes to the Registered Shareholders' shareholding in Yimaihutong, the successor of the Registered Shareholders' equity interest in Yimaihutong shall be bound by the Contractual Arrangements; and
- (iii) any disposal of shareholding in Yimaihutong shall be governed by the Contractual Arrangements unless Jinye Tiancheng consents otherwise in writing.

The Exclusive Option Agreement takes effect from its date of execution, has an indefinite term and a termination provision which stipulates that unless otherwise required by applicable PRC laws and regulations, none of the parties to the agreements (except Jinye Tiancheng) is entitled to unilaterally terminate the agreement. The Exclusive Option Agreement may only be terminated in the event that:

- (i) continued performance of the obligations of the agreement will result in violation of or non-compliance with applicable laws and regulations, the Listing Rules or the requirements of the Stock Exchange;
- (ii) Jinye Tiancheng or its designated person(s) directly holds all the equity interests in Yimaihutong, and all of the Registered Shareholders' equity interests in Yimaihutong or all of the assets of Yimaihutong attributable to the Registered Shareholders are transferred to Jinye Tiancheng pursuant to applicable PRC laws and regulations; or
- (iii) Jinye Tiancheng unilaterally terminates the agreement.

(3) Loan Agreements

Date: 14 April 2023

Parties: Mr. Tian Lixin
Jinye Tiancheng

Subject: Pursuant to the loan agreement dated 6 November 2013 between Jinye Tiancheng and Ms. Tian Liping (the “**Tian Liping Loan Agreement**”) and the loan agreement dated 14 April 2023 between Jinye Tiancheng and Mr. Tian Lixin (together with the Tian Liping Loan Agreement, the “**Loan Agreements**”), Jinye Tiancheng (i) made a loan in an amount of RMB1,000,000 to Ms. Tian Liping for the capitalization of Yimaihutong, (ii) made a loan in an amount of RMB1,260,998.02 to Mr. Tian Lixin primarily for the payment of the consideration for the transfer of 50% equity interest in Yimaihutong from Dr. Li Zhuolin to Mr. Tian Lixin. Pursuant to these loan agreements, Ms. Tian Liping and Mr. Tian Lixin can only repay the respective loans by the sale of all of their respective equity interest in Yimaihutong to Jinye Tiancheng or its designated person. They must sell all of their respective equity interests in Yimaihutong to Jinye Tiancheng or its designated person and pay all of the proceeds from sale of such equity interests or the maximum amount permitted under PRC law to Jinye Tiancheng. In the event that any of them sell their equity interests to the Jinye Tiancheng or its designated person with a price equivalent to or less than the amount of the principal, Jinye Tiancheng shall waive the repayment of the remaining amount. If the price is higher than the amount of the principal, the excess amount will be paid to Jinye Tiancheng or its designated person. The consideration of RMB1,260,998.02 received by Dr. Li Zhuolin for the transfer of 50% equity interest in Yimaihutong to Mr. Tian Lixin was used to repay in full the loan due to Jinye Tiancheng by Dr. Li Zhuolin under the loan agreement dated 2 March 2021 between Jinye Tiancheng and Dr. Li Zhuolin.

The Loan Agreements do not have a term and the loans must be repaid immediately under certain circumstances, including, among others,

- (i) the death of the Registered Shareholders or when the Registered Shareholders become persons with limited capacity;
- (ii) the Registered Shareholders are suspected of criminal activities; or
- (iii) breach of the terms and conditions of the Loan Agreements.

(4) Shareholders' Rights Entrustment Agreement

Date: 14 April 2023

Parties: Yimaihutong
the Registered Shareholders
Jinye Tiancheng

Subject: The Registered Shareholders irrevocably and unconditionally agree to authorize Jinye Tiancheng (and its successors or liquidators) or a natural person designated by Jinye Tiancheng (the “**Attorney**”) to exercise all of his/her rights and powers as a shareholder of Yimaihutong (as applicable), including without limitation:

- (i) to suggest, propose and attend shareholders' meetings of Yimaihutong and to execute any and all meeting notices, written resolutions and meeting minutes in the name and on behalf of such shareholder;
- (ii) to file documents with the relevant companies registry;
- (iii) to exercise all shareholder's rights and shareholder's voting rights in accordance with PRC laws and the constitutional documents of Yimaihutong, including but not limited to (a) deal, manage and obtain the assets of, and obtain the income of, Yimaihutong; and (b) the sale, transfer, pledge or disposal of any or all of the equity interests in Yimaihutong;
- (iv) to nominate or appoint the directors, supervisors, general manager and other senior management of Yimaihutong; and
- (v) to make decisions on major matters related to Yimaihutong's business and review and approve all relevant reports and plans.

