

Dated this 25th day of July 2025

Patent Licence Agreement

between

BAGI Research Limited

(霸基科研有限公司)

and

PuraPharm Corporation Limited

(培力農本方有限公司)

This Agreement is dated this 25th day of July 2025

Parties

- (1) **BAGI Research Limited (壩基科研有限公司)**, a company duly incorporated and registered in Hong Kong with business registration number 35014739 whose registered office is at Unit 613, Building 11W, No. 11 Science Park West Avenue, Hong Kong Science Park, Pak Shek Kok, Tai Po, New Territories, Hong Kong (the “**Licensor**”);

and

- (2) **PuraPharm Corporation Limited (培力農本方有限公司)**, a company duly incorporated in the Cayman Islands and registered in Hong Kong with business registration number 64506008 whose principle place of business in Hong Kong is at Units 201-207, 2/F, Wireless Centre, Phase One, Hong Kong Science Park, Pak Shek Kok, Tai Po, New Territories, Hong Kong (the “**Licensee**”);

(hereinafter each referred to as a “**Party**”, and collectively as “**Parties**”)

WHEREAS:

- (A) Licensor is a registered co-proprietor of certain patents and patent applications (collectively, the “**Patents**”) and has the exclusive commercial right to develop, market, sell, or otherwise dispose of products manufactured based on the Patents, and has the exclusive right to grant licences with respect to the Patents.
- (B) As at the date of this Agreement, the Licensee has an authorised issued share capital of US\$5,000,000,000, which is divided into 5,000,000,000,000 shares of US\$0.001 each (the “**Share(s)**”), of which 395,897,275 Shares are fully-paid and in issue and are listed on the Stock Exchange (stock code: 1498).
- (C) Licensor wishes to grant, and the Licensee wishes to accept, an exclusive and worldwide licence to commercialise the Licensed IP, for a one-off non-refundable licence fee to be paid by the Licensee by way of issue of the Consideration Shares and on the terms set out in this Agreement. The Licensee shall have the right to sub-license the Licensed IP to one or more of its Subsidiaries.

It is AGREED as follows:

1. INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1.1 Definitions:

Business Day	means a day (not being a Saturday, Sunday, public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above, a “black” rainstorm warning or “extreme conditions” announced by the Government of Hong Kong is in force in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) when
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banks generally are open in Hong Kong for the transaction of general banking business.

BN101E Project

means the project as set out in Schedule 2.

Completion

means commencement of the licence of the Licensed IP and the completion of the issue of the Consideration Shares.

Completion Date

means, following the satisfaction of the Conditions Precedent, a Business Day on or before the Long Stop Date as agreed by the Licensors and the Licensee which shall also be the date of completion of the Subscription Agreement, on which Completion shall take place.

Conditions Precedent

means the conditions precedent to Completion, as set out in Clause 4.1.

Confidential Information

means:

- a) the existence, subject matter and terms of this Agreement;
- b) the Licensed IP; and
- c) any and all information that would be regarded as confidential by a reasonable business person or information which is identified as being confidential or otherwise designated to show expressly that it is imparted in confidence including information relating to:
 - i) the business, affairs, customers, clients, suppliers, or plans, intentions, or market opportunities of the disclosing party;
 - ii) the operations, specifications, research, inventions, processes, initiatives, product information, Patents, designs, trade secrets or software of the disclosing party,

in each case which is disclosed orally, visually (for example, in electronic form) or in writing by or on behalf of one Party to the other Party, and shall include any information, analyses, compilations, studies, minutes of meetings, or other documents or physical materials prepared by or on behalf of the Receiving Party which include or otherwise derive from information received from the disclosing party.

**Consideration
Shares**

means 93,488,372 new Shares in aggregate to be allotted and issued by the Licensee to the Licensors under the specific mandate to allot and issue such new Shares to be granted by the independent shareholders of the Licensee at an extraordinary general meeting to be held.

Data

means all data generated from or related to carrying out market surveys in various markets, obtaining large amounts of statistics in connection with the said project, performing different types of analysis, conducting medical and pharmaceutical research, executing experiments and consolidating research reports, consulting experts for technical and pharmacological advice, conducting further pharmacology experiments and testing, compiling reports incorporating expert opinions, performing animal clinical trials, preparing experimental reports and analyses, conducting clinical trials (including analytical and quality control data along with pharmacological, toxicological, clinical, and non-clinical data and analysis), and filing all technical, medical, and scientific submissions, applications, registrations, authorisations, and approvals, in respect of or in connection with the Patents and BN101E Project.

