
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of July 2025

Commission file number: 001-39997

Adagene Inc.

(Exact Name of Registrant as Specified in Its Charter)

**4F, Building C14, No. 218
Xinghu Street, Suzhou Industrial Park
Suzhou, Jiangsu Province, 215123
People's Republic of China**
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Adagene Inc. (“Adagene or the Company”) (Nasdaq: ADAG), a company transforming the discovery and development of novel antibody-based therapies, today announced strategic investment and option exercise by Sanofi (Euronext: SAN FP).

Sanofi Foreign Participations B.V.(“Sanofi”) has agreed to make a strategic investment of up to US\$25.0 million in Adagene. The investment will be made in two closings, with the first closing for US\$17.0 million expected to occur on July 2, 2025, subject to the satisfaction of customary closing conditions. The second closing for US\$8.0 million is subject to the Company’s achievement of Full Phase 2 Enrollment (as such term is defined in the Securities Purchase Agreement). The Company plans to use the proceeds to fund the development of muzastotug (ADG126), an anti-CTLA-4 SAFEbody, through a randomized phase 2 trial in microsatellite stable colorectal cancer (MSS CRC).

Under the terms of the securities purchase agreement dated June 30, 2025 (the “Securities Purchase Agreement”), Sanofi has agreed to purchase the Company’s Series A non-voting convertible preferred shares (the “Series A Preferred Shares”), each share of which is initially convertible into ten ordinary shares of the Company (the “Ordinary Shares”) in two closings, each subject to certain conditions. In the first closing, Sanofi has agreed to purchase 1,062,500 Series A Preferred Shares with an aggregate purchase price of US\$17.0 million, reflecting an as-converted price of US\$2.0 per American depositary share of the Company. The first closing of the transaction is expected to occur on July 2, 2025, subject to the satisfaction of customary closing conditions.

Upon the Company’s achievement of Full Phase 2 Enrollment on or prior to March 31, 2027 and subject to the satisfaction of other customary closing conditions, Sanofi has further agreed to purchase an additional US\$8.0 million of Series A Preferred Shares with an aggregate purchase price of US\$8.0 million at an as-converted price equal to the average VWAP of the Company’s ADSs over the thirty (30) trading days immediately preceding the date of delivery of the second closing notice. Pursuant to the terms of the transaction documents, Sanofi’s beneficial ownership shall not, at any time, exceed 19.99% of Adagene’s total issued and outstanding share capital.

To further explore the clinical potential of muzastotug, Adagene will supply Sanofi with muzastotug to evaluate the safety, efficacy, pharmacokinetics and biomarker data in combination with other anticancer therapies in over 100 patients in a phase 1/2 clinical trial in advanced solid tumors. Adagene continues to own worldwide commercial rights to muzastotug.

Sanofi has also exercised its option to select a third SAFEbody discovery program, utilizing Adagene’s proprietary masking technology and antibody engineering expertise. The bispecific therapeutic, with undisclosed targets, will be engineered by Adagene and induces an option exercise fee, as well as milestones and royalties as per the 2022 partnership agreement with Adagene.

In connection with the first closing, the Company will execute a Certificate of Designations of Preferences, Rights and Limitations of Series A Non-Voting Convertible Preferred Shares (the “Certificate of Designations”), designating 1,062,500 authorized and unissued preferred shares as Series A Preferred Shares and setting forth the powers, preferences, rights, qualifications, limitations and restrictions of the Series A Preferred Shares. The following is a description of the terms of the Series A Preferred Shares:

Conversion. Each Series A Preferred Share is convertible at the option of each holder at any time into 10 Ordinary Shares of the Company, subject to appropriate adjustment in the event of any share capitalization, share split, combination or other similar recapitalization. The Series A Preferred Shares will not be convertible by a holder to the extent that such holder or any of its affiliates would beneficially own in excess of 4.99% (the “Maximum Percentage”) of the Ordinary Shares outstanding immediately after giving effect to such conversion, as further described in the Certificate of Designations. A holder may increase or decrease the Maximum Percentage to any other percentage (not in excess of 19.99% of the issued and outstanding Ordinary Shares immediately after giving effect to the issuance of the Ordinary Shares issuable upon conversion of the Series A Preferred Shares) by delivering a written notice to the Company, provided that (i) any such increase in the Maximum Percentage will not be effective until the 61st day after such notice is delivered to the Company and (ii) any such increase or decrease does not apply to any other holder of Series A Preferred Shares the validity of any prior conversion of the Series A Preferred Shares.

Voting. Holders of Series A Preferred Shares shall have no voting rights on any Company matter.

Dividends. Holders of Series A Preferred Shares shall be entitled to receive, only when, as and if declared by the Company’s Board of Directors, out of any funds and assets legally available therefor, a share capitalization (“dividend”) on each outstanding Series A Preferred Share equal to \$0.0001 per share (subject to appropriate adjustment in the event of any share capitalization, share split, combination or other similar recapitalization with respect to the Series A Preferred Shares), prior and in preference to any declaration or payment of any dividend (other than dividends on Ordinary Shares payable in Ordinary Shares) on Ordinary Shares during the same calendar year. The right to receive dividends on Series A Preferred Shares is non-cumulative, and no right to dividends shall accrue to holders of Series A Preferred Shares by reason of the fact that dividends on such shares are not declared or paid. Subject to the preferential rights described above, holders of the Series A Preferred Shares are entitled to receive dividends on Series A Preferred Shares equal (on an as-converted to Ordinary Shares basis) to and in the same form as dividends actually paid on Ordinary Shares.

Liquidation. Until the later of: (a) December 31, 2027 and (b) the public release of the top line data of product candidate ADG126 (such later date, the “Liquidation Preference Outside Date”, in the event of any Liquidation (as defined in the Certificate of Designation), the holders of Series A Preferred Shares then outstanding shall be entitled to be paid, before any payment to the holders of Ordinary Shares, an amount per Series A Preferred Share equal to the greater of (x) the original purchase price per Series A Preferred Share, plus any dividends declared but unpaid thereon or (y) such amount per Series A Preferred Share as would have been payable had all Series A Preferred Shares been converted into Ordinary Shares pursuant to Section 6 of the Certificate of Designation immediately prior to such Liquidation. Following the Liquidation Preference Outside Date, in the event of any Liquidation, the assets of the Company shall be distributed, after payment in full of any dividends declared but unpaid on the Series A Preferred Shares, among the holders of the Series A Preferred Shares and Ordinary Shares pro rata based on the number of shares held by each such holder (on an as-converted to Ordinary Shares basis).

As of December 31, 2024, the Company had audited cash and cash equivalents of US\$85.2 million. The proceeds from Sanofi’s investment, together with the current cash and cash equivalents, are expected to be sufficient to fund planned operations into 2027.

Following the equity investment and strategic collaborations, a Sanofi representative will join Adagene’s Scientific Advisory Board (SAB), which provides strategic advice on the scientific and clinical aspects of the Company’s activities.

The foregoing description of the Certificate of Designations, the Securities Purchase Agreement and the Series A Preferred Shares issued under the Securities Purchase Agreement does not purport to be complete and is qualified in its entirety by references to the full text of the form of Certificate of Designations and the Securities Purchase Agreement, which are filed as Exhibits 4.1 and 10.1 to this Current Report on Form 6-K, respectively. and are incorporated by reference herein.

INCORPORATION BY REFERENCE

This report on Form 6-K is hereby incorporated by reference in the registration statements of Adagene on Form F-3 (No. 333-287161) to the extent not superseded by documents or reports subsequently filed.

FORWARD LOOKING STATEMENT

The Company cautions you that statements contained in this report regarding matters that are not historical facts are forward-looking statements. These statements are based on the Company’s current beliefs and expectations. Such forward-looking statements include, but are not limited to, statements regarding management’s beliefs regarding the anticipated initial closing date of the private placement and the Company’s achievement of the milestone condition for the second closing of the Sanofi investment and the receipt of proceeds therefrom. The inclusion of forward-looking statements should not be regarded as a representation by the Company that any of its plans will be achieved. Actual results may differ from those set forth in this report due to the risks and uncertainties inherent in the Company’s business, including, without limitation, market risks and other market conditions; the risk that the conditions to each of the closings under the Securities Purchase Agreement are not satisfied; potential delays in the commencement, enrollment and completion of clinical trials; Adagene’s ability to demonstrate the safety and efficacy of its drug candidates; the clinical results for its drug candidates, which may not support further development or regulatory approval; the content and timing of decisions made by the relevant regulatory authorities regarding regulatory approval of Adagene’s drug candidates; Adagene’s ability to achieve commercial success for its drug candidates, if approved; Adagene’s ability to obtain and maintain protection of intellectual property for its technology and drugs; Adagene’s reliance on third parties to conduct drug development, manufacturing and other services; Adagene’s limited operating history and Adagene’s ability to obtain additional funding for operations and to complete the development and commercialization of its drug candidates; Adagene’s ability to enter into additional collaboration agreements beyond its existing strategic partnerships or collaborations, as well as those risks more fully discussed in the “Risk Factors” section in Adagene’s filings with the U.S. Securities and Exchange Commission. All forward-looking statements are based on information currently available to Adagene, and Adagene undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

EXHIBIT INDEX

Exhibit No.	Description
4.1	Form of Certificate of Designations of Preferences, Rights and Limitations, of Series A Non-Voting Convertible Preferred Shares.
10.1*	Securities Purchase Agreement, dated June 30, 2025, by and between the Company and Sanofi.
99.1	Press Release titled “Adagene announces up to \$25 million strategic investment from Sanofi.”

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ADAGENE, INC.

Date: July 1, 2025

By: /s/ Peter (Peizhi) Luo
Name: Peter (Peizhi) Luo
Title: Chief Executive Officer

FORM OF
ADAGENE INC.
CERTIFICATE OF DESIGNATIONS OF PREFERENCES, RIGHTS AND LIMITATIONS
OF
SERIES A NON-VOTING CONVERTIBLE PREFERRED SHARES

PURSUANT TO ARTICLE 9 OF THE
SEVENTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION OF ADAGENE INC.

ADAGENE INC., an exempted company incorporated in the Cayman Islands (the “**Company**”), does hereby certify that the powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Seventh Amended and Restated Memorandum and Articles of Association (the “**MA&A**”) that are applicable to the Series A Non-Voting Convertible Preferred Shares) of the Series A Non-Voting Convertible Preferred Shares, par value US\$0.0001 per share, of the Company are hereby fixed as set out in this Certificate of Designations of Preferences, Rights and Limitations.

SERIES A NON-VOTING CONVERTIBLE PREFERRED SHARES

Section 1. Definitions. For the purposes hereof, the following terms shall have the following meanings:

“**ADS**” means American depositary shares, each representing one and one quarter Ordinary Shares.

“**Affiliate**” means any person or entity that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a person or entity, as such terms are used in and construed under Rule 144 under the U.S. Securities Act of 1933, as amended.

“**Attribution Parties**” has the meaning set forth in Section 6(d).

“**Business Day**” means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States, a public holiday in Hong Kong or any day on which banking institutions in the State of New York or Hong Kong are authorized or required by law or other governmental action to close.

“**Buy-In**” has the meaning set forth in Section 6(b)(iii).

“**Certificate of Preferred Shares**” means this Certificate of Designations of Preferences, Rights and Limitations.

“**Commission**” means the U.S. Securities and Exchange Commission.

“**Conversion Date**” has the meaning set forth in Section 6(b)(i).

“**Conversion Ratio**” for each Series A Preferred Share shall be ten (10) Ordinary Shares, subject to appropriate adjustment in the event of any share capitalization, share split, combination or other similar recapitalization.

“**Conversion Shares**” means the Ordinary Shares issuable upon conversion of each Series A Preferred Share in accordance with the terms hereof.

“**Deemed Liquidation Event**” means (a) a merger or consolidation in which (i) the Company is a constituent party or (ii) a subsidiary of the Company is a constituent party and the Company issues shares of its capital pursuant to such merger or consolidation, except any such merger or consolidation involving the Company or a subsidiary in which the securities of the Company outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of (1) the surviving or resulting company, or (2) if the surviving or resulting company is a wholly owned subsidiary of another company immediately following such merger or consolidation, the parent company of such surviving or resulting company; or (b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Company.

“**Delivery Deadline**” has the meaning set forth in [Section 6\(b\)\(i\)](#).

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Holder**” means any holder of Series A Preferred Shares.

“**Liquidation**” has the meaning set forth in [Section 5](#).

“**Liquidation Preference Amount**” has the meaning set forth in [Section 5](#).

“**Liquidation Preference Outside Date**” means the later of: (i) December 31, 2027 and (ii) the public release of the top line data of product candidate ADG126.

“**Maximum Percentage**” has the meaning set forth in [Section 6\(d\)](#).

“**Notice of Conversion**” has the meaning set forth in [Section 6\(b\)\(i\)](#).

“**Ordinary Shares**” means the Company’s ordinary shares, par value US\$0.0001 per share.

“**Original Purchase Price**” means, with respect to each Series A Preferred Share, the actual purchase price paid to the Company for such Series A Preferred Share pursuant to the Securities Purchase Agreement, subject to appropriate adjustment in the event of any share capitalization, share split, combination or other similar recapitalization.

“**Person**” means any individual or company, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, government (or an agency or subdivision thereof) or other entity of any kind.

“**Reported Outstanding Share Number**” has the meaning set forth in Section 6(d).

“**Securities Purchase Agreement**” means that certain Securities Purchase Agreement for the purchase and sale of the Series A Preferred Shares, dated as of June 30, 2025, by and between the Company and Sanofi Foreign Participations B.V.

“**Series A Preferred Share**” has the meaning set forth in Section 2(a).

“**Series A Preferred Share Register**” has the meaning set forth in Section 2(b).

“**Signing Date**” means the effective date of the Securities Purchase Agreement.

“**Trading Day**” means a day on which ADSs or Ordinary Shares are traded for any period on a principal securities exchange or if ADSs or Ordinary Shares are not traded on a principal securities exchange, on a day that ADSs or Ordinary Shares are traded on another securities market on which ADSs or Ordinary Shares are then being traded.

Section 2. Designation, Amount and Par Value; Assignment.

(a) The distinctive serial designations of the series of Preferred Shares designated by the Board of Directors to have the terms and rights as set out in this Certificate of Preferred Shares shall be designated as the Company’s Series A Non-Voting Convertible Preferred Shares (the “**Series A Preferred Shares**”). The number of Series A Preferred Shares so designated shall be 1,062,500. The Series A Preferred Shares shall have a par value of US\$0.0001 per share.

(b) The Company shall register the Series A Preferred Shares on the register of members to be maintained by the Company’s share registrar for that purpose (the “**Series A Preferred Share Register**”) in the name of the Holders thereof from time to time. The Company and its share registrar may deem and treat the registered Holder of Series A Preferred Shares as the absolute owner thereof for the purpose of any conversion thereof and for all other purposes. Series A Preferred Shares may be issued solely on the Series A Preferred Share Register. The Company shall cause its share registrar to register the issuance or transfer of any Series A Preferred Shares in the Series A Preferred Share Register within 5 Business Days following the production of any documentation reasonably requested by the Company’s share registrar in relation to the Holder, including a letter of instruction from the Company in relation to the issuance or transfer. The provisions of this Certificate of Preferred Shares are intended to be for the benefit of all Holders from time to time and shall be enforceable by any such Holder.

Section 3. Dividends. At all times following their respective date of issuance, while Series A Preferred Shares are issued and outstanding, holders of Series A Preferred Shares shall be entitled to receive, only when, as and if declared by the Board of Directors, out of any funds and assets legally available therefor, a dividend on each outstanding Series A Preferred Share equal to US\$0.0001 per share (subject to appropriate adjustment in the event of any share capitalization, share split, combination or other similar recapitalization with respect to the Series A Preferred Share), prior and in preference to any declaration or payment of any dividend (excluding, for the avoidance of doubt, any share capitalization in respect of the Ordinary Shares) on Ordinary Shares during the same calendar year. The right to receive dividends on Series A Preferred Shares pursuant to the preceding sentence of this Section 3 shall not be cumulative, and no right to dividends shall accrue to holders of Series A Preferred Shares by reason of the fact that dividends on such shares are not declared or paid. Payment of any dividends to the holders of Series A Preferred Shares shall be on a pro rata, *pari passu* basis. Subject to the preferential rights described above, holders of Series A Preferred Shares shall be entitled to receive, and the Company shall pay, dividends on Series A Preferred Shares equal (on an as-if-converted-to-Ordinary-Shares basis and without regard to any limitations on conversion set forth herein or otherwise) to and in the same form as dividends actually paid on the Ordinary Shares when, as and if such dividends are paid on the Ordinary Shares (excluding, for the avoidance of doubt, any share capitalization in respect of the Ordinary Shares). No other dividends shall be paid on Series A Preferred Shares.

Section 4. Voting Rights.

(a) The Company shall not, without the affirmative vote or consent of a majority of the outstanding Series A Preferred Shares, alter or change adversely the powers, preferences or rights of the Series A Preferred Shares or alter or amend this Certificate of Preferred Shares; *provided* that the Company shall in any case be in compliance with Article 12 of the MA&A.

(b) Except as provided in Section 4(a) or as otherwise required by law, holders of Series A Preferred Shares shall have no voting rights on any Company matter.

Section 5. Liquidation.

(a) Prior to the Liquidation Preference Outside Date, in the event of (i) any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Series A Preferred Shares then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders, and (ii) a Deemed Liquidation Event (together with any liquidation, dissolution or winding up of the Company, and each such event, a “**Liquidation**”), the holders of Series A Preferred Shares then outstanding shall be entitled to be paid out of the consideration payable to shareholders in such Deemed Liquidation Event or the other proceeds available for distribution to shareholders, in each case, before any payment shall be made to the holders of Ordinary Shares by reason of their ownership thereof, an amount per Series A Preferred Share then outstanding equal to the greater of (A) the Original Purchase Price, *plus* any dividends declared but unpaid thereon or (B) such amount per Series A Preferred Share as would have been payable had all Series A Preferred Shares (and all shares of all other preferred shares or other convertible securities that would receive a larger distribution per share if such preferred shares were converted into Ordinary Shares) been converted into Ordinary Shares pursuant to Section 6 immediately prior to such Liquidation, without regard to any limitations on conversion set forth herein or otherwise and without regard as to whether sufficient Ordinary Shares are available out of the Company’s authorized but unissued share capital for the purpose of effecting the conversion of the Series A Preferred Shares (the amount payable pursuant to this sentence, the “**Liquidation Preference Amount**”), provided, however, that the holders of Series A Preferred Shares shall not be entitled to any further participation in distribution of any remaining assets or consideration following the payment in full of the Liquidation Preference Amount. If upon any such Liquidation, the assets of the Company available for distribution to its shareholders, or in the event of a Deemed Liquidation Event, the consideration payable to shareholders in such Deemed Liquidation Event or the other proceeds available for distribution to shareholders, shall be insufficient to pay the holders of Series A Preferred Shares the full Liquidation Preference Amount, the holders of Series A Preferred Shares shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, after the payment in full of the Liquidation Preference Amount required to be paid to the holders of Series A Preferred Shares, the remaining assets of the Company available for distribution to its shareholders, or in the case of a Deemed Liquidation Event, the consideration not payable to the holders of Series A Preferred Shares pursuant to this Section 5(a) shall be distributed among the holders of Ordinary Shares, *pro rata* based on the number of Ordinary Shares held by such holders.

(b) Following the Liquidation Preference Outside Date, upon any Liquidation, the assets of the Company or consideration, as the case may be, available for distribution to shareholders of the Company shall be distributed, after payment in full of any dividends declared but unpaid on the Series A Preferred Shares, among the holders of the Series A Preferred Shares and Ordinary Shares *pro rata* based on the number of shares held by each such holder, treating for this purpose all Series A Preferred Shares as if they had been converted to Ordinary Shares pursuant to the terms of this Certificate of Preferred Shares immediately prior to such Liquidation, without regard to any limitations on conversion set forth herein or otherwise and without regard as to whether sufficient Ordinary Shares are available out of the Company's authorized but unissued share capital for the purpose of effecting the conversion of the Series A Preferred Shares. For the avoidance of doubt, following the Liquidation Preference Outside Date, there will be no Liquidation Preference Amount payable on the Series A Preferred Shares.