As Jinye Tiancheng is a subsidiary of the Company, the terms of the Shareholders' Rights Entrustment Agreement will give the Company control over all corporate decisions made by such Attorney and exercise management control over Yimaihutong.

The Shareholders' Rights Entrustment Agreement has an indefinite term. It may only be terminated in the event that:

- (i) continued performance of the obligations of the agreement will result in violation of or non-compliance with applicable laws and regulations, the Listing Rules or the requirements of the Stock Exchange;
- (ii) Jinye Tiancheng or its designated person(s) directly holds all the equity interests in Yimaihutong, and all of the Registered Shareholders' equity interests in Yimaihutong or all of the assets of Yimaihutong attributable to the Registered Shareholders are transferred to Jinye Tiancheng pursuant to applicable PRC laws and regulations; or
- (iii) Jinye Tiancheng unilaterally terminates the agreement.

(5) Equity Pledge Agreement

Date: 14 April 2023

Parties: Yimaihutong
the Registered Shareholders
Jinye Tiancheng

Subject: The Registered Shareholders agree to pledge (a) all of their respective equity interests in Yimaihutong to Jinye Tiancheng, and (b) the Registered Shareholders' present and future rights, interests, income, claims, current or future receivables and compensations related to their equity interests in Yimaihutong and dividends and other payments distributed from Yimaihutong to the Registered Shareholders from time to time, to secure performance of, among other things, their obligations under the Equity Pledge Agreement.

If Yimaihutong declares any dividend during the term of the pledge, Jinye Tiancheng is entitled to receive all dividends or other income arising from the pledged equity interests, if any. In case of any breach of obligations by any of the Registered Shareholders and Yimaihutong, Jinye Tiancheng, upon issuing a written notice to the Registered Shareholders, will be entitled to all remedies available in the New Contractual Arrangements including but not limited to disposing of the pledged equity interests.

In addition, pursuant to the Equity Pledge Agreement, the Registered Shareholders undertake to Jinye Tiancheng, among other things, not to transfer their pledged equity interests and not to create or allow any pledge or encumbrance thereon that may affect the rights and interest of Jinye Tiancheng without its prior written consent. Yimaihutong undertakes to Jinye Tiancheng, among other things, not to consent to any transfer of the pledged equity interests or to create or allow any pledge or encumbrance thereon without Jinye Tiancheng's prior written consent.

The pledge in respect of Yimaihutong takes effect upon the completion of registration with the relevant administration for industry and commerce and shall remain valid until after

- (i) all the contractual obligations under the relevant New Contractual Arrangements have been fully performed;
- (ii) all the outstanding debts under the relevant New Contractual Arrangements have been fully paid;
- (iii) Jinye Tiancheng, as permitted by the laws and regulations of the PRC, decides to purchase all the equity interest in and/or assets of Yimaihutong held by the Registered Shareholders in accordance with the Exclusive Option Agreement; and
- (iv) the equity interest of the Registered Shareholders has been transferred to Jinye Tiancheng or its designated person(s) in accordance with the laws and regulations of the PRC and Jinye Tiancheng or its designated person(s) can legally engage in Yimaihutong's business.

The Equity Pledge Agreement has an indefinite term and a termination provision which stipulates that unless otherwise required by applicable PRC laws and regulations, none of the parties to the agreement (except Jinye Tiancheng) is entitled to unilaterally terminate it.