Documents

means all technical, medical, scientific, and regulatory documents generated from or related to carrying out market surveys in various markets, obtaining large amounts of statistics in connection with the said project, performing different types of analysis, conducting medical and pharmaceutical research, executing experiments and consolidating research reports, consulting experts for technical and pharmacological advice, conducting further pharmacology experiments and testing, compiling reports incorporating expert opinions, performing animal clinical trials, preparing experimental reports and analyses, conducting clinical trials (including analytical and quality control data along with pharmacological, toxicological, clinical, and non-clinical data and analysis), and filing all technical, medical, and scientific submissions, applications, registrations, authorisations, and approvals, in respect of or in connection with the Patents and BN101E Project.

Encumbrance

means any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, trust arrangement or other security or any equity or restriction (including any restriction imposed under

	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)).
HK\$	means Hong Kong dollars, the lawful currency of Hong Kong.
Hong Kong	means the Hong Kong Special Administrative Region of the People's Republic of China.
Improvement	means any improvement, enhancement or modification to the technology that is the subject of the Patent or to the Licensed Product or its method of manufacture.
Know-How	means all non-public, proprietary technical and scientific information, whether patentable or not, related to the carrying out market surveys in various markets, obtaining large amounts of statistics in connection with the said project, performing different types of analysis, conducting medical and pharmaceutical research, executing experiments and consolidating research reports, consulting experts for technical and pharmacological advice, conducting further pharmacology experiments and testing, compiling reports incorporating expert opinions, performing animal clinical trials, preparing experimental reports and analyses, conducting clinical trials (including analytical and quality control data along with pharmacological, toxicological, clinical, and non-clinical data and analysis), and filing all technical, medical, and scientific submissions, applications, registrations, authorisations, and approvals, in respect of or in connection with the Patents and BN101E Project.
Licensed Products	means any and all products manufactured by the Licensee in which the Licensed IP is being used and/or applied therein under this Agreement.
Listing Rules	means the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time.
Licensed IP	means: <ul style="list-style-type: none"> (a). the Patents; (b). the Know-How; (c). the Data; and (d). the Documents.

Long Stop Date	means 31 October 2025 or such other date as the Licensor and the Licensee may agree in writing.
Patents	means the patent, particulars of which are set out in the Schedule 1, including any continuations, continuations in part, extensions, reissues, divisions, and including any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing.
Sales Value	means the gross invoiced price of Licensed Products sold by the Licensee, as long as the Licensed Products are sold.
Share(s)	means the ordinary Share(s) in the share capital of the Licensee of US\$0.001 each.
SFC	means the Securities and Futures Commission of Hong Kong.
Stock Exchange	means The Stock Exchange of Hong Kong Limited.
Subscription Agreement	means the subscription agreement to be entered into by the Licensee and Providence Discovery Fund, on the date hereof, pursuant to which the Licensee agrees to issue 46,512,000 new Shares to Providence Discovery Fund,.
Subsidiary	has the meaning ascribed to it in the Listing Rules.
Term	means the term of this Agreement, which shall commence on the Completion Date and shall remain in effect until the expiration or abandonment of all of the Patents, unless earlier terminated in accordance with the provisions of this Agreement.
Territories	means worldwide.
US\$	means the United States Dollar, the lawful currency of the United States of America.
Versitech	means Versitech Limited, a company incorporate in Hong Kong with limited liability, which entered into the Patent Co-ownership and Commercialisation Agreement with the Licensor and other parties on 7 July 2022 which provides, among other things, the rights and obligations of the Licensor and Versitech as joint owners of the Patents in respect of the Patents.

1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

1.3 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

- 1.4 The Schedule forms part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 1.5 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.6 References to clauses and Schedule are to the clauses and Schedule of this Agreement.
- 1.7 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 1.8 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.9 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.10 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.11 A reference to writing or written includes fax and email.
- 1.12 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.13 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. GRANT OF RIGHTS AND CONSIDERATION SHARES

2.1 Licence

- 2.1.1 Licensor hereby grants to the Licensee only, and the Licensee hereby accepts on its own behalf, subject to the provisions of this Agreement, an exclusive non-transferable licence of the Licensed IP, to research, design, develop, manufacture, or have manufactured, use and sell otherwise supply the Licensed Products in the Territories during the Term.
- 2.1.2 The Licensee shall have the right to sub-license the Licensed IP to one or more of the Licensee's Subsidiaries for the same purpose as set out in Clause 2.1.1, on terms and conditions to be agreed by the Licensee and its relevant Subsidiary(ies).

