Post Hearing Information Pack of

Suzhou Ribo Life Science Co., Ltd.
蘇州瑞博生物技術股份有限公司

(the "**Company**")

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

WARNING

The publication of this Posting Hearing Information Pack is required by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Securities and Futures Commission (the "**Commission**") solely for the purpose of providing information to the public in Hong Kong.

This Posting Hearing Information Pack is in draft form. The information contained in it is incomplete and is subject to change which can be material. By viewing this document, you acknowledge, accept and agree with the Company, its joint sponsors, sponsor-overall coordinators, overall coordinators, advisors or members of the underwriting syndicate that:

(a) this document is only for the purpose of providing information about the Company to the public in Hong Kong and not for any other purposes. No investment decision should be based on the information contained in this document;

(b) the publication of this document or supplemental, revised or replacement pages on the Stock Exchange's website does not give rise to any obligation of the Company, its joint sponsors, sponsor-overall coordinators, overall coordinators, advisors or members of the underwriting syndicate to proceed with an offering in Hong Kong or any other jurisdiction. There is no assurance that the Company will proceed with the offering;

(c) the contents of this document or supplemental, revised or replacement pages may or may not be replicated in full or in part in the actual final listing document;

(d) the Posting Hearing Information Pack is not the final listing document and may be updated or revised by the Company from time to time in accordance with The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

(e) this document does not constitute a prospectus, offering circular, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities;

(f) this document must not be regarded as an inducement to subscribe for or purchase any securities, and no such inducement is intended;

(g) neither the Company nor any of its affiliates, advisors or underwriters is offering, or is soliciting offers to buy, any securities in any jurisdiction through the publication of this document;

(h) no application for the securities mentioned in this document should be made by any person nor would such application be accepted;

(i) the Company has not and will not register the securities referred to in this document under the United States Securities Act of 1933, as amended, or any state securities laws of the United States;

(j) as there may be legal restrictions on the publication of this document or dissemination of any information contained in this document, you agree to inform yourself about and observe any such restrictions applicable to you; and

(k) the application to which this document relates has not been approved for listing and the Stock Exchange and the Commission may accept, return or reject the application for the subject public offering and/or listing.

If an offer or an invitation is made to the public in Hong Kong in due course, prospective investors are reminded to make their investment decisions solely based on the Company's prospectus registered with the Registrar of Companies in Hong Kong, copies of which will be distributed to the public during the offer period.

IMPORTANT

IMPORTANT: If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Suzhou Ribo Life Science Co., Ltd.
蘇州瑞博生物技術股份有限公司

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

[REDACTED]

Number of [REDACTED] in the [REDACTED]	**:**	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
Maximum [REDACTED]	**:**	**HK$[REDACTED] per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
[REDACTED]	**:**	**RMB1.00 per H Share**
[REDACTED]	**:**	**[REDACTED]**

***Joint Sponsors,* [REDACTED]**

CICC 中金公司 citi

[REDACTED]

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

A copy of this document, having attached thereto the documents specified in "Appendix VIII — Documents Delivered to the Registrar of Companies and Available on Display" to this document, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this document or any other document referred to above.

The [**REDACTED**] is expected to be fixed by agreement between the [**REDACTED**] (for themselves and on behalf of the [**REDACTED**]) and us on the [**REDACTED**]. The [**REDACTED**] is expected to be on or before [**REDACTED**] and, in any event, not later than 12:00 noon on [**REDACTED**]. The [**REDACTED**] will be not more than HK$[**REDACTED**] and is currently expected to be not less than HK$[**REDACTED**]. Applicants for [**REDACTED**] are required to pay, on application, the maximum [**REDACTED**] of HK$[**REDACTED**] for each [**REDACTED**] together with brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, subject to refund if the [**REDACTED**] should be lower than HK$[**REDACTED**]. If, for any reason, the [**REDACTED**] (for themselves and on behalf of the [**REDACTED**]) and us are unable to reach an agreement on the [**REDACTED**], the [**REDACTED**] will not proceed and will lapse.

The [**REDACTED**] (for themselves and on behalf of the [**REDACTED**]) may, where considered appropriate and with our consent, reduce the number of [**REDACTED**] and/or the indicative [**REDACTED**] range that stated in this document at any time prior to the morning of the last day for lodging applications under the [**REDACTED**]. In such a case, notices of the reduction in the number of [**REDACTED**] and/or the indicative [**REDACTED**] range will be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.ribolia.com** as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the [**REDACTED**]. For more details, see the sections headed "Structure of the [**REDACTED**]" and "How to Apply for [**REDACTED**]" in this document.

Prior to making an [**REDACTED**] decision, prospective [**REDACTED**] should consider carefully all of the information set out in this document, including but not limited to the risk factors set out in the section headed "Risk Factors" in this document.

The obligations of the Hong Kong [REDACTED] under the [REDACTED] to [REDACTED] for, and to procure applicants for the [REDACTED] for, the [REDACTED], are subject to termination by the Joint Sponsors and the [REDACTED] (for themselves and on behalf of the Hong Kong [REDACTED]) if certain grounds arise prior to 8:00 a.m. on the [REDACTED]. Such grounds are set out in the section headed "[REDACTED] — [REDACTED] Arrangements and Expenses — [REDACTED] — Grounds for Termination" in this document.

The [**REDACTED**] have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be [**REDACTED**], sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The [**REDACTED**] are being [**REDACTED**] and sold (1) solely to QIBs as defined in Rule 144A pursuant to an exemption from registration under the U.S. Securities Act, and (2) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

[REDACTED]

IMPORTANT

[**REDACTED**]

IMPORTANT

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

CONTENTS

IMPORTANT NOTICE TO [REDACTED]

This document is issued by us solely in connection with the* [REDACTED] *and the* [REDACTED] *and does not constitute an* [REDACTED] *to sell or a solicitation of an* [REDACTED] *to buy any security other than the* [REDACTED] *by this document pursuant to the* [REDACTED]. *This document may not be used for the purpose of, and does not constitute, an* [REDACTED] *or a solicitation of an* [REDACTED] *to* [REDACTED] *for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a* [REDACTED] *of the* [REDACTED] *or the distribution of this document in any jurisdiction other than Hong Kong. The distribution of this document and the* [REDACTED] *and* [REDACTED] *of the* [REDACTED] *in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

***You should rely only on the information contained in this document to make your* [REDACTED] *decision. We have not authorized anyone to provide you with information that is different from what is contained in this document. Any information or representation not made in this document must not be relied on by you as having been authorized by us, the Joint Sponsors, the* [REDACTED], *the* [REDACTED], *and the* [REDACTED], *any of the* [REDACTED], *any of our or their respective directors, officers or representatives, or any other person or party involved in the* [REDACTED].**

CONTENTS

CONTENTS

SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full document. You should read the whole document before you decide to* [REDACTED] *in the* [REDACTED]*. There are risks associated with any* [REDACTED]*. Some of the particular risks in* [REDACTED] *in the* [REDACTED] *are set forth in the section headed "Risk Factors" of this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED]*. In particular, we are a biotechnology company seeking to* [REDACTED] *on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules as we do not meet the requirements under Rules 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [REDACTED] *in companies like ours. In addition, we have designated RBD4059 as our "Core Product" to satisfy the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. We may continue to incur substantial costs and expenses in relation to the R&D activities for the Core Product, and our Core Product may not be successfully developed or marketed. Your* [REDACTED] *decision should be made in light of these considerations.

OVERVIEW

Founded in 2007, we are a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics. We have one Core Product, RBD4059 (FXI-targeting siRNA), targeting thrombotic diseases, among a pipeline of seven in-house discovered drug assets in clinical trials for seven indications across cardiovascular, metabolic, renal and liver diseases, including four in phase 2 clinical trials.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP, MARKET AND/OR GENERATE MEANINGFUL ECONOMIC VALUE FROM OUR PIPELINE PRODUCTS, INCLUDING OUR CORE PRODUCT RBD4059.

OUR PIPELINE

The pipeline chart below summarizes the development status of our clinical-stage drug candidates and selected preclinical assets. All drug candidates listed in this pipeline chart were discovered internally by our research and development team. Leveraging our RiboGalSTAR™ platform equipped with proprietary and clinically validated GalNAc delivery technology, we have consistently advanced siRNA programs in-house from discovery through clinical development across cardiovascular, metabolic, renal and liver diseases. For details, see "Business — Research and Development."

Therapeutic Area	Compound	Target/MoA	Indication	Commercial Rights	Jurisdictions*
Cardiovascular, Metabolic and Renal Diseases	RBD4059 ★	FXI	Thrombotic Diseases	Global	EU, China, U.S.
	RBD5044	APOC3	Hypertriglyceridemia	Global	EU, China, U.S.
	RBD7022	PCSK9	Hypercholesterolemia	Global (ex-China)[1]	EU, U.S.
	RBD7007	C5	Renal Diseases[2]	Global	EU, China, U.S.
	RBD2080	C3	Renal Diseases[2]	Global	EU, China, U.S.
	RBD1119	Thrombosis-related Factor	Thrombotic Diseases	Global	EU, China, U.S.
	SR122	Lipid Lowering	Dyslipidemia	Global	N/A
	RBD3103	Anti-renal Injury	Renal Diseases	Global	N/A
Liver Diseases	RBD1016	HBV-X	CHB	Global	EU, China, U.S.
			CHD	Global	EU, China, U.S.
Other Therapeutic Areas	RBD8088	Conjugated Anti-tumor Agent	Glioma	Global	N/A

★ Core Product

Notes:

* Key jurisdictions in which the drug candidates are being developed and/or planned to be commercialized. Preclinical assets are not yet assigned specific jurisdictions and are instead marked "N/A" given their early development stage.

1. In December 2023, we granted Qilu Pharmaceutical Co., Ltd. ("Qilu Pharmaceutical") exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. See "Business — Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical."

   Subject to regulatory communications and emerging clinical data, we plan to initiate clinical trials in the EU to evaluate RBD7022 in combination with our other siRNA drug candidates targeting dyslipidemia.

2. RBD7007 and RBD2080 are also under investigation as a potential treatment for autoimmune diseases.

3. As of the Latest Practicable Date, all patients in RBD4059's phase 2a trial for coronary artery disease in Sweden had completed treatment and were in the safety follow-up period.

4. RBD5044's CTA to the EMA for phase 2 trial was approved in October 2024. This phase 2 trial was initiated in Sweden in January 2025 in patients with mixed dyslipidemia.

5. We have completed RBD1016's phase 2 global MRCT for treating CHB, with the last patient's final visit achieved in October 2025, and are currently finalizing data analysis for this trial. Subject to regulatory communications and emerging clinical data, we plan to advance RBD1016's clinical development in China in collaboration with external partners to actively investigate its therapeutic potential, including in combination regimens with other hepatitis B therapies such as vaccines.

6. RBD1016's phase 2a trial for treating CHD was commenced in Sweden in August 2024 and is expected to be completed by the end of 2026.

Besides our Core Product RBD4059, we are advancing other clinical-stage products, including RBD5044 and RBD1016. RBD5044 is the second siRNA globally to enter clinical development that targets APOC3, a protein that plays a role in lipid metabolism. RBD1016, with its effect on HBsAg, targets to achieve functional cure of CHB, while being a differentiated siRNA candidate for CHD. Beyond our clinical pipeline, we maintain over 20 preclinical programs that we aim to advance into clinical development.

We are actively advancing our drug pipeline in each key therapeutic area:

- ***Cardiovascular, metabolic and renal diseases.*** Cardiovascular, metabolic and renal diseases are chronic conditions affecting vast patient populations worldwide. These interconnected diseases involve multiple organs and systems, with the liver serving as a key metabolic hub in their development and progression. Given the liver's central role in regulating many disease pathways, our liver-targeting pipeline, powered by our proprietary RiboGalSTAR™ delivery technology, offers a treatment approach to these widespread conditions.

  We are developing a comprehensive siRNA franchise for the treatment of thrombosis and dyslipidemia, represented by our Core Product RBD4059 and two other pipeline assets, RBD5044 and RBD7022, all currently in phase 2 clinical trials. Leveraging three targets, namely FXI, APOC3 and PCSK9, our drug franchise provides a multi-pronged approach to treating these complex diseases with synergistic potential.

  RBD4059 (FXI-targeting siRNA), our Core Product, is a clinical-stage siRNA drug that targets thrombotic diseases. Thrombotic diseases have emerged as one of the leading causes of death worldwide, claiming over 10 million lives each year. By selectively inhibiting FXI, RBD4059 can potentially reduce the risk of thrombus formation without significantly increasing bleeding risks, a common limitation of traditional anticoagulants, while providing long-lasting effects with infrequent dosing to improve patient compliance. Taken together, RBD4059 represents a therapeutic option to treat and prevent thrombosis associated with atherosclerotic cardiovascular disease ("ASCVD") and other conditions associated with abnormal clot formation, such as atrial fibrillation, cancer-associated thrombosis, and venous thromboembolism.

  We completed RBD4059's phase 1 trial in Australia in healthy subjects in October 2024 and obtained the EMA's CTA approval in May 2024, pursuant to which we initiated RBD4059's phase 2a clinical trial in Sweden in August 2024. All patients in this phase 2a trial have completed treatment and are currently in the safety follow-up period. See "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD4059" for details.

Meanwhile, ***RBD5044*** (APOC3-targeting siRNA) and ***RBD7022*** (PCSK9-targeting siRNA) are two assets designed for the treatment of hypertriglyceridemia ("HTG") and hypercholesterolemia, respectively — two common forms of dyslipidemia that significantly contribute to cardiovascular and metabolic diseases. Strategically, RBD5044 and RBD7022 serve as complementary monotherapies within our broader dyslipidemia portfolio. While each addresses distinct aspects of dyslipidemia independently, their combined use offers the potential for enhanced lipid management by addressing both elevated triglycerides and cholesterol levels.

We have completed RBD5044's phase 1 trial in Australia and submitted a CTA to EMA for RBD5044's phase 2 trial, which was approved in October 2024. This phase 2 trial is currently ongoing in Sweden in patients with mixed dyslipidemia. We obtained an IND approval from the NMPA for RBD7022 in September 2022 and completed the phase 1 trial of RBD7022 in March 2025 in China. See "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD5044" and "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD7022" for details.

Cardiometabolic diseases have a well-established association with renal disorders, wherein inflammation and autoimmunity play pivotal roles. To address these interrelated pathologies, we have established a complement factor pipeline to target various renal and autoimmune diseases. Dysfunctions in the complement system can lead to tissue damage and inflammation, contributing to complement-mediated renal and autoimmune conditions such as IgA nephropathy ("IgAN"). Our GalNAc-conjugated siRNA candidates ***RBD7007*** and ***RBD2080*** are engineered to specifically target complement proteins in liver cells — the primary site of their production. This approach effectively reduces the levels of these complement proteins at their source and in circulation.

We obtained the CTA approval from the EMA in September 2024 to initiate RBD7007's phase 1 clinical trial. For RBD2080, we received the TGA's acknowledgment of our clinical trial notification in February 2025. See "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD7007 and RBD2080" for details.

- ***Liver diseases.*** Despite medical advances, the treatment of liver diseases remains challenging. The inability of traditional treatments to target intracellular pathways within liver cells, coupled with severe side effects from systemic exposure, has left unmet need in the treatment of liver diseases and their complications, which account for approximately two million deaths annually. Our liver-targeted RiboGalSTAR™ delivery technology is designed to enable siRNA therapies to leverage intracellular pathways which were previously considered undruggable.

Our liver disease strategy concentrates on two therapeutic areas with medical needs: chronic viral hepatitis, including chronic hepatitis B ("CHB") and chronic hepatitis D ("CHD"), and metabolic dysfunction-associated steatohepatitis ("MASH"), particularly advanced diseases.

Our liver disease pipeline is led by ***RBD1016***, an siRNA candidate in global clinical development for patients with chronic hepatitis B Virus ("HBV") infection, including those with hepatitis D virus ("HDV") co-infection. Current antiviral therapies, primarily interferons and nucleoside analogs, are limited with no effective functional cure. With our liver-targeted RiboGalSTAR™ delivery technology, RBD1016 represents a therapeutic opportunity for CHB due to its differentiated intracellular mechanism of action that potentially exerts multiple antiviral effects, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications. RBD1016, with its potent and durable effect on HBsAg, is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD.

For MASH, we focus on advanced disease stages, where our RiboGalSTAR™ delivery technology can potentially address the lack of effective therapeutics for fibrosis and inflammation — conditions where systemic treatments not only lack efficacy but can lead to serious side effects. This approach is exemplified by our strategic collaboration with Boehringer Ingelheim to develop siRNA drugs targeting multiple novel disease pathways for the treatment of MASH.

We have completed RBD1016's phase 2 global MRCT in CHB patients, with the last patient's final visit achieved in October 2025, and are currently finalizing data analysis for this trial. We received IND approval from the NMPA in October 2024, which enables us to potentially expand RBD1016's clinical trials for CHB into China. We also commenced a phase 2a trial in Sweden in August 2024 to further explore the therapeutic potential of RBD1016 for treating CHD, with trial completion expected by the end of 2026. See "Business — Our Pipeline — Liver Diseases — RBD1016" for details.

- ***Other therapeutic areas.*** We are also developing drug candidates for hereditary angioedema ("HAE") and inflammatory diseases based on our RiboGalSTAR™ delivery technology. We currently have over 20 other preclinical assets in our pipeline, including multiple siRNA candidates derived from RiboPepSTAR™, our proprietary platform being developed to target extra-hepatic organs and tissues like the kidney, CNS, and metabolic tissues such as adipocytes and muscles. Meanwhile, we have one drug candidate in IND-enabling studies for the treatment of glioma, leveraging RiboOncoSTAR™, our proprietary oncology-focused technology platform. We believe the agility of our technology platforms presents broad clinical potential, with the capability to advance two to four assets into clinical stage each year.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCT, OR ANY OF OUR DRUG CANDIDATES.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths have differentiated us from our competitors: (i) we are a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics, (ii) our end-to-end oligonucleotide therapeutics development and innovation capabilities, (iii) RBD4059, our Core Product, is a clinical-stage siRNA drug addressing a broad patient population in thrombotic diseases, (iv) we have differentiated clinical-stage pipeline candidates targeting major diseases worldwide, (v) we have forged global partnerships on platform and asset level, and (vi) we are led by a seasoned management team with proven track record. For details, see "Business — Our Competitive Strengths."

OUR BUSINESS STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following development strategies: (i) accelerate the global development and commercialization of lead drug candidates, (ii) lead the development of extra-hepatic oligonucleotide drug development and enhance CMC and manufacturing capabilities, (iii) expand and solidify our intellectual property portfolio to protect long-term innovation, (iv) actively seek collaboration opportunities with world-class partners to maximize the clinical and commercial value of our drug assets and platforms, and (v) cultivate an innovation-driven and inclusive corporate culture to build a globally leading biopharmaceutical company. For details, see "Business — Our Business Strategies."