The Equity Pledge Agreement may only be terminated in the event that:

- (i) continued performance of the obligations of the agreement will result in violation of or non-compliance with the applicable laws and regulations, the Listing Rules or the requirements of the Stock Exchange;

- (ii) Jinye Tiancheng or its designated person(s) directly holds all the equity interests in Yimaihutong, and all of the Registered Shareholders' equity interests in Yimaihutong or all of the assets of Yimaihutong attributable to the Registered Shareholders are transferred to Jinye Tiancheng pursuant to applicable PRC laws and regulations; or
- (iii) Jinye Tiancheng unilaterally terminates the agreement.

(6) Spouse Undertakings

Date: 14 April 2023

Parties: Mr. Zhang Xiaofeng (spouse of Ms. Tian Liping)
Ms. Liu Lingdi (spouse of Mr. Tian Lixin)

The spouses of each of Ms. Tian Liping and Mr. Tian Lixin has signed an undertaking (the “**Spouse Undertakings**”) to the effect that he/she has no right to the respective 50% equity interests in Yimaihutong held by the Registered Shareholders. Each of the Spouse Undertakings does not have a term.

The arrangements under the Spouse Undertakings provide protection to the Group even in the event of death or divorce of the Registered Shareholders. The death or divorce of any of the Registered Shareholders would not affect the validity of the New Contractual Arrangements, and Jinye Tiancheng or the Company can still enforce their right under the New Contractual Arrangements against the Registered Shareholders and their successors.

Other key terms thereunder

(7) Dispute Resolution

Each of the agreements under the New Contractual Arrangements contains a dispute resolution provision. Pursuant to such provision, in the event of any dispute arising from the performance of or relating to the New Contractual Arrangements, any party has the right to submit the relevant dispute to the Beijing Arbitration Commission for arbitration, in accordance with the then effective arbitration rules.

The arbitration shall be confidential and the language used during arbitration shall be Chinese. The arbitration award shall be final and binding on all parties. The dispute resolution provisions also provide that the arbitral tribunal may award remedies over the shares or assets of Yimaihutong or injunctive relief (e.g. limiting the conduct of business, limiting or restricting transfer or sale of shares or assets) or order the winding up of Yimaihutong; any party may apply to the courts of Hong Kong, the Cayman Islands (being the place of incorporation of the Company), the PRC and the places where the principal assets of Jinye Tiancheng or Yimaihutong are located for interim remedies or injunctive relief.

However, as advised by the PRC legal adviser to the Company, the above provisions may not be enforceable under the PRC laws. For instance, the arbitral tribunal has no power to grant such injunctive relief, nor will it be able to order the winding up of Yimaihutong pursuant to the current PRC laws. In addition, interim remedies or enforcement order granted by overseas courts such as Hong Kong and the Cayman Islands may not be recognizable or enforceable in the PRC.

As a result of the above, in the event that Yimaihutong or the Registered Shareholders breach any terms of the New Contractual Arrangements, the Company may not be able to obtain sufficient remedies in a timely manner, and its ability to exert fully effective control over Yimaihutong and to conduct the business of the Consolidated Affiliated Entities could be materially and adversely affected.

(8) Succession

As advised by the PRC legal adviser to the Company, the provisions set out in the New Contractual Arrangements are also binding on any successor(s) of the Registered Shareholders as if such successors were a signing party to the New Contractual Arrangements. As such, any breach by the successors would be deemed to be a breach of the New Contractual Arrangements. Under the PRC Civil Code, the statutory successors include the spouse, children, parents, brothers, sisters, paternal grandparents and maternal grandparents. In the case of a breach, Jinye Tiancheng can enforce its rights against the successors.

(9) Conflicts of Interests

Each of Registered Shareholders undertakes that, during the period that the New Contractual Arrangements remain effective, they shall not take or omit to take any action which may lead to a conflict of interest with JinYE Tiancheng or JinYE Tiancheng's direct or indirect shareholders. If there is any conflict of interest, JinYE Tiancheng shall have the right to decide in its sole discretion on how to deal with such conflict of interest in accordance with the applicable PRC laws. Registered Shareholders will unconditionally follow the instructions of JinYE Tiancheng to take any action to eliminate such conflict of interest.