Where the Licensee sub-license any of the Licensed IP to its Subsidiary(ies):

- (i) the Licensee shall procure that such sub-licensee(s) will comply with all obligations to which the Licensee is subject under this Agreement;

- (ii) the Licensee shall be fully and solely responsible for any breach of or non-compliance with this Agreement by such sub-licensee(s) as if the breach or non-compliance had been a breach of or non-compliance with this Agreement by the Licensee;
- (iii) the Licensee shall indemnify the Licensor in full as a result of any breach of or non-compliance with this Agreement by such sub-licensee(s);
- (iv) the Licensee shall promptly provide the Licensor a fully signed photocopy of the sub-licence agreement(s) entered into between the Licensee and such sub-licensee(s) or, where no written agreement is entered into with the sub-licensee(s), the terms of such sub-licence(s); and
- (v) any right that the Licensee enjoys under this Agreement shall also be enjoyed by such sub-licensee(s), and any obligation that the Licensee assumes under this Agreement shall also be assumed and performed by such sub-licensee(s).

2.1.3 For the avoidance of doubt, the Licensee's right to research, design, develop, manufacture, or have manufactured, use and sell or otherwise supply Licensed Products is confined to the Licensed IP, which include the Patents as specified in Schedule 1, the Know-How, the Data, and the Documents unless the Licensor further agrees to extend the scope of the Licensed IP in advance in writing.

2.2 **Consideration Shares**

In consideration of the grant of the licence herein from the Licensor to the Licensee under Clause 2.1 above, the Licensee shall pay Licensor a one-off non-refundable licence fee of HK\$40,200,000.00 by allotting and issuing the Consideration Shares at a price of approximately HK\$0.43 per Consideration Share free from Encumbrances on the terms and subject to the conditions set out in this Agreement.

2.3 **Restriction and Non-Compliance**

The Licensee shall have no right to further grant sub-licenses to any parties apart from the Licensee's Subsidiaries of any of the rights granted to the Licensee under this Agreement, unless with the prior written consent of the Licensor. Particularly, the Licensee shall not and has no authority to use or apply the Licensed IP together with any persons (apart from the Licensee's Subsidiaries) whatsoever in any circumstances without obtaining prior written approval from Licensor under this Agreement. Where the Licensor approves any sub-licensee (apart from the Licensee's Subsidiaries), the Licensee shall comply with the requirements set out in Clause 2.1.2 where the reference to "Subsidiary(ies)" shall be deemed to refer to such approved sub-licensee.

3. **IMPROVEMENT**

3.1 On the Completion Date, the Licensor shall:

- 3.1.1 Inform the Licensee of all technical information concerning the Licensed IP known to the Licensor;

- 3.1.2 Supply the Licensee with any documents or drawings relevant to the Licensed IP; and
 - 3.1.3 License the Licensee to use such documents, drawings, and technical information in accordance with the provisions of this Agreement.
- 3.2 If during the Term, the Licensors of the co-owner of the Patent shall develop or discover any Improvement:
 - 3.2.1 the Licensors shall promptly notify the Licensee and provide full details to the Licensee;
 - 3.2.2 Information provided by the Licensors to the Licensee under Clause 3.2.1 shall be subject to the provisions of Clause 6 (Confidential Information); and
 - 3.2.3 If within sixty (60) days of such notification the Licensee informs the Licensors that it wishes to acquire an exclusive licence in respect of any Improvement, the Licensors and Licensee shall negotiate the terms of such licence between them and record the same in writing.
- 3.3 If any Improvement is developed by Licensee during the Term using or incorporating the Licensed IP:
 - 3.3.1 all rights, title, and interest in such Improvement shall automatically vest in Licensors, subject to the terms of this Agreement;
 - 3.3.2 Licensee shall have licence fee free and exclusive licence to use such Improvement for commercial purposes during the Term and such Improvement shall become part of the Licensed IP, unless otherwise agreed in writing;
 - 3.3.3 Licensee shall not be required to seek additional consent from Licensors or any other parties for the development, use, or commercialisation of such Improvement; and
 - 3.3.4 Licensee shall promptly disclose any Improvement falling under Clause 3.3 to Licensors and execute all documents necessary to perfect Licensors' ownership. Licensors shall not unreasonably withhold consent for Licensee's use of such Improvement.