OUR TECHNOLOGY PLATFORMS

We have established proprietary technology platforms that encompass all key aspects of oligonucleotide drug development, from drug delivery, chemical modification, multi-target drug design, to model-informed drug development and manufacturing. This integrated and scalable approach is validated by our pipeline of oligonucleotide drug candidates, and continues to drive innovation and efficiency in our drug development process. For details, see "Business — Our Technology Platforms."

RESEARCH AND DEVELOPMENT

We believe research and development is critical to our future growth and our ability to remain competitive in the global biopharmaceutical market. Our in-house R&D capabilities, built on our clinically validated proprietary technology platforms, give us control and visibility over our R&D process, and enable us to ensure the quality and efficiency of our drug development programs. We conduct our research and development activities primarily through our in-house R&D team, and engage CROs from time to time to support our preclinical research and clinical trials. In addition, we have established, and will continue to pursue, strategic partnerships to accelerate the development of our pipeline across key global markets, expand our global clinical development capabilities, and fuel our future innovation and long-term growth. As of June 30, 2025, our in-house R&D team consisted of 272 members, primarily located in PRC and Sweden. Approximately 33.1% and 13.6% of these R&D team members held master and doctoral degrees, respectively, mainly in pharmaceutical science, biology, chemistry, and medicine. As of the same date, approximately 75% of our R&D team members had prior working experience in the pharmaceutical industry.

As of the Latest Practicable Date, our R&D activities were primarily conducted in China and Sweden. In China, we have established two R&D centers in Beijing and Suzhou. Our Beijing R&D center is home to our proprietary technology platforms and research laboratories equipped with advanced equipment to support our drug discovery, preclinical and clinical research needs. Our Suzhou R&D center mainly houses our medical chemistry, CMC development and manufacturing team.

In addition to our China-based R&D centers, we also conduct R&D activities in Sweden through Ribocure AB. To enhance our global clinical execution capabilities, we have set up an international CTU, Ribocure Clinic, in Mölndal, Sweden to specialize in the execution of phase 2 clinical trials across cardiovascular, liver, lung, renal and other disease areas. Ribocure Clinic has obtained the approval from the Swedish Medicines Agency to conduct clinical studies. Currently, Ribocure AB conducts all our ongoing clinical studies in Europe, including two ongoing phase 2 trials run independently by our CTU currently with the capacity to enroll over 100 patients.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our research and development expenses were RMB315.8 million, RMB280.4 million, RMB134.8 million and RMB129.1 million, respectively. We expect that our research and development expenses will increase in line with the future growth of our business. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, research and development expenses incurred for our Core Product were RMB60.2 million, RMB34.5 million, RMB16.9 million and RMB33.4 million, respectively, which accounted for (i) 19.1%, 12.3%, 12.5% and 25.9% of our total research and development expenses, and (ii) 15.2%, 9.2%, 9.7% and 18.4% of our operating expenses (which equals the sum of research and development expenses, administrative expenses and selling and distribution expenses), for the respective years/periods. During the Track Record Period, the aggregate research and development expenses we incurred for the Core Product amounted to RMB128.1 million, representing 17.7% of our total research and development expenses during the same period, which constituted the largest proportion among all our pipeline candidates and demonstrates our primary engagement in R&D for the purpose of developing the Core Product in accordance with Chapter 2.3 of the Guide for New Listing Applicants.

The decrease in research and development expenses incurred for our Core Product in 2024 compared to 2023 reflects natural variability in R&D spending in the clinical development process, especially as RBD4059 transitioned between phase 1 and phase 2a trials. During the second and third quarters of 2024, we focused on completing RBD4059's phase 1 trial (with the last patient enrolled in April 2024) while preparing for the phase 2a trial, including engaging in communications with the EMA to finalize the phase 2a trial protocol, obtaining regulatory approval, and conducting preparatory work prior to trial commencement. This trial transition led to slower patient enrollment and consequently reduced research and development expenses during the same period. The increase in research and development expenses incurred for our Core Product for the six months ended June 30, 2025 compared to the six months ended June 30, 2024 primarily resulted from the accelerated advancement of RBD4059's phase 2a trial, with 15 patients enrolled in the first half of 2025 — almost double the enrollment in the same period of 2024. Research and development expenses for RBD4059 are anticipated to rise and represent a larger share of our total R&D spending in the foreseeable future, as the Core Product progresses into more advanced clinical phases.

For details, see "Business — Research and Development."

LICENSING AND COLLABORATION ARRANGEMENTS

Set forth below is a summary of our key license and collaboration agreements. For details, see "Business — Licensing and Collaboration Arrangements."

License and Collaboration Agreement with Qilu Pharmaceutical

Qilu Pharmaceutical is a leading pharmaceutical company in China dedicated to the R&D, production and distribution of innovative drugs, committed to delivering high-quality and affordable healthcare solutions worldwide.

On December 15, 2023, we entered into a license and collaboration agreement with Qilu Pharmaceutical, as further amended on June 12, 2024, pursuant to which we granted Qilu Pharmaceutical (i) an exclusive, royalty-bearing, sub-licensable, transferable license under certain patents and know-how related to RBD7022 and pharmaceutical products comprising RBD7022 (the "RBD7022 Products") owned or controlled by us to develop, manufacture and commercialize RBD7022 and RBD7022 Products in mainland China, Hong Kong and Macau (the "Territory") for treatment, prevention and diagnosis of all human diseases, and (ii) a non-exclusive, royalty-bearing, sub-licensable, transferable license under certain patents and know-how of our RiboGalSTAR™ and RSC platform technologies to develop, manufacture and commercialize RBD7022 and RBD7022 Products in the Territory for treatment, prevention and diagnosis of all human diseases. We retain the full rights to develop, manufacture and commercialize RBD7022 and RBD7022 Products outside the Territory. For details, see "Business — Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical."

Our license and collaboration agreement with Qilu Pharmaceutical would not have adverse impact on our Core Product or other drug candidates, considering that: (i) the exclusive license granted to Qilu Pharmaceutical covers only the patents and know-how specifically related to RBD7022 and RBD7022 Products. While the agreement provides for "treatment, prevention and diagnosis of all human diseases," RBD7022's therapeutic scope is inherently limited as it specifically targets PCSK9 to regulate cholesterol metabolism through RNA interference technology; and (ii) the license allowing Qilu Pharmaceutical to utilize the patents and know-how of our RiboGalSTAR™ and RSC platform technologies is non-exclusive and does not prevent us from utilizing these technologies for the development of our Core Product and other drug candidates.

Collaboration and License Agreement with Boehringer Ingelheim

Boehringer Ingelheim is a globally renowned pharmaceutical company headquartered in Germany, focused on researching, developing and manufacturing innovative medicines for humans and animals.

On December 22, 2023, we entered into a collaboration and license agreement with Boehringer Ingelheim, as may be amended from time to time. Through this collaboration, Boehringer Ingelheim and we aim to utilize our proprietary RiboGalSTAR™ technology to identify compounds for multiple targets, leveraging our industry-leading expertise in the field of GalNAc-conjugated siRNAs. In connection with the collaboration, we have granted to Boehringer Ingelheim, on a target-by-target basis, an exclusive license under certain intellectual property controlled by us or our affiliates ("Licensed Technology"), including intellectual properties relating to our GalNAc platform and siRNA modification platform, to exploit the identified compounds and products worldwide. For details, see "Business — Licensing and Collaboration Arrangements — Collaboration and License Agreement with Boehringer Ingelheim to Jointly Progress Potential First-in-Class siRNAs Utilizing RiboGalSTAR™ Technology."

Our license and collaboration agreement with Boehringer Ingelheim would not have adverse impact on our Core Product or other drug candidates, as the license granted to Boehringer Ingelheim is limited to exploiting only the specific compounds and products identified under the agreement. We retain full ownership of the Licensed Technology, and are entitled to use the Licensed Technology for all purposes, without restrictions, outside the scope of the granted license, including to develop and exploit any compounds and products other than those specifically identified by Boehringer Ingelheim under this collaboration.

MANUFACTURING

To date, our manufacturing activities are primarily limited to supporting our drug development process. We also engaged industry-recognized CDMOs to supplement our in-house capacity so as to enhance efficiency and reduce operational costs.

We have established one cGMP-compliant manufacturing facility in Kunshan, Jiangsu province, China, and adhere to the requirements under the cGMP standards and other applicable regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions in our drug manufacturing process. This manufacturing facility has a total floor area of over 2,100 square meters, including approximately 1,100 square meters equipped with oligonucleotide drug substance manufacturing capabilities. We currently have GMP-compliant manufacturing line with an annual capacity of around 5 kg of drug substance, which can fully support our current clinical development plan. It is one of the few oligonucleotide drug substance manufacturing facilities in China that have passed the qualified person audits of the EU. In addition, our manufacturing facility in Tianjin, China, operated through our subsidiary Azemidite, is responsible for the production of phosphoramidite and nucleoside products, the key components in the synthesis of nucleotide strands.

We currently outsource certain manufacturing activities, primarily the formulation production, to industry recognized CDMOs in China. We intend to continue to collaborate with CDMOs in the near term, as we believe it is cost-effective and efficient to engage CDMOs for certain manufacturing activities and enables us to focus on, and allocate our resources to, the discovery and clinical development of our candidates.

For details, see "Business — Manufacturing."

INTELLECTUAL PROPERTY

We are committed to the development and protection of our intellectual properties. We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned 255 patents, including 62 issued patents in China, 65 issued patents in Europe, 18 issued patents in the U.S., 110 issued patents in other jurisdictions, as well as 218 patent applications, including 76 in China, 17 in Europe, 19 in the U.S., 21 under the Patent Cooperation Treaty (PCT), and 85 in other jurisdictions. As of the Latest Practicable Date, with respect to our Core Product (RBD4059), we owned nine patents, including one issued patent in China, one issued patent in the U.S., and seven issued patents in other jurisdictions, as well as 14 patent applications, including one in China, one in Europe, one in the U.S., and 11 in other jurisdictions. With respect to RBD5044 and RBD1016, our two other lead clinical-stage products, we owned 26 patents, including two issued patent in China, 10 issued patents in Europe, one issued patent in the U.S., and 13 issued patents in other jurisdictions, as well as 26 patent applications, including two in China, two in Europe, two in the U.S., and 20 in other jurisdictions. These patents and patent applications owned by us cover material aspects of our Core Product and the respective clinical-stage products.

SUPPLIERS AND PROCUREMENT

During the Track Record Period, our suppliers primarily consisted of (i) CROs and CDMOs, and (ii) suppliers of raw materials and consumables for our drug development. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, our purchases from our five largest suppliers in each year/period amounted to RMB64.6 million, RMB45.4 million and RMB17.2 million, accounting for 52.9%, 45.4% and 42.0% of our total purchases for the same year/period, respectively, and our purchases from our largest supplier for each year/period amounted to RMB35.3 million, RMB20.2 million and RMB4.7 million, accounting for 28.9%, 20.2% and 11.5% of our total purchases for the same year/period, respectively. For details, see "Business — Suppliers and Procurement."

COMPETITION

The oligonucleotide drug industry is evolving with increasing competition. While we believe the strength of our pipeline, technology platforms and R&D capabilities gives us competitive advantages, we face potential competition from many industry players, including MNCs and leading biotechnology companies, who have commercialized, or are pursuing the development of, oligonucleotide drugs, in particular siRNA drugs, that are similar to ours or target the same indications. Any oligonucleotide drug candidates that we successfully develop and commercialize will compete both with approved drugs and with any new drugs that may become available in the future. Our competitors may have substantially greater financial, technical, and other resources than we do, such as those with larger research and development staff and established marketing and manufacturing infrastructure. Collaborations, mergers and acquisitions in the biopharmaceutical industry may result in even more resources being concentrated in our competitors. As a result, these companies may be able to advance their drug candidates and obtain regulatory approval from the regulatory authorities more rapidly than we do, and become more effective in selling and marketing their products. For further details on market opportunities and competition in respect of our drug candidates, see "— Our Pipeline" and "Industry Overview."

SUMMARY OF KEY FINANCIAL INFORMATION

The summary of the key financial information set forth below have been derived from and should be read in conjunction with our consolidated financial statements, including the accompanying notes, set forth in the Accountants' Report in Appendix I to this document, as well as the information set forth in the section headed "Financial Information."

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated:

	For the year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)* *(unaudited)*	*(RMB'000)*
Revenues	44	142,627	66,305	103,813
Cost of sales	(24)	(11,903)	(2,110)	(6,591)
Gross Profit	20	130,724	64,195	97,222
Other income and gains	31,066	21,686	3,548	7,209
Research and development expenses	(315,763)	(280,370)	(134,775)	(129,142)
Selling and distribution expenses	(339)	(979)	(555)	(565)
Administrative expenses	(81,113)	(92,506)	(39,510)	(52,058)
Impairment losses on credit, net	(284)	(82)	136	141
Other expenses	(51,521)	(15,122)	(4,263)	(6,431)
Finance costs	(19,190)	(20,398)	(10,185)	(10,243)
Share of losses of a joint venture	(24)	–	–	–
Loss before tax	(437,148)	(257,047)	(121,409)	(93,867)
Income tax expenses	(148)	(24,445)	(20,162)	(3,898)
Loss for the year/period	(437,296)	(281,492)	(141,571)	(97,765)

	For the year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)* *(unaudited)*	*(RMB'000)*
Other comprehensive income:				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences arising on translation of foreign operations	2,734	(3,546)	(1,826)	2,259
Other comprehensive income for the year/period, net of tax	2,734	(3,546)	(1,826)	2,259
Total comprehensive income for the year/period	(434,562)	(285,038)	(143,397)	(95,506)
Attributable to:				
Owners of the parent	(425,897)	(273,175)	(139,060)	(86,741)
Non-controlling interests	(8,665)	(11,863)	(4,337)	(8,765)

During the Track Record Period, our revenue was primarily from our licensing and collaboration arrangements. Our cost of sales was primarily related to the R&D activities we conducted in accordance with these arrangements. Our research and development expenses decreased from 2023 to 2024 primarily due to a decrease in our clinical trial and technical service expenses as (i) some of our clinical trials transitioned between phases, reflecting the natural variability in R&D spending even as projects advance toward later stages, and (ii) Qilu Pharmaceutical assumed certain R&D costs for RBD7022's phase 1 clinical trial pursuant to our license and collaboration agreement executed in December 2023. Our research and development expenses remained stable for the six months ended June 30, 2025 compared to the same period in 2024. Our loss for the year decreased from 2023 to 2024 primarily because we started to generate revenue in 2024 from our licensing and collaboration arrangements. Our loss for the period decreased from the six months ended June 30, 2024 to the corresponding period in 2025, primarily due to an increase in our revenue following the achievement of a development milestone in our collaboration with Boehringer Ingelheim.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
NON-CURRENT ASSETS			
Property, plant and equipment	219,166	203,168	193,225
Right-of-use assets	77,621	72,934	70,229
Intangible assets	108,417	92,474	84,649
Other non-current assets	723	12,195	–
Cash and bank balances	846	794	916
Total non-current assets	**406,773**	**381,565**	**349,019**
CURRENT ASSETS			
Inventories	45,604	42,723	49,676
Trade receivables	6	3,467	2,337
Prepayments, other receivables and other assets	51,512	39,479	51,814
Cash and bank balances	212,353	183,624	547,735
Total current assets	**309,475**	**269,293**	**651,562**
Total assets	**716,248**	**650,858**	**1,000,581**
CURRENT LIABILITIES			
Trade payables	23,265	24,225	20,860
Other payables and accruals	79,215	87,482	220,672
Contract liabilities	–	67,124	67,124
Interest-bearing bank and other borrowings	217,284	226,612	336,116
Lease liabilities	8,087	7,626	9,473
Tax Payable	–	1,237	1,875
Total current liabilities	**327,851**	**414,306**	**656,120**
NET CURRENT LIABILITIES	**(18,376)**	**(145,013)**	**(4,558)**
TOTAL ASSETS LESS CURRENT LIABILITIES	**388,397**	**236,552**	**344,461**

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
NON-CURRENT LIABILITIES			
Contract liabilities	–	64,294	32,147
Interest-bearing bank and other borrowings	163,708	172,281	137,356
Lease liabilities	25,660	22,363	19,611
Deferred income	24,145	25,402	30,886
Other payables and accruals	59,161	63,279	65,444
Total non-current liabilities	**272,674**	**347,619**	**285,444**
Total liabilities	**600,525**	**761,925**	**941,564**
Net assets/(liabilities)	**115,723**	**(111,067)**	**59,017**
EQUITY			
Share capital	128,386	129,610	130,145
Reserves	(23,284)	(239,970)	(188,575)
Equity/(deficits) attributable to owners of the parent	**105,102**	**(110,360)**	**(58,430)**
Non-controlling interests	10,621	(707)	117,447
Total equity/(deficits)	**115,723**	**(111,067)**	**59,017**

Our net liabilities and net current liabilities position was primarily because we invested significant capital into the research and development of our drug pipeline, and building up our technology platforms and other capabilities to complement and support our business. These cash-intensive investments were financed partially through interest-bearing bank and other borrowings and contributed to our net current liability position historically.

Our financial position transitioned from net assets to net liabilities between December 31, 2023 and December 31, 2024. This was primarily due to loss for the year of RMB281.5 million in 2024, partially offset by issue of shares of RMB45.8 million primarily in connection with our series E2 financing. Our financial position transitioned from net liabilities to net assets between December 31, 2024 and June 30, 2025, primarily due to capital contribution from non-controlling shareholders of RMB236.4 million primarily in relation to Ribocure AB's equity financing, partially offset by loss for the period of RMB97.8 million for the six months ended June 30, 2025. For details, see "Consolidated Statements of Changes in Equity" in the Accountants' Report set out in Appendix I to this document.

Our net current liabilities increased from December 31, 2023 to December 31, 2024 primarily due to an increase in contract liabilities in connection with our licensing and collaboration arrangements and a decrease in cash and bank balances attributable to our continuous investment in R&D activities. Our net current liabilities decreased from December 31, 2024 to June 30, 2025, primarily due to an increase in cash and bank balances as a result of the proceeds received from Ribocure AB's equity financing, partially offset by an increase in other payables and accruals and bank borrowings.

Although we recorded net current liabilities during the Track Record Period, our Directors are of the view that we have sufficient working capital to cover at least 125% of our costs, including research and development expenses and administrative expenses (including any production costs), for at least the next 12 months from the date of this document. See also "Financial Information — Liquidity and Capital Resources — Working Capital Sufficiency" for the detailed measures we intend to take to enhance our working capital position.