Section 6. Conversion.

(a) Conversions at Option of Holder. Subject to the limitations set forth in Section 6(d), at the option of the Holder thereof, each Series A Preferred Share shall be convertible into a number of Ordinary Shares equal to the Conversion Ratio. To the extent any conversion in accordance with this Section 6(a) would cause a Holder to beneficially own a number of Ordinary Shares that exceeds the amount that could be issued to such Holder pursuant to Section 6(d), then, at the Conversion Date, (x) only such portion of such Holder's Series A Preferred Shares that may be converted without exceeding the limitations in Section 6(d) shall be converted to Ordinary Shares and (y) the remaining Series A Preferred Shares that would otherwise have been converted into Ordinary Shares shall remain outstanding as Series A Preferred Shares.

(b) Mechanics of Conversion.

(i) Notice of Conversion. Holders shall effect conversions pursuant to Section 6(a) by providing the Company and its share registrar with the form of conversion notice attached hereto as Annex A (a "**Notice of Conversion**"), duly completed and executed. The Notice of Conversion must specify the number of Series A Preferred Shares to be converted, the number of Series A Preferred Shares owned immediately prior to the conversion at issue, and the number of Ordinary Shares to be issued in respect of the conversion at issue. The issue of the Conversion Shares to the Holder will be reflected in the register of members maintained at the Company's share registrar as soon as practicable and in any case no later than three (3) Trading Days following the Conversion Date (the "**Delivery Deadline**") and shall bear the restrictive legend set forth in Section 4.1 of the Securities Purchase Agreement; provided, however, that such restrictive legend may be removed subject and pursuant to the provisions of Section 4.1(c) of the Securities Purchase Agreement. The date on which such conversion shall take place (a "**Conversion Date**"), shall be defined as the Trading Day that the Notice of Conversion, completed and executed, is sent by electronic mail to, and received during regular business hours by, the Company and its share registrar, or at such later time as is specified in the Notice of Conversion. The calculations set forth in the Notice of Conversion shall control in the absence of manifest or mathematical error. All conversions in accordance with the terms of this Certificate of Preferred Shares shall take place automatically and immediately on the Conversion Date, and any conversion under this Certificate of Preferred Shares shall be effected in accordance with this Section 6(b).

(ii) Obligation Absolute. The Company's obligation to issue and deliver the Conversion Shares upon conversion of Series A Preferred Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by such Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to such Holder in connection with the issuance of such Conversion Shares. Nothing herein shall limit a Holder's right to pursue actual damages for the Company's failure to deliver Conversion Shares within the period specified herein and such Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief; provided that such Holder shall not receive duplicate damages for the Company's failure to deliver Conversion Shares within the period specified herein. The exercise of any such rights shall not prohibit a Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(iii) Compensation for Buy-In on Failure to Timely Deliver Shares Upon Conversion. If the Company, (or the Company's share registrar or custodian, as applicable) fails to reflect the issue of the Conversion Shares to the Holder in the register of members pursuant to Section 6(b) by the Delivery Deadline (other than a failure caused by incorrect or incomplete information provided by the Holder to the Company), and if after such Delivery Deadline such Holder is required to purchase (in an open market transaction or otherwise) ADSs to deliver in satisfaction of a sale by the Holder of ADSs represented by such Conversion Shares which such Holder was entitled to receive from the Company without any restrictive legend relating to such Delivery Deadline (a "**Buy-In**") then the Company shall, within four (4) Trading Days after such Holder's request and in such Holder's sole discretion, (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) such Holder's total purchase price (including any brokerage commissions) for the ADSs so purchased exceeds (y) the product of (1) the aggregate number of Ordinary Shares (expressed on a per ADS-basis) that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of such Holder, either reissue (if repurchased) the Series A Preferred Shares equal to the number of Series A Preferred Shares submitted for conversion or deliver to such Holder the number of Ordinary Shares that would have been issued if the Company had timely complied with its delivery requirements under Section 6(b)(i). For example, if a Holder purchases ADSs having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted conversion of Series A Preferred Shares, with respect to which the actual sale price (including any brokerage commissions) giving rise to such purchase obligation was a total of \$10,000 under clause (A) of the immediately preceding sentence, the Company shall be required to pay such Holder \$1,000. The Holder shall provide the Company written notice, within three (3) Trading Days after the occurrence of a Buy-In, indicating the amounts payable to such Holder in respect of such Buy-In together with applicable confirmations and other evidence reasonably requested by the Company. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Ordinary Shares upon conversion of the Series A Preferred Shares as required pursuant to the terms hereof; provided, however, that the Holder shall not be entitled to both (i) require the reissuance of the Series A Preferred Shares submitted for conversion for which such conversion was not timely honored and (ii) receive the number of Ordinary that would have been issued if the Company had timely complied with its obligations under Section 6(b)(i).

(iv) Reservation of Shares Issuable Upon Conversion. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued share capital for the sole purpose of issuance upon conversion of the Series A Preferred Shares, free from preemptive rights or any other actual or contingent purchase rights of Persons other than the Holders of Series A Preferred Shares, not less than such aggregate number of Ordinary Shares as shall be issuable (taking into account the adjustments of Section 7) upon the conversion of all outstanding Series A Preferred Shares. Such reservation shall comply without regard to the provisions of Section 6(d). The Company covenants that all Ordinary Shares that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid, non-assessable and free and clear of all liens and other encumbrances.

(v) Fractional Shares. No fractional shares or scrip representing fractional Ordinary Shares shall be issued upon the conversion of Series A Preferred Shares. All fractional shares shall be rounded up to the nearest whole Ordinary Share.

(vi) References in this Certificate of Preferred Shares to “converted” or “conversion” shall mean the compulsory repurchase by the Company without notice of Series A Preferred Shares of the Holder and, on behalf of such Holder, automatic application of such repurchase proceeds in paying for such new Ordinary Shares into which the Series A Preferred Shares have been converted or exchanged in accordance with the terms of this Certificate of Preferred Shares. The Ordinary Shares to be issued on an exchange or conversion shall be registered in the name of such Holder.

(c) Status as Shareholder. Upon each Conversion Date in which Series A Preferred Shares are converted into Ordinary Shares: (i) the Series A Preferred Shares being converted shall be deemed converted into Ordinary Shares; and (ii) the Holder’s rights as a holder of such Series A Preferred Shares shall cease and terminate, excepting only the right to receive an updated register of members of the Company showing the Holder as the owner of the relevant Ordinary Shares and for any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Company to comply with the terms of this Certificate of Preferred Shares. In all cases, the Holder shall retain all of its rights and remedies for the Company’s failure to convert its Series A Preferred Shares.

(d) Limitations on Conversion. Except as set forth in this Section 6(d), a Holder shall not have the right to convert any portion of its Series A Preferred Shares or be issued Ordinary Shares upon any conversion of Series A Preferred Shares, nor shall the Company have any obligation to effect any purported conversion, in each case, to the extent that after giving effect to such conversion, action or issue, as applicable, such Holder (together with such Holder’s Affiliates, any other Persons acting as a group together, and any other Persons whose beneficial ownership of Ordinary Shares would be aggregated with the Holder’s and the other Attribution Parties for purposes of Section 13(d) of the Exchange Act (such Persons, “Attribution Parties”)) would beneficially own in excess of 4.99% (the “Maximum Percentage”) of the Ordinary Shares outstanding immediately after giving effect to such conversion. For purposes of the foregoing sentence, the aggregate number of Ordinary Shares held and/or beneficially owned by such Holder and its Attribution Parties shall include the number of Ordinary Shares (including those underlying any ADSs) held by the Holder and all other Attribution Parties plus the number of Ordinary Shares issuable upon conversion of the Series A Preferred Shares with respect to which the determination of such sentence is being made, but shall exclude Ordinary Shares which would be issuable upon (i) conversion of the remaining, unconverted Series A Preferred Shares beneficially owned by such Holder and its Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such Holder and its Attribution Parties (including, without limitation, any convertible notes or convertible preferred shares or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein. For purposes of this Section 6(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act. For purposes of determining the number of outstanding Ordinary Shares, a Holder may rely on the number of outstanding Ordinary Shares as reflected in (1) the Company’s most recent Annual Report on Form 20-F, Report of Foreign Private Issuer on Form 6-K or other public filing with the Commission, as the case may be, (2) a more recent public announcement by the Company or (3) any other notice by the Company setting forth the number of Ordinary Shares outstanding (the “Reported Outstanding Share Number”). If the Company receives a Conversion Notice from a Holder at a time when the actual number of issued and outstanding Ordinary Shares is less than the Reported Outstanding Share Number, the Company shall notify such Holder in writing via electronic mail of the number of Ordinary Shares then outstanding and, to the extent that such Conversion Notice would cause such Holder’s beneficial ownership, as determined pursuant to this Section 6(d), to exceed the Maximum Percentage, such Holder must notify that Company of a reduced number of Ordinary Shares to be issued by amending such Conversion Notice. For any reason at any time, upon the written request of a Holder, where such request indicates that it is being made pursuant to this Section 6(d), the Company shall as soon as practicable but in any case no later than two (2) Business Days confirm in writing via electronic mail to such Holder the number of Ordinary Shares then outstanding. The Holder shall disclose to the Company the number of Ordinary Shares that it, together with the Attribution Parties holds and/or beneficially owns and has the right to acquire through the conversion of Series A Preferred Shares and any limitations on conversion analogous to the limitation contained herein contemporaneously or immediately prior to submitting a Notice of Conversion. In any case, the number of outstanding Ordinary Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including the Series A Preferred Shares, by a Holder and its Attribution Parties since the date as of which such number of outstanding Ordinary Shares was reported. Upon delivery of a written notice to the Company, a Holder may from time to time increase or decrease the Maximum Percentage to any other percentage (not in excess of 19.99% of the issued and outstanding Ordinary Shares immediately after giving effect to the issuance of the Ordinary Shares issuable upon conversion of the Series A Preferred Shares) as specified in such notice; provided that (i) any such increase in the Maximum Percentage will not be effective until the sixty-first (61st) day after such notice is delivered to the Company and (ii) any such increase or decrease will apply only to such Holder and other Attribution Parties and not to any other holder of Series A Preferred Shares, provided, for the avoidance of doubt, that no such decrease shall affect the validity of any prior conversion of the Series A Preferred Shares by a Holder or any Attribution Party. For purposes of clarity, the Ordinary Shares issuable pursuant to the terms hereof in excess of the Maximum Percentage shall not be deemed to be beneficially owned by a Holder for any purpose including for purposes of Section 13(d) or, if applicable, Rule 16a-1(a)(1) of the Exchange Act. No prior inability to convert Series A Preferred Shares pursuant to this Section 6(d) shall have any effect on the applicability of the provisions of this Section 6(d) with respect to any subsequent determination of whether Series A Preferred Shares may be converted. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 6(d) to the extent necessary to correct this paragraph or any portion of this paragraph which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section 6(d) or to make changes or supplements necessary or desirable to properly give effect to such limitation.

Section 7. Certain Adjustments.

(a) Share Capitalization and Share Splits. If the Company, at any time while any Series A Preferred Shares are outstanding: (i) approves a share capitalization with respect to the then outstanding Ordinary Shares; (ii) subdivides outstanding Ordinary Shares into a larger number of shares; or (iii) combines (including by way of a share consolidation) outstanding Ordinary Shares into a smaller number of shares, then the Conversion Ratio shall be multiplied by a fraction of which the numerator shall be the number of Ordinary Shares (excluding any treasury shares of the Company) outstanding immediately after such event and of which the denominator shall be the number of Ordinary Shares outstanding immediately before such event (excluding any treasury shares of the Company). Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of shareholders entitled to receive such capitalization and shall become effective immediately after the effective date in the case of a subdivision or combination.

(b) Reclassification, Exchange or Substitution. If Ordinary Shares issuable upon the conversion of Series A Preferred Shares shall be changed into the same or a different number of shares of any class or classes, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares or share dividend provided for above, or a reorganization, merger, consolidation, or sale of assets provided for below), then and in each such event the Holder of each such Series A Preferred Share shall have the right thereafter to convert such share into the kind and amount of shares and other securities and property receivable, upon such reorganization, reclassification, or other change, by holders of the number of Ordinary Shares into which such Series A Preferred Shares might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein.

(c) Merger or Reorganization, etc. If there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Company in which the Ordinary Shares (but not the Series A Preferred Shares) are converted into or exchanged for securities, cash or other property (other than a transaction covered by paragraphs (a) or (b) of this Section 7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each Series A Preferred Share shall be convertible into the kind and amount of securities, cash or other property which a holder of the number of Ordinary Shares of the Company issuable upon conversion of one Series A Preferred Share immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction (without regard to any limitation in Section 6(d) on the conversion of the Series A Preferred Shares); and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors) shall be made in the application of the provisions in this Section 7 with respect to the rights and interests thereafter of the holders of the Series A Preferred Shares to the end that the provisions set forth in this Section 7 (including provisions with respect to changes in and other adjustments of the Conversion Ratio, as applicable) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series A Preferred Shares.

(d) Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of Ordinary Shares deemed to be issued and outstanding as of a given date shall be the sum of the number of Ordinary Shares (excluding any treasury shares of the Company) issued and outstanding.

(e) Notice to the Holders.

(i) Adjustment to Conversion Ratio. Whenever the Conversion Ratio is adjusted pursuant to any provision of this Section 7, the Company shall promptly deliver to each Holder a notice setting forth the Conversion Ratio after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(ii) Other Notices. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Ordinary Shares, (B) the Company shall declare declaration by the Company of a special nonrecurring cash dividend on or a redemption of the Ordinary Shares, (C) the Company shall authorize the granting to all holders of Ordinary Shares of rights or warrants to subscribe for or purchase any shares of any class or of any rights, (D) the approval of any shareholders of the Company shall be required in connection with any reclassification of Ordinary Shares, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Ordinary Shares are converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of Series A Preferred Shares and shall cause to be delivered to each Holder at its last address as it shall appear upon the books of the Company, at least 10 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of Ordinary Shares of record to be entitled to such dividend, distribution, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of Ordinary Shares of record shall be entitled to exchange their Ordinary Shares of for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice and provided further, that in each case, the Company will only be required to provide such information to the Holder if such information shall have been made known to the public prior to or in conjunction with such notice being provided to the Holder.

Section 8. Miscellaneous.

(a) Waiver. Any waiver by the Company or a Holder of a breach of any provision of this Certificate of Preferred Shares shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Preferred Shares or a waiver by any other Holders. The failure of the Company or a Holder to insist upon strict adherence to any term of this Certificate of Preferred Shares on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Preferred Shares. Any waiver by the Company or a Holder must be in writing.

(b) Severability. If any provision of this Certificate of Preferred Shares is invalid, illegal or unenforceable, the balance of this Certificate of Preferred Shares shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

(c) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(d) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Preferred Shares and shall not be deemed to limit or affect any of the provisions hereof.

IN WITNESS WHEREOF, Adagene Inc. has caused this Certificate of Designations of Preferences, Rights and Limitations of Series A Non-Voting Convertible Preferred Shares to be executed by its duly authorized officer this ____ day of ____, 2025.

ADAGENE INC.

By: _____
Name: Peter Luo, Ph.D.
Title: Chairman of the Board of Directors and Chief Executive Officer

[SIGNATURE PAGE TO CERTIFICATE OF PREFERRED SHARES]

ANNEX A

ADAGENE INC.

NOTICE OF CONVERSION

(TO BE EXECUTED BY THE REGISTERED HOLDER
IN ORDER TO CONVERT SERIES A PREFERRED SHARES)

Adagene Inc.
c/o Walkers Corporate Limited
190 Elgin Avenue, George Town
Grand Cayman KY1-9008
Cayman Islands

VIA EMAIL

[DATE]

Capitalized terms utilized but not defined herein shall have the meaning ascribed to such terms in that certain Certificate of Designations of Preferences, Rights and Limitations of Preferred Shares approved by the Board of Directors of the Company on January 24, 2024, January 27, 2025 and March 21, 2025 and by the pricing committee of the Board of Directors of the Company on June 20, 2025.

The undersigned Holder hereby irrevocably elects to convert the number of Series A Preferred Shares indicated below, into Ordinary Shares as indicated below; provided that, to the extent such conversion would cause such Holder to exceed the Maximum Percentage, any Series A Preferred Shares convertible into the number of Ordinary Shares that would result in the foregoing exceeding the Maximum Percentage shall not convert into Ordinary Shares and such Holder shall retain any such Series A Preferred Shares. If securities are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto.

The undersigned Holder's right to convert the Series A Preferred Shares is subject to the Maximum Percentage described in Section 6(d) of the Certificate of Preferred Shares. Therefore, the number of Ordinary Shares (including those underlying any ADSs) beneficially owned by the undersigned Holder (together with any Attribution Parties), including the number of Ordinary Shares issuable upon conversion of Series A Preferred Shares subject to this Notice of Conversion, but excluding (i) exercise of the remaining, unconverted portion of Series A Preferred Shares beneficially owned by such Person and its Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such Person and its Attribution Parties (including, without limitation, any convertible notes or convertible preferred share or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein, shall not exceed the Maximum Percentage of the Ordinary Shares outstanding immediately following the effectiveness of this conversion.

Conversion calculations:

Date to Effect Conversion: []

Number of Series A Preferred Shares owned immediately prior to Conversion: []

Number of Series A Preferred Shares to be Converted: []

Number of Ordinary Shares to be Issued: []

Address for delivery of physical certificates: []*[optional]*

HOLDER:

By:
Name:
Title:
Date:

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “**Agreement**”) is dated as of June 30, 2025, by and between Adagene Inc., an exempted company with limited liability incorporated in the Cayman Islands (the “**Company**”), and Sanofi Foreign Participations B.V., a private limited company incorporated in the Netherlands (the “**Purchaser**”).

RECITALS

A. The Company and the Purchaser are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the “**Securities Act**”).

B. The Company wishes to sell to the Purchaser, and the Purchaser desires to purchase from the Company, upon the terms and conditions stated in this Agreement, Series A Non-Voting Convertible Preferred Shares of the Company, par value US\$0.0001 per share (the “**Series A Preferred Shares**”), as more fully described in this Agreement (each, a “**Share**” and collectively the “**Shares**”).

C. Pursuant to the Certificate of Designations of the Series A Non-Voting Convertible Preferred Shares, in substantially the form attached hereto as Exhibit A (the “**Certificate of Preferred Shares**”), each Share will be convertible into a number of ordinary shares of the Company, par value US\$0.0001 per share (the “**Ordinary Shares**”) equal to the Conversion Ratio (as such term is defined in the Certificate of Preferred Shares). The Ordinary Shares that are issuable upon conversion of the Shares are referred to herein as the “**Conversion Shares**.”

D. The Shares and the Conversion Shares are referred to herein collectively as the “**Securities**.”

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Purchaser hereby agree as follows:

ARTICLE I.
DEFINITIONS

1.1 *Definitions.* In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

“**2024 Form 20-F**” means the Company’s Annual Report on Form 20-F for the year ended December 31, 2024, as filed with the SEC on March 24, 2025.

“**30-Day VWAP**” means the average VWAP of the thirty (30) Trading Days immediately preceding the date of delivery of the Second Closing Notice.

“**ADS Registration Statement**” has the meaning set forth in Section 3.1(ii).

“**Advance Indemnification Payment**” has the meaning set forth in Section 4.19(f)(iv).

“**Affiliate**” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 405 under the Securities Act.

“**Agreement**” has the meaning set forth in the Preamble.

“**ADSs**” means American depositary shares, each representing one and one quarter (1.25) Ordinary Shares.

“**Applicable Closing**” means the First Closing or the Second Closing, as applicable.

“**Applicable Closing Date**” means the First Closing Date or the Second Closing Date, as applicable.

“**Board of Directors**” means the board of directors of the Company.

“**Business Day**” means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States, a public holiday in Hong Kong or any day on which banking institutions in the State of New York or Hong Kong are authorized or required by law or other governmental action to close.

“**Certificate of Preferred Shares**” has the meaning set forth in the Recitals.

“**Clinical Trial Supply Agreement**” means that certain Clinical Trial Collaboration and Supply Agreement, dated on or about the date hereof, by and between the Company or its designated subsidiary and Sanofi US Services Inc.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Commission**” or the “**SEC**” means the U.S. Securities and Exchange Commission.