(10) Loss Sharing

Under the relevant PRC laws and regulations, neither the Company nor JinYE Tiancheng is legally required to share the losses of, or provide financial support to the Consolidated Affiliated Entities. Further, the Consolidated Affiliated Entities are limited liability companies and each of them shall be solely liable for its own debts and losses with assets and properties owned by them. In addition, given that the Group conducts certain of its business operations in the PRC through the Consolidated Affiliated Entities, which hold the requisite PRC operational licenses and approvals, and that its financial position and results of operations are consolidated into the Group's financial statements under the applicable accounting principles, the Company's business, financial position and results of operations would be adversely affected if the Consolidated Affiliated Entities suffer losses.

(11) Liquidation

Pursuant to the Equity Interest Pledge Agreement, in the event of a mandatory liquidation required by the PRC laws, the shareholders of Yimaihutong shall, upon the request of JinYE Tiancheng, give the proceeds they receive from liquidation as a gift to JinYE Tiancheng or its designee(s) to the extent permitted by the PRC laws.

Accordingly, in the event of a winding up of Yimaihutong, JinYE Tiancheng is entitled to liquidation proceeds of Yimaihutong based on the New Contractual Arrangements for the benefit of the Company's creditors and shareholders.

(12) Insurance

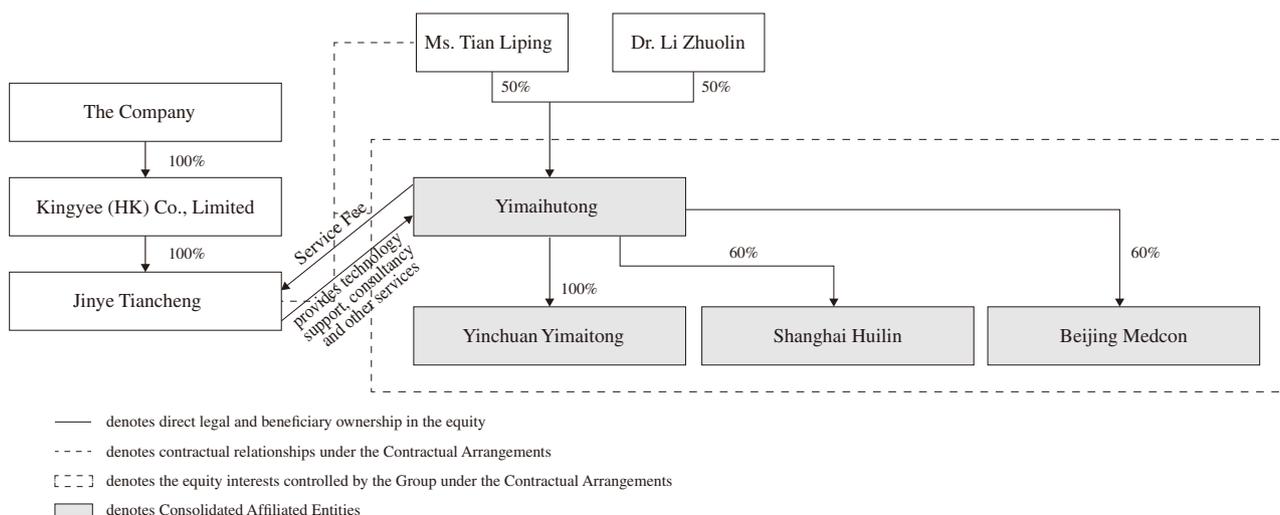
The Company does not maintain an insurance policy to cover the risks relating to the Existing Contractual Arrangements and the New Contractual Arrangements.