Summary of Consolidated Statements of Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the periods indicated:

	For the year ended December 31,		For the six months ended June 30	
	2023	**2024**	**2024**	**2025**
	(RMB'000)	*(RMB'000)*	*(RMB'000)* *(unaudited)*	*(RMB'000)*
Loss before tax	(437,148)	(257,047)	(121,409)	(93,867)
Adjustment for cash flows from operating activities before movement in working capital	141,505	90,212	48,591	48,672
Changes in working capital	1,268	125,485	136,996	(49,112)
Income tax paid	(148)	(23,208)	(19,129)	(3,260)
Interest received	6,987	3,839	1,976	1,094
Net cash (used in)/generated from operating activities	(287,536)	(60,719)	47,025	(96,473)
Net cash used in investing activities	(24,455)	(20,664)	(10,608)	(184,316)
Net cash (used in)/generated from financing activities	(4,774)	39,456	21,006	471,731
Net (decrease)/increase in cash and cash equivalents	(316,765)	(41,927)	57,423	190,942
Cash and cash equivalents at beginning of year/period	524,390	210,273	210,273	167,867
Effect of foreign exchange rate changes	2,648	(479)	(702)	(274)
Cash and cash equivalents at the end of year/period	210,273	167,867	266,994	358,535

We recorded net cash used in operating activities for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, primarily because we invested significant capital into the research and development of our drug pipeline, and building up our technology platforms and other capabilities to complement and support our business.

During the Track Record Period, we funded our operations primarily through equity and debt financing, as well as revenue from our licensing and collaboration arrangements. We expect to continue to require significant funding for our R&D activities and daily operations going forward. We plan to fund our business operation and capital expenditure with our existing cash and bank balances, income from our license and collaboration agreements, net [**REDACTED**] from the [**REDACTED**], and bank borrowings. We may also further require funding from equity or debt financing or other resources.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment and payment for intangible assets. We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low-end of the indicative [**REDACTED**] range stated in this document. We estimate that our cash on hand as of [**REDACTED**] will be able to maintain our financial viability for over [**REDACTED**] months from [**REDACTED**], without taking into account the estimated net [**REDACTED**] from the [**REDACTED**]; or, we estimate we will be able to maintain our financial viability for over [**REDACTED**] months, if we take into account [**REDACTED**]% of the estimated net [**REDACTED**] from the [**REDACTED**] (namely, the portion allocated for our working capital and other general corporate purposes).

KEY FINANCIAL RATIOS

The following table set forth our key financial ratios as of the dates indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
Current ratio[(1)]	0.9	0.6	1.0

Note:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

Our current ratio decreased from 0.9 as of December 31, 2023 to 0.6 as of December 31, 2024 mainly due to a decrease in cash and bank balances as we spent cash in our R&D and repaid certain bank and other borrowings. Our current ratio increased from 0.6 as of December 31, 2024 to 1.0 as of June 30, 2025, primarily due to an increase in cash and bank balances as a result of the proceeds received from our series E3 financing and Ribocure AB's equity financing.

SUMMARY OF MATERIAL RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different [**REDACTED**] may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to [**REDACTED**] in our Company. Some of the major risks that we face include:

(i) We face intense competition and rapid technological change, and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates, and may also potentially limit our market size;

(ii) Our business and prospects depend substantially on the success of our drug candidates, most of which (including our Core Product) have not yet advanced to late-stage clinical trials and whose efficacy and potential side effects have not been fully evaluated. If we are unable to successfully complete clinical development, obtain regulatory approvals or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing any of the foregoing, our business and prospects could be materially and adversely affected;

(iii) Clinical development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results;

(iv) All material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated. Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects;

(v) The regulatory approval processes of the EMA, NMPA, FDA and other comparable regulatory authorities are time-consuming and uncertain. If we are unable to obtain without undue delay any regulatory approvals for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm;

(vi) We have incurred significant net losses since inception. We anticipate that we will continue to incur net losses and may fail to achieve or maintain profitability in the future;

(vii) We incurred net liabilities, net current liabilities and net operating cash outflows during the Track Record Period, which may continue into the foreseeable future and expose us to liquidity risk;

(viii) We may need to obtain substantial additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates;

(ix) We have entered into collaboration and license agreements with third parties in the development, manufacturing and commercialization of drug candidates, and may seek and enter into additional partnerships in the future. We may fail to identify suitable business partners or may not realize the benefits of such partnerships as expected;

(x) We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the applicable regulatory requirements, procedures or contractual duties, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially affected;

(xi) If we are unable to obtain and maintain adequate patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drug candidates may be adversely affected;

(xii) The future commercial success of our drug candidates will depend on the degree of their market acceptance among physicians, patients and others in the medical community;

(xiii) Our future success depends on our ability to attract, retain and motivate senior management, qualified medical professionals and scientific employees.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS AND CONCERT PARTY ARRANGEMENT

As of the Latest Practicable Date, our Company was owned by: (i) Dr. LIANG as to 10.84%, (ii) Kunshan Ruikong as to 8.08%, (iii) Kunshan Ruiman as to 4.13%, (iv) Ms. MO Hua as to 2.26%, (v) Prof. XI Zhen as to 2.12%, (vi) Prof. ZHANG Lihe as to 1.41% and (vii) Kunshan Ruiji as to 1.06%, respectively. Dr. LIANG indirectly controlled Kunshan Ruiman and Kunshan Ruiji by acting as the general partner of each of: (i) Kunshan Ruixing, the general partner of Kunshan Ruiman, and (ii) Kunshan Ruiji. Kunshan Ruikong was controlled by Dr. ZHANG, its general partner.

On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties (as defined below) other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements (the "**Concert Party Arrangement**"). Pursuant to the Concert Party Arrangement, Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe and Kunshan Ruiji (together with Kunshan Ruixing, the "**Concert Parties**" and each a "**Concert Party**") have been acting in concert since March 8, 2017 and will continue to act in concert until the third anniversary from the [**REDACTED**], subject to further extension. In addition, given that, as of the Latest Practicable Date, Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. Liang was the general partner of Kunshan Ruixing, Kunshan Ruixing shall be deemed to be a Concert Party under the Concert Party Arrangement, even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties. For details, see "History and Corporate Structure — Acting-in-Concert".

As such, the Concert Parties were collectively entitled to exercise voting rights attaching to approximately 29.91% of the total issued Shares of our Company as of the Latest Practicable Date and will be entitled to exercise voting rights attaching to approximately [**REDACTED**]% of the total issued Shares of our Company immediately after the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme). Based on the above, upon [**REDACTED**], the Concert Parties will be our Single Largest Group of Shareholders. For details, see "Relationship with Our Single Largest Group of Shareholders."

PRE-[REDACTED] INVESTMENTS

Since the establishment of our Group, we have attracted certain Pre-[**REDACTED**] Investors to raise funds for fueling the development of our business. Our Pre-[**REDACTED**] Investors include certain Sophisticated Investors, such as Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥)), Wise Vigour Limited, Panlin (as defined in the section headed "History and Corporate Structure — Pre-[**REDACTED**] Investments — Information Relating to Our Major Pre-[**REDACTED**] Investors"), Ionis Pharmaceuticals, Inc. and Shenzhen Yilong Venture Capital L.P. (深圳翼龍創業投資合夥企業(有限合夥)), each of whom has made meaningful investment in our Company at least six months before the [**REDACTED**], holding approximately [**REDACTED**]%, [**REDACTED**]%, [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of the total issued Shares immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), respectively. For details of background of the Pre-[**REDACTED**] Investors and the principal terms of the Pre-[**REDACTED**] Investments, see "History and Corporate Structure — Pre-[**REDACTED**] Investments — Information Relating to Our Major Pre-[**REDACTED**] Investors."

PRE-[REDACTED] SHARE OPTION SCHEME

Our Company adopted the Pre-[**REDACTED**] Share Option Scheme on December 10, 2024 for the purpose to motivate our management team and key employees, while attracting and integrating talents, enhance our technological R&D capabilities and ensure the realization of our development strategy and operational goals.

The number of the Shares underlying the outstanding options under the Pre-[**REDACTED**] Share Option Scheme amounting to 2,113,987 will only be issued by our Company after the [**REDACTED**] if such options are fully vested and exercised, representing approximately [**REDACTED**]% of the issued Shares immediately following the completion of the [**REDACTED**] (assuming that no options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised). As the Group incurred losses for the six months ended June 30, 2025, the dilutive potential Shares were not included in the calculation of diluted loss per share as their inclusion would have been anti-dilutive. Accordingly, the diluted loss per share for the six months ended June 30, 2025 was the same as the basic loss per Shares of the same period. For details, see "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 2. Pre-[**REDACTED**] Share Option Scheme."

DIVIDENDS

The declaration and payment of any dividends in the future will be determined by our Shareholders and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. As confirmed by our PRC Legal Advisor, any future net profit that we generate will be applied to account for our accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our accumulated losses have been accounted for; and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above. In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay a dividend out of our profits in the foreseeable future. In addition, any future determination to pay dividends will be made by our Board at their discretion and subject to Shareholders' approval, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and contractual restrictions, and other factors that our Board deems to be appropriate. Apart from the general principles for profit distribution set out in our Articles of Association, we have not adopted any specific dividend policy. As of the Latest Practicable Date, we had not established a specified dividend pay-out ratio.

[REDACTED] STATISTICS[(1)]

	Based on an [REDACTED] of HK$[REDACTED]	Based on an [REDACTED] of HK$[REDACTED]
	HK$[REDACTED]	HK$[REDACTED]
[**REDACTED**] of our Shares[(2)]	[REDACTED]	[REDACTED]
Unaudited [**REDACTED**] adjusted net tangible assets of the Group per Share[(3)(4)]	HK$[REDACTED]	HK$[REDACTED]

Notes:

(1) All statistics in this table are on the assumption that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(2) The calculation of [**REDACTED**] of our Shares is based on [**REDACTED**] Shares (after adjustments of the Pre-[**REDACTED**] investments from series E3 financing) expected to be in issue immediately after completion of the [**REDACTED**].

(3) The unaudited [**REDACTED**] adjusted consolidated net tangible assets attributable to owners of our Company per Share are arrived at after adjustments referred to in preceding and on the basis that [**REDACTED**] Shares are in issue, assuming that the [**REDACTED**] had been completed on June 30, 2025, without taking into account of any Shares which may be allotted and issued upon the exercise of the [**REDACTED**] or any subsequent events as shown in the Accountants' Report set out in Appendix I to this document.

(4) No adjustment has been made to the unaudited [**REDACTED**] adjusted consolidated net tangible assets of our Group to reflect any trading results or other transactions for our Group entered into subsequent to June 30, 2025. Based on the [**REDACTED**] of HK$[**REDACTED**] and HK$[**REDACTED**] per Share, the unaudited [**REDACTED**] adjusted consolidated net tangible assets attributable to owners of our Company per Share is HK$[**REDACTED**] and HK$[**REDACTED**] after adjustments of the Pre-[**REDACTED**] investments from series E3 financing and on the basis that [**REDACTED**] Shares are in issue assuming the [**REDACTED**] have been completed on June 30, 2025.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**] commissions, fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document, and that the [**REDACTED**] is not exercised. We currently intend to apply these net [**REDACTED**] for the following purposes: (i) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of our Core Product, RBD4059; (ii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of RBD5044; (iii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of RBD1016; (iv) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the research and development of our IND-enabling pipeline assets; (v) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated to advance our preclinical assets which have not yet entered the IND-enabling stage and enhance our technology platforms; and (vi) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and other general corporate purposes. For further details, see "Future Plans and Use of [**REDACTED**]."

[**REDACTED**] EXPENSES

[**REDACTED**] expenses to be borne by us are estimated to be approximately HK$[**REDACTED**] [**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), representing approximately [**REDACTED**]% of the estimate gross [**REDACTED**] from the [**REDACTED**] assuming no Shares are issued pursuant to the [**REDACTED**] and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme. The [**REDACTED**] expenses consist of (i) [**REDACTED**]-related expenses, including [**REDACTED**] commission, of approximately HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. During the Track Record Period, [**REDACTED**] expenses of RMB[**REDACTED**] (HK$[**REDACTED**]) was charged to our consolidated statements of profit or loss and RMB[**REDACTED**] (HK$[**REDACTED**]) is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. After the Track Record Period, approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Business Updates

Since the end of the Track Record Period, we have continued to advance our pipeline. In August 2025, we presented key scientific findings at the European Society of Cardiology ("ESC") Congress in Madrid, Spain, introducing the significant progress in our siRNA pipeline. Collectively, these presentations highlight our commitment to advancing siRNA-based cardiovascular therapeutics, with multiple programs, including RBD4059, RBD5044 and RBD7022, showing promise in addressing unmet needs in lipid management and thrombosis. For details, see "Business — Our Pipeline." In August 2025, we initiated the phase 1 clinical trial of RBD1119, one of our siRNA assets for thrombotic diseases, with the first patient enrolled in Australia. In October 2025, the EMA granted Orphan Drug Designation to RBD1016 for the treatment of HDV infection.

As we strive to advance our pipeline and enhance our drug development capabilities, we expect that we will continue to recognize net losses in 2025, primarily because we expect to incur significant costs and expenses in relation to our R&D activities.

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since June 30, 2025, which is the end date of the periods reported on in the Accountants' Report included in Appendix I to this document, and there is no event since June 30, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

Impact of COVID-19

During the Track Record Period and up to the Latest Practicable Date, COVID-19 had a limited impact on our R&D and operations, despite causing slight delays in patient enrollment and on-site office activities in 2022 and early 2023 consistent with the general impact experienced by industry participants, according to Frost & Sullivan. We implemented appropriate preventive and mitigation measures in accordance with local health and safety requirements to protect our employees and to maintain the continuity of our operations during COVID-19. Our Directors are of the view that, during the Track Record Period and up to the Latest Practicable Date, COVID-19 had not caused any material adverse impact on our business operation.

In this document, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain technical terms are explained in the section headed "Glossary of Technical Terms" in this document.

"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of the Company adopted on April 13, 2025 which will become effective upon the [**REDACTED**] and as amended from time to time, a summary of which is set out in Appendix VI to this document
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	audited committee of the Board
"Azemidite"	Azemidite Biopharm Co., Ltd. (天津興博潤生物製藥有限公司), a limited liability company established under the laws of the PRC on August 23, 2017, which is a subsidiary of the Company owned as to 65.29%, 27.21%, 3.5%, 2.5% and 1.5% by our Company, Tianjin Haihe Asymchem Biopharmaceutical Industry Innovation Investment L.P. (天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)), one of our Pre-[**REDACTED**] Investors, Tianjin Qingyuanxing Enterprise Management Counsulting L.P. (天津清源興企業管理諮詢合夥企業(有限合夥)), Tianjin Qingyuanbo Enterprise Management Counsulting L.P. (天津清源博企業管理諮詢合夥企業(有限合夥)) and Tianjin Qingyuanrun Enterprise Management Counsulting L.P. (天津清源潤企業管理諮詢合夥企業(有限合夥)), respectively
"Beijing RiboCure"	Beijing RiboCure Pharmaceutical Co., Ltd. (北京瑞博開拓醫藥科技有限公司), a limited liability company established in the PRC on August 6, 2015, which is a wholly-owned subsidiary of our Company

"Board" or "Board of Directors"	the board of Directors of our Company
"Boehringer Ingelheim"	Boehringer Ingelheim International GMBH, a global research-driven pharmaceutical company founded in 1885 and headquartered in Germany. Boehringer Ingelheim's human pharma research focuses on therapeutic areas of cardiovascular and metabolic health, cancer, mental health, eye health and inflammatory diseases
"Business Day" or "business day"	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
	[**REDACTED**]
"[**REDACTED**]"	[**REDACTED**] System established [**REDACTED**]
"China" or "PRC"	the People's Republic of China, but for the purpose of this document and for geographical reference only and except where the context requires otherwise, references in this document to "China" and the "PRC" do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Company" or "our Company"	Suzhou Ribo Life Science Co., Ltd. (蘇州瑞博生物技術股份有限公司), a limited liability company established in the PRC on January 18, 2007 and converted into a joint stock company with limited liability on August 14, 2020, formerly known as Suzhou Ribo Life Science Limited (蘇州瑞博生物技術有限公司)
"Company Law" or "PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"Compliance Advisor"	Soochow Securities International Capital Limited
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Conversion of Unlisted Shares into H Shares"	the conversion of [**REDACTED**] Unlisted Shares into H Shares on a one-for-one basis upon the completion of [**REDACTED**]. Filing of such conversion of Unlisted Shares into H shares has been completed with the CSRC on October 24, 2025 and an application for H Shares to be [**REDACTED**] on the Stock Exchange has been made to the Listing Committee
"core connected person"	has the meaning ascribed thereto under the Listing Rule
"Core Product"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules; for the purpose of this document, our Core Product refers to RBD4059
"CSDC"	China Securities Depository and Clearing Co., Ltd. (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets
"Director(s)" or "our Director(s)"	the director(s) of our Company, including all executive, non-executive and independent non-executive directors

"Dr. LIANG"	Dr. LIANG Zicai (梁子才), the spouse of Dr. ZHANG, the chairman of the Board, an executive Director, our chief executive officer and a member of our Single Largest Group of Shareholders
"Dr. ZHANG"	Dr. ZHANG Hongyan (張鴻雁), the spouse of Dr. LIANG, an executive Director, our president and a member of our Single Largest Group of Shareholders
"EIT"	enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented or otherwise modified from time to time
"Employee Incentive Platforms"	the employee incentive platforms established for the purpose of implementing the Employee Incentive Scheme including Kunshan Ruiman, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo
"Employee Incentive Scheme"	the share incentive scheme adopted by our Company on May 20, 2020, the principal terms of which are set out in the section headed "Statutory and General Information — D. Share Incentive Schemes — 1. Employee Incentive Scheme"
"ESC'	European Society of Cardiology
"EU"	European Union
"EUIPO"	European Union Intellectual Property Office
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FDA"	the United States Food and Drug Administration
"FIL"	Foreign Investment Law of the PRC (《中華人民共和國外商投資法》)

[**REDACTED**]

"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a market research and consulting company and Independent Third Party, which prepared the Frost & Sullivan Report
"Frost & Sullivan Report"	an independent market research report commissioned by us and prepared by Frost & Sullivan for the purpose of this document

[**REDACTED**]

"Greater China"	the PRC, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan
"Group", "our Group", "our", "we" or "us"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
"Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"H Share(s)"	[**REDACTED**] ordinary share(s) in our share capital, with nominal value of RMB1.00 each in the share capital of our Company, which are to be [**REDACTED**] and [**REDACTED**] in HK dollars, and for which an application has been made for [**REDACTED**] and permission to [**REDACTED**] on the Stock Exchange

[**REDACTED**]

[**REDACTED**]

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars," "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

[**REDACTED**]

"IASB"	International Accounting Standards Board
"IFRS"	the International Financial Reporting Standards as issued by the IASB, which comprise the IFRS Accounting Standards, International Accounting Standards, Interpretations developed by the IFRS Interpretations Committee or its predecessor body, the Standing Interpretations Committee
"Independent Third Party(ies)"	an individual or a company which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules

[**REDACTED**]

[**REDACTED**]