“**Company**” has the meaning set forth in the Preamble.

“**Company Counsel**” means Davis Polk & Wardwell LLP, with offices located at c/o 18th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong.

“**Company Cayman Counsel**” means Walkers (Hong Kong), as Cayman Islands counsel to the Company.

“**Company’s Knowledge**” means with respect to any statement made to the Company’s Knowledge, that the statement is based upon the actual knowledge of the executive officers of the Company having responsibility for the matter or matters that are the subject of the statement.

“**Company Party**” has the meaning set forth in Section 4.19(f)(ii).

“**Control**” (including the terms “controlling,” “controlled by” or “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**Conversion Shares**” has the meaning set forth in the Recitals.

“**CSRC**” has the meaning set forth in Section 3.1(g).

“**CSRC Archive Rules**” has the meaning set forth in Section 3.1(ee).

“**CSRC Filing**” has the meaning set forth in Section 3.1(i).

“**CSRC Filing Date**” has the meaning set forth in [Section 3.1\(i\)](#).

“**CSRC Filing Report**” has the meaning set forth in [Section 3.1\(i\)](#).

“**CSRC Filing Rules**” has the meaning set forth in [Section 3.1\(i\)](#).

“**CSRC Rules**” has the meaning set forth in [Section 3.1\(i\)](#).

“**Cut Back Shares**” has the meaning set forth in [Section 4.19\(c\)](#).

“**Depository**” means JPMORGAN CHASE BANK, N.A., a national banking association organized under the laws of the United States of America.

“**Disqualification Event**” has the meaning set forth in [Section 3.1\(cc\)](#).

“**Effective Date**” has the meaning set forth in [Section 4.19\(a\)\(vii\)](#).

“**Effectiveness Deadline**” has the meaning set forth in [Section 4.19\(a\)\(ii\)](#).

“**Environmental Laws**” has the meaning set forth in [Section 3.1\(p\)](#).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

“**Exempt Issuance**” means (a) the issuance of Ordinary Shares, options to purchase Ordinary Shares, or other Related Securities (as defined below), or Ordinary Shares upon exercise, conversion, or vesting and settlement of options or other Related Securities, as the case may be, pursuant to any share option, share bonus or other share plan or arrangement described in the SEC Reports, (b) the issuance of Ordinary Shares pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants outstanding on the date hereof and described in the SEC Reports, provided that such securities have not been amended since the date hereof to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, (c) the filing of a registration statement on Form F-8 to register Ordinary Shares issuable pursuant to the terms of a share option, share bonus or other share plan or arrangement described in the SEC Reports, (d) facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Ordinary Shares or ADSs, (e) the issuance of Ordinary Shares upon the exercise or exchange of or conversion of any Securities issued hereunder, and (f) the issuance of Ordinary Shares, ADSs or other Related Securities for a price per Ordinary Share (on an as-converted basis, as applicable) of equal to or greater than US\$1.60. For purposes of the foregoing, “*Related Securities*” shall mean any options or warrants or other rights to acquire ADSs or Ordinary Shares or any securities exchangeable or exercisable for or convertible into Ordinary Shares or ADSs, or to acquire other securities or rights ultimately exchangeable or exercisable for, or convertible into, Ordinary Shares or ADSs.

“**Expected First Closing Date**” means the date that is two (2) Business Days after the date of this Agreement, as set forth in the Preamble or other later date as mutually agreed between the Company and the Purchaser.

“**Expected Second Closing Date**” means the date specified in the Second Closing Notice delivered in accordance with [Section 2.4\(a\)](#), or other later date as mutually agreed between the Company and the Purchaser.

“**Filing Date**” means, with respect to the First Closing Registration Statement required hereunder, not later than four calendar months after the First Closing Date, and with respect to the Second Closing Registration Statement, not later than four calendar months after the Second Closing Date.

“**First Closing**” means the closing of the purchase and sale of Shares pursuant to Section 2.1.

“**First Closing Date**” means the Trading Day when all of the conditions applicable to the First Closing set forth in Sections 2.1, 2.2, 5.1 and 5.2 hereof are satisfied or waived, as the case may be, or such other date as the parties may agree.

“**First Closing Company Deliverables**” has the meaning set forth in Section 2.2(a).

“**First Closing Director’s Certificate**” has the meaning set forth in Section 2.2(a).

“**First Closing Purchase Price**” means US\$16.00 per Series A Preferred Share.

“**First Closing Purchaser Deliverables**” has the meaning set forth in Section 2.2(b).

“**First Closing Registration Statement**” means the Registration Statement filed pursuant to this Agreement and in connection with the First Closing.

“**First Closing Shares**” has the meaning set forth in Section 2.1(a).

“**First Closing Subscription Amount**” means the aggregate purchase price of US\$17,000,000.00 and in immediately available funds.

“**Full Phase 2 Enrollment**” shall be deemed to have occurred upon the first dosing of the final participant according to the protocol-defined enrollment target with respect to the Company’s phase 2 trial of ADG126 in combination with therapy involving anti-PD-1 for patients with advanced microsatellite stable colorectal cancer.

“**Form F-6**” has the meaning set forth in Section 3.1(ii).

“**GAAP**” means U.S. generally accepted accounting principles, as applied by the Company.

“**Governmental Authority**” means (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); (ii) any self-regulatory organization; or (iii) any political subdivision of any of the foregoing.

“**Health Care Laws**” has the meaning set forth in Section 3.1(v).

“**Indemnified Person**” has the meaning set forth in Section 4.13.

“**Intellectual Property**” has the meaning set forth in Section 3.1(m).

“**Irrevocable Share Registrar Instructions**” means, with respect to the Company, the Irrevocable Share Registrar Instructions, in the form of Exhibit C, executed by the Company and delivered to and acknowledged in writing by the Share Registrar.

“**Lien**” means any lien, charge, claim, encumbrance, security interest, right of first refusal, preemptive right or other restrictions of any kind.

“**Liquidated Damages**” has the meaning set forth in Section 4.19(b).

“**Losses**” has the meaning set forth in Section 4.19(f)(i).

“**MA&A**” means the Seventh Amended and Restated Memorandum and Articles of Association of the Company, as may be further amended and/or restated from time to time.

“**Material Adverse Effect**” means a material adverse effect on the results of operations, assets, prospects, business or financial condition of the Company and the Subsidiaries, taken as a whole, except that any of the following, either alone or in combination, shall not be deemed a Material Adverse Effect: (i) effects caused by changes or circumstances affecting general market conditions in the U.S. economy or which are generally applicable to the industry in which the Company operates, *provided* that such effects are not borne disproportionately by the Company, (ii) effects resulting from or relating to the announcement or disclosure of the sale of the Securities or other transactions contemplated by this Agreement, or (iii) effects caused by any event, occurrence or condition resulting from or relating to the taking of any action in accordance with this Agreement.

“**Material Contract**” means any contract, instrument or other agreement to which the Company is a party or by which it is bound and that is material to the business of the Company and has been, or is required to be, filed as an exhibit to the SEC Reports pursuant to Item 601(b)(2), Item 601(b)(4) or Item 601(b)(10) of Regulation S-K.

“**New York Courts**” means the state and federal courts sitting in the City of New York, Borough of Manhattan.

“**Off-Balance Sheet Transaction**” has the meaning set forth in Section 3.1(oo).

“**Ordinary Shares**” has the meaning set forth in the Recitals, and also includes any other class of securities into which the Ordinary Shares may hereafter be reclassified or changed into.

“**Ordinary Share Equivalents**” means any securities of the Company or any Subsidiary which would entitle the holder thereof to acquire at any time Ordinary Shares, including, without limitation, any debt, preferred share, rights, options, warrants or other instrument that is at any time convertible into or exchangeable for, or otherwise entitles the holder thereof to receive, Ordinary Shares or other securities that entitle the holder to receive, directly or indirectly, Ordinary Shares.

“**Outside Date**” means the fifth (5th) Business Day following the date of this Agreement.

“**Person**” means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity not specifically listed herein.

“**Piggyback Notice**” has the meaning set forth in Section 4.19(d).

“**PRC**” the People’s Republic of China, which, for purposes of this Agreement only, excludes Taiwan, The Hong Kong Special Administrative Region and The Macau Special Administrative Region.

“**PRC Business Day**” means any day except Saturday, Sunday or any day which shall be a federal legal holiday in the PRC.

“**PRC Overseas Investment and Listing Regulations**” has the meaning set forth in Section 3.1(pp).

“**Principal Trading Market**” means The Nasdaq Global Market.

“**Proceeding**” means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

“**Purchaser**” has the meaning set forth in the Recitals.

“**Purchaser Party**” has the meaning set forth in Section 4.13.

“**Registrable Shares**” means, as of any date of determination, all Conversion Shares then issued or issuable upon conversion of Shares then issued upon the date of determination without taking into account any limitations upon conversion set forth in the Certificate of Preferred Shares; *provided, however,* that a security shall cease to be a Registrable Share upon the earliest to occur of the following: (a) a Registration Statement registering such security under the Securities Act has been declared or becomes effective and such security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Registration Statement, (b) such security is sold pursuant to Rule 144 under circumstances in which any legend borne by such security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company, (c) such security is eligible to be sold pursuant to Rule 144 without condition or restriction, including without any limitation as to volume of sales, any requirement of the availability of current public information and without the holder complying with any method of sale requirements or notice requirements under Rule 144, or (d) such security shall cease to be outstanding following its issuance.

“**Registration Failure**” has the meaning set forth in Section 4.19(b).

“**Registration Statement**” means any registration statement or registration statements of the Company filed under the Securities Act pursuant to Section 4.19 hereof, and shall include any preliminary prospectus, final prospectus, exhibit or amendment included in or relating to such registration statements, and all material incorporated by reference or deemed to be incorporated by reference in any such registration statement.

“**Reimbursement Failure**” has the meaning set forth in Section 6.1(c).

“**Reimbursement Liquidated Damages**” has the meaning set forth in Section 6.1(c).

“**Relevant Information**” has the meaning set forth in Section 4.15.

“**Representative**” shall mean employees, directors, officers, third party advisors or attorneys (including external counsel) of any of the parties.

“**Restriction Termination Date**” has the meaning set forth in Section 4.19(c).

“**Rule 144**” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“**Sale Expenses**” has the meaning set forth in Section 4.19(c).

“**SAMR**” means the State Administration for Market Regulations of the PRC or its local branches.

“**Sanctions**” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including, without limitation, those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“**Side Letter**” shall mean the letter agreement between the Company and the Purchaser, dated on or around the date hereof, in the form attached hereto as Exhibit G.

“**SEC Guidance**” means (i) any publicly-available written or oral guidance of the Commission staff, or any comments, requirements or requests of the Commission staff and (ii) the Securities Act.

“**SEC Reports**” means reports, schedules, forms, statements and other documents required to be filed by the Company under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such materials), including (a) the exhibits thereto and documents incorporated by reference therein and (b) the Transaction 6-K.

“**SEC Restrictions**” has the meaning set forth in Section 4.19(c).

“**Second Closing**” means the closing of the purchase and sale of Shares pursuant to Section 2.4.

“**Second Closing Company Deliverables**” has the meaning set forth in Section 2.5(a).

“**Second Closing Date**” means the Trading Day when all of the conditions applicable to the Second Closing set forth in Sections 2.4, 2.5, 5.1 and 5.2 hereof are satisfied or waived, as the case may be, or such other date as the parties may agree.

“**Second Closing Director’s Certificate**” has the meaning set forth in Section 2.5.

“**Second Closing Notice**” has the meaning set forth in Section 2.4(a).

“**Second Closing Purchase Price**” means a price per Series A Preferred Share, represented in United States Dollars, equal to the product of (a) the 30-Day VWAP divided by the number of Ordinary Shares represented by one ADS as of the date of determination (which, as of the date hereof, is one and one quarter Ordinary Shares) multiplied by (b) the Conversion Ratio (as such term is defined in the Certificate of Preferred Shares).

“**Second Closing Purchaser Deliverables**” has the meaning set forth in Section 2.5(b).

“**Second Closing Registration Statement**” means the Registration Statement filed pursuant to this Agreement and in connection with the Second Closing.

“**Second Closing Shares**” has the meaning set forth in Section 2.4(b).

“**Second Closing Subscription Amount**” means the aggregate purchase price of US\$8,000,000.00 and in immediately available funds.

“**Secondary Piggyback Registration**” has the meaning set forth in Section 4.19(d).

“**Securities**” has the meaning set forth in the Recitals.

“**Securities Act**” has the meaning set forth in the Recitals.

“**Series A Preferred Shares**” has the meaning set forth in the Recitals.

“**Share Registrar**” means Walkers Corporate Limited, the current holder of the register of members of the Company, with a mailing address of 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands, or any successor Share Registrar for the Company.

“**Shares**” has the meaning set forth in the Recitals.

“**Short Sales**” include, without limitation, (a) all “short sales” as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act, whether or not against the box, and all types of direct and indirect share pledges, forward sale contracts, options, puts, calls, short sales, swaps, “put equivalent positions” (as defined in Rule 16a-1(h) under the Exchange Act) and similar arrangements (including on a total return basis), and (b) sales and other transactions through non-U.S. broker dealers or foreign regulated brokers (but shall not be deemed to include the location and/or reservation of borrowable Ordinary Shares).

“**Signing Date**” means the date of this Agreement, as set forth in the Preamble.

“**Staff**” means the staff of the Commission.

“**Subsidiary**” means any subsidiary of the Company listed in the SEC Reports, and shall, where applicable, include any subsidiary of the Company formed or acquired after the date hereof.

“**Tax**” or “**Taxes**” means all federal, state, local, non-U.S. and other taxes, charges, fees, duties, levies, imposts, customs or other assessments, including all net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, profit share, license, lease, service, service use, value added, withholding, payroll, employment, excise, estimated, severance, stamp, occupation, premium, real property, personal property, payroll, escheat, unclaimed property, windfall profits, environmental, capital stock, social security (or similar), unemployment, disability, registration, alternative or add-on minimum, estimated, or other taxes, fees, assessments, customs, duties, levies, imposts or charges of any kind whatsoever, whether disputed or not, together with any interest, penalties, additions to tax, fines or other additional amounts imposed thereon or related thereto.

“**Tax Benefits**” has the meaning set forth in Section 3.1(pp).

“**Tax Returns**” means any return, statement, schedule, declaration, claim for refund, report, document or form filed or required to be filed with respect to Taxes, including any amendment, attachment and supplement thereof.

“**Trading Affiliate**” has the meaning set forth in Section 3.2(g).

“**Trading Day**” means (i) a day on which the Ordinary Shares or ADSs are listed or quoted and traded on the Principal Trading Market (other than the OTC Bulletin Board), or (ii) if the Ordinary Shares or ADSs are not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Ordinary Shares or ADSs are traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Ordinary Shares or ADSs are not quoted on any Trading Market, a day on which the Ordinary Shares or ADSs are quoted in the over-the-counter market as reported by OTC Markets Group Inc. (formerly OTC Markets Inc.) (or any similar organization or agency succeeding to its functions of reporting prices); *provided* that, in the event that the Ordinary Shares or ADSs are not listed or quoted as set forth in (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“**Trading Market**” means whichever of the New York Stock Exchange, NYSE American, The Nasdaq Global Select Market, The Nasdaq Global Market, The Nasdaq Capital Market or the OTC Bulletin Board on which the Ordinary Shares or ADSs are listed or quoted for trading on the date in question.

“**Transaction 6-K**” means the Current Report on Form 6-K to be filed on or about the First Closing Date in substantially the form provided to the Purchaser prior to the Signing Date describing the terms of the Transaction Documents (and including as exhibits to such Current Report on Form 6-K this Agreement and the Certificate of Preferred Shares).

“**Transaction Documents**” means this Agreement, the schedules and exhibits attached hereto, the Certificate of Preferred Shares, the Irrevocable Share Registrar Instructions, the Side Letter and any other documents or agreements explicitly contemplated hereunder.

“**VWAP**” means, for any date, the price determined by the daily volume weighted average price of the ADSs for such date on the Principal Trading Market on which the ADSs are then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)).

ARTICLE II. PURCHASE AND SALE

2.1 *First Closing.*

(a) *Amount.* Subject to the terms and conditions set forth in this Agreement, at the First Closing, the Company shall issue and sell to the Purchaser, and the Purchaser shall purchase from the Company, a number of Series A Preferred Shares equal to the First Closing Subscription Amount divided by the First Closing Purchase Price, rounded to the nearest whole Share (the “**First Closing Shares**”).

(b) *First Closing.* The First Closing of the purchase and sale of the First Closing Shares shall take place remotely via the exchange of documents and signatures on the First Closing Date or at such other locations as the parties may mutually agree.

(c) *Form of Payment.* Except as may otherwise be agreed between the Company and the Purchaser, on the First Closing Date, the Purchaser shall wire the First Closing Subscription Amount, in United States dollars and in immediately available funds, to an account established by the Company, and the Company shall (i) provide the Purchaser with an electronic copy of the register of members of the Company, free and clear of all restrictive and other legends (except as expressly provided in Section 4.1(b) hereof), evidencing the First Closing Shares subscribed for by the Purchaser hereunder at the First Closing, registered in the name set forth on the Certificate of Preferred Shares Questionnaire included as Exhibit B hereto, and (ii) irrevocably instruct the Share Registrar to reserve such number of Ordinary Shares as is sufficient for the Purchaser to convert in full all First Closing Shares.

2.2 *First Closing Deliverables.*

(a) On or prior to the First Closing, the Company shall issue, deliver or cause to be delivered to the Purchaser the following (the “**First Closing Company Deliverables**”):

- (i) this Agreement, the Side Letter and the Clinical Trial Supply Agreement, each duly executed by the Company;
- (ii) a duly executed electronic copy of the Certificate of Preferred Shares;
- (iii) a legal opinion of each of: (A) Company Counsel, and (B) Company Cayman Counsel, each dated as of the First Closing Date, executed by such counsel and addressed to the Purchaser, in forms reasonably acceptable to the Purchaser;
- (iv) duly executed Irrevocable Share Registrar Instructions acknowledged in writing by the Share Registrar instructing the Share Registrar to reserve such number of Ordinary Shares as is sufficient for the Purchaser to convert in full all First Closing Shares;
- (v) a certificate of the Director of the Company (the “**First Closing Director’s Certificate**”), dated as of the First Closing Date, (a) certifying the resolutions adopted by the Board of Directors of the Company or a duly authorized committee thereof approving the transactions contemplated by this Agreement and the other Transaction Documents, the Certificate of Preferred Shares and the issuance of the First Closing Shares and underlying Conversion Shares, (b) certifying the current versions of the MA&A, and the Certificate of Preferred Shares and (c) certifying as to the signatures and authority of persons signing the Transaction Documents and related documents on behalf of the Company, in the form attached hereto as Exhibit D;
- (vi) the compliance certificate referred to in Section 5.1(h);
- (vii) satisfactory evidence of the good standing of the Company and its material subsidiaries in their respective jurisdictions of organization or incorporation;
- (viii) a copy of the certificate of incorporation of the Company as in effect on the First Closing Date;
- (ix) a copy of the register of members of the Company updated to show the Purchaser (or the name set forth on the Certificate of Preferred Shares Questionnaire) as the legal owner of the First Closing Shares; and
- (x) wire instructions for delivery of the First Closing Subscription Amount, certified by an officer or a director of the Company.

(b) On or prior to the First Closing, the Purchaser shall deliver or cause to be delivered to the Company the following (the “**First Closing Purchaser Deliverables**”):

- (i) this Agreement, duly executed by the Purchaser;
- (ii) the First Closing Subscription Amount, in United States dollars and in immediately available funds, by wire transfer to a nominated bank account of the Company;
- (iii) a fully completed and duly executed Certificate of Preferred Shares Questionnaire included as Exhibit B; and
- (iv) an Internal Revenue Service Form W-9 (or any successor form or applicable Form W-8 if the Purchaser is not a U.S. person), duly and validly executed by the Purchaser (or its nominee in accordance with the Purchaser’s delivery instructions).