(13) The Company's Confirmation

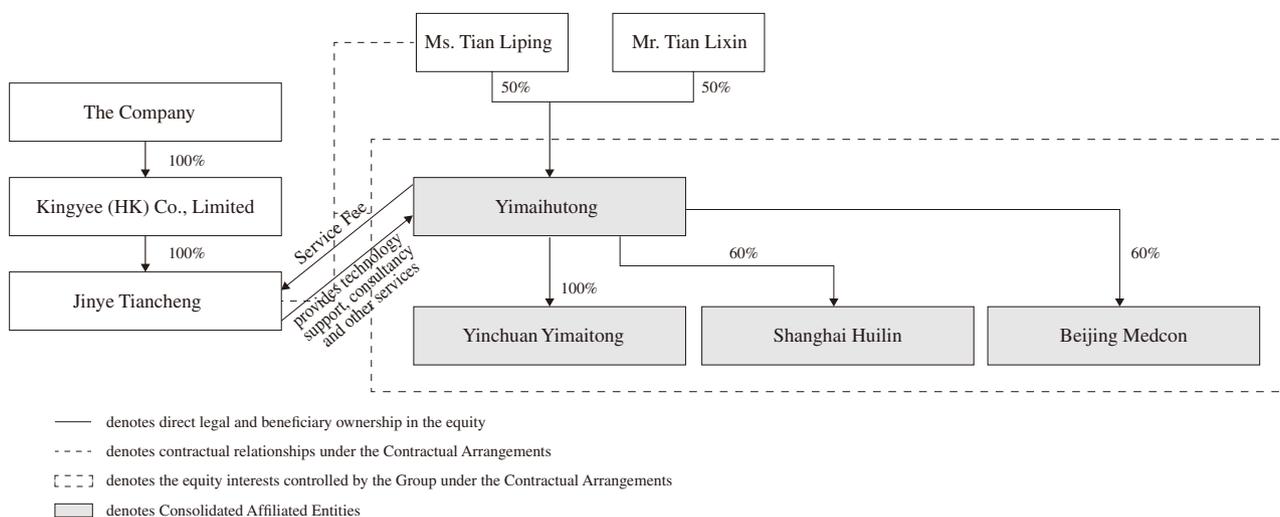
As of the date of this announcement, the Company has not encountered any interference or encumbrance from any PRC governing bodies in operating its businesses through the Consolidated Affiliated Entities under the Existing Contractual Arrangements or the New Contractual Arrangements.

DIAGRAM OF THE CORPORATE STRUCTURES BEFORE AND AFTER THE NEW CONTRACTUAL ARRANGEMENTS

The following simplified diagram illustrates the corporate structure before entering into the New Contractual Arrangements:



The following simplified diagram illustrates the corporate structure after entering into the New Contractual Arrangements:



RISKS RELATING TO THE NEW CONTRACTUAL ARRANGEMENTS

- (I) If the PRC government considers the New Contractual Arrangements not to comply with applicable PRC laws and regulations, or if these laws and regulations or the interpretation of existing laws and regulations change in the future, the New Contractual Arrangements may be nullified and the Group may be forced to relinquish its interests in the operations of the Consolidated Affiliated Entities**

The relevant PRC regulatory authorities have broad discretion in determining whether a particular contractual structure violates PRC laws and regulations. If the Group is found in violation of any PRC laws or regulations or if the New Contractual Arrangements among the Company's wholly foreign-owned PRC subsidiaries, Yimaihutong and its shareholders are determined as illegal or invalid by any PRC court, arbitral tribunal or regulatory authorities, the relevant governmental authorities would have broad discretion in dealing with such violation, including, without limitation:

- revoke the agreements constituting the New Contractual Arrangements;
- revoke the relevant business and operating licenses;
- require the Group to discontinue or restrict operations;
- restrict the Group's right to collect revenue;
- shut down all or part of the Group's websites or services;
- levy fines on the Group and/or confiscate the proceeds that they deem to have been obtained through non-compliant operations;
- require the Group to restructure the operations in such a way as to compel the Group to establish a new enterprise, re-apply for the necessary licenses or relocate the Group's businesses, staff and assets;
- impose additional conditions or requirements with which the Group may not be able to comply; or
- take other regulatory or enforcement actions that could be harmful to the Group's business.

(II) The New Contractual Arrangements may not be as effective in providing operational control as direct ownership

The New Contractual Arrangements may not be as effective as direct ownership in providing the Group with control over Yimaihutong. Direct ownership would allow the Group, for example, to directly or indirectly exercise its rights as a shareholder. However, under the New Contractual Arrangements, as a legal matter, if Yimaihutong and its shareholders fail to perform their respective obligations under the New Contractual Arrangements, the Group may have to (i) incur substantial costs, (ii) expend significant resources to enforce those arrangements, and (iii) resort to litigation or arbitration and rely on legal remedies under PRC laws. These remedies may include seeking specific performance or injunctive relief and claiming damages, any of which may not be effective. In the event the Group is unable to enforce the New Contractual Arrangements or the Group experiences significant delays or other obstacles in the process of enforcing the New Contractual Arrangements, the Group may not be able to exert effective control over Yimaihutong and may lose control over the assets owned by Yimaihutong. As a result, the Group may be unable to consolidate the Consolidated Affiliated Entities in its consolidated financial statements, which could materially and adversely affect its financial condition and results of operations.