"Joint Sponsors"	the joint sponsors as named in "Directors, Supervisors and Parties involved in the [**REDACTED**]"
"Kunshan RiboCure"	Kunshan RiboCure Pharmaceutical Science and Technology Co., Ltd. (昆山瑞博居爾醫藥科技有限公司), a limited liability company established in the PRC on October 16, 2012, which is a wholly-owned subsidiary of our Company
"Kunshan Ruiji"	Kunshan Ruiji Enterprise Management Consulting L.P. (昆山瑞技企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on July 11, 2014, the general partner of which is Dr. LIANG and a member of our Single Largest Group of Shareholders
"Kunshan Ruijing"	Kunshan Ruijing Enterprise Management Consulting L.P. (昆山瑞景企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, one of our Employee Incentive Platforms

"Kunshan Ruikong"	Kunshan Ruikong Enterprise Management Consulting L.P. (昆山瑞控企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on December 2, 2011, the general partner of which is Dr. ZHANG and a member of our Single Largest Group of Shareholders
"Kunshan Ruilang"	Kunshan Ruilang Enterprise Management Consulting L.P. (昆山瑞朗企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms
"Kunshan Ruiman"	Kunshan Ruiman Enterprise Management Consulting L.P. (昆山瑞曼企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on September 22, 2015, and one of our Employee Incentive Platforms
"Kunshan Ruixiang"	Kunshan Ruixiang Enterprise Management Consulting L.P. (昆山瑞翔企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms
"Kunshan Ruixing"	Kunshan Ruixing Enterprise Management Consulting L.P. (昆山瑞興企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms
"Kunshan Ruizhuo"	Kunshan Ruizhuo Enterprise Management Consulting L.P. (昆山瑞卓企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on February 23, 2023, which is held by its general partner, Dr. LIANG and its sole limited partner, Dr. GAN Liming, as to 8.61% and 91.39%, respectively, and one of our Employee Incentive Platforms
"Latest Practicable Date"	December 17, 2025, being the latest practicable date for the purpose of ascertaining certain information in this document prior to its publication
	[REDACTED]
"Listing Committee"	the Listing Committee of the Stock Exchange

[**REDACTED**]

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
"MOFCOM" or "Ministry of Commerce"	the Ministry of Commerce of the PRC (中華人民共和國商務部) (formerly known as the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部))
"NDRC"	the National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"Nomination Committee"	nomination committee of the Board
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)

[**REDACTED**]

[**REDACTED**]

"Overseas Listing Trial Measures"	Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) released by the CSRC on February 17, 2023 and took effect on March 31, 2023
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC GAAP"	generally accepted accounting principles in the PRC
"PRC Legal Advisors"	Zhong Lun Law Firm, the legal advisors to the Company as to the laws of the PRC
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as enacted by the 6th meeting of the 9th Standing Committee of the NPC on December 29, 1998 and became effective on July 1, 1999, as amended, supplemented or otherwise modified from time to time
"Pre-[**REDACTED**] Investment(s)"	the pre-[**REDACTED**] investment(s) in the Company undertaken by the Pre-[**REDACTED**] Investor(s), details of which are set out in the section headed "History and Corporate Structure — Pre-[**REDACTED**] Investments" in this document
"Pre-[**REDACTED**] Investor(s)"	the investor(s) of Pre-[**REDACTED**] Investment(s)

"Pre-[**REDACTED**] Share Option Scheme"	the 2024 pre-[**REDACTED**] share option scheme adopted by the Company on December 10, 2024, the principal terms of which are set out in "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 2. Pre-[**REDACTED**] Share Option Scheme" to this document
	[**REDACTED**]
"Qilu Pharmaceutical"	Qilu Pharmaceutical Co., Ltd. (齊魯製藥有限公司), a pharmaceutical company in China specializing in the research, production and sales of preparations and original pharmaceutical ingredients for the treatment of cardiovascular diseases, cerebrovascular diseases, respiratory system diseases, nervous system diseases, ophthalmic diseases and other conditions
"R&D"	research and development
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	remuneration and appraisal committee of the Board
"Ribo Australia"	Ribo (Australia) Life Science Pty. Ltd., a limited liability company incorporated in Australia on June 28, 2021, which is a wholly-owned subsidiary of our Company
"Ribo HK"	Ribo (HongKong) Life Science Limited (瑞博(香港)生物技術有限公司), a limited company incorporated in Hong Kong on July 22, 2013, which is a wholly-owned subsidiary of our Company
"Ribocure AB"	Ribocure Pharmaceuticals AB, a limited liability company incorporated in Sweden on February 18, 2022 and a subsidiary of the Company owned by the Company, Erik Selin Fastigheter Aktiebolag, Adstella Holding AB, Dr. Gan Liming and Co Activate AB as to 50.29%, 32.65%, 9.43%, 6.61% and 1.02%, respectively

"Ribocure AB Share Incentive Scheme"	the share incentive scheme adopted by our subsidiary Ribocure AB on January 5, 2023, the principal terms of which are set out in "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 3. Ribocure AB Share Incentive Scheme" to this document
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAMR"	State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"SEK"	Swedish Krona, the lawful currency of Sweden
"SFC"	the Securities and Futures Commission of Hong Kong
"Shandong Ribotek"	Ribotek Biopharmaceuticals (Shandong) Co., Ltd. (瑞博泰克（山東）生物醫藥科技有限公司), a limited liability company established in the PRC on July 25, 2025, which is a wholly-owned subsidiary of our Company
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"Shenzhen Ribotek"	Ribotek Biopharmaceuticals (Shenzhen) Co., Ltd. (瑞博生物製藥（深圳）有限公司), a limited liability company established in the PRC on May 29, 2025, which is a wholly-owned subsidiary of our Company

"Single Largest Group of Shareholders"	refers to Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe and Kunshan Ruiji and Kunshan Ruixing, details of which are set out in the section headed "Relationship with our Single Largest Group of Shareholders" in this document
"Sophisticated Investor(s)"	has the meaning ascribed to it under the Chapter 2.3 of the Guide for New Listing Applicants
"STA"	State Taxation Administration (中華人民共和國國家税務總局)
	[**REDACTED**]
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Strategy Committee"	strategy committee of the Board
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	supervisor(s) of our Company
"Supervisory Committee"	the supervisory committee of our Company
"Swedish MPA"	Swedish Medicine Products Agency
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the two years ended December 31, 2023 and 2024 and the six months ended June 30, 2025
"U.S. dollars," "US$" or "USD"	United States dollars, the lawful currency of the United States

"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
	[**REDACTED**]
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange
"VAT"	value added tax
	[**REDACTED**]
"%"	per cent

For the purpose of this document, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

GLOSSARY OF TECHNICAL TERMS

Unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

"AUC_{0-t}"	The area under the drug concentration-time curve from time zero to the last measured time point, it is an indicator of drug absorption and exposure over a specific period of time
"AUC_{0-inf}"	The area under the drug concentration-time curve from time zero to time infinity, it is an indicator of drug exposure
"adverse event" or "AE"	Any untoward medical occurrence in a participant administrated a pharmaceutical product, which does not necessarily have a causal relationship with the trial intervention
"antisense oligonucleotide" or "ASO"	a short, single-stranded synthetic nucleic acid sequence designed to bind specifically to messenger RNA (mRNA) through Watson-Crick base pairing
"apolipoprotein C-III" or "APOC3"	A key regulator of lipid metabolism, whose inhibition results in reduced triglyceride levels
"atherosclerotic cardiovascular disease" or "ASCVD"	A group of cardiovascular diseases including coronary heart disease, stroke, and peripheral arterial disease, characterized by the formation of lipid plaques and thickening and hardening of the vessel walls, leading to narrowing and blockage
"asialoglycoprotein receptor" or "ASGPR"	A receptor on the surface of hepatocytes in the liver, recognizes and internalizes N-acetyl galactosamine (GalNAc), primarily used for delivery siRNA to the liver
"autoimmune disease"	A group of diseases in which the immune system mistakenly attacks the body's own cells and tissues, such as rheumatoid arthritis and systemic lupus erythematosus

GLOSSARY OF TECHNICAL TERMS

"biomarker"	A defined characteristic that is measured as an indicator of normal biological processes, pathogenic processes, or responses to an exposure or intervention, including therapeutic interventions
"chronic hepatitis B" or "CHB"	Chronic hepatitis B, a persistent hepatitis B virus infection lasting more than 6 months, characterized by the continued presence of hepatitis B surface antigen in the blood, along with evidence of viral replication (detectable HBV DNA) and hepatic inflammation or fibrosis
"chronic hepatitis D" or "CHD"	Chronic hepatitis D, a liver infection caused by the presence of hepatitis D virus (HDV) infection for greater than 6 months
"chemistry, manufacturing, and controls" or "CMC"	Activities related to chemistry, manufacturing, and quality control of drug development
"central nervous system" or "CNS"	The central nervous system, comprises the brain and spinal cord
"complement factor B" or "CFB"	A key protein of complement immune system, primarily involved in the activation of the alternative pathway
"complement factor D" or "CFD"	Another key protein of complement immune system that contributes to the activation of the alternative pathway by cleaving complement factor B
"complement system"	Key part of the immune system, consisting of a group of proteins that are responsible for eliminating pathogens and damaged cells, regulating inflammatory responses, and facilitating tissue repair
"clinical trial application" or "CTA"	Application submitted to regulatory authorities to apply for conducting clinical trials
"C_{max}"	The maximum observed concentration of a drug
"dyslipidemia"	A metabolic disorder characterized by abnormally high or low amounts of any or all lipids (e.g. triglycerides, cholesterol, phospholipids) or lipoproteins in the blood

"European Medicines Agency" or "EMA"	The European Medicines Agency, responsible for the scientific evaluation, supervision, and safety monitoring of medicines within the EU and the European Economic Area
"fibrosis"	The pathological process characterized by the excessive formation and accumulation of fibrous connective tissue in an organ or tissue, typically resulting from chronic inflammation, injury, or abnormal repair mechanisms, leads to the replacement of normal tissue by deposited fibrous tissue
"factor XI" or "FXI"	Coagulation factor XI, a key component of the intrinsic pathway of coagulation
"Food and Drug Administration" or "FDA"	The US Food and Drug Administration, responsible for protecting the public health by ensuring the safety, efficacy, and security of human and veterinary drugs, biological products, and medical devices; and by ensuring the safety of American food supply, cosmetics, and products that emit radiation
"GalNAc"	N-acetyl galactosamine, a molecule used for targeting RNA drugs to liver cells
"glioma"	A primary tumor that originates in the brain or spinal cord
"good clinical practice"or "GCP"	A set of regulations established to ensure that the drug clinical trial process is standardized, and the data are scientific, true and reliable, also to protect the rights and safety of trial participants
"good laboratory practice" or "GLP"	A set of regulations established to ensure the quality of non-clinical safety studies of drugs, aiming to ensure the quality and integrity of the safety data
"good manufacturing practice" or "GMP"	The aspects of quality assurance that ensures that medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
"hepatitis B surface antigen" or "HBsAg"	A marker of hepatitis B infection, representing a protein found on the surface of the hepatitis B virus

GLOSSARY OF TECHNICAL TERMS

"hepatitis B virus" or "HBV"	The hepatitis B virus, a hepatotropic DNA virus with high infectivity, the causative agent of hepatitis B
"hepatitis D virus" or "HDV"	The hepatitis D virus, the causative agent of hepatitis D, is a defective RNA virus that requires hepatitis B virus (HBV) for infection, replication, and transmission
"hepatitis B e antigen" or "HBeAg"	A soluble viral protein produced during the replication of HBV. It is a marker of viral replication and infectivity
"hereditary angioedema" or "HAE"	A genetic disorder characterized by recurrent episodes of subcutaneous and submucosal swelling. Severe swelling in the airway can be life-threatening
"high-density lipoprotein cholesterol" or "HDL-C"	A type of cholesterol beneficial to the human body, capable of reducing the risk of atherosclerosis and cardiovascular diseases
"hypercholesterolemia"	A condition of abnormally elevated cholesterol levels in the blood
"hypertriglyceridemia" or "HTG"	A condition of abnormally elevated triglyceride levels in the blood
"IgA Nephropathy" or "IgAN"	An autoimmune disease characterized by deposition of the IgA antibody in the glomerulus, being the leading causes of glomerulonephritis and renal failure
"investigational new drug application" or "IND"	A request for authorization to administer an investigational drug or biological product to humans
"low-density lipoprotein cholesterol" or "LDL-C"	The primary form of cholesterol in plasma, often called "bad cholesterol," is associated with an increased risk of cardiovascular disease
"lipid metabolism"	the biochemical processes that involve the synthesis, degradation, and utilization of lipids in the body, including fatty acids, triglycerides, and cholesterol
"metabolic dysfunction-associated steatohepatitis" or "MASH"	Presence of 5% hepatic steatosis with inflammation and hepatocyte injury (also known as hepatocyte ballooning), with or without evidence of liver fibrosis

GLOSSARY OF TECHNICAL TERMS

"messenger RNA" or "mRNA"	Messenger RNA, is a type of single-stranded RNA molecule that carries genetic information transcribed from DNA and serves as a template for protein synthesis
"monotherapy"	A treatment regimen involving only one therapy, without combination with other drugs
"mean residence time" or "MRT"	The average time a drug resides in the body
"mixed dyslipidemia"	A condition characterized by abnormal levels of multiple blood lipids simultaneously — typically elevated LDL cholesterol and triglycerides. Mixed dyslipidemia is a subtype of HTG
"multiple ascending dose" or "MAD"	A clinical trial design in which drug doses are gradually increased to determine the tolerability and optimal dose of the study drug after multiple dosing
"multiregional clinical trial" or "MRCT"	A clinical trial conducted simultaneously in multiple countries or regions
"nucleoside analogs" or "NAs"	Nucleoside analogs, used in antiviral therapies such as for hepatitis B and HIV
"National Medical Products Administration" or "NMPA"	China's regulatory authority responsible for overseeing drugs, medical devices and cosmetics
"NAION"	Non-arteritic anterior ischemic optic neuropathy, an eye condition characterized by loss of vision caused by damage to the optic nerve as a result of ischemia, or insufficient blood flow to the optic nerve head
"ODD"	Orphan drug designation, a special status granted by regulatory authorities to investigational therapies intended for use against rare diseases
"off-target effects"	Side effects caused by a drug acting on molecules other than its intended targets
"oligonucleotide drug"	A drug that targets the regulation of gene expression using short nucleic acid sequences
"pharmacodynamics" or "PD"	The study of the effects of drugs on the body and their mechanisms of action

GLOSSARY OF TECHNICAL TERMS

"pharmacokinetics" or "PK"	The study of drug absorption, distribution, metabolism, and excretion, etc in the body
"Proprotein Convertase Subtilisin/Kexin Type 9" or "PCSK9"	A protein synthesized by the liver, it binds to the LDL receptor (LDL-R) on the surface of hepatocytes, leading to the degradation of the LDL-R and subsequently to higher plasma LDL-C levels, a therapeutic target for cholesterol-lowering drugs
"RNA-induced silencing complex" or "RISC"	A protein complex involved in RNA interference, which binds to small RNAs and recognizes and degrades target mRNA, thereby suppressing gene expression
"RNA interference" or "RNAi"	A biological process that regulates gene expression through small RNA molecules. It can specifically degrade homologous mRNA, thereby inhibiting gene expression
"serious adverse event" or "SAE"	Adverse events occurring during clinical drug use that pose a significant threat to the patient's health or life, including those leading to death, life-threatening conditions, the need for hospitalization or prolonged hospitalization, permanent or severe disability/loss of function, or congenital abnormalities/birth defects
"single ascending dose" or "SAD"	A study design in which single doses of a drug are gradually increased to evaluate safety and tolerability
"small interfering RNA" or "siRNA"	a class of double-stranded RNA molecules, typically 20-25 base pairs in length, that mediates RNA interference (RNAi) by guiding the sequence-specific degradation of complementary messenger RNA (mRNA). This process silences gene expression post-transcriptionally
"$t_{1/2}$"	Terminal half life
"T_{max}"	The time taken to reach the maximum observed concentration of a drug
"treatment-emergent adverse events" or "TEAEs"	Adverse events that occur during treatment, regardless of whether they are drug-related or the severity

"therapeutic window"	The range of drug dosages that can treat disease effectively without having toxic effects, or the time interval during which a particular therapy can be given safely and effectively
"thrombosis"	The formation of a blood clot within arterial or venous blood vessels. This clot can block or obstruct blood flow, as well as cause serious complications
"triglycerides" or "TG"	The most common type of fat in the human body. Triglycerides in the blood are associated with an increased risk of cardiovascular disease and pancreatitis
"venous thromboembolism" or "VTE"	An impairment of venous return due to the obstruction of blood vessels caused by venous thrombosis, which includes deep vein thrombosis and pulmonary embolism

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "might," "ought to," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change.

These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our financial conditions and operating results and performance;
- future developments, trends and conditions in the industry and markets in which we operate;
- our strategies, plans, objectives and goals and our ability to successfully implement these strategies, plans, objectives and goals;
- general economic, political and business conditions in the markets in which we operate;
- changes to regulatory and operating conditions in the industry and markets in which we operate;
- our ability to continue to maintain our leadership position in the industry;
- our ability to attract customers and build our brand image;
- our ability to control or reduce costs;
- our ability to identify and integrate suitable acquisition targets;

- our dividend practices;
- our capital expenditure plans;
- the amount and nature of, and potential for, future development of our business;
- capital market developments;
- our future debt levels and capital needs;
- the competitive environment of the industry and markets in which we operate;
- our ability to attract and retain senior management and key employees;
- the actions and developments of our competitors;
- certain statements in "Business" and "Financial Information" in this document with respect to trends in prices, operations, margins, overall market trends, and risk management;
- change of volatility in interest rates, equity prices, volumes, operations, margins, risk management and overall market trends; and
- other statements in this document that are not historical facts.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect or at all. Accordingly, the forward-looking statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. Moreover, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized. All forward-looking statements in this document are qualified by reference to the cautionary statements in this section.

In this document, statements of or references to our intentions or those of the Directors are made as of the date of this document. Any such information may change in light of future developments.

An* [REDACTED] *in our H Shares involves various risks. You should carefully consider all the information in this document and in particular the risks and uncertainties described below before making an* [REDACTED] *in our H Shares.

The occurrence of any of the following events could materially and adversely affect our business, financial condition, results of operations or prospects. If any of these events occurs, the* [REDACTED] *of our H Shares could decline and you may lose all or part of your* [REDACTED]. *You should seek professional advice from your relevant advisers regarding your prospective* [REDACTED] *in the context of your particular circumstances.

RISKS RELATING TO THE DEVELOPMENT OF OUR DRUG CANDIDATES

We face intense competition and rapid technological change, and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates, and may also potentially limit our market size.

The biopharmaceutical industry in which we operate is highly competitive and rapidly changing. While we focus on developing novel drug candidates with the potential to become highly differentiated therapies, we face competition with respect to our current drug candidates and any drug candidates that we may seek to develop or commercialize in the future. For instance, our Core Product RBD4059, upon potential marketing approval, will face competition from siRNA drugs and other therapies directed against the same targets and approved for the same indications. Even if we obtain market approval for our drug candidates, we may not achieve the anticipated market size and revenue. See also "— Risks Relating to the Manufacturing and Commercialization of Our Drug Candidates — The size of the potential market for our current or future drug candidates is difficult to estimate and, if any of our assumptions are inaccurate, the actual markets for our current or future drug candidates may be smaller than our estimates."