4. **CONDITION PRECEDENT**

- 4.1 The obligations of the Parties to effect Completion shall be conditional upon:
 - (i) the transactions under this Agreement, including but not limited to, the allotment and issue of the Consideration Shares, having been approved by the independent shareholders of the Licensee at an extraordinary general meeting to be held in accordance with the requirements of the Listing Rules;
 - (ii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares which may only be subject to conditions as are customarily stipulated by the Stock

Exchange for listing of shares, and such approval not having been revoked;

- (iii) all conditions precedent for the completion of the Subscription Agreement having been satisfied or waived (where applicable);
- (iv) each of the representations, warranties and/or undertakings contained in or referred to or as set out in this Agreement remaining to be true, accurate and not misleading in all respects; and
- (v) all necessary consents from any relevant governmental or regulatory authorities or other relevant third parties in connection in connection with the entering into and performance of the terms of this Agreement and the transactions contemplated thereunder having been obtained.

4.2 The Licensee shall, as soon as is reasonably practicable, apply to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares after the signing of this Agreement and the Licensee shall use all reasonable endeavours to obtain the approval of such listing and permission to deal from the Listing Committee of the Stock Exchange as soon as is reasonably practicable and will inform the Licensor promptly following the granting of the same. The Licensor shall furnish such information, supply such documents, pay such fees and do all such acts and things as may be required by the Licensee, SFC and/or the Stock Exchange in connection with the fulfilment of the Conditions Precedent.

4.3 If any of the Conditions Precedent is not fulfilled at or before 4:00 p.m. (Hong Kong time) on the Long Stop Date, this Agreement shall lapse and become null and void and the Parties shall be released from all obligations hereunder, save for liabilities for any antecedent breaches hereof.

4.4 None of the Conditions Precedent is capable of being waived by any of the Parties.

5. **COMPLETION**

5.1 Subject to the Conditions Precedent having been satisfied, Completion shall take place on the Completion Date between 10:00 a.m. and 5:00 p.m. (time is of the essence).

5.2 At Completion, the Licensee shall:

- (i) allot and issue the Consideration Shares to the Licensor and procure the entry in the register of members of the Licensee the name of the Licensor to be the holders of the relevant Consideration Shares; and
- (ii) deliver to the Licensor (or their respective representatives) the definitive certificates issued in the name of the Licensor in respect of the Consideration Shares.

6. CONFIDENTIAL INFORMATION

6.1 Confidentiality Obligations

Each Party undertakes:

- 6.1.1 all proprietary information disclosed by one Party to the other Party hereunder shall be maintained in confidence and as secret and shall not be disclosed to any third party or used for any purpose except as expressly permitted herein or with the prior written consent of the Party that disclosed the proprietary information to the other Party in the course of or in anticipation of this Agreement and to respect the other Party's rights therein;
- 6.1.2 to use such Confidential Information only for the purposes of or as permitted by this Agreement; and
- 6.1.3 to disclose such Confidential Information only to those of its officers, directors, employees, representatives, affiliates, agents and advisers to whom, and to the extent that, such disclosure is reasonably necessary for the purposes of promoting the Licensed IP.

6.2 Exceptions to Obligations

The provisions of Clause 6.1 shall not apply to Confidential Information which the receiving party can demonstrate by reasonable written evidence:

- 6.2.1 is subsequently disclosed to any Party by a third party without any obligations of confidence; or
 - 6.2.2 is or becomes generally available to the public through no act or default of the receiving party or its officers, directors, employees, representatives, affiliates, agents and advisers; and
 - 6.2.3 the receiving party is required to disclose by or to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority.
- 6.3 The Licensor reserves all rights in the Confidential Information. No rights or obligations in respect of the Confidential Information other than those expressly stated in this Agreement are granted to the Licensee, or to be implied from this Agreement.
- 6.4 The provisions of this Clause 6 (Confidential Information) shall continue to apply after the expiry or earlier termination of this Agreement.

7. COMMERCIALISATION

7.1 General Diligence

The Licensee shall use diligent and commercially reasonable efforts to develop and commercialise the Licensed Products in the Territories and to maximise the benefit of both Parties. As used herein, "commercially reasonable efforts" shall mean efforts and resources normally used by the Licensee for a product owned by it or to which it has exclusive commercialisation rights, which is of

similar market potential at a similar stage in its development or product life, taking into account issues of safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory and reimbursement structure involved, the profitability of the concerned products, and other relevant factors if any.

7.2 Reporting

On each anniversary of the Completion Date, the Licensee shall provide Licensor with a written update in connection with the Licensee's development and commercialisation of the Licensed Products.

8. COMPLIANCE WITH LAWS

8.1 General Compliance with Laws

The Licensee will at all times comply with all legislation, rules, regulations and statutory requirements applying to and obtain any consents necessary for its use of the Licensed IP and the development, manufacture, and sale of Licensed Products in such Territories.