(III) The New Contractual Arrangements may be subject to scrutiny by the PRC tax authorities

The PRC tax authorities may assert that the Company or its subsidiaries or Yimaihutong or its shareholders owe and/or are required to pay additional taxes on previous or future revenue or income. In particular, under applicable PRC laws, rules and regulations, arrangements and transactions among related parties, such as the New Contractual Arrangements with Yimaihutong, may be subject to audit or challenge by the PRC tax authorities. If the PRC tax authorities determine that the New Contractual Arrangements were not entered into on an arm's length basis and therefore constitute a favorable transfer pricing, the PRC tax liabilities of the relevant subsidiaries and/or Yimaihutong and/or equity holders of Yimaihutong could be increased, which could increase the Group's overall tax liabilities.

(IV) The Group's current corporate structure and business operations under the New Contractual Arrangements may be affected by the Foreign Investment Law

The Foreign Investment Law and its implementing rules do not explicitly classify whether variable interest entities that are controlled through contractual arrangements would be deemed as foreign invested enterprises if they are ultimately "controlled" by foreign investors. However, the Foreign Investment Law has a catch-all provision under definition of "foreign investment" that includes investments made by foreign investors in China through other means as provided by laws, administrative regulations

or the State Council. Therefore it still leaves leeway for future laws, administrative regulations or provisions of the State Council to provide for contractual arrangements as a form of foreign investment, until when it remains uncertain whether the Group's New Contractual Arrangements will be deemed to be in violation of the market access requirements for foreign investment in the PRC and if so, how the New Contractual Arrangements should be dealt with.

If the Group's control over the Consolidated Affiliated Entities through the New Contractual Arrangements are deemed as foreign investment in the future, and any business of the Consolidated Affiliated Entities is "restricted" or "prohibited" from foreign investment at the time, the Group may be deemed to be in violation of the Foreign Investment Law, the New Contractual Arrangements that allow the Group to have control over Consolidated Affiliated Entities may be deemed as invalid and illegal, and the Group may be required to unwind the New Contractual Arrangements and/or restructure its business operations, any of which may have a material adverse effect on its business operations.

(V) The Group may lose the ability to use, or otherwise benefit from, the licenses, approvals and assets held by the Consolidated Affiliated Entities if any of the Consolidated Affiliated Entities declares bankruptcy or becomes subject to a dissolution or liquidation proceeding

The Consolidated Affiliated Entities contribute a portion of the Group's revenue, and hold a number of the Group's operational assets and licenses, approvals and assets that are necessary for the operation of its business. The New Contractual Arrangements contain terms that specifically obligate the equity holders of Yimaihutong to ensure the valid existence of Yimaihutong and restrict the disposition of material assets or any equity interest of Yimaihutong. However, in the event the equity holders of Yimaihutong breach the terms of the New Contractual Arrangements and voluntarily liquidate Yimaihutong, or Yimaihutong declares bankruptcy and all or part of its assets become subject to liens or rights of third-party creditors, or are otherwise disposed of without the Company's consent, the Group may be unable to operate some or all of its business or otherwise benefit from the assets held by the Consolidated Affiliated Entities, which could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, if Yimaihutong undergoes a voluntary or involuntary liquidation proceeding, its equity holders or unrelated third-party creditors may claim rights to some or all of the assets of Yimaihutong, thereby hindering the Group's ability to operate its business as well as constraining its growth.