Large multinational pharmaceutical companies, well-established biopharmaceutical companies, biotechnology companies, academic and other research institutions worldwide are pursuing the development of, and some have successfully commercialized, drugs for the treatment of the same indications targeted by our drug candidates. For example, in recent years, an increasing number of biotechnology companies have joined the competition in the research and development of oligonucleotide therapeutics. Some of these competitive drugs and therapies are based on scientific approaches that are similar to our approach, and others are based on different approaches. For details, see "Industry Overview."

Our competitors may succeed in developing competing drugs and obtaining regulatory approvals before us or achieve better acceptance in the markets in which we operate or have established a competitive position, which could potentially limit our addressable market. Even if successfully developed and subsequently approved by the EMA, NMPA, FDA or other comparable regulatory authorities, our drug candidates may still face competition in various aspects, including safety and efficacy, the timing and scope of the regulatory approvals, the availability and cost of supply, sales and marketing capabilities, price and patent status. To compete with an approved product, we will need to demonstrate compelling advantages in efficacy, safety, tolerability, convenience or other aspects in order to overcome price competition and to be commercially successful.

Competition may further intensify as a result of advances in technologies and availability of capital for investment in the industry. Disruptive technologies and medical breakthroughs may further intensify the competition and render our drug candidates obsolete or noncompetitive. Many of our competitors have substantially greater financial, technology and other resources compared to us, such as better access to capital, more advanced commercial infrastructure, larger research and development team, and more established manufacturing facilities. Smaller or early-stage biotechnology companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Additional mergers and acquisitions in the biopharmaceutical industry may result in a greater amount of resources being concentrated in our competitors.

Our business and prospects depend substantially on the success of our drug candidates, most of which (including our Core Product) have not yet advanced to late-stage clinical trials and whose efficacy and potential side effects have not been fully evaluated. If we are unable to successfully complete clinical development, obtain regulatory approvals or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing any of the foregoing, our business and prospects could be materially and adversely affected.

Our revenue and profitability are substantially dependent on our ability to complete the development of our drug candidates, obtain the requisite regulatory approvals, and successfully manufacture and commercialize our drug candidates. We have invested a significant portion of our efforts and capital resources in the development of our existing drug candidates, and we expect to incur substantial and increasing expenditures for the development and commercialization of our drug candidates in the future. In particular, our business prospects depend heavily on the success of our Core Product RBD4059 and other clinical-stage pipeline candidates, and there is no assurance that any of them will ultimately demonstrate the requisite safety and efficacy profile to obtain regulatory approval, or become commercially viable upon approval.

The safety and efficacy of our Core Product RBD4059 have not been confirmed and remain subject to uncertainties. As of the Latest Practicable Date, all patients in RBD4059's phase 2a trial for the treatment of coronary artery disease in Sweden had completed treatment and were in the safety follow-up period. We have not yet obtained the final results from this

trial, and no randomized, later-stage clinical trials for RBD4059 have been initiated to date. As a result, it is uncertain whether RBD4059 will ultimately demonstrate a favorable risk-benefit profile in its target indications. Even if RBD4059 receives marketing approval, the emergence of unexpected or adverse long-term safety signals, including, among others, potential chronic immune activation or other immune-mediated effects, could negatively impact its clinical use, market acceptance or result in withdrawal from the market, any of which could materially and adversely affect our business and prospects.

In addition, RBD4059 is designed to exert long-lasting antithrombotic effects, which may be difficult to reverse in a timely manner in the event of bleeding, emergency surgery or other clinical situations requiring rapid restoration of normal haemostasis. The potential difficulty in reversing its long-lasting antithrombotic effects, and the associated risks of serious or even life-threatening bleeding events or other complications, may limit physicians' willingness to prescribe, and patients' willingness to use, RBD4059, if approved. Regulatory authorities may also require additional warning language, risk-mitigating measures or post-marketing studies, or may otherwise restrict the approved indications or patient populations, which could adversely affect the commercial potential of RBD4059.

The success of our drug candidates will depend on a number of factors, including:

- favorable safety and efficacy data from our preclinical studies and clinical trials;
- sufficient resources to discover or acquire additional drug candidates and successful identification of potential drug candidates based on our research or business development methodology or search criteria and process;
- successful enrollment of patients in, and completion of, clinical trials;
- sufficient supplies of drug products that are either used in combination or in comparison with our drug candidates;
- modifications to the protocols, which may delay the clinical program, regulatory approvals or commercialization, and require us to supplement, modify, or withdraw and refile our applications for regulatory approvals;
- the performance by CROs, CDMOs, or other third parties we engage to conduct clinical trials and preclinical studies and their compliance with the protocols and applicable laws without damaging or compromising the integrity of the resulting data;
- the capabilities and competence of our collaborators;
- the success of clinical trials conducted by, or jointly with, our collaborators;

- receipt of regulatory approvals for planned clinical trials or drug registrations, manufacturing and commercialization;
- commercial manufacturing capabilities, including through the CDMOs we engage;
- successful launch of commercial sales of our drug candidates, if and when approved;
- the obtaining and maintenance of favorable reimbursement from third-party payers for drugs, if and when approved;
- competition with other drug products;
- the obtaining, maintenance and enforcement of patents, trademarks, trade secrets and other intellectual property protections and regulatory exclusivity for our drug candidates;
- successful defense against any claims brought by third parties that we have infringed, misappropriated or otherwise violated any intellectual property of any such third party; and
- the continued acceptable safety profile of our drug candidates following regulatory approval.

Our oligonucleotide drug development strategy and pipeline represent a novel approach to therapeutic needs compared with conventional modalities. For example, we have built a differentiated portfolio of novel siRNA drugs — an emerging modality distinct from traditional small molecules and biologics, offering a unique mechanism of action that specifically targets inaccessible proteins inside cells and disease pathways that were previously considered undruggable. Our siRNA drug candidates, given their novelty and differentiated features, may carry inherent development risks that could result in delays and cost overruns in clinical development, regulatory approvals or commercialization. Furthermore, a substantial amount of education and training may need to be provided to patients and medical personnel in connection with our drug candidates, which potentially increases our sales and marketing expenses. This may have a material and adverse effect on future profits generated from our drug candidates, which in turn may materially and adversely affect our competitive position, business, financial condition and results of operations.

As of the Latest Practicable Date, all of our drug candidates were in various phases of preclinical and clinical development. If we fail to achieve drug development milestones as disclosed in this document, our business prospects could be adversely affected. Our costs will increase if we experience delays in the development of drug candidates or in obtaining regulatory approvals, which could result in us having to delay or suspend the trial until sufficient funding is procured, or we would have to abandon developing of the drug candidate completely. Significant preclinical study or clinical trial delays could also allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our drug candidates. Any of the above negative developments could have a material and adverse effect on our business, financial condition and results of operations.

Clinical development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results.

Clinical development is capital-intensive and may demand years of effort to complete, while its outcomes are inherently uncertain and may not be favorable. As of the Latest Practicable Date, seven of our in-house discovered drug candidates, including our Core Product RBD4059, have obtained IND, CTA or similar application approvals and are currently in clinical development. For details of our pipeline and clinical development of our drug candidates, see "Business — Our Pipeline." We may encounter unexpected difficulties while executing our clinical development plans for our drug candidates, which could necessitate adjustments to our resource allocation strategy and clinical development plans. Failure may occur at any time or stage during the clinical development process, which would result in a material and adverse effect on our business, financial condition and results of operations. For instance:

- regulators, ethics committees, or other designated review bodies may not authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;

- we might have to suspend or terminate clinical trials of our drug candidates for various reasons, including negative results or a finding that participants are being exposed to unacceptable health and safety risks;

- we may not be able to reach agreements on acceptable terms with prospective CROs and hospitals as trial centers, the terms of which can be subject to extensive negotiation;

- we may encounter various manufacturing issues, including inability to reach agreements on acceptable terms with CDMOs, problems with quality control, or ensuring sufficient quantities of our drug candidates for use in a clinical trial;

- subject enrolment may be insufficient or slower than we anticipate, or subjects may drop out at a higher rate than anticipated;

- patent disputes or the failure to secure patents or other intellectual property protection for our drug candidates may affect the drug development process; and

- our drug candidates may cause adverse events and undesirable side effects, among other unexpected characteristics, which could result in a suspension or termination of an ongoing trial.

Furthermore, the results of preclinical studies and early clinical trials may not be predictive of the success of later-phase clinical trials, and favorable initial or interim results of a clinical trial do not necessarily indicate the success of final results. Drug candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials, and despite the level of scientific rigor in the design of such studies and trials and the adequacy of their execution. In some instances, there can be significant variability in safety and/or efficacy results among different trials of the same drug candidate due to numerous factors, including differences in the size and demographics of the enrolled patients, conditions of the individual subjects and their adherence to the treatment regimen and other compounding factors, such as other medications or pre-existing medical conditions. Differences in the number of clinical trial sites and regions involved may also lead to variability between clinical trials.

Many companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to a lack of efficacy or adverse safety profiles, notwithstanding promising results at an earlier stage. We cannot guarantee that the results from our future research and development efforts will be favorable based on currently available clinical and preclinical data, which could result in delays in the completion of clinical trials, regulatory approvals and commencement of commercialization of our drug candidates. See also "— Risks Relating to Government Regulations — The regulatory approval processes of the EMA, NMPA, FDA and other comparable regulatory authorities are time-consuming and uncertain. If we are unable to obtain without undue delay any regulatory approvals for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm."

We may not be able to identify, discover, develop or in-license new drug candidates, or to identify additional therapeutic opportunities for our drug candidates.

Besides the continued clinical testing, potential approvals and commercialization of our existing drug candidates, the success of our business depends in part upon our ability to identify, discover, develop or in-license additional drug candidates. For example, our proprietary RiboGalSTAR™ technology platform has advanced seven programs into clinical development across cardiovascular, metabolic, renal and liver diseases, marking it as one of the most productive GalNAc platforms globally. However, we cannot guarantee that we will successfully identify potential drug candidates as expected. Some drug candidates may be technically challenging to develop and manufacture. Drug candidates that we identify may later show side effects or other characteristics that make them unmarketable or unlikely to receive regulatory approvals. We have also pursued, and may continue to pursue, collaboration with third parties in the discovery and development of potential drug candidates. For details, see "Business — Licensing and Collaboration Arrangements." However, there can be no assurance that such licensing and collaboration arrangements will deliver the intended results.

Research programs to identify new drug candidates and to develop our drug candidates for additional indications require substantial technical, financial and human resources. We may invest efforts and resources in potential drug candidates or indication expansions that ultimately prove to be unsuccessful. Any of the foregoing events will have a material adverse effect on our business, results of operations and prospects.

We may not achieve successful outcomes from our substantial investments in research and development and may fail to capitalize on more promising opportunities due to resource allocation decisions.

The global biopharmaceutical market is constantly evolving, requiring us to continuously invest significant human and financial resources to develop, adapt, and maintain our core technology platforms and product pipeline. For example, we incurred research and development expenses of RMB315.8 million, RMB280.4 million, RMB134.8 million and RMB129.1 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, respectively. Despite these substantial investments, we may not be able to successfully develop or commercialize new technologies or drug candidates in a timely or cost-effective manner, or obtain adequate intellectual property protection. Any failure to do so could render our prior efforts obsolete and negatively affect our competitiveness.

In addition, as we have limited financial and managerial resources, we focus our product pipeline on research programs and drug candidates that we identify for selected indications. As a result, we may forgo or delay pursuit of opportunities with other drug candidates or for other indications that may later prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities, and we may be required to recognize impairment losses on related intangible assets or face other negative consequences which could adversely affect our financial condition and results of operations. If our current pipeline priorities do not yield the anticipated outcomes, we may need to adjust our resource allocation strategy and clinical development plans. Furthermore, if we do not accurately evaluate the commercial potential or target market for a particular drug candidate, we may relinquish valuable rights to that drug candidate through collaboration or license arrangements in cases where it would have been more advantageous for us to retain sole development and commercialization rights to such drug candidate, or we may allocate internal resources to a drug candidate in a therapeutic area in which it would have been more advantageous to enter into a collaboration or license arrangement, which could materially adversely affect our future growth and prospects.

If we encounter difficulties enrolling subjects in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

We may not be able to initiate or continue clinical trials for our drug candidates if we are unable to locate and enroll a sufficient number of eligible subjects to participate in these trials, or if there are delays in the enrollment of eligible subjects as a result of the competitive clinical enrollment environment. The inability to enroll a sufficient number of subjects who meet the applicable criteria set out in the protocol could result in significant delays in our clinical trials. In addition, some of our competitors may have ongoing clinical trials for drug candidates that treat the same indications as our drug candidates, and subjects who would otherwise be eligible for our clinical trials may instead enroll in the clinical trials of our competitors' drug candidates, which may further delay our clinical trial enrollments.

Subject enrollment for our clinical trials may be affected by a variety of factors, including but not limited to the following:

- total size and nature of the relevant patient population;
- design and eligibility criteria for the clinical trial in question;
- perceived risks and benefits of the drug candidate under study;
- severity of the disease under investigation;
- our resources to facilitate timely subject enrollment in clinical trials;
- patient referral practices of physicians;
- availability of competing therapies also undergoing clinical trials;
- our ability to obtain and maintain subject consents;
- our investigators' or clinical trial sites' efforts to screen and recruit eligible patients;
- proximity and availability of clinical trial sites for prospective patients; and
- occurrence of natural disasters, health epidemics, acts of war or other public events.

Even if we are able to enroll a sufficient number of subjects in our clinical trials, delays in subject enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could delay or prevent the completion of these trials and adversely affect our ability to advance the development of our drug candidates.

Adverse events or undesirable side effects caused by our drug candidates could interrupt or halt clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following any regulatory approval.

Adverse events ("**AEs**") and undesirable side effects caused by our drug candidates could cause us or regulatory authorities to interrupt or halt clinical trials and may result in a narrowed scope of indications or a more restrictive label of our drug candidates, a delay or denial of regulatory approval by the EMA, NMPA, FDA or other comparable regulatory authorities, or a significant change in our clinical protocol or even our development plan. Results of trials conducted by us or by our collaboration partners with respect to our drug candidates could reveal a high and unacceptable severity or prevalence of certain AEs. In such an event, such trials could be suspended or terminated and the EMA, NMPA, FDA or other comparable regulatory authorities could order us or our collaboration partners, as applicable, to cease further development of, or deny approval of, our drug candidates for any or all targeted indications. AEs related to our drug candidates may also affect subject recruitment or the ability of enrolled subjects to complete the trial, and could result in potential liability claims. Any of these occurrences may significantly harm our reputation, business, financial condition and prospects.

Additionally, if we, our collaboration partners, or others identify undesirable side effects caused by our drug candidates after they receive regulatory approval, it may lead to potentially significant negative consequences which include, but are not limited to, the following:

- regulatory authorities may withdraw their approvals of or revoke the licenses for our approved drug candidates;
- we, or our collaboration partners, may have to suspend marketing of our approved drug candidates;
- regulatory authorities may require additional warnings on the label of an approved drug candidate;
- the EMA, NMPA, FDA or a comparable regulatory authority may require the establishment of a Risk Evaluation and Mitigation Strategy ("**REMS**"), or other similar plans, which may restrict distribution of our future approved drugs and impose burdensome implementation requirements on us, among other risk mitigation tools;
- we, or our collaboration partners, may be required to change the way the drug candidate is administered, or conduct specific post-marketing studies;
- we could be subject to litigation proceedings and held liable for harm caused to subjects or patients; and
- our reputation may suffer.

Further, combination therapy using our drug candidates together with third-party agents may involve AEs, which in some cases could be exacerbated compared with AEs from monotherapies. Any of these events could prevent us or our collaboration partners, as applicable, from achieving or maintaining market acceptance of any particular drug candidate that is approved and could significantly harm our business, financial condition, results of operations and prospects.

The data and information we rely on in our research and development process could be inaccurate or incomplete, which could harm our study results, regulatory approval process, reputation and prospect.

We generate, process and analyze data from various research stages including preclinical studies and clinical trials. Data from these studies and trials often exists in scattered and sensitive formats, presenting challenges for maintaining quality and completeness. Errors in data handling could impact our drug development progress and potentially affect our business and reputation. In addition, we may rely on third parties, such as CROs, to handle, process and manage data for some of the ongoing preclinical and clinical programs for our drug candidates and have limited control over their activities. If there are any inaccuracies, mistakes or incompleteness in the preclinical and clinical data of any of these third parties, our clinical development activities and drug approval processes may be negatively impacted as a result.

RISKS RELATING TO GOVERNMENT REGULATIONS

All material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated. Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects.

All jurisdictions in which we operate or intend to operate our business regulate the research, development, manufacturing and commercialization of biopharmaceutical products in great depth and detail. We intend to implement a global development strategy, with a focus on major markets including Europe, China and the U.S. These jurisdictions strictly regulate the pharmaceutical industry, and in doing so they employ a broad range of strategies, including regulation of the development and approval, manufacturing, marketing, sales and distribution of products. Evolutions and differences in these regulatory regimes could lead to an increased and costly regulatory compliance burden.

We are required to obtain and maintain certain licenses and permits for conducting our business. The process of obtaining regulatory approvals and maintaining compliance with appropriate laws, regulations and guidance requires the expenditure of substantial time and financial resources. If any regulatory authorities consider that we were operating without the requisite approvals, licenses or permits or promulgate new laws and regulations that require additional approvals or licenses or impose additional restrictions on the operation of any part of our business that we fail to comply with in a timely manner, it may have the discretion to levy fines, confiscate our income, revoke our business licenses, require us to discontinue our relevant business or impose restrictions on the affected portion of our business, among other actions. In particular, failure to comply with the applicable regulatory requirements at any time during the product development process and approval process, or after approval, may subject us to administrative or judicial sanctions. These sanctions could include refusal to approve pending applications, withdrawal of an approval, license revocation, a clinical hold, voluntary or mandatory product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitutions, disgorgements, or other civil or criminal penalties. Failure to comply with these laws, regulations and guidance could have a material and adverse effect on our business and prospects.

In many countries or regions where we intend to sell our drugs in the future, including Europe, China and the U.S., the relevant government agencies and industry regulatory bodies impose high standards on the efficacy of pharmaceutical products, as well as strict rules, regulations and industry standards on how we develop such products. For example, we may need to obtain clearance from the EMA, NMPA, FDA or other regulatory authorities as part of an IND, a CTA or similar application to seek authorization to begin clinical trials, and file an NDA, a MAA, a BLA or similar application to seek marketing approval. Any failure to comply with existing laws, regulations and industry standards could result in fines or other punitive actions against us, the termination of ongoing research and the disqualification of data for submission to regulatory authorities, or a ban on the future sales of our drugs, each of which

could have a material adverse impact on our reputation, business, financial condition, results of operations and prospects. In addition, any action against us for violation of the relevant laws, regulations or industry standards, even if we successfully defend against it, could cause us to incur significant legal expenses, divert our management's attention from the operation of our business, and adversely affect our reputation and financial results.