2.3 *First Closing Date.* In the event the First Closing does not occur within three (3) Business Days after the Expected First Closing Date, then (a) the Company shall promptly, upon the Purchaser's written request (but no later than one (1) Business Day thereafter), return the First Closing Subscription Amount funded to the Company by the Purchaser by wire transfer in United States dollars and in immediately available funds to the account specified by such Purchaser, and (b) the First Closing Shares issued to the Purchaser shall be deemed cancelled; *provided, that*, unless this Agreement has been terminated pursuant to Section 6.17 hereof, such return of funds shall not terminate this Agreement or relieve the Company of its obligations to issue and sell, or of the Purchaser to purchase, the Shares at the Applicable Closing; *provided further*, that the Company shall not be obligated to issue and sell the First Closing Shares to the Purchaser unless the Purchaser had paid the First Closing Subscription Amount pursuant to Section 2.2(b)(ii), at which time the First Closing Shares shall be issued.

2.4 *Second Closing.*

(a) *Conditional Second Closing.* If at any time on or prior to March 31, 2027: (i) the Company achieves Full Phase 2 Enrollment, or (ii) the Company receives written notice from the Purchaser waiving subsection (i) above, then the Company will promptly distribute (and in any event within two (2) Trading Days of achieving such Full Phase 2 Enrollment or receipt of such written notice) to the Purchaser a notice (the "**Second Closing Notice**") that (y) includes evidence, reasonably satisfactory to the Purchaser, of the achievement of Full Phase 2 Enrollment; and (z) identifies the Expected Second Closing Date, which such Expected Second Closing Date shall be no earlier than ten (10) Trading Days from the date of the Second Closing Notice and no later than twenty (20) Trading Days from the date of the Second Closing Notice.

(b) *Amount.* Subject to the terms and conditions set forth in this Agreement, at the Second Closing, the Company shall issue and sell to the Purchaser, and the Purchaser shall purchase from the Company, a number of Series A Preferred Shares equal to the Second Closing Subscription Amount divided by the Second Closing Purchase Price, rounded to the nearest whole Share (the "**Second Closing Shares**").

(c) *Second Closing.* The Second Closing of the purchase and sale of the Second Closing Shares shall take place remotely via the exchange of documents and signatures on the Second Closing Date or at such other locations as the parties may mutually agree.

(d) *Form of Payment.* Except as may otherwise be agreed between the Company and the Purchaser, on the Second Closing Date, the Purchaser shall wire the Second Closing Subscription Amount, in United States dollars and in immediately available funds, to an account established by the Company, and the Company shall (i) provide the Purchaser with an electronic copy of the register of members of the Company, free and clear of all restrictive and other legends (except as expressly provided in Section 4.1(b) hereof), evidencing the Second Closing Shares subscribed for by the Purchaser on the Second Closing Date hereunder, registered in the name set forth on the Certificate of Preferred Shares Questionnaire included as Exhibit B hereto, and (ii) irrevocably instruct the Share Registrar to reserve such number of Ordinary Shares as is sufficient for the Purchaser to convert in full all Second Closing Shares.

2.5 *Second Closing Deliverables.*

(a) On or prior to the Second Closing, the Company shall issue, deliver or cause to be delivered to the Purchaser the following (the "**Second Closing Company Deliverables**"):

- (i) a duly executed Second Closing Notice;

(ii) a legal opinion of each of: (A) Company Counsel, and (B) Company Cayman Counsel, each dated as of the Second Closing Date, executed by such counsel and addressed to the Purchaser, in forms reasonably acceptable to the Purchaser;

(iii) duly executed Irrevocable Share Registrar Instructions acknowledged in writing by the Share Registrar instructing the Share Registrar to reserve such number of Ordinary Shares as is sufficient for the Purchaser to convert in full all Second Closing Shares;

(iv) a certificate of the Director of the Company (the “**Second Closing Director’s Certificate**”), dated as of the Second Closing Date, (a) certifying the resolutions adopted by the Board of Directors of the Company or a duly authorized committee thereof approving the transactions contemplated by this Agreement and the other Transaction Documents, the Certificate of Preferred Shares and the issuance of the Second Closing Shares and underlying Conversion Shares, (b) certifying the current versions of the MA&A, and the Certificate of Preferred Shares and (c) certifying as to the signatures and authority of persons signing the Transaction Documents and related documents on behalf of the Company, in the form attached hereto as Exhibit E;

(v) the compliance certificate referred to in Section 5.1(h) dated as of the Second Closing Date;

(vi) satisfactory evidence of the good standing of the Company and its material subsidiaries in their respective jurisdictions of organization or incorporation;

(vii) a copy of the certificate of incorporation of the Company as in effect on the Second Closing Date;

(viii) a copy of the register of members of the Company updated to show the Purchaser (or the name set forth on the Certificate of Preferred Shares Questionnaire) as the legal owner of the Second Closing Shares; and

(ix) wire instructions for delivery of the Second Closing Subscription Amount, certified by an officer or a director of the Company.

(b) On or prior to the Second Closing, the Purchaser shall deliver or cause to be delivered to the Company the Second Closing Subscription Amount, in United States dollars and in immediately available funds, by wire transfer to a nominated bank account of the Company.

2.6 *Second Closing Date.* In the event the Second Closing does not occur within three (3) Business Days after the Expected Second Closing Date, then (a) the Company shall promptly, upon the Purchaser’s written request (but no later than one (1) Business Day thereafter), return the Second Closing Subscription Amount funded to the Company by the Purchaser by wire transfer in United States dollars and in immediately available funds to the account specified by such Purchaser, and (b) the Second Closing Shares issued to the Purchaser shall be deemed cancelled; *provided, that*, unless this Agreement has been terminated pursuant to Section 6.17 hereof, such return of funds shall not terminate this Agreement or relieve the Company of its obligations to issue and sell, or of the Purchaser to purchase, the Second Closing Shares at the Second Closing; *provided further*, that the Company shall not be obligated to issue and sell the Second Closing Shares to the Purchaser unless the Purchaser had paid the Second Closing Subscription Amount pursuant to Section 2.5(b), at which time the Second Closing Shares shall be issued.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 *Representations and Warranties of the Company.* The Company hereby represents and warrants as of the date hereof and the Applicable Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date), to the Purchaser:

(a) *Organization and Power.* The Company is a company duly organized, validly existing and in good standing under the laws of the Cayman Islands, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted, and is qualified to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification, and as proposed to be conducted, except where such failure to be in good standing or to have such power and authority or to so qualify would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect. As of the date hereof, the Company has only the subsidiaries identified and listed in the Exhibit 8.1 to the 2024 Form 20-F. Each of such Subsidiaries is duly incorporated and validly existing and in good standing under the laws of the jurisdiction of its incorporation, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted and as proposed to be conducted, and is qualified to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification, except where such failure to be in good standing or to have such power and authority or to so qualify would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect. Each Subsidiary of the Company that is a PRC entity has a valid business license issued by the SAMR or its local branch or other relevant Government Authorities, and has, since its establishment, carried on its business in compliance with the business scope set forth in its business license, except where such non-compliance would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect.

(b) *Capitalization.* The authorized share capital of the Company consists of 640,000,000 Ordinary Shares, par value US\$0.0001 and 160,000,000 shares of a par value US\$0.0001 per share of such class or classes (however designated) as the Board of Directors may determine. The Company's issued and outstanding share capital is as set forth in the 2024 Form 20-F as of the date indicated therein (except for subsequent issuances, if any, pursuant to this Agreement or pursuant to reservations, agreements or employee benefit plans, in each case, as disclosed in the 2024 Form 20-F or pursuant to the exercise of convertible securities or options or the vesting of restricted share units as disclosed in the 2024 Form 20-F). All of the issued and outstanding Ordinary Shares have been duly authorized and validly issued and are fully paid and non-assessable. All of the issued and outstanding share capital or other equity or ownership interests of each of the Subsidiaries have been duly authorized and validly issued, are fully paid and nonassessable and are owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance or adverse claim. None of the issued and outstanding share capital of the Company were issued in violation of any preemptive or other similar rights of any securityholder of the Company which have not been waived. The Company does not have outstanding any shareholder rights plans, a "poison pill" or any similar anti takeover provision or arrangement in effect giving any Person the right to purchase any equity interest in the Company upon the occurrence of certain events. The issuance and sale of the Shares hereunder and the Conversion Shares will not be in violation of any preemptive or other similar rights of any securityholder of the Company which have not been waived, obligate the Company to issue any Ordinary Shares (other than the Conversion Shares) or other securities and will not result in the adjustment of the exercise, conversion, exchange or reset price of any security. The issuance and sale of the Shares hereunder and the Conversion Shares will not obligate the Company to issue Ordinary Shares (other than the Conversion Shares) or other securities to any other Person (other than to the Purchaser and inclusive of the Conversion Shares) and, will not result in the adjustment of the exercise, conversion, exchange or reset price of any outstanding security.

(c) *Registration Rights.* Except as set forth in this Agreement or as disclosed in the SEC Reports, the Company is presently not under any obligation, and has not granted any rights, to register under the Securities Act any of the Company's presently outstanding securities or any of its securities that may hereafter be issued that have not expired, and any such existing registration rights have been satisfied or waived with respect to each Registration Statement.

(d) *Authorization.* The Company has all requisite corporate power and authority to enter into the Transaction Documents and to carry out and perform its obligations under the terms of the Transaction Documents. All corporate action on the part of the Company, its officers, directors and shareholders necessary for the authorization of the Shares and the Conversion Shares, the authorization, execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated herein has been taken. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by the Purchaser and that this Agreement constitutes the legal, valid and binding agreement of the Purchaser, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws relating to or affecting creditors generally or by general equity principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(e) *Valid Issuance.* The Shares being purchased by the Purchaser hereunder, upon issuance pursuant to the terms hereof, against full payment therefor in accordance with the terms of this Agreement, will be duly and validly issued, fully paid and non-assessable and will be issued free and clear of any liens or other restrictions (other than those under applicable law). The Conversion Shares issuable upon conversion of the Shares have been duly authorized and, when issued in accordance with the terms of the Transaction Documents, will be duly and validly issued, fully paid and nonassessable and free and clear of all Liens, other than restrictions on transfer imposed by applicable securities laws and in these Transaction Documents, and shall not be subject to preemptive or similar rights that have not otherwise been duly waived or satisfied. Subject to the accuracy of the representations and warranties made by the Purchaser in [Section 3.2](#) hereof, the offer and sale of the Shares to the Purchaser is and will be in compliance with applicable exemptions from (i) the registration and prospectus delivery requirements of the Securities Act and (ii) the registration and qualification requirements of applicable securities laws of the states of the United States, the Cayman Islands and the PRC, as applicable. The Company has reserved from its duly authorized but unissued share capital the maximum number of Conversion Shares issuable upon conversion of the Shares. So long as any of the Shares are outstanding, the Company shall take all action necessary to reserve and keep available out of its authorized and unissued share capital, solely for the purpose of effecting the conversion of the Shares, the maximum number of Ordinary Shares issuable upon the exercise or conversion thereof (without taking into account any limitations set forth in the Certificate of Preferred Shares).

(f) *No Conflict.* The execution, delivery and performance of the Transaction Documents by the Company, the issuance of the Shares and the Conversion Shares and the consummation of the other transactions contemplated hereby (including, without limitation, the issuance of the Securities) do not and will not (a) violate any provision of the MA&A, (b) conflict with or result in a violation of or default (with or without notice or lapse of time, or both) under, result in the creation of any lien upon any of the properties or assets of the Company or any of its Subsidiaries, or give rise to a right of termination, cancellation, amendment, anti-dilution or similar adjustments, or acceleration of any obligation, a change of control right or to a loss of a benefit (with or without notice or lapse of time or both) under any agreement or instrument, contract, credit facility, loan agreement, bond, note, or other evidence of indebtedness, franchise, license, permit, judgment, order, statute, law, ordinance, rule or regulation, applicable to the Company or its properties or assets or to the Subsidiaries and their respective properties and assets, or (c) result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or Governmental Authority to which the Company or any of its Subsidiaries is subject (including federal and state securities laws and regulations) and the rules and regulations of any self-regulatory organization to which the Company or its securities are subject, or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, except, in the case of clauses (b) and (c), as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(g) *Consents.* Assuming the accuracy of the representations and warranties of the Purchaser contained in Section 3.2 hereof, no consent, approval, authorization, filing with or order of or registration with, any court, regulatory body, self-regulatory organization, stock exchange, or governmental agency or body is required in connection with the transactions contemplated by the Transaction Documents, including the sale and issuance of the Shares or the issuance of the Conversion Shares, except such as (a) have been or will be obtained or made under the Securities Act or the Exchange Act, (b) the filing of any requisite notices and/or report to the China Securities Regulatory Commission (the “CSRC”) for the issuance and sale of the Shares and issuance of the Conversion Shares in the time and manner required thereby, or (c) may be required under the securities, or blue sky, laws of any state jurisdiction in connection with the offer and sale of the Shares by the Company in the manner contemplated herein or such that the failure of which to obtain would not have a Material Adverse Effect.

(h) *SEC Filings; Financial Statements.*

(i) The Company has filed or furnished, as applicable, in a timely manner all SEC Reports. As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), each of the SEC Reports complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and, as of the time they were filed, none of the SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As used in this Section 3.1(h), the term “file” and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC. There are no material outstanding or unresolved comments in comment letters from the staff of the Division of Corporation Finance of the SEC with respect to any of the SEC Reports. Each of the Material Contracts to which the Company or any Subsidiary is a party or to which the property or assets of the Company or any of its Subsidiaries are subject has been filed as an exhibit to the SEC Reports.

(ii) As of their respective filing dates, the financial statements of the Company included in the SEC Reports (collectively, the “**Financial Statements**”) fairly present in all material respects the financial position of the Company as of the dates indicated, and the results of its operations and cash flows for the periods therein specified. The Financial Statements have been prepared in accordance with GAAP, except as otherwise noted therein, and in the case of unaudited interim financial statements, which may not contain footnotes and are subject to normal and recurring year-end adjustments) applied on a consistent basis unless otherwise noted therein throughout the periods therein specified. Except as set forth in the Financial Statements filed prior to the date hereof, the Company has not incurred any liabilities, contingent or otherwise, except those incurred in the ordinary course of business, consistent (as to amount and nature) with past practices since the date of such Financial Statements, none of which, individually or in the aggregate, have had or would reasonably be expected to have a Material Adverse Effect.

(iii) To the Company's Knowledge, PricewaterhouseCoopers Zhong Tian LLP, who has certified certain financial statements of the Company and delivered their report with respect to the audited financial statements included in the SEC Reports, (i) have at all times since the date of enactment of the Sarbanes-Oxley Act been a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act), (ii) are "independent" with respect to the Company within the meaning of Regulation S-X under the Exchange Act and (iii) are in compliance with subsections (g) through (l) of Section 10A of the Exchange Act and the rules and regulations promulgated by the SEC and the Public Accounting Oversight Board thereunder.

(i) *CSRC*.

(i) Each letter, filing, correspondence, communication, document, response, undertaking and submission in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the for the issuance and sale of the Shares pursuant to the CSRC Filing Rules and other applicable rules and requirements of the CSRC (including, without limitation, the filing report of the Company in relation to the issuance and sale of the Shares, including any amendments, supplements and/or modifications thereof, to be submitted to the CSRC no later than three (3) PRC Business Days following the Applicable Closing Date pursuant to the CSRC Filing Rules (a "**CSRC Filing Report**") (the "**CSRC Filing**" and such date on which a CSRC Filing is required to be filed with the CSRC, a "**CSRC Filing Date**") is and remains, and on each applicable CSRC Filing Date, will be, complete, true and accurate and not misleading in any respect, and does not, and will not on each applicable CSRC Filing Date, omit any information which would make the statements made therein, misleading in any respect, and does not contain any conflicting, inconsistent or materially different descriptions of facts.

(ii) The Company has complied with, and on each applicable CSRC Filing Date will remain in compliance with, all applicable requirements, and will timely submit by each applicable CSRC Filing Date, all requisite filings in connection with the issuance and sale of the Shares (including, without limitation, the CSRC Filing Report) with the CSRC pursuant to the CSRC Filing Rules and all applicable laws, and the Company has not received any notice of rejection, withdrawal or revocation from the CSRC in connection with such CSRC Filings.

(iii) Each CSRC Filing made by or on behalf of the Company is, and on each CSRC Filing Date, all other documents filed with the CSRC, or issued by or on behalf of the Company in connection with the issuance and sale of the Shares, are and will be, in compliance with the disclosure requirements pursuant to the CSRC Filing Rules and do not contain any statement or commentary in violation of Article 20 of the CSRC Filing Rules. Each CSRC Filing contains descriptions of all material events as required to be reported pursuant to the CSRC Filing Rules or other applicable laws, regulations and rules in the PRC.

(iv) The Company is not, and will not be until the later of the Closing Date, prohibited from conducting securities offerings outside the PRC under Article 8 of the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境内企业境外发行证券和上市管理试行办法) and supporting guidelines issued by the CSRC (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time ("**CSRC Filing Rules**," together with the CSRC Archive Rules, the "**CSRC Rules**") or other applicable laws and regulations of the PRC.

(j) *Absence of Changes*. Except as otherwise stated or disclosed in the SEC Reports filed at least one (1) Business Day prior to the date hereof, since December 31, 2024, (a) the Company has conducted its business only in the ordinary course of business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto), (b) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records, (c) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any of its share capital (other than in connection with repurchases of unvested shares issued to employees of the Company), (d) the Company has not issued any equity securities to any officer, director or Affiliate, except Ordinary Shares issued in the ordinary course pursuant to existing Company share option or share purchase plans or executive and director compensation arrangements disclosed in the SEC Reports, and (e) there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(k) *Absence of Litigation.* Except as disclosed in the SEC Reports, there is no action, suit, proceeding, arbitration, claim, investigation or inquiry pending or, to the Company's Knowledge, threatened in writing by or before any court or other governmental body against the Company or any of its Subsidiaries which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect, nor are there any orders, writs, injunctions, judgments or decrees outstanding of any court or government agency or instrumentality and binding upon the Company or any of its Subsidiaries that have had or would reasonably be expected to have a Material Adverse Effect. Except as disclosed in the SEC Reports, neither the Company nor, to the knowledge of the Company, any director or officer thereof, is, or within the last ten years has been, the subject of any action involving a claim of violation of or liability under federal or state securities laws relating to the Company or a claim of breach of fiduciary duty relating to the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any of its Subsidiaries under the Exchange Act or the Securities Act.

(l) *Compliance with Law; Permits.* None of the Company or any of its Subsidiaries is in violation of, or has received any notices of violations with respect to, any applicable laws, statutes, ordinances, rules or regulations of any governmental body, court or government agency or instrumentality, except for violations which, individually or in the aggregate, have not had or would not reasonably be expected to have a Material Adverse Effect. The Company and its Subsidiaries have all required licenses, permits, certificates and other authorizations (collectively, "**Governmental Authorizations**") from such federal, state or local government or governmental agency, department or body that are currently necessary for the operation of the business of the Company and its Subsidiaries as currently conducted and as described in the SEC Reports, except where the failure to possess currently such Governmental Authorizations has not had or is not reasonably expected to have a Material Adverse Effect. None of the Company or any of its Subsidiaries has received any written notice regarding any revocation or material modification of any such Governmental Authorization, which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, has or would reasonably be expected to have a Material Adverse Effect.

(m) *Intellectual Property.* The Company and its Subsidiaries own, or have rights to use, all inventions, patent applications, patents, trademarks, trade names, service names, service marks, copyrights, trade secrets, know how (including unpatented and/or unpatentable proprietary of confidential information, systems or procedures) and other intellectual property as described in the 2024 Form 20-F (collectively, "**Intellectual Property**") necessary for, or used in the conduct of their respective businesses (including as described in the 2024 Form 20-F), except where any failure to own, possess or acquire such Intellectual Property would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Intellectual Property has not been adjudged by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part. There are no third parties who have rights to any Intellectual Property, including no liens, security interests, or other encumbrances, and, to the Company's Knowledge, there is no infringement by third parties of any Intellectual Property. No action, suit, or other proceeding is pending or, to the Company's Knowledge, is threatened in writing: (A) challenging the Company's or Subsidiaries' rights in or to any Intellectual Property; (B) challenging the validity, enforceability or scope of any Intellectual Property; or (C) alleging that the Company or any of its Subsidiaries infringes, misappropriates, or otherwise violates any patent, trademark, trade name, service name, copyright, trade secret or other proprietary rights of others. The Company and its Subsidiaries have complied in all material respects with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company or any of its Subsidiaries, and to the Company's Knowledge all such agreements are in full force and effect. To the Company's Knowledge, there are no material defects in any of the patents or patent applications included in the Intellectual Property. The Company and its Subsidiaries have taken all reasonable steps to protect, maintain and safeguard their Intellectual Property, including the execution of appropriate nondisclosure, confidentiality, and invention assignment agreements and invention assignments with their employees. To the Company's Knowledge, the duty of candor and good faith as required by the United States Patent and Trademark Office (the "**USPTO**") during the prosecution of the United States patents and patent applications included in the Intellectual Property have been complied with. To the Company's Knowledge, there is no prior art that may render any patent within the Intellectual Property invalid or that may render any patent application within the Intellectual Property unpatentable that has not been disclosed to the USPTO.