(VI) The shareholders of Yimaihutong may have potential conflicts of interest with the Group

The shareholders of Yimaihutong may have actual or potential conflicts of interest with the Group. These shareholders may breach, or cause Yimaihutong to breach, or refuse to renew, the New Contractual Arrangements, which would have a material and adverse effect on the Group's ability to effectively control Yimaihutong and receive economic benefits from them. If the Company cannot resolve any conflict of interest or dispute between the Group and the shareholders of Yimaihutong, the Company would have to rely on legal proceedings, which could result in disruption of the Group's business and subject it to substantial uncertainty as to the outcome of any such legal proceedings.

(VII) The Company does not have any insurance which covers the risks relating to the New Contractual Arrangements and the transactions contemplated thereunder

The Group's insurance does not cover the risks relating to the New Contractual Arrangements and the transactions contemplated thereunder, and the Company has no intention to purchase any new insurance in this regard. If any risk arises from the New Contractual Arrangements in the future, such as those affecting the enforceability of the contracts among Jinye Tiancheng, Yimaihutong and the Registered Shareholders, the Group's financial condition and results of operations may be adversely affected.

INFORMATION ABOUT THE PARTIES

The Group is the leading online professional physician platform in China. The Group has focused on using technology to support physicians' clinical decision making for over 20 years. Its self-developed *Medlive* (醫脈通) platform is widely recognized by physicians in China as the most popular professional medical platform, which enables the Group to become the platform of choice in precision digital healthcare marketing for pharmaceutical and medical device companies in China.

Ms. Tian Liping is a PRC national and she is the chairwoman, chief executive officer and an executive Director of the Company. She is the elder sister of Mr. Tian Lixin.

Mr. Tian Lixin is a PRC national and he is an executive Director of the Company.

Ms. Tian Liping and Mr. Tian Lixin own 48% and 37%, respectively, of Tiantian Co., Limited, which in turn owns approximately 37.30% of the Company's issued share capital as at the date of this announcement.

LISTING RULES IMPLICATIONS

At the time of the Listing, the Company sought and the Stock Exchange granted, the IPO Waiver in connection with the continuing connected transactions of the Group in the form of the Existing Contractual Arrangements. The IPO Waiver is subject to certain conditions including, among others, that on the basis that the Existing Contractual Arrangements provide an acceptable framework for the relationship between the Company and its subsidiaries in which the Company has direct shareholding on the one hand, and the Consolidated Affiliated Entities on the other hand, such framework may be renewed and/or reproduced in connection with any changes to the shareholders of the Consolidated Affiliated Entities, on substantially the same terms and conditions as the Existing Contractual Arrangements, without obtaining the approval of the Shareholders.

The Company has discussed with its auditor and confirmed that, upon the signing of the New Contractual Arrangements, the financial results of the Consolidated Affiliated Entities will continue to be consolidated into the financial statements of the Group as if they were subsidiaries of the Company under the prevailing accounting principles.

The Registered Shareholders are Ms. Tian Liping and Mr. Tian Lixin. Both Ms. Tian Liping and Mr. Tian Lixin are executive Directors of the Company. They are also shareholders of Tiantian Co., Limited, a controlling shareholder of the Company. Accordingly, the transactions contemplated under the New Contractual Arrangements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the New Contractual Arrangements are reproduced from the Existing Contractual Arrangements as provided under the conditions of the IPO Waiver, the Company has sought confirmation from the Stock Exchange, and the Stock Exchange has confirmed, that the transactions contemplated under the New Contractual Arrangements would fall within the scope of the waiver from the requirements of Chapter 14A of the Listing Rules as set out in the IPO Waiver and are exempt from (i) the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, (ii) the requirement of setting an annual cap for the transactions under the New Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the New Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, for so long as the Shares are listed on the Stock Exchange, subject to compliance with the same conditions of the IPO Waiver.