The regulatory approval processes of the EMA, NMPA, FDA and other comparable regulatory authorities are time-consuming and uncertain. If we are unable to obtain without undue delay any regulatory approvals for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm.

The regulatory approval process is inherently uncertain. The time and efforts required to obtain approvals from the EMA, NMPA, FDA and other comparable regulatory authorities in different jurisdictions are unpredictable and depends on numerous factors, including the substantial discretion of the regulatory authorities. Generally, such approvals may take years to obtain following the commencement of preclinical studies and clinical trials, and are subject to rigorous regulatory review and examination. Regulatory authorities may, for example, raise concerns about the materials submitted, request additional efficacy or safety data, question study design or statistical analyses, request modifications to study protocols, or interpret study results differently than anticipated. Historically, certain of our drug candidates experienced longer-than-anticipated timelines and extensive review processes before obtaining IND approval, and we cannot guarantee that we will meet all the regulatory requirements of different jurisdictions in the future or secure the necessary approvals in a timely and successful manner or on first attempt. Additional time, effort and expense may be required to bring our drug candidates, upon regulatory approval, to the international markets in compliance with different regulatory processes.

We may fail to receive the regulatory approvals from the EMA, NMPA, FDA or other comparable regulatory authorities for our drug candidates due to a number of reasons, including:

- disagreement in the design or implementation of our clinical trials;
- failure to demonstrate that a drug candidate is safe and effective for its proposed indication;
- insufficient or suboptimal data collected from the clinical trials, or failure of our preclinical studies or clinical trial results to meet the level of statistical and medical significance required for approvals;
- procedural or data errors identified in the drug development process, including those attributable to our third-party service providers such as CROs;
- failure of our clinical trial process to pass good clinical practice ("**GCP**") inspections;

- unexpected changes in regulations, testing requirements, or approval policies that render our preclinical and clinical data insufficient for approval;

- failure to pass inspections and audits carried out by the EMA, NMPA, FDA or other comparable regulatory authorities, resulting in a potential invalidation of our research data or other negative consequences; and

- findings of deficiencies related to our manufacturing processes or the manufacturing facilities of third-party manufacturers from whom we procure materials, such as failure to pass current good manufacturing practice ("**cGMP**") inspections.

The EMA, NMPA, FDA or other comparable regulatory authorities may require more information to support approval, including additional preclinical or clinical data, which may result in delay in regulatory approval and commercialization plans or denial of regulatory approval. In the case where an approval is issued, regulatory authorities may approve fewer indications, including undesired indications, of our drug candidates than the indications we applied for, or grant approvals contingent on the performance of post-marketing clinical trials. Failure to obtain regulatory approvals in a timely manner, or at all, or failure to obtain regulatory approvals with an intended scope of indications could have a negative impact on the commercial prospects of our drug candidates, and may cause reputational damage. If any of our drug candidates fails to demonstrate safety and efficacy to the satisfaction of regulatory authorities or does not otherwise produce positive results in future clinical trials, we may not be able to realize any revenue on such drug candidate despite the significant amount of resources we would have spent on its development, which could materially adversely affect our business, financial condition, results of operations and prospects.

Changes in laws and regulations relating to the biopharmaceutical industry may result in additional compliance risks and costs.

In Europe, China, the U.S. and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes relating to the biopharmaceutical industry and the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any drug candidates for which we obtain marketing approval. See also "— Risks Relating to the Manufacturing and Commercialization of Our Drug Candidates — Even if we are able to commercialize any approved drug candidates, reimbursement may be limited or unavailable in certain market segments for our drug candidates, and we may be subject to unfavorable pricing regulations, which could harm our business."

For example, the PRC government has established a series of regulations in recent years, aiming to improve the standardization and safety of clinical trials of drugs for chronic hepatitis B ("CHB"). The State Food and Drug Administration (currently known as the NMPA) issued the Technical Guidance on Clinical Trials of Anti-Viral Drugs for Chronic Hepatitis B (《慢性乙型肝炎抗病毒治療藥物臨床試驗技術指導原則》) in February 2018. Later in April 2023, the Center For Drug Evaluation of the NMPA issued on the Technical Guidance on Clinical Trials of Infection Treatment Drugs for Chronic Hepatitis B (《慢性乙型肝炎病毒感染治療藥

物臨床試驗技術指導原則》), which proposed more detailed and complete technical requirements for confirmatory clinical trials of treatment drugs for CHB, including differentiated clinical trial designs for new drugs with long-term treatment and effective viral suppression, and new drugs with limited duration of action. Such new regulations and rules, along with other potential future measures, may lead to stricter requirement and standards for clinical trials, which could increase our research costs and operational expenses.

Although none of our drug candidates had been commercialized as of the Latest Practicable Date, these legislative trends and regulatory measures can potentially affect the sales, profitability and prospects of our drug candidates in the future. Moreover, these laws and regulations are subject to updates, and their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these laws and regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

We face regulation and potential liability related to privacy, data protection and information security which may require significant resources and may adversely affect our business, operations and financial performance.

We and the CROs we engage may routinely receive, collect, generate, store, process, transmit and maintain medical data and treatment records of subjects enrolled in our clinical trials, but do not collect the personal information irrelevant to our trials or our enrolled subjects. As such, we may be subject to the relevant local, state, national and international data protection and privacy laws, directives, regulations and standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal information in the various jurisdictions in which we operate and conduct our clinical trials, as well as contractual obligations.

In recent years, the PRC authorities have promulgated certain laws and regulations in respect of information security, data collection and privacy protection regulations in the PRC, including, among others, the Provisions on Protection of Personal Information of Telecommunication and Internet Users (《電信和互聯網用戶個人信息保護規定》) which became effective from September 1, 2013, the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》), which became effective from June 1, 2017, the Data Security Law of the PRC (《中華人民共和國數據安全法》) which became effective from September 1, 2021, the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) which became effective from November 1, 2021. Under the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》), in case of any personal information processing, such individual's prior consent shall be obtained, unless other legal bases are satisfied. Further, any data processing activities, that are in relation to sensitive personal information including but not limited to biometrics, medical health and personal information of teenagers under fourteen years old, are not allowed, unless such activities have a specific purpose, are highly necessary, and strictly protective measures have been taken and separate consent has been obtained from the individuals involved.

These data protection and privacy law regimes continue to evolve and may result in ever-increasing public scrutiny and escalating levels of enforcement and sanctions and increased costs of compliance including, for example, substantial operational costs associated with changes to our data processing practices. Failure to comply with any of these laws could result in enforcement action against us, including and without limitation to fines, imprisonment of company officials and public censure, claims for damages by customers and other affected individuals, damage to our reputation and loss of goodwill, any of which could have a material and adverse effect on our business, financial condition, and results of operations or prospects.

The personal information of patients or subjects which might be involved in our clinical trials could be highly sensitive and we are subject to strict requirements under the applicable privacy protection regulations in the relevant jurisdictions. While we have adopted security policies and measures to protect our proprietary data and patients' privacy, such policies and measures might not satisfy all the requirements in every respect under the applicable laws and regulations. Data leakage and abuse and other misconduct related to data and personal information protection might not be completely avoided, due to hacking activities, human error, employee misconduct or negligence or system breakdown, among other reasons. We also cooperate with hospitals, CROs and other business partners, licensees, contractors and consultants for our clinical trials and operations. Any leakage or abuse of patient data by our third-party partners may be perceived by the patients as a result of our failure. Any failure or perceived failure by us to prevent information security breaches or to comply with data/privacy policies or data/privacy-related legal obligations, or any compromise of information security that results in the unauthorized release or transfer of personal information or other patient data, could cause our customers to lose trust in us and could expose us to legal claims.

If we or our CROs, CDMOs and other business partners fail to comply with environmental, health and safety laws and regulations, we could be subject to fines or penalties and other negative consequences that could have a material adverse effect on the success of our business.

We and certain third parties we work with, such as our CROs, CDMOs and business partners, are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. We generally contract with third parties for the disposal of solid waste and wastewater, and we cannot guarantee our contractors could continuously maintain their qualifications with regard to such disposal. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage, use or disposal of biological, hazardous or radioactive materials. We may also incur liabilities due to injuries to our employees resulting from the use of or exposure to hazardous materials. Our liability insurance for workplace safety and accident insurance may not provide adequate coverage against such liabilities.

In addition, we may be required to incur substantial costs to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

We may be directly or indirectly subject to applicable anti-kickback, false claims laws, doctor payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations in China and other jurisdictions, which could expose us to administrative sanctions, criminal sanctions, civil penalties, contractual damages, reputational damage and diminished profits and future earnings.

Healthcare providers, doctors and others play a primary role in the recommendation and prescription of any products for which we obtain regulatory approval. If we obtain the approval for any of our drug candidates and begin commercializing our drugs in China in the future, our operations may become subject to various PRC fraud and abuse laws, including the PRC Anti-Unfair Competition Law (《中華人民共和國反不正當競爭法》) and PRC Criminal Law (《中華人民共和國刑法》). These laws may impact, among others, our proposed sales, marketing and education programs.

Law enforcement authorities are increasingly focusing on enforcing these laws. Efforts to ensure that our business arrangements with third parties are in compliance with applicable healthcare laws and regulations will involve substantial costs. Regulatory authorities could conclude that our business practices may not comply with current or future fraud, abuse or other healthcare laws or regulations. If any such actions are instituted against us, and if we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in governmental healthcare programs, contractual damages, reputational damage, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and have a material adverse effect on our business and results of operations.

Furthermore, we are subject to anti-bribery laws in China that generally prohibit companies and their intermediaries from making payments to government officials for the purpose of obtaining or retaining business or securing other improper advantages. In addition, we are subject to the anti-bribery laws in other jurisdictions, including applicable EU regulations and national laws such as the Swedish Penal Code which criminalizes both active and passive bribery in the public and private sectors. Failure to comply with anti-bribery laws could disrupt our business and lead to severe criminal and civil penalties, including imprisonment, criminal and civil fines, loss of our export licenses, suspension of our ability to do business with the government, denial of government reimbursement for our products and/or exclusion from participation in government healthcare programs. See also "— Risks Relating to Our Operations — We may be unable to detect, deter and prevent all instances of bribery, fraud or other misconduct committed by our employees or third parties."

As we expand our operations globally, we may also become subject to similar laws and regulations from other jurisdictions. There are ambiguities as to what is required to comply with any of these laws and regulations, and if we fail to comply with such requirements, we could be subject to penalties and other negative consequences. If any of the physicians or other third parties with whom we do business are found to be not in compliance with the applicable laws and regulations, they may be subject to criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs, which may also adversely affect our business.

We may be restricted from transferring our scientific data abroad.

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (《科學數據管理辦法》) (the "**Scientific Data Measures**"), which provides that enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the PRC government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. If and to the extent any data collected or generated in connection with our R&D of drug candidates will be subject to the Scientific Data Measures and any subsequent laws as required by the relevant government authorities, there is no assurance that we can always obtain relevant approvals for sending scientific data (such as the results of our preclinical studies or clinical trials conducted within China) abroad or to our foreign partners in China.

On July 7, 2022, the Cyberspace Administration of China published the Measures for Security Assessment of Data Export (《數據出境安全評估辦法》) which took effect on September 1, 2022. It specifies the circumstances in which data processors providing data export shall apply for outbound data transfer security assessment with the Cyberspace Administration of China, including, among others, the outbound data transfer containing important data. On March 22, 2024, the Cyberspace Administration of China issued the Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》). It specifies that data handlers that are not critical information infrastructure operators, will be exempted from declaring for security assessment for outbound data transfer, signing a standard contract with the overseas recipient or passing the personal protection certification, if such data handler accumulatively transfers overseas personal information (excluding sensitive personal information) of less than 100,000 individuals since the January 1 of the current year.

Cross-border data transfer from other jurisdictions may also be limited if we fail to comply with relevant requirements, such as obtaining authorization from subjects regarding the use, transfer, and retrieval of their personal information or data and adopting measures to ensure the safety of personal information or data in the transfer. Also, cross-border transfer of personal data by its nature is subject to general data privacy regulations in various jurisdictions, and thus any failure to comply with data privacy protection may lead to a restriction of transferring our data across different jurisdictions.

In addition, the Regulations of PRC on the Administration of Human Genetic Resources (《中華人民共和國人類遺傳資源管理條例》) (the "**HGR Regulation**"), which was promulgated on May 28, 2019, and further amended on March 10, 2024 and became effective from May 1, 2024, stipulates that foreign organizations, foreign individuals and the institutions established or actually controlled thereby shall not collect or preserve China's human genetic resources within the PRC, and shall not provide China's human genetic resources abroad. Where a foreign organization or an institution established or actually controlled by a foreign organization or foreign individual needs to use China's human genetic resources to conduct scientific research activities, it shall comply with the applicable laws, administrative regulations and relevant provisions in the PRC, and cooperate with China's scientific research institutions, universities, medical institutions and other enterprises provided therein. In this regard, utilization of China's human genetic resources for international cooperation in scientific research, as well as transporting China's human genetic resources materials abroad shall be subject to the approval of the administrative department for health under the State Council. However, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials for obtaining the licensing for the listing of relevant drugs and medical devices in the PRC market, provided that the type, quantity and usage of the human genetic resources to be used shall be filed with the administrative department for health under the State Council before conducting the clinical trials. If we are unable to obtain necessary approvals, complete the filings or comply with the regulatory requirements in a timely manner, or at all, our R&D of drug candidates may be hindered. Further, the Biosecurity Law (《生物安全法》), which was promulgated on October 17, 2020, became effective on April 15, 2021, and amended on April 26, 2024, reaffirms the regulatory requirements stipulated by the HGR Regulation while potentially increases the administrative sanctions where China's human genetic resources are collected, preserved, exported or used in international cooperation in violation of applicable laws. If the relevant government authorities consider the transmission of our scientific data or usage of human genetic resources to be in violation of the requirements under applicable PRC laws and regulations, we may be subject to fines and other administrative penalties imposed by those government authorities.

Our future approved drug candidates will be subject to ongoing or additional regulatory obligations and continued regulatory review, which may result in significant additional expenses. We may face penalties and other negative consequences if we fail to comply with these regulatory requirements or experience unanticipated problems with our drug candidates.

If the EMA, NMPA, FDA or other comparable regulatory authorities approve any of our drug candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and record-keeping for the drug will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, random quality control testing, adherence to any chemistry, manufacturing, and controls ("**CMC**"), variations, continued compliance with current cGMPs, and GCPs and potential post-approval studies for the purposes of license renewal.

Any regulatory approvals that we receive for our drug candidates may also be subject to limitations on the approved indicated uses for which the drug may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing studies, including, if applicable, phase 4 trials for the surveillance and monitoring of the safety and efficacy of the drug.

In addition, once a drug is approved by the EMA, NMPA, FDA or other comparable regulatory authorities for marketing, it is possible that there could be a subsequent discovery of previously unknown problems with the drug, including problems with third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements. If any of the foregoing occurs with respect to our drug products, it may result in, among other things:

- restrictions on the marketing or manufacturing of our drugs, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- fines, warning letters, or holds on clinical trials;
- refusal by the EMA, NMPA, FDA or other comparable regulatory authorities to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals;
- refusal by the EMA, NMPA, FDA or comparable regulatory authorities to accept any of our other INDs, CTAs or similar applications for clinical trials, and NDAs, MAAs, BLAs or similar applications for marketing approvals;
- drug seizure or detention, or refusal to permit the import or export of drugs; and
- injunctions or the imposition of civil, administrative or criminal penalties.

Any government investigation of alleged violations of law could require us to expend significant time and resources and could generate negative publicity. Moreover, regulatory policies may change or additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are not able to maintain regulatory compliance, we may lose the regulatory approvals that we have already obtained, which in turn could significantly harm our business, financial condition and prospects.

Changes in political and economic policies, as well as the interpretation and enforcement of laws, rules and regulations, may affect our business, financial condition, results of operations and prospects.

A substantial portion of our operations are based in the PRC, our business, financial condition, results of operations and prospects may be affected by economic, political, social and legal developments in China. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources; however, we cannot

guarantee the extent to which our business operations will be able to benefit from such measures, if at all. In addition, laws, rules and regulations may also be amended from time to time, and the application, interpretation and enforcement of such evolving laws, rules and regulations may affect our business operations. Any of the foregoing may have a material and adverse effect on our business, financial condition, results of operations and prospects.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

We are a clinical-stage biopharmaceutical company with a limited operating history, which may make it difficult to evaluate our current business and predict our future performance.

We are a clinical-stage biopharmaceutical company with a limited operating history. Our operations to date have focused on establishing our intellectual property portfolio, conducting drug discovery, preclinical studies and clinical trials of our drug candidates, organizing and staffing our operations, business planning and raising capital. We have not yet demonstrated an ability to successfully obtain marketing approvals for, or commercialize, our drug candidates. To date, none of our drug candidates have been approved for commercial sale and we have not generated any revenue from sales of drug products.

Our limited operating history, particularly in light of the rapidly evolving drug research and development industry in which we operate and the changing regulatory and market environments we encounter, may make it difficult to evaluate our prospects for future performance. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history. We will encounter risks and difficulties frequently experienced by early-stage companies in rapidly evolving fields as we seek to transition to a company capable of supporting commercial activities. If we do not address these risks and difficulties successfully, our business will suffer.

We have incurred significant net losses since inception. We anticipate that we will continue to incur net losses and may fail to achieve or maintain profitability in the future.

Investment in the development of biopharmaceutical products is highly uncertain as it entails substantial upfront expenditures and significant risks that a drug candidate may fail to demonstrate efficacy and safety to gain regulatory or marketing approvals or become commercially viable. We had not generated any revenue from the sales of commercialized products as of the Latest Practicable Date, and we continue to incur significant research and development expenses and other expenses related to our ongoing operations. As a result, we have incurred significant net losses since our inception. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our net losses were RMB437.3 million, RMB281.5 million, RMB141.6 million and RMB97.8 million, respectively.

Substantially all of our net losses during the Track Record Period resulted from our research and development expenses, including those in relation to our preclinical studies and clinical trials. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our research and development expenses were RMB315.8 million, RMB280.4 million, RMB134.8 million and RMB129.1 million, respectively. See "Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income" for details. Our ability to generate revenue and achieve profitability depends significantly on our success in advancing drug candidates into later stages of clinical development, and obtaining regulatory approvals for each drug candidate, which we may not be able to do in a timely manner or at all.