(n) *Employee Benefits*. Except as would not be reasonably expected to have a Material Adverse Effect, each employee benefit plan has been established and administered in accordance with its terms and in compliance with applicable laws, rules and regulations. The Company is in compliance with all applicable federal, state, local and foreign laws, rules and regulations regarding employment and employment practices, terms and conditions of employment and wages and hours, except for any failures to comply that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. There is no labor dispute, strike or work stoppage against the Company pending or, to the knowledge of the Company, threatened which may interfere with the business activities of the Company, except where such dispute, strike or work stoppage would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(o) *Taxes*. The Company and its Subsidiaries have filed all federal, state and foreign income Tax Returns and other Tax Returns required to have been filed under applicable law (or extensions have been duly obtained) and have paid all Taxes required to have been paid by them, except for those which are being contested in good faith or where failure to file such Tax Returns or pay such Taxes would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No assessment in connection with United States federal tax returns has been made against the Company. The charges, accruals and reserves on the books of the Company in respect of any material federal, state and foreign income and other tax liability for any years not finally determined are adequate to meet any assessments or reassessments for additional tax for any years not finally determined, except to the extent of any inadequacy that would not reasonably be expected to have a Material Adverse Effect. As of the date of this Agreement, the Company is not a tax resident in any jurisdiction (including the United States and the PRC) other than the Cayman Islands.

(p) *Environmental Laws*. Except as disclosed in the SEC Reports, the Company and its Subsidiaries (a) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (“**Environmental Laws**”), (b) have received all permits and other Governmental Authorizations required under applicable Environmental Laws to conduct its business and (c) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of the Company or any of its Subsidiaries have received, any written notice or other communication (in writing or otherwise), whether from a Governmental Authority or other Person, that alleges that the Company or any of its Subsidiaries is not in compliance with any Environmental Law and, to the knowledge of the Company, there are no circumstances that may prevent or interfere with the Company’s or its Subsidiaries’ compliance in any material respects with any Environmental Law in the future, except where such failure to comply would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, no current or (during the time a prior property was leased or controlled by the Company) prior property leased or controlled by the Company or its Subsidiaries has received, any written notice or other communication relating to property owned or leased at any time by the Company or its Subsidiaries, whether from a Governmental Authority, or other Person, that alleges that such current or prior owner or the Company or any of its Subsidiaries is not in compliance with or violated any Environmental Law relating to such property. The Company has no material liability under any Environmental Law.

(q) *Title.* Each of the Company and its Subsidiaries has good and marketable title to all personal property owned by it that is material to the business of the Company, free and clear of all liens, encumbrances and defects except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or its Subsidiaries, as the case may be. Any real property and buildings held under lease by the Company or its Subsidiaries are held under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company or its Subsidiaries, as the case may be. None of the Company or any of its Subsidiaries owns any real property.

(r) *Insurance.* The Company carries or is entitled to the benefits of insurance in such amounts and covering such risks that is customary for comparably situated companies and is adequate for the conduct of its business and the value of its properties and assets and the properties and assets of its Subsidiaries, and each of such insurance policies is in full force and effect and the Company is in compliance in all material respects with the terms thereof. Except as disclosed in the SEC Reports, other than customary end of policy notifications from insurance carriers, the Company has not received any notice or other communication regarding any actual or possible: (i) cancellation or invalidation of any insurance policy or (ii) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. The Company has no reason to believe that it or any of its Subsidiaries will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not reasonably be expected to have a Material Adverse Effect.

(s) *Nasdaq Stock Market.* The Ordinary Shares and ADSs are registered pursuant to Section 12(b) of the Exchange Act and the ADSs are listed for trading on The Nasdaq Global Market under the symbol “ADAG”. There is no suit, action, proceeding or investigation pending or, to the knowledge of the Company, threatened against the Company by The Nasdaq Stock Market LLC or the SEC, respectively, to prohibit or terminate the listing of the ADSs on The Nasdaq Global Market or to deregister the Ordinary Shares or the ADSs under the Exchange Act. The Company has taken no action as of the date hereof that is designed to terminate the registration of the Ordinary Shares or the ADSs under the Exchange Act. The Company has not, in the twelve months preceding the date of the Applicable Closing, received any notice from any Person to the effect that the Company is not in compliance with the listing or maintenance requirements of The Nasdaq Global Market and the Company is in compliance with all such listing and maintenance requirements.

(t) *Sarbanes-Oxley Act.* The Company is, and since February 8, 2021 has been, in compliance in all material respects with applicable requirements of the Sarbanes-Oxley Act of 2002 and applicable rules and regulations promulgated by the SEC thereunder.

(u) *Clinical Data and Regulatory Compliance.* The preclinical tests and clinical trials, and other studies used to support regulatory approval (collectively, “**studies**”) being conducted by the Company and its Subsidiaries that are described in, or the results of which are referred to in, the SEC Reports were and, if still pending, are being conducted in all material respects in accordance with the approved protocols and applicable laws and regulations; each description of the results of such studies is accurate and complete in all material respects and fairly presents the data derived from such studies, and the Company and its Subsidiaries have no knowledge of any other studies the results of which the Company reasonably believes are inconsistent with, or otherwise call into question, the results described or referred to in the SEC Reports. The Company and its Subsidiaries have made all such filings and obtained all such approvals as may be required by the Food and Drug Administration of the U.S. Department of Health and Human Services or from any other U.S. or foreign government or Drug Regulatory Agency, or Institutional Review Board, each having jurisdiction over biopharmaceutical products (collectively, the “**Regulatory Agencies**”) for the conduct of its business as described in the SEC Reports, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received any notice of, or correspondence from, any Regulatory Agency requiring the termination or suspension of or imposing any clinical hold on any clinical trials that are described or referred to in the SEC Reports, and the Company and its Subsidiaries have each operated and currently are in compliance in all material respects with all applicable rules and regulations of the Regulatory Agencies, except where any noncompliance with such rules and regulations would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(v) *Compliance with Health Care Laws.* The Company and its Subsidiaries are, and at all times have been, in compliance with all Health Care Laws in all material respects and to the extent applicable to the Company’s current business and investigational product candidates. For purposes of this Agreement, “**Health Care Laws**” means: (i) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Section 301 et seq.), the Public Health Service Act (42 U.S.C. Section 201 et seq.), and the regulations promulgated thereunder; (ii) all applicable federal, state, local and foreign health care fraud and abuse laws, including, without limitation, the Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)); (iii) HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. Section 17921 et seq.) (iv) the Controlled Substances Act (21 U.S.C. §§ 801 et seq.) and the regulations promulgated thereunder; (v) the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010; (vi) licensure, quality, safety and accreditation requirements under applicable federal, state, local or foreign laws or regulatory bodies, including without limitation, the U.S. Food and Drug Administration and the China National Medical Products Administration; (vii) all statutes, rules and regulations applicable to the ownership, testing, research, development, manufacture, packaging, labeling, processing, use, distribution, promotion, sale, pricing, storage, import, export or disposal of any product in development, manufactured, distributed, marketed, offered for sale or sold by the Company or its Subsidiaries, and (viii) all other local, state, federal, national, supranational and foreign laws, relating to the regulation of the Company or its Subsidiaries, and (ix) the regulations promulgated pursuant to such statutes and any state or non-U.S. counterpart thereof. Neither the Company nor any of its Subsidiaries has received written notice, or, to the Company’s Knowledge, oral notice, of any notices or forms, written notice of adverse finding, warning letter, untitled letter, claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging that any product operation or activity is in violation of any Health Care Laws or any licenses, exemptions, certificates, approvals, clearances, authorizations or permits required by any such Health Care Laws nor, to the Company’s Knowledge, is any such notice, letter, claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action threatened. The Company and its Subsidiaries have filed, maintained or submitted all material reports, documents, forms, notices, applications, records, submissions and supplements or amendments as required by any Health Care Laws, and all such reports, documents, forms, notices, applications, records, submissions and supplements or amendments were complete and accurate on the date filed in all material respects (or were corrected or supplemented by a subsequent submission). Neither the Company nor any of its Subsidiaries is a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any governmental or regulatory authority. Additionally, none of the Company, any of its Subsidiaries or any of their respective employees, officers, directors, or, to the knowledge of the Company, agents has been excluded, suspended or debarred from participation in any U.S. federal health care program or human clinical research or, to the knowledge of the Company, is subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in debarment, suspension, or exclusion.

(w) *Accounting Controls and Disclosure Controls and Procedures.* The Company maintains a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that is sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including policies and procedures sufficient to provide reasonable assurance (i) that the Company maintains records that in reasonable detail accurately and fairly reflect the Company's transactions and dispositions of assets, (ii) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, (iii) that receipts and expenditures are made only in accordance with authorizations of management and the Board of Directors and (iv) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's financial statements. The Company has not identified any material weaknesses in the design or operation of the Company's internal control over financial reporting. The Company's "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) are designed to provide reasonable assurance that all information (both financial and non-financial) required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure. Since the end of the Company's most recent audited fiscal year, there has been no material weakness in the Company's internal control over financial reporting (whether or not remediated) and no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is not aware of any change in its internal control over financial reporting that has occurred during its most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(x) *Price Stabilization of Ordinary Shares or ADSs.* The Company has not taken, nor will it take, directly or indirectly, any action designed to stabilize or manipulate the price of the Ordinary Shares or ADSs to facilitate the sale of the Shares or resale of the Conversion Shares.

(y) *Investment Company Act.* The Company is not, and immediately after receipt of payment for the Shares will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and will not result in the Company or any of its Subsidiaries being not in compliance with any applicable laws, rules and regulations with respect to the administration of foreign exchange or overseas investment in the PRC.

(z) *General Solicitation; No Integration or Aggregation.* Neither the Company nor any other person or entity authorized by the Company to act on its behalf has engaged in a general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) of investors with respect to offers or sales of Shares pursuant to this Agreement. The Company has not, directly or indirectly, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any security (as defined in the Securities Act) which is or will be (i) integrated with the Shares sold pursuant to this Agreement for purposes of the Securities Act or (ii) aggregated with prior offerings by the Company for the purposes of the rules and regulations of The Nasdaq Global Market.

(aa) *Brokers and Finders.* Neither the Company nor any other Person authorized by the Company to act on its behalf has retained, utilized or been represented by any broker or finder in connection with the transactions contemplated by this Agreement and no Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company with respect to the offer and sale of the Shares.

(bb) *Reliance by the Purchaser.* The Company acknowledges that the Purchaser will rely upon the truth and accuracy of, and the Company's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Company set forth herein.

(cc) *No Disqualification Events.* No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "**Disqualification Event**") is applicable to the Company or, to the knowledge of the Company, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii-iv) or (d)(3), is applicable.

(dd) *Anti-Bribery and Anti-Money Laundering Laws.* Each of the Company, each of its Subsidiaries and any of their respective officers, directors, supervisors, managers, agents, or employees is and has at all times been in compliance with, and its participation in the offering will not violate, any (a) anti-bribery laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act 2010, or any other law, rule or regulation of similar purposes and scope or (b) anti-money laundering laws, including, but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 US. Code sections 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder. The Company and its Subsidiaries maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with the laws, rules and policies referred to in this Section 3.1(dd).

(ee) *Cybersecurity*. Except as would not reasonably be expected to have a Material Adverse Effect, the Company and its Subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems**") are adequate for, and operate and perform in all respects as required in connection with the operation of the business of the Company and its Subsidiaries as currently conducted and as described in the SEC Reports, and are free and clear of all material Trojan horses, time bombs, malware and other malicious code. The Company and its Subsidiaries have implemented and maintained commercially reasonable physical, technical and administrative controls designed to maintain and protect the confidentiality, integrity, availability, privacy and security of all sensitive, confidential or regulated data ("**Confidential Data**") used or maintained in connection with their businesses and Personal Data (defined below), and the integrity, availability continuous operation, redundancy and security of all IT Systems. "**Personal Data**" means the following data used in connection with the Company's and its Subsidiaries' businesses and in their possession or control: (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or other tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (ii) information that identifies, relates to, or may reasonably be used to identify an individual; (iii) any information regarding an individual's medical history, mental or physical condition, or medical treatment or diagnosis by a health care professional; (iv) an individual's health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual, or any information in an individual's application and claims history; (v) any information which would qualify as "protected health information" under the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "**HIPAA**"); (vi) any information which would qualify as "personal data," "personal information" (or similar term) under the Privacy Laws; (vii) all personal, personally identifiable, health, sensitive, confidential, material or other regulated data, or any such data that may constitute trade secrets and working secrets of any governmental or regulatory authority in the PRC or any other data that would otherwise be detrimental to national security or public interest of the PRC pursuant to the applicable PRC laws; and (viii) any other piece of information that alone, or combined with other information, allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person's health or sexual orientation. To the Company's Knowledge, there have been no breaches, outages or unauthorized uses of or accesses to the Company's IT Systems, Confidential Data, and Personal Data. The Company and its Subsidiaries are presently, and at all prior times were: (A) in material compliance with all applicable laws or statutes (including, without limitation, the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (关于加强境内企业境外发行证券和上市相关保密和档案管理工作的规定) issued by the CSRC, Ministry of Finance of the PRC, National Administration of State Secrets Protection of the PRC, and National Archives Administration of the PRC (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time) (the "**Archive Rules**"); (B) in material compliance with all judgments and orders binding on the Company, applicable binding rules and regulations of any court or arbitrator or governmental or regulatory authority, and their internal policies and contractual obligations, each relating to the Processing (as defined below), privacy and security of Personal Data and Confidential Data, the privacy and security of IT Systems and the protection of such IT Systems, Confidential Data, and Personal Data from unauthorized use, access, misappropriation or modification, and (C) not subject to any investigation, inquiry or sanction relating to cybersecurity, data privacy, confidentiality or archive administration, or any cybersecurity review relating to cybersecurity, data privacy, confidentiality or archive administration, or any cybersecurity review of or relating to privacy and security, breaches, confidentiality and archive administration of IT Systems, Confidential Data, and Personal Data or to the protection of such IT Systems, Confidential Data, and Personal Data from unauthorized use, access, acquisition, disclosure, misappropriation or modification by the Cyberspace Administration of the PRC or any court or arbitrator or governmental or regulatory authority. Neither the Company nor any of its Subsidiaries is expected to be classified as a "critical information infrastructure operator" under the Cybersecurity Law of the PRC.

(ff) *Compliance with Data Privacy Laws*. The Company and its Subsidiaries are, and at all prior times were, in material compliance with all applicable state, federal and foreign data privacy and security laws and regulations regarding the collection, use, storage, retention, disclosure, transfer, disposal, or any other processing (collectively "**Process**" or "**Processing**") of Personal Data, including without limitation HIPAA, the California Consumer Privacy Act ("**CCPA**"), the European Union General Data Protection Regulation ("**GDPR**") (EU 2016/679) and, the Data Security Law of the PRC (中华人民共和国数据安全法), the Cybersecurity Law of the PRC (中华人民共和国网络安全法) and the Personal Information Protection Law of the PRC (中华人民共和国个人信息保护法) (collectively, the "**Privacy Laws**"). To ensure compliance with the Privacy Laws, the Company and its Subsidiaries have in place, comply with, and take all appropriate steps necessary to ensure compliance in all material respects with their policies and procedures relating to data privacy and security, and the Processing of Personal Data and Confidential Data (the "**Privacy Statements**"). The Company and its Subsidiaries have, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, at all times since inception provided accurate notice of its Privacy Statements then in effect to its customers, employees, third party vendors and representatives. None of such disclosures made or contained in any Privacy Statements have been materially inaccurate, misleading, incomplete, or in material violation of any Privacy Laws. The Company further certifies that neither it nor any of its Subsidiaries: (i) has received notice of any actual or potential claim, complaint, proceeding, regulatory proceeding or liability under or relating to, or actual or potential violation of, any of the Privacy Laws, contracts related to the Processing of Personal Data or Confidential Data, or Privacy Statements, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law or contract; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

(gg) *Transaction with Affiliates and Employees.* No relationship, direct or indirect, exists between or among the Company, on the one hand, and the directors, officers, shareholders, customers or suppliers of the Company, on the other hand, that is required to be described in the SEC Reports that is not so described.

(hh) *Shell Company Status.* The Company is not currently, and has never been, an issuer identified in Rule 144 (i)(1) under the Securities Act.

(ii) *ADS Registration Statement.* The Company and the Depositary have prepared and filed with the Commission a registration statement relating to the ADSs on Form F-6 (No. 333-252543) (the “**Form F-6**”) and a related prospectus for registration under the Securities Act of the ADSs, have filed such amendments thereto and such amended prospectuses as may have been required to the date hereof, and will file such additional amendments thereto and such amended prospectuses as may hereinafter be required. The Form F-6 for registration of the ADSs, as amended at the time it became effective (including by the filing of any post-effective amendments thereto), and the prospectus included therein, as then amended are hereinafter called the “**ADS Registration Statement.**” The Form F-6 was declared effective under the Securities Act on February 8, 2021, and (i) no stop order preventing or suspending the effectiveness of the Form F-6 is in effect, and no proceedings for such purpose are pending before or, to the knowledge of the Company, threatened by the Commission, (ii) the Form F-6 complies and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (iii) the Form F-6, when it became effective, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading. The Form F-6 will, at all times while any Shares are outstanding, have sufficient ADSs available to effect the issuance in full of the Required Reserve Amount of ADSs in accordance therewith.

(jj) *OFAC.* None of the Company, any of its Subsidiaries or, to the Company’s Knowledge, any director, officer, agent, employee, affiliate or representative of the Company or any of its Subsidiaries is a Person currently the subject or target of any Sanctions, nor is the Company located, organized or resident in a country or territory that is the subject of Sanctions; and the Company will not directly or indirectly use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any Subsidiaries, joint venture partners or other Person, to fund or facilitate any activities of or business with any Person, or in any country or territory, that, at the time of such funding or facilitating, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company and its Subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with country or territory that is the subject of Sanction.

(kk) *No Other Representations or Warranties.* Except for the representations and warranties of the Company expressly set forth in this Section 3.1, with respect to the transactions contemplated by this Agreement, the Company (i) expressly disclaims any representations or warranties of any kind or nature, express or implied, including with respect to the condition, value or quality of the Company or any of the assets or properties of the Company, and (ii) specifically disclaims any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to any of the assets or properties of the Company. Notwithstanding the foregoing, in making the decision to invest in the Shares, the Purchaser will rely, and the Company agrees that the Purchaser may rely, on the information that has been provided in writing to the Purchaser by the Company or on behalf of the Company, including the SEC Reports.

(ll) *CFIUS Representations.* To the knowledge of the Company, neither the Company nor any of its subsidiaries engages in (a) the design, fabrication, development, testing, production or manufacture of one or more “critical technologies” within the meaning of the Defense Production Act of 1950, as amended, including all implementing regulations thereof (the “DPA”); (b) the ownership, operation, maintenance, supply, manufacture, or servicing of “covered investment critical infrastructure” within the meaning of the DPA (where such activities are covered by column 2 of Appendix A to 31 C.F.R. Part 800); or (c) the maintenance or collection, directly or indirectly, of “sensitive personal data” of U.S. citizens within the meaning of the DPA. The Company has no current intention of engaging in such activities in the future.

(mm) *OISP.* Neither the Company nor any of its Subsidiaries is a covered foreign person (within the meaning of 31 C.F.R. § 850.209).

(nn) *Private Placement.* Assuming the accuracy of the Purchaser’s representations and warranties set forth in [Section 3.2](#) of this Agreement, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchaser under the Transaction Documents. The issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Principal Trading Market.