DEFINITIONS

In this announcement, the following expressions have the meanings respectively set opposite them, unless the context otherwise requires:

“Beijing Medcon”	Beijing Medcon Information Consulting Co., Ltd. * (北京美迪康信息諮詢有限公司), a company incorporated in the PRC, a 60% subsidiary of Yimaihutong and one of the Consolidated Affiliated Entities
“Board”	the board of Directors
“Company”	Medlive Technology Co., Ltd. (醫脈通科技有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2192)
“Consolidated Affiliated Entities”	the entities controlled by the Group control through the New Contractual Arrangements, namely Yimaihutong, Yinchuan Yimaitong, Shanghai Huilin and Beijing Medcon
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Pledge Agreement”	the equity pledge agreement entered into among JinYE Tiancheng, Yimaihutong and the Registered Shareholders dated 14 April 2023
“Exclusive Operation Services Agreement”	the exclusive operation services agreement entered into among JinYE Tiancheng, Yimaihutong and the Registered Shareholders dated 14 April 2023
“Exclusive Option Agreement”	the exclusive option agreement entered into among JinYE Tiancheng, Yimaihutong and the Registered Shareholders dated 14 April 2023
“Existing Contractual Arrangements”	the series of contractual arrangements entered into among JinYE Tiancheng, Yimaihutong, Ms. Tian Liping and Dr. Li Zhuolin, details of which are described in the section headed “Contractual Arrangements” in the Prospectus
“Foreign Investment Law”	the PRC Foreign Investment Law (《中華人民共和國外商投資法》) adopted at the Second Session of the Thirteenth National People’s Congress of the PRC on March 15, 2019
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IPO Waiver”	the waiver granted by the Stock Exchange to the Company from strict compliance with (i) the announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Existing Contractual Arrangements, (ii) the requirement of setting an annual cap for the transactions under the Existing Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the Existing Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, subject to certain conditions, details of which are disclosed in the section headed “Continuing Connected Transactions” in the Prospectus
“Jinye Tiancheng”	Kingyee (Beijing) Co., Ltd. (金葉天成 (北京) 科技有限公 司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Listing”	the commencement of the listing of Shares on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan Agreements”	has the meaning ascribed to it under the section headed “THE NEW CONTRACTUAL ARRANGEMENTS — (3) Loan Agreements” in this announcement
“New Contractual Arrangements”	the series of contractual arrangements entered into among Jinye Tiancheng, Yimaihutong and the Registered Shareholders, details of which are described in the section headed “THE NEW CONTRACTUAL ARRANGEMENTS” in this announcement
“PRC”	the People’s Republic of China (but excluding, for the purpose of this announcement only, Hong Kong, Macau and Taiwan)
“Prospectus”	the prospectus dated 30 June 2021 issued by the Company
“Registered Shareholders”	Ms. Tian Liping and Mr. Tian Lixin
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary shares of US\$0.00001 each in the issued share capital of the Company

“Shanghai Huilin”	Shanghai Yimaitong Huilin Medical Technology Co., Ltd.* (上海醫脈通滙臨醫藥科技有限公司), a company incorporated in the PRC, a 60% subsidiary of Yimaihutong and one of the Consolidated Affiliated Entities
“Shareholders”	holders of the Shares
“Shareholders’ Rights Entrustment Agreement”	the shareholders rights entrustment agreement entered into among JinYE Tiancheng, Yimaihutong and the Registered Shareholders dated 14 April 2023
“Spouse Undertakings”	has the meaning ascribed to it under the section headed “THE NEW CONTRACTUAL ARRANGEMENTS — (6) Spouse Undertakings” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Yimaihutong”	Beijing Yimaihutong Technology Co., Ltd.* (北京醫脈互通科技有限公司), a company incorporated in the PRC and one of the Consolidated Affiliated Entities
“Yinchuan Yimaitong”	Yinchuan Yimaitong Internet Hospital Co., Ltd.* (銀川醫脈通互聯網醫院有限公司), a company incorporated in the PRC, a wholly-owned subsidiary of Yimaihutong and one of the Consolidated Affiliated Entities
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent. or percentage

* For identification purposes only

By order of the board of
Medlive Technology Co., Ltd.
Tian Liping
Chairwoman and Chief Executive Officer

Hong Kong, 14 April 2023

As of the date of this announcement, the Board comprises Ms. Tian Liping, Mr. Tian Lixin, Mr. Tian Lijun and Ms. Zhou Xin as executive Directors; Mr. Eiji Tsuchiya and Mr. Kazutaka Kanairo as non-executive Directors; and Mr. Richard Yeh, Dr. Ma Jun and Ms. Wang Shan as independent non-executive Directors.