We expect to continue to incur net losses in the foreseeable future and that these net losses may increase as we carry out certain activities, including but not limited to the following:

- continue to advance the clinical trials and preclinical studies for our product pipeline;
- seek to discover, develop or in-license additional drug candidates and further expand our product pipeline;
- seek regulatory approvals for our drug candidates to commence commercialization;
- manufacture our drug candidates for clinical trials and for commercial sale;
- develop or manufacture drug candidates under any existing or future collaboration and license arrangements, and the timing and amount of milestone and other payments that we receive from or pay to third parties. See also "— Risks Relating to Dependence on Third Parties — We have entered into collaboration and license agreements with third parties in the development, manufacturing and commercialization of drug candidates, and may seek and enter into additional partnerships in the future. We may fail to identify suitable business partners or may not realize the benefits of such partnerships as expected";
- commercialize drug candidates in our pipeline for which we may obtain regulatory approval;
- develop, maintain, expand and protect our intellectual property portfolio;
- attract and retain skilled personnel;
- expand our operations globally; and
- incur additional legal, accounting, investor relations, insurance and other expenses associated with operating as a public company following the completion of this offering.

The size of our future net losses will depend, among other factors, on the rate of the future growth of our expenses, our ability to generate revenues and the timing and amount of milestone payments and other payments that we receive from or pay to third parties. If any of our drug candidates fails during clinical trials or does not gain regulatory approval, or, even if approved, fails to achieve market acceptance, our business may not become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods thereafter. Our prior losses and expected future losses have had, and will continue to have, an adverse effect on our business, financial condition and results of operation.

We incurred net liabilities, net current liabilities and net operating cash outflows during the Track Record Period, which may continue into the foreseeable future and expose us to liquidity risk.

As of December 31, 2024, we had net liabilities of RMB111.1 million. In addition, we recorded net current liabilities of RMB18.4 million, RMB145.0 million and RMB4.6 million as of December 31, 2023 and 2024 and June 30, 2025, respectively. Our net liabilities and net current liabilities position was primarily because we invested significant capital into the research and development of our drug pipeline, and building up our technology platforms and other capabilities to complement and support our business, which could expose us to liquidity and financial risks. This in turn could require us to seek financing from external sources such as debt issuance and bank borrowings, which may not be available on terms favorably or commercially reasonable to us, or at all. See also "— Risks Relating to Our Financial Position and Need for Additional Capital — We may need to obtain substantial additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates."

We recorded net cash used in operating activities of RMB287.5 million, RMB60.7 million and RMB96.5 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, respectively, primarily for our research and development activities. We may continue to experience net cash outflows from our operating activities from time to time. See also "Financial Information — Liquidity and Capital Resources — Working Capital Sufficiency." Our forecast of the period of time through which our capital resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we currently expect.

If we are unable to maintain adequate working capital or obtain sufficient financings to meet our capital needs, we may be unable to continue our operations according to our plan, default on our payment obligations and fail to meet our capital expenditure requirements, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may need to obtain substantial additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates.

During the Track Record Period, we financed our operations, including our R&D activities in relation to our preclinical studies and clinical trials, primarily through equity and debt financing, as well as revenue from our licensing and collaboration arrangements. We cannot assure you that we will be able to obtain such income in the future. We expect our expenses to increase in connection with our ongoing development activities, particularly as we advance the clinical development of our clinical-stage drug candidates, continue the research and development of our preclinical-stage drug candidates and initiate additional clinical trials of, and seek regulatory approval for, these and other future drug candidates. In addition, if we obtain regulatory approvals for any of our drug candidates in the future, we expect to incur significant commercialization expenses relating to product manufacturing, marketing, sales and distribution and post-approval commitments to continue monitoring the efficacy and safety data of our future products on the market. We may also incur expenses as we create additional infrastructure to support our operations as a public company. Accordingly, we may need to secure substantial additional funding in connection with our continuing operations through public or private equity offerings, debt financing, collaborations or license arrangements or other sources.

We expect to fund our future operations primarily with our cash on hand, cash flow from our licensing and collaboration arrangements, bank borrowings, and [**REDACTED**] from the [**REDACTED**]. Upon the successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with income generated from sales of our commercialized drug products. Changes in our ability to fund our operations may affect our cash flow and results of operations. If we are unable to raise capital when needed or on acceptable terms, we could be forced to delay, limit, reduce or terminate our research and development programs or any future commercialization efforts.

Fluctuations in exchange rates could result in foreign currency exchange losses.

The Renminbi has fluctuated against the U.S. dollar and other currencies at times significantly and unpredictably. Our cash and bank balances were denominated in Renminbi, U.S. dollar, Euro, Australian Dollar and SEK during the Track Record Period. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024, we recorded net foreign exchange gains of RMB0.2 million, RMB2.4 million and RMB0.6 million, respectively. For the six months ended June 30, 2025, we recorded net foreign exchange losses of RMB1.3 million. There is no assurance that we will incur foreign exchange gains in the future or our foreign exchange loss will not be incurred in the future. The value of Renminbi against the U.S. dollar and other currencies is affected by changes in political and economic conditions and by foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against the Hong Kong dollar or U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the Hong Kong dollar or U.S. dollar in the future.

The [**REDACTED**] from the [**REDACTED**] will be received in Hong Kong dollars. As a result, any appreciation of the Renminbi against the U.S. dollar, the Hong Kong dollar or any other foreign currencies may result in the decrease in the value of our [**REDACTED**] from the [**REDACTED**]. Conversely, any depreciation of the Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. Furthermore, we are also currently required to complete filings with and obtain approvals from the State Administration of Foreign Exchange of the PRC (the "**SAFE**") before converting significant sums of foreign currencies into Renminbi. All of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

We have historically received financial incentives, such as government grants, and we may not continue to receive such incentives in the future.

We have historically received various financial incentives, which primarily represented government grants from local authorities to support our research and development activities. We recorded government grants as other income of RMB25.5 million, RMB16.8 million, RMB1.7 million and RMB6.9 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, respectively. These government grants are provided to us at the discretion of the relevant government authorities, who could determine at any time to eliminate or reduce these financial incentives, and may therefore vary from period to period going forward. For more details, see "Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Other Income and Gains."

Since our receipt of the government grants is subject to the government's discretion and approval process, our net income in a particular period may be higher or lower relative to other periods partly due to the potential changes in the government grants we actually receive, in addition to any business or operational factors that we may otherwise experience. There is no assurance that we will continue to receive such government grants at a similar level in the future, or at all. The discontinuation of government grants and other financial incentives currently available to us could have an adverse effect on our financial condition, results of operations, cash flows and prospects.

Share-based payments may have a material and adverse effect on our financial performance and cause shareholding dilution to our Shareholders.

We have established Employee Incentive Platforms for the benefit of our core employees, Directors and senior management as remuneration for their services provided to us and to incentivize and reward the eligible persons who have contributed to the success of our Company. For further details, see "History and Corporate Structure — Corporate Development and Major Shareholding Changes of Our Company — Employee Incentive Platforms." For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, we incurred equity-settled share-based payment expenses of RMB25.5 million, RMB12.4

million, RMB12.4 million and RMB9.2 million, respectively. We believe the granting of share-based compensation is of significant importance to our ability to attract and retain key personnel and employees, and we may continue to grant share-based compensation awards to employees in the future. As a result, our expenses associated with share-based payments may increase, which may affect our financial condition and results of operations. We may re-evaluate the vesting schedules, lock-up period, exercise price or other key terms applicable to the grants under our currently effective employee incentive plan from time to time. If we choose to do so, we may experience substantial change in our share-based payments in the reporting periods following this [**REDACTED**]. Further, issuance of additional Shares with respect to such share-based payments may also dilute the shareholding of our existing Shareholders.

Disruptions in the financial markets and economic conditions could affect our ability to raise capital.

Global economies could suffer dramatic downturns as the result of a deterioration in the credit markets and related financial crisis as well as a variety of other factors including, extreme volatility in security prices, severely diminished liquidity and credit availability, ratings downgrades of certain investments and declining valuations of others. In the past, governments have taken actions in an attempt to address and rectify these market and economic conditions by providing liquidity and stability to the financial markets. If these actions are not successful, the return of adverse economic conditions may cause a significant impact on our ability to raise capital, if needed, on a timely basis and on acceptable terms.

In addition, concerns over the recent conflicts in the Middle East, Russian-Ukraine conflicts, and unrest and terrorist threats in other territories, among others, add uncertainties to the financial markets worldwide. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. See also "— Risks Relating to Our Operations — We may be exposed to risks of conducting our business and operations in international markets."

Our property valuation is based on certain assumptions which, by their nature, are subjective and uncertain and may materially differ from actual results.

The property valuation report prepared by Asia-Pacific Consulting and Appraisal Limited, an independent property valuer, set out as Appendix IV to this document with respect to the appraised values of our properties is based on various assumptions, which are subjective and uncertain in nature. The assumptions that Asia-Pacific Consulting and Appraisal Limited used in the property valuation report include that the seller sells the property interest in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interests. Certain of the assumptions used by Asia-Pacific Consulting and Appraisal Limited in reaching the appraised value of our properties may be inaccurate or unreasonable. In addition, unforeseeable changes in general and local economic conditions or other factors beyond our control may affect the value of our properties. As a result, the appraised value of our properties

may differ materially from the price we could receive in an actual sale of the properties in the market and should not be taken as their actual realizable value or an estimation of their realizable value. You should not place undue reliance on such values attributable to these properties as appraised by Asia-Pacific Consulting and Appraisal Limited.

RISKS RELATING TO DEPENDENCE ON THIRD PARTIES

We have entered into collaboration and license agreements with third parties in the development, manufacturing and commercialization of drug candidates, and may seek and enter into additional partnerships in the future. We may fail to identify suitable business partners or may not realize the benefits of such partnerships as expected.

We have in the past formed, and may continue to seek, strategic partnerships or other collaborations, including entering into license arrangements with third parties that we believe will complement or augment our drug development and commercialization efforts with respect to existing drug candidates and any future drug candidates that we or our collaboration partners may develop. In 2023, we entered into collaboration agreements with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.0 billion in total deal value. See "Business — Licensing and Collaboration Arrangements" for details.

Our results of operations have been, and may continue to be, affected by our collaboration and license arrangements. During the Track Record Period, a substantial portion of our revenue was generated from such arrangements. Our existing and future collaboration and license arrangements are subject to various risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;

- the collaboration and license agreements could be terminated upon a short notice, and our collaborators may elect to cease collaboration due to change in their strategic focus, potential acquisition of competitive drugs, availability of funding, or other external factors;

- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, discontinue a clinical trial, repeat or conduct new clinical trials, or require a new formulation of a drug candidate for clinical testing;

- the milestone payments and royalties we are entitled to receive from our licensees are conditioned upon the achievements of certain regulatory, development and commercialization targets. We cannot guarantee that we will be able to receive the aggregate amount as set out in the relevant agreements;

- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;

- the licenses granted to us by third parties may not provide exclusive rights to use licensed intellectual property in all relevant fields of use or in all territories in which we may wish to develop or commercialize our future approved drugs;

- we may not have the right to control the preparation, filing, prosecution, maintenance, enforcement or defense of patents and patent applications covering the drug candidates and components we license from third parties, or the technology underlying such drug candidates and components. Therefore, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business;

- collaborators may not properly maintain or defend their intellectual property rights which could jeopardize or invalidate the intellectual property rights granted to us and result in a material adverse effect on our drug development;

- disputes may arise between us and a collaborator that cause a delay or termination of the research, development or commercialization of our drug candidates, or that result in costly litigation or arbitration that diverts management attention and resources, or that harm our reputation;

- collaborators could independently develop, or develop with third parties, drugs that compete directly or indirectly with our drugs;

- collaborators may own or co-own intellectual property covering our drug candidates or future drugs that results from our collaborating with them, and in such cases, we may not have the exclusive right over such intellectual property; and

- the collaboration and license relationships may be affected by geopolitical tensions, including cross-border data transmission restrictions, trade policies and export controls.

For these and other reasons, we may not achieve the outcomes and synergies expected from our collaboration and license arrangements. These collaboration and license arrangements are inherently uncertain, and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and are beyond our control. We may face operational and financial risks including increase in near- and long-term expenditures, exposure to unknown liabilities, disruption of our business and diversion of our management's time and attention. Even if we achieve the expected benefits, we may not be able to do so within the anticipated time frame.

Such collaboration and license agreements typically set out various procedures and timelines with respect to, among other matters, clinical development, commercialization, and financial obligations such as milestone payments and royalties. The terms of these agreements are complex and can be subject to multiple interpretations. The resolution of any disagreements arising from these agreements could, for example, eliminate or narrow what we believe to be the scope of our rights to the relevant intellectual properties or technologies, or increase what we believe to be our financial or other obligations under the relevant agreements. Reduction or elimination of our rights under such agreements may force us to negotiate new or restated agreements with less favorable terms, or cause disruptions to our ongoing activities carried out in reliance of such rights.

We face significant competition in seeking appropriate strategic partners and the negotiation process can be time-consuming and complex. We may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our drug candidates because they may be deemed to be at too early of a stage of development for collaborative effort, and third parties may not view our drug candidates as having the requisite potential to demonstrate safety and efficacy or commercial viability. If and when we collaborate with a third party for the development and commercialization of a drug candidate, we may be required to relinquish some or all of the control over the future success of that drug candidate to the third party. The collaborators may also consider alternative drug candidates or technologies that may be available. For any drug candidates that we may seek to in-license from third parties, we may face significant competition from other biopharmaceutical companies with greater resources or capabilities than us, and any agreement that we do enter into may not result in the anticipated benefits. See also "— Risks Relating to Our Operations — Our potential engagement in acquisitions or strategic partnerships may increase our capital requirements, dilute the value of your [**REDACTED**] in our Shares, cause us to incur debt or assume contingent liabilities, and subject us to other risks."

If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a drug candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into collaboration and license arrangements or do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our drug candidates or bring them to market and generate product sales revenue, which would harm our business, financial condition, results of operations and prospects.

As a result, we cannot be certain that, following a collaboration and license arrangement, we will achieve the revenue or net income that justifies such transaction or such other benefits that caused us to enter into the arrangement. Any of the foregoing could materially adversely affect our business, financial condition, results of operations and prospects.

We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the applicable regulatory requirements, procedures or contractual duties in line with agreed protocols, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially affected.

We have relied upon and plan to continue to rely upon third-party CROs, clinical trial sites, consultants and other third parties to monitor, support and conduct preclinical studies and clinical trials of our drug candidates. As a result, we do not have full control over their activities or the quality, timing and cost of these studies. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards, and our reliance on the CROs and other third parties does not relieve us of our regulatory responsibilities.

In particular, we, our CROs and our clinical investigators are required to comply with GCP, good laboratory practice ("**GLP**") and other regulatory regulations and guidelines enforced by the EMA, NMPA, FDA and comparable regulatory authorities for all of our drug candidates in clinical development. Regulatory authorities may enforce these GCP, GLP or other regulatory requirements through periodic inspections of trial sponsors, investigators and trial sites. In addition, our clinical trials must be conducted with drug candidates or products produced under cGMP requirements.

The CROs we engage may not always perform to our standards, may not produce results in a timely manner or may fail to perform at all. We cannot control whether or not such CROs will devote sufficient time and resources to our ongoing clinical, nonclinical and preclinical programs. If our CROs fail to comply with the applicable GCP, GLP, cGMP or other regulatory requirements, or otherwise fail to competently perform their contractual duties in line with agreed protocols, the relevant data generated in our preclinical studies or clinical trials may be deemed unreliable and the EMA, NMPA, FDA or other comparable regulatory authorities may require us to rectify any data deficiencies and perform additional preclinical studies or clinical trials before approving our marketing applications. Historically, data mishandling by a CRO partner resulted in delays to the IND approval process for one of our drug candidates, requiring us to undertake remedial actions before IND approval was eventually obtained. See "Business — CRO Data Mishandling Identified in RBD1016's First IND Application and Subsequent Remediations." There can be no assurance the regulatory authorities will determine that our preclinical studies and clinical trials comply with all the applicable requirements. Failure to meet the regulatory authorities' expectation may lead us to repeat preclinical studies and clinical trials, cause delays or other negative consequences in our regulatory approval processes, which could have a material adverse impact on our drug development plan. See also "— Risks Relating to the Development of Our Drug Candidates — The data and information we rely on in our research and development process could be inaccurate or incomplete, which could harm our study results, regulatory approval process, reputation and prospect."

Similarly, if other third parties fail to meet expected deadlines, timely transfer to us any requisite information, adhere to protocols or act in accordance with regulatory requirements or our agreements with them, or if they otherwise perform in a sub-standard manner or in a way that compromises the quality or accuracy of their activities or the data they obtain, the clinical trials of our drug candidates may be compromised, delayed, prolonged, suspended or terminated, or our data may be rejected by the EMA, NMPA, FDA or other comparable regulatory authorities.

Because we rely on third parties, our internal capacity to perform these functions is limited. To the extent we are unable to identify and successfully manage the performance of third-party service providers in the future, our business may be adversely affected. In addition, the use of these third parties may require us to disclose our proprietary information or confidential information concerning the subjects enrolled in our clinical trials from time to time, which could increase the risk that such information will be misappropriated. Though we carefully manage our relationships with our CROs and other third-party service providers, there can be no assurance that we will not encounter challenges in the future or that these challenges will not have a material adverse impact on our business, financial condition, results of operations and prospects.

In addition, we may not be able to enter into arrangements with alternative CROs and other third parties in a timely manner or do so on commercially reasonable terms, if our existing relationships with these third parties terminate. Switching or adding CROs and other third parties involves additional cost and delays, which can materially affect our ability to meet our desired clinical development timelines. There can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse effect on our business, financial condition and prospects.

We may rely on third parties to manufacture our drug products for clinical development and commercial sales and to provide a stable and adequate supply of quality materials and products for our drug development and commercialization needs. Our business could be harmed if these third parties suffer substantial disruption to supply chain and production facilities, encounter problems in manufacturing or fail to deliver sufficient quantities of product or at acceptable quality or price levels.

During the Track Record Period, we outsourced certain manufacturing activities, primarily the formulation production, to reputable CDMOs in China. See "Business — Manufacturing — Collaboration with CDMOs" for details. Going forward, we intend to continue to engage third-party CDMOs to manufacture our drug candidates for our research and development activities and commercial sales. Reliance on third-party CDMOs exposes us to certain risks, including but not limited to the following:

- we may be unable to identify CDMOs on acceptable terms or at all because the number of qualified CDMOs is limited and the EMA, NMPA, FDA or other comparable regulatory authorities must evaluate and/or approve any CDMOs as part of their regulatory oversight of our drug candidates;

- our CDMOs may have limited capacity or limited manufacturing slots, which may affect the timeline for the production of our drugs;

- our CDMOs are subject to periodic inspections and other government regulations by the EMA, NMPA, FDA or other comparable regulatory authorities, including to ensure strict compliance with the cGMP. We do not have full control over our CDMOs' compliance with these regulations and requirements;

- our CDMOs might be unable to timely manufacture our drug candidates or produce the quantity and quality required to meet our clinical and future commercial needs, if any;

- our CDMOs may not be able to execute our manufacturing procedures and other logistical support requirements appropriately, or may otherwise fail to perform as agreed;

- our CDMOs may not properly obtain, protect, maintain, defend or enforce our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;

- our CDMOs may infringe, misappropriate, or otherwise violate the patent, trade secret, or other intellectual property rights of third parties;

- our CDMOs could terminate their agreements with us;

- raw materials and products procured by certain CDMOs may not be readily obtainable elsewhere; and

- natural or man-made disasters, labor disputes, unstable political environments and other events beyond our control may lead to interruption of the manufacturing process.