9. INTELLECTUAL PROPERTY

9.1 Protection of the Licensed IP

The Licensor shall at its own cost and expense pay all renewal fees in respect of the Licensed IP as and when due, provided that if the Licensor wishes not to maintain any such Patent, it shall give 3 months' prior written notice to the Licensee and on the expiry of such notice period the Licensor may abandon or cease to maintain the Patent identified in the notice, except to the extent that during the notice period the Licensee shall have requested that any Licensed IP be maintained and shall have provided the funds necessary for their continuance or maintenance.

9.2 Infringement of the Licensed IP

9.2.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement or any unauthorised use or any challenge to the validity or ownership of the Licensed IP, and the Parties shall consult and cooperate fully with each other to decide the best way to respond to such infringement, unauthorised use or challenge, including, without limitation, the commencement of legal action by any Party. Licensor shall have sole and final discretion as to whether to take out further legal actions against such infringement, potential infringement or unauthorised use.

9.2.2 Subject to Clause 9.2.1, should Licensor agree to take out further legal actions, the Licensee shall have the primary obligation to take action against such part(ies) alleged to be infringing and/or making unauthorised use of the Licensed IP and to defend the Licensed IP against challenges to validity or ownership at its expense, provided that:

- (a) Licensor shall on the Licensee's request cooperate with the Licensee in such action and provide the Licensee with all reasonable assistance in relation thereto;

- (b) subject to Clauses 9.2.3 and 9.2.5, the Licensee shall be solely responsible for the conduct of the action or for settlement thereof and shall be entitled to all damages received from such action, subject to Clause 9.2.4; and
 - (c) For any such legal action or settlement, in the event that the Licensee is unable to initiate, prosecute, or defend such action solely in its own name, Licensor may, subject to Clauses 9.2.5 and 9.2.6, join such action voluntarily and may execute all documents necessary for the Licensee and/or the Licensor to prosecute, defend and maintain such action.
- 9.2.3 Before starting or defending or settling any legal action under Clause 9.2.2, the Licensee shall consult with Licensor as to the advisability of the action or defence or settlement, its effect on the good name of Licensor, the public interest, and how the action or defence should be conducted.
- 9.2.4 The Licensee shall reimburse Licensor for any reasonable expenses incurred in assisting it in such action or defence. The Licensee shall pay to Licensor on any damages received from such action as if the amount of such damages were Sales Value.
- 9.2.5 Notwithstanding the foregoing, Licensor shall not be obliged to join any suit or to take any action in its own name if Licensor solely believes that the action is inadvisable or is likely to damage the good name of Licensor, then the Parties will work together in good faith to try to identify a way for the Licensee to enforce such rights or obtain such relief in another manner.
- 9.2.6 If, within six (6) months of the Licensee first becoming aware of any potential infringement and/or unauthorised use of the Licensed IP, the Licensee is unsuccessful in persuading the alleged infringer to desist or fails to initiate an infringement action, Licensor shall have the right, at its sole discretion, to prosecute such infringement under its sole control and at its sole expense, and any damages or other payments recovered shall belong solely to Licensor.

9.3 Infringement of Third Party Rights

If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Licensed IP, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.

10. WARRANTIES AND LIABILITY

10.1 General Representations

Each Party hereby represents and warrants to the other Party in the terms of the following (each of such representations, warranties and undertakings shall be construed as separate and is now and shall remain true and correct in all respects and not misleading in any respects at all times from the date hereof up to and including the Completion Date):

- 10.1.1 Such Party has the corporate power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder and the execution, delivery and performance by such Party of this Agreement has been duly authorised by all necessary corporate action;
- 10.1.2 All necessary consents, approvals and authorisations of all governmental authorities and other persons required to be obtained by such Party in connection with this Agreement have been obtained; and
- 10.1.3 The execution and delivery of this Agreement and the performance of such Party's obligations hereunder and thereunder does not conflict with or violate any requirement of applicable laws or regulations or any judgment, injunction, decree, determination or award presently in effect having applicability to it.

10.2 Warranties by Licensor

Licensor further warrants and undertakes to the Licensee in the terms of the following (each of such representations, warranties and undertakings shall be construed as separate and is now and shall remain true and correct in all respects and not misleading in any respects at all times from the date hereof up to and including the Completion Date):