(oo) *Off Balance Sheet Arrangements.* There are no transactions, arrangements and other relationships between and/or among the Company, and/or, to the Company’s Knowledge of the Company, any of its affiliates and any unconsolidated entity, including, but not limited to, any structural finance, special purpose or limited purpose entity (each, an “**Off-Balance Sheet Transaction**”) that could reasonably be expected to affect materially the Company’s liquidity or the availability of or requirements for its capital resources, including those Off-Balance Sheet Transactions described in the Commission’s Statement about Management’s Discussion and Analysis of Financial Conditions and Results of Operations (Release Nos. 33-8056; 34-45321; FR-61), required to be described in the SEC Reports which have not been described as required.

(pp) *Compliance with PRC Regulations on PRC Overseas Investment and Listing.* Each of the Company and its subsidiaries that was incorporated outside of the PRC has complied with, and has taken all reasonable steps to comply with and to ensure compliance by each of its shareholders, option holders, directors, officers and employees that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen with any applicable rules and regulations of the relevant PRC government agencies (including but not limited to the Ministry of Commerce, the National Development and Reform Commission and the State Administration of Foreign Exchange) relating to overseas investment by PRC residents and citizens (the “**PRC Overseas Investment and Listing Regulations**”), including, without limitation, requesting each shareholder, option holder, director, officer and employee that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen to complete any registration and other procedures required under applicable PRC Overseas Investment and Listing Regulations.

(qq) *Compliance with Tax Exemption Laws and Regulations.* Each of the Company's Subsidiaries operating in the PRC is in compliance in all material respects with all requirements under all applicable PRC laws and regulations to qualify for their income tax benefits, local, provincial and national PRC governmental tax holidays, relief, exemptions, concessions, waivers, preferential treatment and financial subsidies (the "**Tax Benefits**"). No submissions made to any PRC government authority in connection with obtaining its Tax Benefits contained any misstatement or omission that would have affected the granting of its Tax Benefits in any material respect. The Company's Subsidiaries in the PRC have not received notice of any deficiency in their respective applications for their Tax Benefits, and the Company is not aware of any reason why the Subsidiaries in the PRC might not qualify for, or be in compliance with the requirements for, their Tax Benefits.

(rr) *Indemnification and Contribution.* The indemnification and contribution provisions set forth in Sections 4.13, 4.14 and 4.19 hereof do not contravene Cayman Islands law or public policy.

(ss) *Dividends.* Except as disclosed in the SEC Reports, no approvals from any Governmental Authority are currently required in the Cayman Islands in order for the Company to pay dividends or other distributions declared by the Company to the holders of Ordinary Shares or Series A Preferred Shares. Under current laws and regulations of the Cayman Islands and any political subdivision thereof, any amount payable with respect to the Ordinary Shares or Series A Preferred Shares upon liquidation of the Company or upon redemption thereof and dividends and other distributions declared and payable on the share capital of the Company may be paid by the Company in United States dollars or euros and freely transferred out of the Cayman Islands, and no such payments made to the holders of the Ordinary Shares or Series A Preferred Shares who are non-residents of the Cayman Islands will be subject to income, withholding or other taxes under laws and regulations of the Cayman Islands or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in the Cayman Islands or any political subdivision or taxing authority thereof or therein.

(tt) *Transaction Documents under Cayman Law.* Each of the Transaction Documents is in proper form to be enforceable against the Company in the Cayman Islands in accordance with its terms; to ensure the legality, validity, enforceability or admissibility into evidence in the Cayman Islands of any Transaction Document, it is not necessary that such Transaction Document be filed or recorded with any court or other authority in the Cayman Islands (other than court filings in the normal course of proceedings) or that any stamp or similar tax (other than nominal stamp duty if such Transaction Document is executed in or brought into the Cayman Islands) in the Cayman Islands be paid on or in respect of such Transaction Document or any other documents to be furnished hereunder.

(uu) *Choice of Law and Submission to Jurisdiction.* The choice of the laws of the State of New York as the governing law of the applicable Transaction Documents is a valid and legal choice of law under the laws of the Cayman Islands, the PRC and Hong Kong and will be honored by courts in the Cayman Islands, the PRC and Hong Kong, subject to the civil procedures of each respective jurisdiction. The Company has the power to submit, and pursuant to Section 6.8 of this Agreement, has legally, validly, effectively and irrevocably submitted, to the personal jurisdiction of each of the New York Courts and the Company has the power to designate, appoint and authorize, and pursuant to Section 6.8 of this Agreement, has legally, validly, effectively and irrevocably designated, appointed and authorized an agent for service of process in any action arising out of or relating to this Agreement or the Securities in any New York Court, and service of process effected on such authorized agent will be effective to confer valid personal jurisdiction over the Company as provided in Section 6.8 hereof.

(vv) *No Rights of Immunity.* Except as provided by laws or statutes generally applicable to transactions of the type described in this Agreement, neither the Company nor any of its respective properties, assets or revenues has any right of immunity under the laws of the Cayman Islands, the PRC, Hong Kong, New York or the United States from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any Cayman Islands, PRC, Hong Kong, United States federal or New York court, from service of process, attachment upon or prior judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Agreement. To the extent that the Company or any of its respective properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings may at any time be commenced, the Company waives or will waive such right to the extent permitted by law and has consented to such relief and enforcement as provided in Section 6.8 of this Agreement.

(ww) *Enforceability of Judgments.* Any final judgment for a fixed or readily calculable sum of money rendered by a New York Court having jurisdiction under its own domestic laws and recognized by the Cayman Islands courts as having jurisdiction (according to Cayman Islands conflicts of laws principles and rules of Cayman Islands private international law at the time when proceedings were initiated) to give such final judgment in respect of any suit, action or proceeding against the Company based upon the applicable Transaction Documents and any instruments or agreements entered into for the consummation of the transactions contemplated therein would be enforceable against the Company, without re-examination or review of the merits of the cause of action in respect of which the original judgment was given or re-litigation of the matters adjudicated upon, by the courts of Cayman Islands, provided further that such judgment is not in respect of taxes, a fine or a penalty and was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.

(xx) *Foreign Private Issuer.* The Company is a “foreign private issuer” within the meaning of Rule 405 under the Securities Act. The Company agrees to notify the Purchaser as soon as practicable upon the Company ceasing to be a foreign private issuer. The Company further represents and warrants that: (i) pursuant to Nasdaq Listing Rule 5615 and in accordance with its election to follow home country practice, the Company is not subject to Nasdaq Listing Rule 5635, and (iii) Nasdaq Listing Rule 5635 is not applicable to the transactions contemplated by this Agreement due to the Company’s valid reliance on “home-country practice” afforded by the Nasdaq Listing Rules.

(yy) *Acknowledgment Regarding Purchaser’s Purchase of Securities.* The Company acknowledges and agrees that the Purchaser is acting solely in the capacity of an arm’s length purchaser with respect to this Agreement and the transactions contemplated hereby. The Company further acknowledges that the Purchaser is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by the Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchaser’s purchase of the Securities. The Company further represents to the Purchaser that the Company’s decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

3.2 *Representations and Warranties of the Purchaser.* The Purchaser hereby represents and warrants as of the date hereof and as of the Applicable Closing Date to the Company as follows:

(a) *Organization; Authority.* The Purchaser is an entity validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite corporate or partnership power and authority to enter into and to consummate the transactions contemplated by the applicable Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by the Purchaser and performance by the Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Purchaser. Each Transaction document to which the Purchaser is a party has been duly executed by the Purchaser, and when delivered by the Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of the Purchaser, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors’ rights and remedies or by other equitable principles of general application.

(b) *No Conflicts.* The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of the Purchaser, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to the Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to perform its obligations hereunder.

(c) *Investment Intent.* The Purchaser understands that the Securities are “restricted securities” and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Shares and will acquire the Conversion Shares (upon conversion of the Shares) as principal for its own account and not with a view to, or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities laws, *provided, however*, that by making the representations herein, subject to the provisions of this Agreement, the Purchaser does not agree to hold any of the Securities for any minimum period of time and reserves the right at all times to sell or otherwise dispose of all or any part of such Securities pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities laws. The Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Securities (or any securities which are derivatives thereof) to or through any person or entity; the Purchaser is not a registered broker-dealer under Section 15 of the Exchange Act or an entity engaged in a business that would require it to be so registered as a broker-dealer.

(d) *Purchaser Status.* At the time the Purchaser was offered the Shares, it was, and at the date hereof it is, an “accredited investor” as defined in Rule 501(a) under the Securities Act, satisfying the applicable requirements set forth on Schedule II.

(e) *General Solicitation.* The Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) *Access to Information.* The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Securities and the merits and risks of investing in the Securities; (ii) access to information about the Company and the Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser’s right to rely on the truth, accuracy and completeness of the SEC Reports and the Company’s representations and warranties contained in the Transaction Documents. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Securities.

(g) *Certain Trading Activities.* Other than with respect to the transactions contemplated herein, since the time that the Purchaser was first contacted by the Company or any other Person regarding the transactions contemplated hereby, neither the Purchaser nor any Affiliate of the Purchaser which (x) had knowledge of the transactions contemplated hereby, (y) has or shares discretion relating to the Purchaser's investments or trading or information concerning the Purchaser's investments, including in respect of the Securities, and (z) is subject to the Purchaser's review or input concerning such Affiliate's investments or trading (collectively, "**Trading Affiliates**") has directly or indirectly, nor has any Person acting on behalf of or pursuant to any understanding with the Purchaser or Trading Affiliate, effected or agreed to effect any purchases or sales of the securities of the Company (including, without limitation, any Short Sales involving the Company's securities). Other than to other Persons party to this Agreement, the Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect short sales or similar transactions in the future.

(h) *Brokers and Finders.* No Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(i) *Independent Investment Decision.* The Purchaser has independently evaluated the merits of its decision to purchase Securities pursuant to the Transaction Documents. The Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Securities constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Securities. The Purchaser confirms that none of such Persons has made any representations or warranties to the Purchaser in connection with the transactions contemplated by the Transaction Documents.

(j) *Reliance on Exemptions.* The Purchaser understands that the Securities being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Securities.

(k) *Legends.* The Purchaser understands that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the Securities Act or applicable state securities laws or is otherwise removed in accordance with Section 4.1(c) herein, the certificates or other instruments representing the Securities, and all certificates or other instruments issued in exchange therefor or in substitution thereof, shall bear the legend(s) set forth in Section 4.1(b), and that the Company will make a notation on its records and give instructions to the Share Registrar of the Securities in order to implement the restrictions on transfer set forth and described herein.

The Company and the Purchaser acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this Article III and the Transaction Documents.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 *Transfer Restrictions.*

(a) *Compliance with Laws.* Notwithstanding any other provision of this Article IV, the Purchaser covenants that the Securities may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state and federal securities laws. In connection with any transfer of the Securities (*provided* that the Purchaser provides the Company with reasonable assurances (in the form of seller and, if applicable, broker representation letters) that the securities may be sold pursuant to such rule), to the extent required by the Depository, Company Counsel will provide to the Depository an opinion of counsel reasonably acceptable to the Depository to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of a transfer other than (i) pursuant to an effective registration statement, (ii) to the Company or (iii) pursuant to Rule 144, any such transferee shall agree in writing to be bound by the terms of this Agreement, including for the avoidance of doubt Section 4.19, and shall have the rights of the Purchaser under this Agreement with respect to such transferred Securities.

(b) *Legends.* Certificates, including, if applicable, register of members with the Share Registrar, evidencing the Securities shall bear any legend as required by the “blue sky” laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.1(c):

NEITHER THESE SECURITIES NOR THE SECURITIES ISSUABLE UPON CONVERSION OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES AND THE SECURITIES ISSUABLE UPON CONVERSION OF THESE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY, ITS SHARE REGISTRAR AND/OR THE DEPOSITARY OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT.

(c) *Removal of Legends.* The legend set forth in Section 4.1(b) above shall be removed and the Company shall, or shall cause its Share Registrar to, as applicable, issue an extract of the register of members and, if requested by the Purchaser, an original share certificate evidencing such Conversion Shares without such legend or any other legend to the holder of the Conversion Shares upon which it is stamped or issue to such holder, if (i) such Conversion Shares have been sold or transferred pursuant to (x) the plan of distribution set forth in an effective registration statement registering the Conversion Shares for resale (during such time that such registration statement is effective and not withdrawn or suspended) or (y) Rule 144, in each case upon delivery by the Purchaser to the Company, the Share Registrar, the Depository, as applicable, and Company Counsel of a customary seller’s representation letter and broker’s representation letter confirming the transfer of such Conversion Shares in the manner described in this clause (i), together with any other documentation reasonably required by the Company, the Share Registrar and/or the Depository (the “**Resale Deliverables**”), or (ii) in the absence of any sale of the Conversion Shares, following the date that is the one-year anniversary of the Applicable Closing Date and if requested by the Purchaser in writing, if such Conversion Shares are eligible for sale under Rule 144, without compliance with any of the requirements of such rule, including the current public information requirement and without volume or manner-of-sale restrictions, upon delivery by the Purchaser to the Company, the Share Registrar, the Depository, as applicable, and Company Counsel of a customary representation letter from the Purchaser confirming that the requirements set forth in this clause (ii) have been satisfied, together with any other documentation reasonably required by the Share Registrar, and/or the Depository (the “**Non-Resale Deliverables**”). Any fees (with respect to the Share Registrar, Company Counsel or otherwise) associated with the issuance of such opinion or the removal of such legend pursuant to the immediately preceding sentence shall be borne by the Company. The Company may not make any notation on its records or give instructions to the Share Registrar that enlarge the restrictions on transfer set forth in this Section 4.1(c).

(d) *Irrevocable Share Registrar Instructions.* Subject to the terms and conditions of this Agreement and the Securities Act, the Company shall issue irrevocable instructions to its Share Registrar, and any subsequent Share Registrar, in the form of **Exhibit C** attached hereto (the “**Irrevocable Share Registrar Instructions**”). The Company represents and warrants that no instruction other than the Irrevocable Share Registrar Instructions referred to in this Section (d) (or instructions that are not inconsistent therewith) will be given by the Company to its Share Registrar in connection with this Agreement, and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the other Transaction Documents and applicable law. The Company acknowledges that a breach by it of its obligations under this Section (d) will cause irreparable harm to the Purchaser. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section (d) will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section (d), that the Purchaser shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

(e) *Acknowledgement.* The Purchaser hereunder acknowledges its primary responsibilities under the Securities Act and accordingly will not sell or otherwise transfer the Securities or any interest therein without complying with the requirements of the Securities Act. While a Registration Statement remains effective, the Purchaser hereunder may sell such Conversion Shares in accordance with the plan of distribution contained in the Registration Statement and if it does so it will comply therewith and with the related prospectus delivery requirements unless an exemption therefrom is available. The Purchaser agrees that if it is notified by the Company in writing at any time that any Registration Statement then in effect registering the resale of the Conversion Shares is not effective or that the prospectus included in such Registration Statement no longer complies with the requirements of Section 10 of the Securities Act, the Purchaser will refrain from selling such Conversion Shares until such time as the Purchaser is notified by the Company that such Registration Statement is effective or such prospectus is compliant with Section 10 of the Securities Act, unless the Purchaser is able to, and does, sell such Conversion Shares pursuant to an available exemption from the registration requirements of Section 5 of the Securities Act.

4.2 *Reservation of Shares.* The Company shall take all action necessary to at all times have authorized and reserved for the purpose of issuance from and after the Applicable Closing Date, for so long as any of the Shares are outstanding, and to reserve and keep available out of its authorized and unissued share capital, solely for the purpose of effecting the conversion of the Shares, the maximum number of Ordinary Shares issuable upon the conversion thereof (without taking into account any limitations set forth in the Certificate of Preferred Shares).

4.3 *Reservation of ADSs.* The Company shall take all action necessary to at all times have authorized and reserved for the purpose of issuance from and after the Applicable Closing Date, for so long as any of the Shares are outstanding, and to reserve and keep available the maximum number of ADSs that may ultimately be issuable to represent the maximum number of Conversion Shares (without taking into account any limitations set forth in the Certificate of Preferred Shares) (such number of ADSs, the “**Required Reserve Amount of ADSs**”). If at any time the ADS Registration Statement does not have sufficient ADSs available to effect the issuance in full of the Required Reserve Amount of ADSs, the Company shall promptly either file an amendment thereto or a new ADS Registration Statement on Form F-6, as necessary, to cure such failure.

4.4 *Nasdaq Listing.* The Company shall use commercially reasonable efforts to maintain the listing and trading of its ADSs on the Principal Trading Market and, in accordance therewith, will use reasonable best efforts to comply in all material respects with the Company’s reporting, filing and other obligations under the rules and regulations of the Principal Trading Market.

4.5 *Exchange of Ordinary Shares for ADSs.* The Company shall use commercially reasonable efforts to ensure that the Conversion Shares held in the form of Ordinary Shares are able to be deposited from time to time, upon request by the Purchaser, with the Depositary, and to cause the Depositary to issue an equivalent number of ADSs (at the then applicable exchange ratio, currently 1.25 to 1) to the Purchaser in exchange therefor upon deposit of such Ordinary Shares. The Company shall use commercially reasonable efforts to ensure that Conversion Shares deposited with the Depositary will become eligible for electronic transfer through the Depositary or another established clearing corporation and the Company is current in payment of the fees, subject to Section 6.1, to the Depositary (or such other established clearing corporation) in connection with such electronic transfer.

4.6 *Further Assurances.* Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby, including in connection with the issuance to the Purchaser of any ADSs representing Conversion Shares.

4.7 *Furnishing of Information.* In order to enable the Purchaser to sell the Securities under Rule 144, for a period of twelve (12) months from each Applicable Closing, the Company shall use its commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the Applicable Closing Date pursuant to the Exchange Act. During each such twelve (12) month period, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchaser and make publicly available in accordance with Rule 144(c) such information as is required for the Purchaser to sell the Securities under Rule 144.

4.8 *CSRC Filings Assistance.* The Purchaser understands that the Company is required to make a filing with the CSRC in respect of the transaction under this Agreement within three (3) PRC Business Days following the First Closing. The Purchaser agrees to provide the Company with the information or assistance reasonably necessary to complete the above CSRC filings as set forth on Schedule III.

4.9 *Integration.* The Company shall not, and shall use its commercially reasonable efforts to ensure that no Affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Securities to the Purchaser, or that will be integrated with the offer or sale of the Securities for purposes of the rules and regulations of any Trading Market such that it would require shareholder approval prior to the closing of such other transaction unless shareholder approval is obtained before the closing of such subsequent transaction.

4.10 *Securities Laws Disclosure; Publicity.* On or before the second (2nd) Trading Day immediately following the execution of this Agreement, the Company shall issue a press release reasonably acceptable to the Purchaser. On or before the second (2nd) Trading Day immediately following the execution of this Agreement, the Company will file the Transaction 6-K with the Commission. Notwithstanding the foregoing, the Company shall not publicly disclose the name of the Purchaser or any of its Affiliates, or include the name of the Purchaser or any of its Affiliates in any press release or filing with the Commission (other than a Registration Statement) or any regulatory agency or Trading Market, without the prior written consent of the Purchaser, such consent not to be unreasonably withheld, except (i) as required by federal securities law in connection with (A) any registration statement contemplated by Section 4.19 hereto and (B) the filing of final Transaction Documents (including signature pages thereto) with the Commission and (ii) to the extent such disclosure is required by law, request of the Staff or Trading Market regulations, in which case the Company shall provide the Purchaser with prior written notice of such disclosure permitted under this subclause (ii). As of immediately after the issuance of the Transaction 6-K, the Purchaser shall not be in possession of any material, non-public information received from the Company, any Subsidiary or any of their respective officers, directors, employees or agents, that is not disclosed in the Transaction 6-K. The Purchaser covenants that until such time as the transactions contemplated by this Agreement are required to be publicly disclosed by the Company as described in this Section 4.10, the Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction); *provided, however*, that any disclosure may be made by the Purchaser solely on a need-to-know basis to the Purchaser's representatives or agents (including, but not limited to, the Purchaser's legal, tax and investment advisors) that are bound by obligations of confidentiality and restrictions against disclosure of any confidential information.