- 10.2.1 it has the full power and authority to grant the licences contained in this Agreement. It has not previously assigned, transferred, conveyed or otherwise encumbered any right, title and interest in the Licensed IP, created any Encumbrance over the Licensed IP or entered into any agreement with any third party which is in conflict with the rights granted to the Licensee pursuant to this Agreement;
- 10.2.2 so far as it is aware (having made no enquiry of any third parties or conducted any freedom to operate searches), there are no claims, judgments or settlements against or owed by Licensor relating to the Licensed IP as far as Licensor is/are aware;
- 10.2.3 so far as it is aware (having made no enquiry of any third parties or conducted any freedom to operate searches), the use and exploitation of the Licensed IP will not infringe the intellectual property rights of any third party;
- 10.2.4 the Licensor has provided sufficient information to the Licensee in respect of the Patent Co-ownership and Commercialisation Agreement entered into with Versitech and other parties on 7 July 2022, in order for the Licensor to comply with such agreement;
- 10.2.5 the Licensor shall promptly furnish Versitech with a fully signed photocopy of this Agreement and (where applicable) the sub-licence agreement(s) entered into between the Licensee and its sub-licensee(s).

10.3 Warranties by the Licensee

The Licensee further warrants and undertakes to Licensor that, at all times from the date hereof up to and including the Completion Date, it is duly organised

and existing under laws of the Cayman Islands and has all necessary authority, power and capacity to perform its obligations under this Agreement.

10.4 Acknowledgements

The Licensee acknowledges that:

10.4.1 Licensors provides no representations or warranties in connection with its suitability for any specific use or purpose (even if such purpose or use has been notified to Licensors by the Licensee); and

10.4.2 Licensors has not performed any searches or investigations into the existence of any third party rights that may affect any of the Patents.

10.5 No Other Warranties

10.5.1 Each of the Parties acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

10.5.2 The limited warranties set forth in Clause 10 herein are in lieu of all other warranties, express or implied, including any warranty of merchantability, warranty of non-infringement and any warranty of fitness for a particular purpose.

10.5.3 Except for the warranties expressed in this Clause 10, neither Party makes any other warranty, either express or implied, with respect to the Patents. Without limiting the scope of Clause 10.5.1, Licensors does not make any representation nor give any warranty or undertaking:

- (a) as to the efficacy or usefulness of the Patents; or
- (b) as to the scope of any of the Patents; or
- (c) that the use of any of the Patents, the manufacture and sale of Licensed Products or use of the Patents, or the exercise of any of the rights granted under this Agreement will not infringe any intellectual property or other rights of any other person; or
- (d) as imposing any obligation on Licensors to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or
- (e) that there will be no similar or competitive products manufactured, used, sold or supplied by any third party in the Territories.

10.6 Indemnity

The Licensee shall fully indemnify, defend and hold harmless each of Licensors and its respective officers, directors, employees and representatives (together,

the "**Indemnitees**") against all claims that may be asserted against or suffered by any of the Indemnitees and arising out of, attributable to or resulting from:

- 10.6.1 the use by the Licensee of any of the Licensed IP; or
- 10.6.2 the development, manufacture, use, marketing or sale of, or any other dealing in, any of the Licensed IP, by or on behalf of the Licensee, or subsequently by any customer or any other person, including claims based on product liability laws, damage to property or arising in relation to death or personal injury; or
- 10.6.3 the Licensee's negligence, recklessness or wilful misconduct in exercising or performing any of its rights or obligations under this Agreement and breach of any warranties given under Clause 10.3 of this Agreement.

The indemnity given by the Licensee to each Indemnatee under this Clause will not apply to any claim to the extent that it is attributable to the negligent act or omission, reckless misconduct or intentional misconduct of that Indemnatee.

10.7 Limitations of Liability

10.7.1 To the extent that any Indemnatee has any liability in contract, delict, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 10.7.

10.7.2 In no circumstances shall either Party or any Indemnatee be liable for:

- (a) any loss of profits (whether direct or indirect);
- (b) any loss of revenue (other than revenue due under this Agreement), business opportunity or goodwill; or
- (c) any loss, damage, cost or expense of any nature that is of an indirect, special or consequential nature,

in each case, which arises directly or indirectly from that Party's breach or non-performance of this Agreement, or negligence in the performance of this Agreement or from any liability arising in any other way out of the subject matter of this Agreement even if the Party bringing the claim has advised the other Party or the relevant Indemnatee of the possibility of those losses arising, or if such losses were within the contemplation of the Parties or the Indemnatee.

10.7.3 Nothing in this Agreement excludes either Party's liability to the extent that it may not be so excluded under applicable law, including any such liability damage to property, for death or personal injury caused by that Party's negligence, or liability for fraud or fraudulent misrepresentation.

11. DURATION AND TERMINATION

11.1 Commencement and Termination by Expiry

This Agreement, and the licences granted hereunder, shall come into effect on the Completion Date and shall remain in effect during the Term, unless terminated earlier in accordance with the provisions of this Agreement.