4.11 *Non-Public Information.* Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, including this Agreement and the Side Letter, or as expressly required by any applicable securities law, the Company covenants and agrees that neither it, nor any other Person acting on its behalf, will provide the Purchaser or its agents or counsel with any information regarding the Company that the Company believes constitutes material non-public information without the express written consent of the Purchaser. The Company understands and confirms that the Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.12 *Use of Proceeds.* The Company shall use the net proceeds from the sale of the Shares hereunder for development of product candidate ADG126.

4.13 *Indemnification of the Purchaser.* Subject to the provisions of this Section 4.13 (and in addition to the indemnification provisions set forth in Section 4.19), the Company will indemnify and hold the Purchaser and its directors, officers, shareholders, members, partners, and employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls the Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "**Purchaser Party**") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation (collectively, "**Loss**") that any such Purchaser Party may suffer or incur as a result of or relating to any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement. Promptly after receipt by any Person (the "**Indemnified Person**") of notice of any demand, claim or circumstances which would or might give rise to a claim or the commencement of any action, proceeding or investigation in respect of which indemnity may be sought pursuant to this Section 4.13, such Indemnified Person shall promptly notify the Company in writing and the Company shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Person, and shall assume the payment of all fees and expenses; *provided, however*, that the failure of any Indemnified Person so to notify the Company shall not relieve the Company of its obligations hereunder except to the extent that the Company is actually and materially prejudiced by such failure to notify. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless: (i) the Company and the Indemnified Person shall have mutually agreed to the retention of such counsel; (ii) the Company shall have failed promptly to assume the defense of such proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such proceeding; or (iii) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not be liable for any settlement of any proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. Without the prior written consent of the Indemnified Person, which consent shall not be unreasonably withheld, delayed or conditioned, the Company shall not effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Person from all liability arising out of such proceeding.

4.14 *Tax Indemnity.* The Company will indemnify and hold the Purchaser harmless against any transfer taxes (including any interest and penalties) payable by the Purchaser in connection with the sale and delivery of the Securities to or for the account of the Purchaser in the manner contemplated by this Agreement and the Deposit Agreement or the execution and delivery of the Transaction Agreements.

4.15 *Compliance with Cybersecurity; Data Protection.* Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, the Company will comply with all applicable laws and regulations in the PRC concerning cybersecurity, data protection, confidentiality and archive administrations (including, without limitation, the CSRC Archive Rules) in connection with (A) the establishment and maintenance of adequate and effective internal control measures and internal systems for maintenance of data protection, confidentiality and archive administration; (B) the relevant requirements and approval and filing procedures in connection with its handling, disclosure, transfer and retention of transfer of state secrets and working secrets of government agencies or any other documents or materials that would otherwise be detrimental to national security or public interest (the “**Relevant Information**”); and (C) maintenance of confidentiality of any Relevant Information; and where there is any material information required to be reported to the CSRC pursuant to the applicable laws (including, without limitation, the CSRC Rules), promptly notify the CSRC or the relevant PRC governmental authority and provide it with such material information in accordance with the applicable laws, and promptly notify the Representatives (for themselves and on behalf of the Underwriters) of such material information to the extent permitted by the applicable laws.

4.16 *Blue Sky.* The Company, on or before the Applicable Closing Date, if applicable, shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to the Purchaser under applicable securities or “Blue Sky” laws of the states of the United States (or to obtain an exemption from such qualification) and shall provide evidence of such actions promptly upon the written request of the Purchaser.

4.17 [Reserved].

4.18 *Subsequent Equity Sales*. Except for an Exempt Issuance, from the date hereof until the earlier of (i) the Second Closing Date or (ii) March 31, 2027, the Company shall not, without the consent of the Purchaser, issue ADSs, Series A Preferred Shares, Ordinary Shares or Ordinary Share Equivalents.

4.19 *Registration Rights*.

(a) *Registration Procedures and Expenses*. The Company shall:

(i) on or prior to each Filing Date, prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Shares that are not then registered on an effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415. Each Registration Statement filed hereunder shall be on Form F-3. It shall be a condition precedent to the obligations of the Company to file each Registration Statement that the Purchaser furnish to the Company (x) a customary completed selling shareholder questionnaire and (y) such further information regarding the Purchaser, the Registrable Shares held by the Purchaser and the intended method of disposition of the Registrable Shares held by the Purchaser as shall be reasonably required to effect the effectiveness of the registration of the Registrable Shares. In the event that Form F-3 is not available for the registration of the Registrable Shares, the Company shall register the offer and sale to the public of the Registrable Shares on such other Registration Statement form as is available to the Company and undertake to register the Registrable Shares on Form F-3 as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form F-3 covering the Registrable Shares has been declared effective by the Commission;

(ii) use its commercially reasonable efforts to cause each Registration Statement required by Section 4.19(a)(i) to be declared effective within fifteen (15) days following the date on which it is filed with the Commission (or, in the event the Staff reviews and has comments to such Registration Statement, within sixty (60) days following the date on which such Registration Statement was filed with the Commission) (the earlier of the foregoing or the applicable date set forth in Section 4.19(a)(vi)), with respect to each Registration Statement, the “**Effectiveness Deadline**”), such efforts to include, without limiting the generality of the foregoing, preparing and filing with the Commission any financial statements or other information that is required to be filed prior to the effectiveness of such Registration Statement;

(iii) prepare and file with the Commission such amendments and supplements to any Registration Statement and the prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Shares and free from any material misstatement or omission to state a material fact therein until the earlier of: (A) the date as of which all Registrable Shares covered by such Registration Statement have been sold pursuant to the Registration Statement and (B) that date as of which no Registrable Shares covered by such Registration Statement remain outstanding, subject to the Company’s right to suspend pursuant to Section 4.19(g);

(iv) furnish to the Purchaser such number of copies of prospectuses in conformity with the requirements of the Securities Act and such other documents as the Purchaser may reasonably request, in order to facilitate the public sale or other disposition of all or any of the Registrable Shares by the Purchaser;

(v) file such documents as may be required of the Company for normal securities law clearance for the offer and sale of the Registrable Shares in such states of the United States as may be reasonably requested by the Purchaser and use its commercially reasonable efforts to maintain such blue sky qualifications during the period the Company is required to maintain effectiveness of each Registration Statement then in effect; *provided, however*, that the Company shall not be required in connection with this Section 4.19(a)(v) to qualify as a foreign corporation or execute a general consent to service of process in any jurisdiction in which it is not now so qualified or has not so consented or subject the Company to any material tax in any such jurisdiction where it is not then so subject;

(vi) use its commercially reasonable efforts to, upon notification by the Commission that a Registration Statement will not be reviewed or is not subject to further review by the Commission, within three (3) Trading Days following the date of such notification, request acceleration of such Registration Statement (with the requested effectiveness date to be not more than two (2) Trading Days later);

(vii) upon notification by the Commission that a Registration Statement has been declared effective (the date of such notification, the “**Effective Date**”) by the Commission, file the final prospectus under Rule 424 within the applicable time period prescribed by Rule 424;

(viii) advise the Purchaser promptly, and in any event within twenty-four (24) hours of (A) the effectiveness of a Registration Statement or any post-effective amendments thereto, (B) any request by the Commission for amendments to a Registration Statement or amendments to the prospectus or for additional information relating thereto, (C) the issuance by the Commission of any stop order suspending the effectiveness of a Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Shares covered by such Registration Statement for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes and (D) the existence of any fact and the happening of any event that makes any statement of a material fact made in a Registration Statement, the prospectus and amendment or supplement thereto, or any document incorporated by reference therein, untrue, or that requires the making of any additions to or changes in such Registration Statement or the prospectus in order to make the statements therein not misleading; and

(ix) bear all expenses in connection with the procedures in paragraphs (i) through (ix) of this Section 4.19(a) and the registration of the Registrable Shares on such Registration Statements and the satisfaction of the blue sky laws of such states.

(b) *Liquidated Damages*. If the applicable Registration Statement is not (i) filed with the Commission on or prior to its applicable Filing Date or (ii) declared effective by the Commission by the applicable Effectiveness Deadline (each such event, a “**Registration Failure**”), then, in addition to any other rights the Purchaser may have hereunder or under applicable law, the Company will make a liquidated damages payment to the Purchaser and not as a penalty (the “**Liquidated Damages**”), in an amount equal to one percent (1.0%) of the aggregate amount invested by the Purchaser for the Registrable Shares then held by the Purchaser and obligated to be registered under such Registration Statement pursuant to Section 4.19(a) for the initial day of a Registration Failure and, thereafter in an amount equal to one percent (1.0%) for each thirty (30)-day period until such Registration Failure is cured. The Liquidated Damages shall be paid monthly within ten (10) Business Days of the date of such Registration Failure and the end of each subsequent thirty (30)-day period (or portion thereof with respect to a final period, if any) thereafter until the Registration Failure is cured. Such payments shall be made in cash to the Purchaser. Interest shall accrue at the rate of one percent (1.0%) per month on any such liquidated damages payments that shall not be paid by the applicable payment date until such amount is paid in full. The parties agree that notwithstanding anything to the contrary herein, no Liquidated Damages shall be payable to the Purchaser if (i) such Registrable Shares may be sold without volume or manner of sale restrictions under Rule 144, as determined by counsel to the Company pursuant to a written opinion letter to such effect, addressed and reasonably acceptable to the Purchaser and the Company’s transfer agent, (ii) the Registration Failure is caused by any action or inaction of the Purchaser, or (iii) the Purchaser is unable to lawfully sell any of its Registrable Shares because of possession of material non-public information.

(c) *Rule 415 Cutback.* If at any time the Staff takes the position that the offering of some or all of the Registrable Shares in a Registration Statement is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the Securities Act or requires the Purchaser to be named as an “underwriter,” the Company shall use its commercially reasonable efforts to persuade the Commission that the offering contemplated by such Registration Statement is a valid secondary offering and not an offering “by or on behalf of the issuer” as defined in Rule 415 and that the Purchaser is not an “underwriter.” The Purchaser shall have the right to review and oversee any registration or matters pursuant to this Section 4.19, including any participation in meetings or discussions with the Commission regarding the Commission’s position and to comment on any written submission made to the Commission with respect thereto. In the event that, despite the Company’s commercially reasonable efforts and compliance with the terms of this Section 4.19, the Staff refuses to alter its position, the Company shall (A) remove from such Registration Statement such portion of the Registrable Shares (the “**Cut Back Shares**”) and/or (B) agree to such restrictions and limitations on the registration of the Registrable Shares as the Commission may require to assure the Company’s compliance with the requirements of Rule 415 (collectively, the “**SEC Restrictions**”); *provided, however*, that the Company shall not agree to name the Purchaser as an “underwriter” in such Registration Statement without the prior written consent of the Purchaser. No damages shall accrue as to any Cut Back Shares until such date as the Company is able to effect the registration of such Cut Back Shares in accordance with any SEC Restrictions (such date, the “**Restriction Termination Date**” of such Cut Back Shares). From and after the Restriction Termination Date applicable to any Cut Back Shares, all of the provisions of this Section 4.19 shall again be applicable to such Cut Back Shares; *provided, however*, that (x) the filing deadline for the applicable Registration Statement including such Cut Back Shares shall be ten (10) Trading Days after such Restriction Termination Date, and (y) the applicable Effectiveness Deadline with respect to such Cut Back Shares shall be the 90th day immediately after the Restriction Termination Date or the 120th day if the Staff reviews such Registration Statement (but in any event no later than three (3) Trading Days from the Staff indicating it has no further comments on such Registration Statement).

(d) *Secondary Piggyback Registration.* Subject to the terms and conditions hereof, and solely with respect to any Conversion Shares for which, at the relevant time, no Registration Statement is effective, whenever the Company proposes to file a registration statement under the Securities Act for the purpose of registering the equity securities of any third party, whether or not such registration statement includes the registration of shares for its own account (a “**Secondary Piggyback Registration**”), the Company shall give the Purchaser prompt written notice thereof (but not less than ten (10) Business Days prior to the filing by the Company with the Commission of any registration statement with respect thereto or, in the case of an offering of equity securities from an existing registration statement, prior to the anticipated pricing date). Such notice (a “**Piggyback Notice**”) shall specify, at a minimum, the number of equity securities proposed to be registered, the proposed date of filing of such registration statement with the Commission (or anticipated date of pricing, as applicable), the proposed means of distribution, the proposed managing underwriter or underwriters (if any and if known) and a good faith estimate by the Company of the proposed minimum offering price of such equity securities. Upon the written request of the Purchaser, which such written request shall specify the number of Registrable Shares then presently intended to be disposed of by the Purchaser, given within five (5) Business Days after such Piggyback Notice is received by the Purchaser, the Company, subject to the terms and conditions of this Agreement, shall use its best efforts to cause all such Registrable Shares held by the Purchaser with respect to which the Company has received such written requests for inclusion to be included in such Secondary Piggyback Registration on the same terms and conditions as the other third-party equity securities being sold in such Secondary Piggyback Registration.

(e) *Registration and Offering Expenses.* All Sale Expenses (as defined below) incurred in connection with Section 4.19(a) through Section 4.19(f) shall be borne by the Company. “**Sale Expenses**” shall mean (a) the fees and disbursements of counsel of the Company and independent public accountants for the Company incurred in connection with a Registration Statement or Secondary Piggyback Registration, including the expenses of any special audits or “comfort” letters required by any such Registration Statement or Secondary Piggyback Registration, and (b) all registration, filing and stock exchange fees, all fees and expenses of complying with securities or “blue sky” laws (including any legal investment memoranda related thereto), all fees and expenses of custodians, the Share Registrar, the Depositary and any other registrars, all printing and producing expenses, *provided, however*, that “Sale Expenses” shall not include any out-of-pocket expenses of the Purchaser or any transfer taxes, the fees and disbursements of counsel of the Purchaser, underwriting or brokerage commissions or discounts associated with effecting those sales of Registrable Shares that may be offered by the Purchaser, which expenses shall be borne by the Purchaser.

(f) *Indemnification.*

(i) The Company agrees to indemnify and hold harmless each Purchaser Party, to the fullest extent permitted by applicable law, from and against any losses, claims, damages or liabilities (collectively, “**Losses**”), joint or several, to which they may become subject (under the Securities Act or otherwise) insofar as such Losses (or actions or proceedings in respect thereof) arise out of, or are based upon, any untrue or alleged untrue statement of a material fact contained in any Registration Statement or any omission or alleged omission to state a material fact required to be stated in the prospectus contained therein or necessary to make the statements in the prospectus contained therein, in light of the circumstances under which they were made, not misleading or arise out of any failure by the Company to fulfill any undertaking included in a Registration Statement and the Company will, as incurred, reimburse the Purchaser Parties for any reasonable and documented legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; *provided, however*, that the Company shall not be liable in any such case to the extent that such Loss arises out of, or is based upon an untrue statement or omission made in such Registration Statement in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Purchaser specifically for inclusion in such Registration Statement; *provided further, however*, that the Company shall not be liable to any Purchaser Party (or any partner, member, officer, director or controlling Person of the Purchaser) to the extent that any such Loss is caused by an untrue statement or omission made in any preliminary prospectus if either (1) (a) the Purchaser failed to send or deliver a copy of the final prospectus with or prior to, or the Purchaser failed to confirm that a final prospectus was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by the Purchaser to the Person asserting the claim from which such Loss resulted and (b) the final prospectus corrected such untrue statement or omission, (2) (x) such untrue statement or omission is corrected in an amendment or supplement to the prospectus and (y) having previously been furnished by or on behalf of the Company with copies of the prospectus as so amended or supplemented or notified by the Company that such amended or supplemented prospectus has been filed with the Commission, in accordance with Rule 172 of the Securities Act, the Purchaser thereafter fails to deliver such prospectus as so amended or supplemented, with or prior to or the Purchaser fails to confirm that the prospectus as so amended or supplemented was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by the Purchaser to the Person asserting the claim from which such Loss resulted or (3) the Purchaser sold Registrable Shares in violation of the Purchaser’s covenants contained in Article IV of this Agreement.

(ii) The Purchaser agrees to indemnify and hold harmless the Company and its officers, directors, employees, affiliates, agents and representatives and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (each a “**Company Party**” and collectively the “**Company Parties**”), from and against any Losses to which the Company Parties may become subject (under the Securities Act or otherwise), insofar as such Losses (or actions or proceedings in respect thereof) arise out of, or are based upon, any untrue statement of a material fact contained in a Registration Statement (or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in each case, on the effective date thereof), if, and only to the extent, such untrue statement or omission was made in reliance upon and in conformity with written information furnished by or on behalf of the Purchaser specifically for inclusion in such Registration Statement, and the Purchaser will reimburse each Company Party for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; *provided, however*, that in no event shall any indemnity under this 4.19(f)(ii) be greater in amount than the dollar amount of the proceeds (net of all expenses paid by the Purchaser in connection with any claim relating to this Section 4.19 and the amount of any damages the Purchaser has otherwise been required to pay by reason of such untrue statement or omission) received by the Purchaser upon its sale of the Registrable Shares included in the applicable Registration Statement giving rise to such indemnification obligation.

(iii) Promptly after receipt by any indemnified Person of a notice of a claim or the beginning of any action in respect of which indemnity is to be sought against an indemnifying Person pursuant to this Section 4.19(f), such indemnified Person shall notify the indemnifying Person in writing of such claim or of the commencement of such action, and, subject to the provisions hereinafter stated, in case any such action shall be brought against an indemnified Person and such indemnifying Person shall have been notified thereof, such indemnifying Person shall be entitled to participate therein, and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified Person. After notice from the indemnifying Person to such indemnified Person of its election to assume the defense thereof, such indemnifying Person shall not be liable to such indemnified Person for any legal expenses subsequently incurred by such indemnified Person in connection with the defense thereof; *provided, however*, that if there exists or shall exist a conflict of interest that would make it inappropriate in the reasonable judgment of the indemnified Person for the same counsel to represent both the indemnified Person and such indemnifying Person or any affiliate or associate thereof, the indemnified Person shall be entitled to retain its own counsel at the expense of such indemnifying Person; *provided, further*, that no indemnifying Person shall be responsible for the fees and expense of more than one separate counsel for all indemnified parties. The indemnifying party shall not settle an action without the consent of the indemnified party, which consent shall not be unreasonably withheld.

(iv) If after proper notice of a claim or the commencement of any action against the indemnified party, the indemnifying party does not choose to participate, then the indemnified party shall assume the defense thereof and upon written notice by the indemnified party requesting advance payment of a stated amount for its reasonable defense costs and expenses, the indemnifying party shall advance payment for such reasonable defense costs and expenses (the “**Advance Indemnification Payment**”) to the indemnified party. In the event that the indemnified party’s actual defense costs and expenses exceed the amount of the Advance Indemnification Payment, then upon written request by the indemnified party, the indemnifying party shall reimburse the indemnified party for such difference; in the event that the Advance Indemnification Payment exceeds the indemnified party’s actual costs and expenses, the indemnified party shall promptly remit payment of such difference to the indemnifying party.

(v) If the indemnification provided for in this Section 4.19(f) is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any losses, claims, damages or liabilities referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party thereunder, shall to the extent permitted by applicable law contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other, as well as any other relevant equitable considerations; *provided*, that in no event shall any contribution by the Purchaser hereunder be greater in amount than the dollar amount of the proceeds received by the Purchaser upon the sale of such Registrable Shares. No person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person not guilty of such fraudulent misrepresentation.

(g) *Prospectus Suspension.* The Purchaser acknowledges that there may be times when the Company must suspend the use of the prospectus forming a part of a Registration Statement until such time as an amendment to such Registration Statement has been filed by the Company and declared effective by the Commission, or until such time as the Company has filed an appropriate report with the Commission pursuant to the Exchange Act. The Purchaser hereby covenants that it will not sell any Registrable Shares pursuant to said prospectus during the period commencing at the time at which the Company gives the Purchaser notice of the suspension of the use of said prospectus and ending at the time the Company gives the Purchaser notice that the Purchaser may thereafter effect sales pursuant to said prospectus; provided, that such suspension periods shall in no event exceed thirty (30) consecutive calendar days or a total of sixty (60) calendar days (which need not be consecutive calendar days) in any 12-month period and that, in the good faith judgment of the Company's Board of Directors, the Company would, in the absence of such delay or suspension hereunder, be required under state or federal securities laws to disclose any corporate development, a potentially significant transaction or event involving the Company, or any negotiations, discussions, or proposals directly relating thereto, in either case the disclosure of which would reasonably be expected to have a Material Adverse Effect upon the Company or its shareholders.