11.2 Early Termination

11.2.1 In the event that the Licensee and/or its sub-licensee(s) brings a formal legal action against the Licensor and/or Versitech to challenge the validity, patentability, enforceability and/or non-infringement of any of the Licensed IP ("**Patent Challenge**") or assists another party in bringing a Patent Challenge against the Licensor and/or Versitech, then the Licensor may terminate the licence granted herein and/or require the Licensee to terminate its sub-licence(s) granted to the Licensee's sub-licensee(s) immediately.

11.2.2 The Parties may terminate this Agreement early by written agreement.

11.2.3 Upon termination of this Agreement for any reason, the provisions of Clauses 1, 6, 8, 10 and 12 shall remain in force.

12. GENERAL

12.1 Force Majeure

12.1.1 Any delays in or failure of performance by either Party under this Agreement will not be considered a breach of this Agreement if and to the extent that such delay or failure is caused by occurrences beyond the reasonable control of that Party and could not have been avoided or mitigated by contingency planning including acts of God; acts, regulations and laws of any government; strikes or other concerted acts of workers; fire; floods; explosions; riots; wars; rebellion; and sabotage; and any time for performance hereunder will be extended by the actual time of delay caused by any such occurrence, provided the affected Party has promptly notified the other Party of such force majeure circumstances as soon as reasonably practicable, and makes reasonable efforts to overcome force majeure and minimise the consequences of the force majeure, and resumes the performance of its obligations as soon as force majeure terminates.

12.1.2 If either Party is prevented from carrying out its obligations under this Agreement for a continuous period of six (6) months the other Party may terminate this Agreement on giving thirty (30) days' prior written notice provided always that at the date upon which termination becomes effective the Party which was prevented from carrying out its obligations under this Agreement remains so prevented.

12.2 Amendment

This Agreement may not be amended, modified, waived, discharged or terminated except by the express written agreement signed by duly authorised representatives of Licensor and the Licensee.

12.3 **Assignment and Licensor's Rights**

12.3.1 Licensor is entitled to assign, mortgage, charge or otherwise transfer or deal with any rights or obligations under this Agreement without the prior written consent of the Licensee, provided it gives prior written notice of such dealing to the Licensee.

12.3.2 Licensee shall not assign, transfer, mortgage, charge, sub-license, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under this Agreement without the prior written consent of the Licensor.

12.4 **Waiver**

Any waiver given under or in relation to this Agreement shall be in writing and signed by or on behalf of the relevant Party. No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

12.5 **Severability**

If any provision or part of this Agreement is held to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the invalid provisions are of such essential importance for this Agreement that it is to be reasonably assumed that the Parties would not have entered into this Agreement without the invalid provisions. In such event, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

12.6 **No Agency**

Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.

12.7 **Notices**

12.7.1 Whenever notice is required to be given under this Agreement, it shall be deemed to be good and sufficient notice if in writing, signed by an officer or an authorised agent of the party serving such notice and sent by email or mailed by registered or certified mail, or personal delivery or overnight air to the other party at the address stated below unless notification of a change of address is given in writing.

12.7.2 For the purpose of delivery of notices under this Agreement, the address and email address of the Licensor is:

Address: Room 613, 11W Science Park, Tai Po, N.T., Hong Kong

Email: abylcn@purapharm.com; cyang@bagibiosciences.com

Attention: Mr. Abraham Chan / Ms. Cindy Yang

12.7.3 For the purpose of delivery of notices under this Agreement, the address and email address of the Licensee is:

Address: Units 201-207, 2nd/FI., Wireless Centre, Phase I, Hong Kong Science Park, Pak Shek Kok, Tai Po, New Territories, Hong Kong

Email: atsoi@purapharm.com; asiu@purapharm.com

Attention: Mr. Alvin Tsoi / Mr. Anthony Siu

12.8 **Dispute Resolution**

12.8.1 The Parties agree to attempt initially to solve all claims, disputes, or controversies arising under, out of, or in connection with this Agreement (including in relation to any non-contractual obligations) (the “**Dispute**”) by conducting good faith negotiations.

12.8.2 The Parties must first try to resolve any dispute or controversy arising out of or in connection with this Agreement through negotiations in good faith and as soon as possible. If a dispute or controversy arises, authorised representative of the Parties must meet at least once and attempt to resolve the dispute or controversy in good faith. Either Party may request in writing to meet with the other Party, and the meeting must be arranged to be held within ten (10) days from the issuance of the meeting notice with the time and location agreed upon by both parties.

12.8.3 If the Dispute cannot be resolved by good faith negotiation within thirty (30) Business Days each Party may during the term of this Agreement serve a written notice (a “**Referral Notice**”) on the other Party with such Disputes be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the notice of arbitration is submitted. The arbitration tribunal shall consist of one (1) arbitrator. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong and the language to be used in the arbitration shall be English.

12.8.4 Nothing in this Clause 12.8 will prevent or delay either Party from:

- (a) exercising any rights it has to terminate this Agreement; and/or
- (b) commencing any proceedings where this is necessary to avoid any loss of a claim due to the rules on limitation of actions.

12.9 **Governing Law**

The validity, construction and performance of this Agreement, and any contractual and non-contractual claims arising hereunder, shall be governed by the law of Hong Kong.

12.10 Entire Agreement

This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter.

12.11 Third Party Rights

The application of the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the laws of Hong Kong) and/or any comparable law in any jurisdiction giving to, or conferring on, third parties the right to enforce any terms of this Agreement is expressly excluded, and no terms of this Agreement are, or intended to be, enforceable by any person not being a party to it.

* * *

SCHEDULE 1

Patents

<u>HKU's Ref. No.</u>	<u>Country/ Jurisdiction</u>	<u>Application No.</u>	<u>Patent No./ Publication No.</u>	<u>Title</u>
IP00384	U.S.	12/647,843	US 8,377,987	Compounds and uses thereof for treating inflammation and modulating immune responses
	Australia	2009336592	AU 2009336592	
	Canada	2,749,575	CA 2749575	
	China	200980158058.6	CN 102348668	
	Japan	2011544934	JP 5778583	
	U.S.	13/769,644	US 9,174,916	
IP00385	U.S.	13/379,008	US 8,633,332	Efficient isolation of cimracemate A, and methods of use
	European Patent Office	10791704.9	EP 2445859	Method for isolating cimracemate A
	Australia	2010264200	AU 2010264200	
	Canada	2766002	CA 2766002	
	China	201080037200.4	CN 102625791	
	Hong Kong	12110182.3	HK 1169380	
	Japan	2012515578	JP 5773997	

SCHEDULE 2

BN101E Project

(A) Background and development progress

- i. Discovery of BN101E as potential anti-inflammatory drug (published in J Med Chem) in Q4 2009
- ii. Obtained 2 patents (one covering 6 countries and the other covering 6 countries and EU including FR,DE,IT,ES,GB,CH,and DK)
- iii. Patent 1 is about the application of *Cimicifuga sp.* and the active compound (Cimiracemate A) in the treatment of rheumatoid arthritis, while the other focuses on the identification of the most effective extraction method for producing *Cimicifuga sp.* product that contain the maximum concentration of Cimiracemate A
- iv. Agreement with University of Toronto to run Clinical Trials for BN101E in Q2 2018
- v. Obtained Clinical Trial Certificate in Canada for BN101E in Q2 2020
- vi. Submitted Pre-IND application to US FDA for BN101E in Q4 2022

(B) How the drug/mechanisms work and what is unique about this product

- i. The product contains three anti-inflammatory compounds (cimiracemate A, isoferulic acid and cimifugin) that can inhibit cytokines e.g. TNF-alpha and IL-6 productions
- ii. This is different from existing drugs that may only target one of the cytokines. Furthermore, this drug is derived from a single source of *Cimicifuga sp.* and possesses an outstanding safety profile
- iii. Primary function reduces inflammation

(C) Possible usage in medicine

- i. Reduce inflammation
- ii. Reduce disease score of rheumatoid arthritis
- iii. To reduce the TNF-alpha, which is a major cytokine in rheumatoid arthritis


(D) Official registrations applied and/or completed

- i. The two patents were granted.
- ii. The product has been registered in Canada (NPN 80087899).

* * *

IN WITNESS whereof the parties have duly signed this Agreement on the day and year first above written.

SIGNED by Mr. Abraham Chan
Director
For and on behalf of
BAGI Research Limited
(壩基科研有限公司)
in the presence of:-

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)
)
)
)


Cindy

Witness' name: YANG LAI HUNG
Witness' corresponding address:

Unit 613, 6/F, Biotech Centre 2, Building 11W,
Hong Kong Science Park, Pak Shek Kok, Tai Po, HK

SIGNED by Dr. Alvin Tsoi
For and on behalf of
PuraPharm Corporation Limited
(培力農本方有限公司)
in the presence of:-

)
)
)
)
)


Hector Lung
Witness' name: Hector Lung
Witness' correspondence address:

FLAT 201-207, 2/F, Wireless Centre,
Phase One, Hong Kong Science Park,
Tai Po, N.T., HK