(h) *Termination of Obligations.* The obligations of the Company pursuant to Section 4.19(a) hereof shall cease and terminate, with respect to any Registrable Shares, upon the earlier to occur of (i) such time such Registrable Shares have been resold, or (ii) such time as such Shares no longer remain Registrable Shares.

(i) *Reporting Requirements.* With a view to making available the benefits of certain rules and regulations of the Commission that may at any time permit the sale of the Registrable Shares to the public without registration or pursuant to a registration statement on Form F-3, the Company agrees to:

(i) make and keep public information available, as those terms are understood and defined in Rule 144; and

(ii) so long as the Purchaser owns Registrable Shares, to furnish to the Purchaser upon request (A) a written statement by the Company as to whether it is in compliance with the reporting requirements of Rule 144 and the Exchange Act, or whether it is qualified as a registrant whose securities may be resold pursuant to Form F-3 and (B) such other information as may be reasonably requested to permit the Purchaser to sell such securities pursuant to Rule 144.

ARTICLE V.
CONDITIONS PRECEDENT TO CLOSING

5.1 *Conditions Precedent to the Obligations of the Purchaser to Purchase Securities.* The obligation of the Purchaser to acquire Shares at the Applicable Closing is subject to the fulfillment to the Purchaser's satisfaction, on or prior to the Applicable Closing Date, of each of the following conditions, any of which may be waived by the Purchaser:

(a) *Representations and Warranties.* The representations and warranties made by the Company in Section 3.1 hereof shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Applicable Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date.

(b) *Performance.* The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by it at or prior to the Applicable Closing.

(c) *No Injunction.* No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or Governmental Authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) *Consents.* Other than the filing with the CSRC within three (3) PRC Business Days after the Applicable Closing Date, the Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities, all of which shall be and remain so long as necessary in full force and effect.

(e) *Adverse Changes.* Since the date of execution of this Agreement, no event or series of events shall have occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(f) *No Suspensions of Trading in ADSs.* The ADSs shall not have been suspended, as of the Applicable Closing Date, by the Commission or the Principal Trading Market from trading on the Principal Trading Market nor shall suspension by the Commission or the Principal Trading Market have been threatened, as of the Applicable Closing Date, either (i) in writing by the Commission or the Principal Trading Market or (ii) by falling below the minimum listing maintenance requirements of the Principal Trading Market. Nasdaq Listing Rule 5635 shall not be applicable to the transactions contemplated by this Agreement due to the Company's reliance on "home-country practice" afforded by the Nasdaq Listing Rules.

(g) *Company Deliverables.* The Company shall have delivered: (i) with respect to the First Closing, the First Closing Company Deliverables in accordance with Section 2.2(a); and (ii) with respect to the Second Closing, the Second Closing Company Deliverables in accordance with Section 2.5(a), as applicable.

(h) *Compliance Certificate.* The Company shall have delivered to the Purchaser a certificate, in the form attached hereto as Exhibit F, dated as of the Applicable Closing Date and signed by its Chief Executive Officer, certifying to the fulfillment of the conditions specified in Sections 5.1(a), (b), (c), (e) and (f).

(i) *Certificate of Preferred Shares.* The Certificate of Preferred Shares shall have been filed with the Share Registrar, which Certificate of Preferred Shares shall continue to be in full force and effect as of the Applicable Closing Date.

(j) *Due Diligence.* The Company shall have provided the Purchaser with all documents and materials reasonably requested by the Purchaser in connection with its due diligence review.

(k) *Termination.* This Agreement shall not have been terminated in accordance with Section 6.17 herein.

(l) *Clinical Trial Supply Agreement.* The Clinical Trial Supply Agreement shall not have been terminated by the Company prior to the Applicable Closing Date.

(m) *Material Breach.* Neither the Company nor any of the Company's subsidiaries shall be in material breach of any agreement with the Purchaser or an affiliate of the Purchaser.

5.2 *Conditions Precedent to the Obligations of the Company to Sell Shares.* The Company's obligation to sell and issue Shares at the Applicable Closing to the Purchaser is subject to the fulfilment to the Company's satisfaction on or prior to the Applicable Closing Date of the following conditions by the Purchaser, any of which may be waived by the Company:

(a) *Representations and Warranties.* The representations and warranties made by the Purchaser in Section 3.2 hereof shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made, and as of the First Closing Date as though made on and as of such date, except for representations and warranties that speak as of a specific date.

(b) *Performance.* The Purchaser shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by the Purchaser at or prior to the Applicable Closing Date.

(c) *No Injunction.* No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or Governmental Authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) *Purchaser Deliverables.* The Purchaser shall have delivered: (i) with respect to the First Closing, the First Closing Purchaser Deliverables in accordance with Section 2.2(b); and (ii) with respect to the Second Closing, the Second Closing Purchaser Deliverables in accordance with Section 2.5(b), as applicable.

(e) *Termination.* This Agreement shall not have been terminated in accordance with Section 6.17 herein.

ARTICLE VI.
MISCELLANEOUS

6.1 *Fees and Expenses.*

(a) The Company shall pay all Share Registrar fees, stamp, transfer or similar taxes and duties levied in connection with the sale and issuance of the Securities to the Purchaser, and all fees and expenses associated with any CSRC Filings.

(b) The Company shall pay (i) US\$300,000 to the Purchaser on the First Closing Date and (ii) US\$15,000 to the Purchaser on the Second Closing Date, which amounts represent the costs and expenses of the Purchaser in connection with the transactions contemplated by the Transaction Documents; it being understood that each of the Company and the Purchaser has relied on the advice of its own counsel. Notwithstanding the foregoing, the Company acknowledges and agrees that the Purchase may (i) deduct US\$300,000 out of the aggregate purchase price that the Purchaser owes to the Company in exchange for the First Closing Shares purchased by the Purchaser at the First Closing and such payment shall be deemed to have been made to the Company and then paid to the Purchaser by the Company and (ii) deduct US\$15,000 out of the aggregate purchase price that the Purchaser owes to the Company in exchange for the Second Closing Shares purchased by the Purchaser at the Second Closing and such payment shall be deemed to have been made by the Company and then paid to the Purchaser by the Company.

(c) That Company shall, within ten (10) Business Days of receipt of reasonable documentation from the Purchaser evidencing that the Purchaser has deposited Conversion Shares with the Depository in exchange for the issuance of ADSs to the Purchaser, reimburse the Purchaser for all fees paid to the Depository in connection with such deposit of Conversion Shares. If the applicable payment is not made to the Purchaser by the applicable payment date (a “**Reimbursement Failure**”), then, in addition to any other rights the Purchaser may have hereunder or under applicable law, the Company will make a liquidated damages payment to the Purchaser and not as a penalty (the “**Reimbursement Liquidated Damages**”), in an amount equal to three percent (3.0%) of the total amount payable under the immediately preceding sentence for the initial day after such Reimbursement Failure and, thereafter in an amount equal to three percent (3.0%) for each thirty (30)-day period until such payment has been made in full. The Reimbursement Liquidated Damages shall be paid monthly within ten (10) Business Days of the date of such Reimbursement Failure and the end of each subsequent thirty (30)-day period (or portion thereof with respect to a final period, if any) thereafter until the Reimbursement Failure is cured. Such payments shall be made in cash to the Purchaser. Interest shall accrue at the rate of three percent (3.0%) per month on any such liquidated damages payments that shall not be paid by the applicable payment date until such amount is paid in full.

6.2 *Entire Agreement.* The Transaction Documents, together with the exhibits and schedules thereto and any confidentiality or other non-disclosure agreements that may be in place and effective as of the Signing Date between the Company and the Purchaser or any Affiliates of the Purchaser, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after each Applicable Closing, and without further consideration, the Company and the Purchaser will execute and deliver to the other such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

6.3 *Notices.* Any and all notices or other communications or deliveries required or permitted to be *provided hereunder* shall be in writing and shall be deemed given and effective on the earliest of (a) when delivered if personally delivered to the party for whom it is intended, (b) when delivered, if sent by electronic mail or facsimile with receipt confirmed during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next Business Day, (c) three (3) Trading Days after having been sent by certified or registered mail, return-receipt requested and postage prepaid, or (d) one (1) Business Day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next Business Day delivery, with written verification of receipt. The address for such notices and communications shall be as follows:

If to the Company:

Adagene Inc.
4F, Building C14, No. 218
Suzhou, Jiangsu Province, 215123, People's Republic of China
Attention: Peter Luo, Raymond Tam
Email: peter_luo@adagene.com; raymond_tam@adagene.com

With a copy to:

Davis Polk & Wardwell LLP
c/o 18th Floor, The Hong Kong Club Building
3A Chater Road, Central, Hong Kong
Attention: Steve Wang
Email: xuelin.wang@davispolk.com

If to the Purchaser, to the addresses or e-mail addresses set forth on the signature pages hereto.

or to such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.4 *Amendments; Waivers; No Additional Consideration.* No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchaser, or in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

6.5 *Construction.* The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement or any of the Transaction Documents.

6.6 *Successors and Assigns.* The provisions of this Agreement shall inure to the benefit of and be binding upon the parties and their successors and permitted assigns. This Agreement, or any rights or obligations hereunder, may not be assigned by the Company without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder in whole or in part to any Person to whom the Purchaser assigns or transfers any Securities in compliance with the Transaction Documents and applicable law, provided such transferee shall agree in writing to be bound, with respect to the transferred Securities, by the terms and conditions of this Agreement that apply to the "Purchaser."

6.7 *No Third-Party Beneficiaries.* This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except each Purchaser Party is an intended third-party beneficiary of Section 4.13.

6.8 *Governing Law.* All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective Affiliates, employees or agents) shall be commenced exclusively in the courts of the State of New York or into the Federal Court located in New York, New York. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the courts of the State of New York or into the Federal Court located in New York, New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of the aforesaid courts, or that such Proceeding has been commenced in an improper or inconvenient forum. The Company irrevocably appoints Adagene Incorporated, located at 6042 Cornerstone Court West Suite E, San Diego, CA 92121, as its authorized agent upon which process may be served in any such suit or proceeding, and agrees that service of process upon such authorized agent, and written notice of such service to the Company by the person serving the same to the address provided in this Section 6.8, shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

6.9 *Survival.* Subject to applicable statute of limitations, the representations, warranties, agreements and covenants contained herein shall survive each Applicable Closing and the delivery of the Securities at each Applicable Closing.

6.10 *Execution.* This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature covered by the U.S. federal E-SIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docuSign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.11 *Severability.* If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

6.12 *Rescission and Withdrawal Right.* Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever the Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then the Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

6.13 *Replacement of Securities.* If any certificate or instrument evidencing any Securities, if applicable, is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Share Registrar, as applicable, of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Share Registrar for any losses in connection therewith or, if required by the Share Registrar, a bond in such form and amount as is required by the Share Registrar. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Securities. If a replacement certificate or instrument evidencing any Securities is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

6.14 *Remedies.* In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, the Purchaser and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation (other than in connection with any action for a temporary restraining order) the defense that a remedy at law would be adequate.

6.15 *Payment Set Aside.* To the extent that the Company makes a payment or payments to the Purchaser pursuant to any Transaction Document or the Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

6.16 *Adjustments in Share Numbers and Prices.* In the event of any share split, subdivision, capitalization or distribution payable in Ordinary Shares (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly Ordinary Shares), combination or other similar recapitalization or event occurring after the date hereof and prior to the Applicable Closing, each reference in any Transaction Document to a number of shares or a price per share shall be deemed to be amended to appropriately account for such event.

6.17 *Termination.* This Agreement may be terminated and the sale and purchase of all Shares abandoned at any time prior to the First Closing by either the Company or the Purchaser upon written notice to the other party hereto, if the First Closing has not been consummated on or prior to 5:00 P.M., New York City time, on the Outside Date; *provided, however,* that the right to terminate this Agreement under this Section 6.17 shall not be available to any Person whose failure to comply with its obligations under this Agreement has been the cause of or resulted in the failure of the First Closing to occur on or before such time. Nothing in this Section 6.17 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents. Upon a termination in accordance with this Section 6.17, the Company and the Purchaser shall not have any further obligation or liability (including arising from such termination) to the other.

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IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

ADAGENE INC.

By: /s/ Peter Luo

Name: Peter Luo

Title: CEO, Chairman of the Board of Director

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[Signature Page to Securities Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Sanofi Foreign Participations B.V.

By: /s/ Josef Rytir
Name: Josef Rytir
Title: Authorized Signatory

Address for notices:

Sanofi – Global Alliance Management
450 Water Street
Cambridge, MA 02141
Attention: Global Head of Alliance Management
Email: alliance.management@sanofi.com

With a copy to:

Sanofi – Global Business Development
450 Water Street
Cambridge, MA 02141
Attention: Brian Bronk
Email: brian.bronk@sanofi.com
Sanofi – Legal Global Functions

450 Water Street
Cambridge, MA 02141
Attention: Alak Goswami
Email: alak.goswami@sanofi.com;
global_generalcounsel@sanofi.com

Ropes & Gray LLP
800 Boylston Street
Boston, MA 02199
Attn: Abigail Gregor and Raymond Grant
Email: abigail.gregor@ropesgray.com;
raymond.grant@ropesgray.com

[Signature Page to Securities Purchase Agreement]

Schedule II

ELIGIBILITY REPRESENTATIONS OF PURCHASER

Schedule III

PURCHASER FILING INFORMATION

EXHIBITS:

- A: Certificate of Preferred Shares
- B: Certificate of Preferred Shares Questionnaire
- C: Form of Irrevocable Share Registrar Instructions
- D: Form of First Closing Director's Certificate
- E: Form of Second Closing Director's Certificate
- F: Form of Compliance Certificate
- G: Form of Side Letter

EXHIBIT A

CERTIFICATE OF PREFERRED SHARES

EXHIBIT B

CERTIFICATE OF PREFERRED SHARES QUESTIONNAIRE

EXHIBIT C

FORM OF IRREVOCABLE SHARE REGISTRAR INSTRUCTIONS

EXHIBIT D

FORM OF FIRST CLOSING DIRECTOR'S CERTIFICATE

EXHIBIT E

FORM OF SECOND CLOSING DIRECTOR'S CERTIFICATE

EXHIBIT F

FORM OF COMPLIANCE CERTIFICATE

EXHIBIT G
FORM OF SIDE LETTER

Internal

**Adagene announces up to \$25 million strategic investment from Sanofi**

- Sanofi to exercise option on third SAFEbody discovery program and sponsor combination clinical trial with muzastotug
- Company expects proceeds to extend cash runway into 2027

SAN DIEGO and SUZHOU, China, July 1, 2025 (GLOBE NEWSWIRE) -- Adagene Inc. ("Adagene or the Company") (Nasdaq: ADAG), a company transforming the discovery and development of novel antibody-based therapies, today announced strategic investment and option exercise by Sanofi (Euronext: SAN FP).

Sanofi has agreed to make strategic investment of up to US\$25 million in Adagene. The Company plans to use the proceeds to fund its research and development activities, including clinical development of muzastotug (ADG126), an anti-CTLA-4 SAFEbody, through a randomized phase 2 trial in microsatellite stable colorectal cancer (MSS CRC).

To further explore the clinical potential of muzastotug, Adagene will supply Sanofi with muzastotug to evaluate the safety, efficacy, pharmacokinetics and biomarker data in combination with other anticancer therapies in over 100 patients in a phase 1/2 clinical trial in advanced solid tumors. Adagene continues to own worldwide commercial rights to muzastotug.

Sanofi has also exercised its option to select a third SAFEbody discovery program, utilizing Adagene's proprietary masking technology and antibody engineering expertise. The bispecific therapeutic, with undisclosed targets, will be engineered by Adagene and induces an option exercise fee, as well as milestones and royalties as per the 2022 partnership agreement with Adagene.

"Expanding our partnership with Sanofi highlights the potential of our SAFEbody platform and the clinical proof of concept for ADG126, our masked anti-CTLA-4 program and the most advanced of its kind," said Peter Luo, Chairman, CEO and President of R&D at Adagene. "This strategic partnership reinforces our shared vision of ADG126's promise in advanced solid tumors, including MSS CRC, where dose-limiting challenges have hindered anti-CTLA-4 therapies. We value our trusted relationship with Sanofi."

As of December 31, 2024, the Company had audited cash and cash equivalents of US\$85.2 million. The proceeds from the investment of Sanofi, together with the current cash and cash equivalents, are expected to be sufficient to fund planned operations into 2027.

Following the equity investment and strategic collaborations, a Sanofi representative will join Adagene's Scientific Advisory Board (SAB), which provides strategic advice on the scientific and clinical aspects of the Company's activities.



About Adagene

Adagene Inc. (Nasdaq: ADAG) is a platform-driven, clinical-stage biotechnology company committed to transforming the discovery and development of novel antibody-based cancer immunotherapies. Adagene combines computational biology and artificial intelligence to design novel antibodies that address globally unmet patient needs. The company has forged strategic collaborations with reputable global partners that leverage its SAFEbody[®] precision masking technology in multiple approaches at the vanguard of science.

Powered by its proprietary Dynamic Precision Library (DPL) platform, composed of NEObody[™], SAFEbody, and POWERbody[™] technologies, Adagene's highly differentiated pipeline features novel immunotherapy programs. The company's SAFEbody technology is designed to address safety and tolerability challenges associated with many antibody therapeutics by using precision masking technology to shield the binding domain of the biologic therapy. Through activation in the tumor microenvironment, this allows for tumor-specific targeting of antibodies in tumor microenvironment, while minimizing on-target off-tumor toxicity in healthy tissues.

Adagene's lead clinical program, ADG126 (muzastotug), is a masked, anti-CTLA-4 SAFEbody that targets a unique epitope of CTLA-4 in regulatory T cells (Tregs) in the tumor microenvironment. ADG126 is currently in phase 1b/2 clinical studies in combination with anti-PD-1 therapy, particularly focused on Metastatic Microsatellite-stable (MSS) Colorectal Cancer (CRC). Validated by ongoing clinical research, the SAFEbody platform can be applied to a wide variety of antibody-based therapeutic modalities, including Fc empowered antibodies, antibody-drug conjugates, and bi/multi-specific T-cell engagers.

For more information, please visit: <https://investor.adagene.com>.

Follow Adagene on [WeChat](#), [LinkedIn](#) and [X](#).

SAFEbody[®] is a registered trademark in the United States, China, Australia, Japan, Singapore, and the European Union.



Safe Harbor Statement

This press release contains forward-looking statements, including statements regarding the impact of Sanofi's strategic investment and Adagene's relationship with Sanofi; the expected timeframe for funding Adagene's operating plan with current cash and cash equivalents and the proceeds from Sanofi's investment; certain clinical results of ADG126, the potential implications of clinical data for patients, and Adagene's advancement of, and anticipated preclinical activities, clinical development, regulatory milestones, and commercialization of its product candidates. Actual results may differ materially from those indicated in the forward-looking statements as a result of various important factors, including but not limited to Adagene's ability to demonstrate the safety and efficacy of its drug candidates; the clinical results for its drug candidates, which may not support further development or regulatory approval; the content and timing of decisions made by the relevant regulatory authorities regarding regulatory approval of Adagene's drug candidates; Adagene's ability to achieve commercial success for its drug candidates, if approved; Adagene's ability to obtain and maintain protection of intellectual property for its technology and drugs; Adagene's reliance on third parties to conduct drug development, manufacturing and other services; Adagene's limited operating history and Adagene's ability to obtain additional funding for operations and to complete the development and commercialization of its drug candidates; Adagene's ability to enter into additional collaboration agreements beyond its existing strategic partnerships or collaborations, as well as those risks more fully discussed in the "Risk Factors" section in Adagene's filings with the U.S. Securities and Exchange Commission. All forward-looking statements are based on information currently available to Adagene, and Adagene undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

Investor Contacts:

Raymond Tam
raymond_tam@adagene.com

Corey Davis
LifeSci Advisors
cdavis@lifesciadvisors.com

Media Contact:

Lindsay Rocco
Elixir Health Public Relations
lrocco@elixirhealthpr.com
+1 862-596-1304