See also "— Risks Relating to the Manufacturing and Commercialization of our Drug Candidates — The manufacturing of biopharmaceutical products is a complex process, and we have limited experience in manufacturing biopharmaceutical products on a large commercial scale."

In addition, during the Track Record Period, we and our CDMOs relied on third parties to supply certain raw materials and products used in our research and development and clinical trials. We expect to continue to rely on third parties to supply raw materials for the research, development and commercialization of our drug candidates. Any disruption in production or the inability of our suppliers or suppliers of our CDMOs to provide adequate quantities to meet our or our CDMOs' needs could impair our operations and the research and development of our drug candidates. Moreover, we expect our demand for such raw materials and products to increase as we expand our business scale and commercialize our drug candidates, but there is no assurance that current suppliers have the capacity to meet our demand.

The quality of the raw materials procured and products manufactured by CDMOs will depend significantly on the effectiveness of our quality control and quality assurance and that of our CDMOs. We cannot assure you that these quality control and quality assurance procedures will be effective in consistently preventing and resolving deviations from our quality standards or that our operating procedures will be complete or updated at all times. Any significant failure or deterioration of our quality control and quality assurance protocol or standard operating procedures could render our products unsuitable for use, jeopardize our drug approvals or licenses and/or harm our market reputation and relationship with business partners. Any such developments may have a material and adverse effect on our business, financial condition and results of operations.

We may fail to effectively manage our network of distributors after our drug candidates are successfully launched. Actions taken by our distributors could materially and adversely affect our business, prospects and reputation.

We may rely in part on third-party distributors to distribute our drug candidates upon their commercialization. Our ability to maintain and grow our business will depend on our ability to maintain an effective distribution channel that ensures the timely and effective delivery of our products to the relevant markets. We cannot guarantee that we will be able to effectively manage our distributors, or that our distributors would not breach the distribution agreements and the policies and measures we have in place to manage their distribution. If our distributors take one or more of the following actions, our business, results of operations, prospects and reputation may be adversely affected:

- breaching the distribution agreements or our policies and measures;
- failing to maintain the requisite licenses, permits or approvals, or failure to comply with applicable regulatory requirements when selling our products; or
- violating anti-corruption, anti-bribery, competition or other laws and regulations of China or other jurisdictions.

Any violation or alleged violation by our distributors of the distribution agreements, our policies or any applicable laws and regulations could expose us to liabilities and monetary damages, a decrease in the market value of our brand and an unfavorable public perception about the quality of our products, resulting in a material adverse effect on our business, financial condition, results of operations and prospects.

If we cannot maintain or develop clinical collaborations and relationships with principal investigators, KOLs, physicians and other industry experts, our results of operations and prospects could be adversely affected.

Our relationships with principal investigators, key opinion leaders ("**KOLs**"), physicians and other industry experts play an important role in our research and development and marketing activities. We have established extensive interaction channels with principal

investigators, KOLs, physicians and experts to gain first-hand knowledge of unmet clinical needs and clinical practice trends, which is critical to our ability to develop market-responsive drugs. However, we cannot assure you that we will be able to maintain or strengthen our clinical collaborations and relationships with principal investigators, KOLs, physicians and other industry experts, or that our efforts to maintain or strengthen such relationships will lead to the successful development and marketing of new products.

These industry participants may leave their roles, change their business or practice focus, or choose to no longer cooperate with us or cooperate with our competitors instead. Even if they continue to cooperate with us, their market insights and perceptions, which we take into account in our research and development process, may be inaccurate and lead us to develop products that do not have significant market potential. Even if their insights and perceptions are correct, we may fail to develop commercially viable products. Industry participants may no longer want to collaborate with us or attend our conferences, and our marketing strategy may no longer be able to yield results that are commensurate to our efforts spent. If we are unable to develop and maintain our relationships with industry participants as anticipated, our business, financial condition and results of operations may be materially and adversely affected.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

If we are unable to obtain and maintain adequate patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drug candidates may be adversely affected.

Our commercial success depends, to a certain extent, on our ability to protect our proprietary technology and drug candidates from competition by obtaining, maintaining, defending and enforcing our intellectual property rights, including patent rights. We seek to protect the drug candidates and technology that we consider commercially important primarily by filing patent applications in China, the U.S. and other countries or regions, relying on trade secrets or pharmaceutical regulatory protection or employing a combination of these methods. As of the Latest Practicable Date, we owned 255 patents, including 62 issued patents in China, 65 issued patents in Europe, 18 issued patents in the U.S., 110 issued patents in other jurisdictions, as well as 218 patent applications, including 76 in China, 17 in Europe, 19 in the U.S., 21 under the Patent Cooperation Treaty (PCT), and 85 in other jurisdictions. See "Business — Intellectual Property" for details. The process of prosecution and maintenance is expensive and time-consuming, and we or our business partners may not be able to file and prosecute all necessary or desirable patent applications and secure other intellectual property protection in all jurisdictions in a timely manner. It is also possible that we or our business partners will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Moreover, we or our business partners may fail to timely identify third-party infringement of our intellectual property rights and take necessary actions to defend and enforce our rights, or at all.

The patent position of biopharmaceutical companies generally involves complex legal and factual questions, and can be frequently litigated. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our current and future patent applications may not be granted with approvals that effectively prevent third parties from commercializing competitive technologies and drug candidates. The patent examination process may require us or our business partners to narrow the scope of our or our business partners' current and future patent applications, which may then limit the scope of patent protection that could be obtained. There can be no assurance that all of the potentially relevant prior art relating to our patents and patent applications has been found. If such prior art exists, it can invalidate a patent or prevent a patent application from being issued as a patent. Moreover, if there are material defects in the form or preparation of our patents or patent applications, such patents or applications may be invalid and unenforceable.

Even if patents are issued on these applications, there can be no assurance that a third party will not challenge their validity, enforceability, or scope, which may result in the patent claims being narrowed or invalidated, or that we will obtain sufficient claim scope in those patents to prevent a third party from competing successfully with our drug candidates. We or our business partners may become involved in interference, *inter partes* review, post-grant review, *ex parte* reexamination, derivation, opposition or similar other proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such proceeding could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or drug candidates and compete directly with us, or result in our inability to manufacture or commercialize drug candidates without infringing third-party patent rights. Thus, even if our patent applications are issued as patents, they may not be issued in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage.

The issuance of a patent is not conclusive as to its scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in any jurisdictions. Such challenges may result in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop or prevent us from stopping others from using or commercializing similar or identical technology and drug candidates, or limit the duration of the patent protection of our technology and drug candidates. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing technology and drug candidates similar or identical to ours. Our competitors may also be able to circumvent our patent issuance by developing similar or alternative technologies or drug candidates in a non-infringing manner.

Filing, prosecuting, maintaining and defending patents on drug candidates in all countries throughout the world could be prohibitively expensive for us, and our intellectual property rights in some countries can have a different scope and strength than those in some other countries. In addition, the laws of certain countries do not protect intellectual property rights to the same extent as the laws of certain other countries. Proceedings to enforce our intellectual property and proprietary rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not being issued, and could provoke third parties to assert claims against us.

Consequently, we may not be able to prevent third parties from practicing our inventions in all countries, or from selling or importing drugs made using our inventions in and into certain jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own drugs and further, may export otherwise infringing drugs to certain jurisdictions where we have patent protection, but where enforcement rights are not as strong as those in certain other countries. These drugs may compete with our drug candidates and our patent rights or other intellectual property rights may not be effective or adequate to prevent them from competing.

Patent protection depends on compliance with various procedural, regulatory and other requirements, and our patent protection could be reduced or eliminated due to non-compliance.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and patent applications are due to be paid to the China National Intellectual Property Administration (the "**CNIPA**"), the United States Patent and Trademark Office (the "**USPTO**"), the European Patent Office (the "**EPO**") and other applicable patent authorities in several stages over the lifetime of a patent. The CNIPA, the USPTO, the EPO and other applicable patent authorities require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. There are situations in which non-compliance, even an inadvertent lapse, can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees, and failure to properly legalize and submit formal documents within prescribed time limits. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

If our patent terms expire before or soon after our drug candidates are approved, or if competitors successfully challenge our patents, our business may be materially harmed. Lack of protection under the applicable patent linkage and patent term extension laws and regulations could increase the risk of early generic competition.

Patents have a limited duration. Depending on the jurisdiction, various extensions may be available, but the life of a patent, and the protection it affords, is limited. For example, the expiration of a patent is generally 20 years from the date of application for inventions in China and generally 20 years from the earliest date of filing of the first non-provisional patent application to which the patent claims priority in the U.S. Even if patents covering our drug candidates, their manufacture, or use are obtained, once the patent life has expired, we may be open to competition from competitive medications, including biosimilar medications. Manufacturers of generic or biosimilar drugs may challenge the scope, validity, or enforceability of our patents in court or before a patent office, and we may not be successful in enforcing or defending those intellectual property rights and, as a result, may not be able to develop or market the relevant product exclusively, which would have a material adverse effect

on any potential sales of that product. Upon the expiration of our issued patents or patents that may be issued from our patent applications, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected.

Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such drug candidates might expire before or shortly after such drug candidates are commercialized. As a result, our owned and licensed patents and patent applications may not provide us with sufficient rights to exclude others from commercializing technology and products similar or identical to ours. Even if we believe that we are eligible for certain patent term extensions, there can be no assurance that the applicable authorities, including the FDA and the USPTO in the U.S., and any equivalent regulatory authority in other countries, will agree with our assessment of whether such extensions are available, and such authorities may refuse to grant extensions to our patents, or may grant more limited extensions than we request. For example, depending upon the timing, duration and specifics of any FDA marketing approval of any drug candidates we may develop, one or more of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Action of 1984, or Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent extension term of up to five years as compensation for the patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended, and only those claims covering the approved drug, a method for using it, or a method for manufacturing it, may be extended. Similarly, the amendment to the PRC Patent Law which was promulgated in October 2020 introduces patent extensions to patents of new drugs launched in the PRC, which may enable the patent owner to submit applications for a patent term extension of up to a maximum length of five years, and the total effective term of the patent shall not exceed 14 years from the date of product approval. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to the expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain a patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business could be harmed.

In addition, some of our patents and patent applications may be co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. Besides this, we may need the cooperation of any such co-owners of our patents in order to enforce such patents against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

We own a number of trademarks in China, Europe, the U.S. and other jurisdictions. Our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks, and may not be registered in all the necessary or desirable jurisdictions and categories in which we intend to sell our future products or provide our future services. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names.

Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected. In the future, we may license our trademarks and trade names to third parties, such as business partners and collaborators. Though these license agreements may provide guidelines for how our trademarks and trade names may be used, a breach of these agreements or misuse of our trademarks and trade names by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to our issued patents and pending patent applications, we rely on trade secret and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. If we rely on third parties to manufacture or commercialize our current or any future drug candidates, or if we collaborate with third parties for the development of our current or any future drug candidates, we must, at times, share trade secrets with them, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed. We seek to protect our trade secrets and confidential information, in part, by entering into non-disclosure, confidentiality and similar agreements with parties that have access to them, such as our employees, corporate collaborators, outside scientific collaborators, sponsored researchers, consultants, advisers and other third parties. Any of these parties may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. Moreover, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes.

Despite our efforts to protect our trade secrets, our competitors may discover our trade secrets, either through a breach of our agreements with third parties, independent development or publication of information by any third-party collaborators. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure could have an adverse effect on our business and results of operations. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. If we are unable to prevent unauthorized material disclosure of our trade secrets and confidential information to third parties, or misappropriation of our trade secrets and confidential information by third parties, we will not be able to establish or maintain a competitive advantage in our market, which could materially and adversely affect our business, financial condition, and results of operations. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

Furthermore, many of our employees, including our senior management, were previously employed at other biotechnology or biopharmaceutical companies, including our competitors or potential competitors. Some of these employees, including members of our senior management, executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. We may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's former employer. If we fail to defend any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to our management.

In addition, while we typically require our employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own. Further, the assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, each of which may result in claims by or against us related to the ownership of such intellectual property.

Litigation may be necessary to defend against these claims. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs, be a distraction to our management and scientific personnel and have a material adverse effect on our business, financial condition, results of operations and prospects. See also "— Risks Relating to Our Intellectual Property Rights — We may from time to time be involved in legal proceedings and disputes to protect or enforce our intellectual property rights, or defend against infringement and other claims alleged by third parties, which could be expensive, time-consuming and unsuccessful."

Intellectual property and other laws and regulations are subject to change, which could diminish the value of our intellectual property in general, thereby impairing our ability to protect our current and any future drug candidates.

Obtaining and enforcing patents in the biopharmaceutical industry involve a high degree of technological and legal complexity. Therefore, obtaining and enforcing biopharmaceutical patents is costly, time-consuming and inherently uncertain. Changes in either the patent laws or in the interpretations of patent laws in China, Europe, the U.S. and other countries may diminish the value of our intellectual property and may increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. We cannot predict the breadth of claims that may be allowed or enforced in our future patents or in third-party patents. In addition, there are periodic proposals for changes to the patent laws in China, Europe, the U.S. and other countries that, if adopted, could impact our ability to enforce our proprietary technology.

For example, in China, intellectual property laws are constantly evolving, with efforts being made to improve intellectual property protection in the PRC. For example, on October 17, 2020, the Standing Committee of the National People's Congress of the PRC (the "**SCNPC**") promulgated the Amendment to the PRC Patent Law effective from June 1, 2021, which provides that, among others, the patentee of an invention patent relating to the new drug that has been granted the marketing authorization in the PRC is entitled to request the patent administration department under the State Council to grant a patent term extension of up to five years, in order to compensate the time required for the regulatory evaluation and approval for the commercialization of such a new drug; provided that, the total remaining patent term of such a new drug approved for commercialization shall not exceed fourteen (14) years after such approval. As a result, the terms of our PRC patents may be eligible for extension and allow us to extend patent protection of our products, and the terms of the patents owned by third parties may also be extended, which may in turn affect our ability to commercialize our products candidates, if and when approved, without facing infringement risks. The length of any such patent term extension is uncertain. If we are required to delay commercialization for an extended period of time, technological advances may develop and new competitor products may be launched, which may render our product non-competitive. We also cannot guarantee that other changes to PRC intellectual property laws would not have a negative impact on our intellectual property protection.

Evolving judicial interpretation of patent law could also adversely affect our business. The U.S. Supreme Court and the U.S. Court of Appeals for the Federal Circuit have issued numerous precedential opinions in recent years narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on future actions by the U.S. Congress, the U.S. federal courts, the USPTO or similar authorities in foreign jurisdictions, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce or defend patents that we have licensed or that we might own or license in the future.

Similarly, changes in patent law and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce our current and future owned and licensed patents.

Intellectual property rights do not necessarily protect us from all potential threats to our competitive advantages.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business nor permit us to maintain our competitive advantages. The following examples are illustrative:

- others may be able to make drug candidates that are the same as or similar to our drug candidates but that are not covered by the claims of the patents that we own or may have exclusively licensed;

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;

- third parties might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; and

- we may not develop additional technologies that are patentable.

We may from time to time be involved in legal proceedings and disputes to protect or enforce our intellectual property rights, or defend against infringement and other claims alleged by third parties, which could be expensive, time-consuming and unsuccessful.

Litigation relating to patents and other intellectual property rights in the biopharmaceutical and pharmaceutical industries is common, including patent administrative proceedings, patent ownership and patent infringement lawsuits. The various markets in which we plan to operate are subject to frequent and extensive litigation regarding patents and other intellectual property rights. Third parties could resort to litigation against us or other parties we have agreed to indemnify, which litigation could be based on either existing intellectual property or intellectual property that arises in the future. Some claimants may be able to sustain the costs of complex intellectual property proceedings to a greater degree and for longer periods of time than we could.

Despite measures we take to obtain and maintain patents and other intellectual property rights with respect to our drug candidates, our intellectual property rights could be challenged or invalidated. The outcome following legal assertions of invalidity and unenforceability during patent litigation can be unpredictable. On the other hand, competitors or other third

parties may infringe or misappropriate our patents and other intellectual property rights. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. In any infringement proceeding, a court may decide that a patent of ours is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question.

Even if we have established infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may not be an adequate remedy. Enforcing our intellectual property rights against third parties may also cause such third parties to file other counterclaims against us, which could be costly to defend and could require us to pay substantial damages. In addition, if the breadth or strength of protection provided by our patents and other intellectual property rights is threatened, it could dissuade companies from collaborating with us to license, develop, or commercialize our current or future drug candidates. Any loss of intellectual property protection could have a material adverse impact on one or more of our drug candidates and our business.

On the other hand, we cannot guarantee that our drug candidates or the sale or use of our future products do not and will not in the future infringe, misappropriate or otherwise violate third-party patents or other intellectual property rights. Third parties could allege that we are infringing their patent rights or that we have misappropriated their trade secrets, or that we are otherwise violating their intellectual property rights, whether with respect to the manner in which we have conducted our research, or with respect to the use or manufacture of the compounds we have developed or are developing. If a third party were to assert claims of patent infringement against us, even if we believe such third-party claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, and the holders of any such patents may be able to block our ability to commercialize the applicable product unless we obtained a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable.

In order to avoid or settle potential claims with respect to any patent or other intellectual property rights of third parties, we may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both, which could be substantial. These licenses may not be available on acceptable terms, or at all. Even if we were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a drug candidate, or be forced, by court order or otherwise, to modify or cease some or all aspects of our business operations, if, as a result of actual or threatened patent or other intellectual property claims, we are unable to enter into licenses on acceptable terms. Further, we could be found liable for significant monetary damages as a result of claims of intellectual property infringement.

An adverse result in any litigation or defense proceedings could put one or more of our intellectual property rights at risk of being invalidated or interpreted narrowly. Even if successful, litigation may result in substantial costs and distraction of our management and other employees. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If the public, securities analysts or investors perceive these results to be negative, or perceive that the presence or continuation of these cases creates a level of uncertainty regarding our ability to increase or sustain product sales, it could have a substantial adverse effect on the price of our Shares. There is no assurance that our drug candidates will not be subject to the same risks.

RISKS RELATING TO THE MANUFACTURING AND COMMERCIALIZATION OF OUR DRUG CANDIDATES

The future commercial success of our drug candidates will depend on the degree of their market acceptance among physicians, patients and others in the medical community.

Even if our drug candidates receive the requisite regulatory approval, they may fail to gain sufficient market acceptance by physicians, patients, medical institutions, pharmacies, third-party payers and other relevant parties in the medical community. If our drug candidates do not achieve an adequate level of acceptance, we may not generate significant revenue from sales of our drugs and we may not become profitable. The degree of market acceptance of our drug candidates, if and only when they are approved for commercial sale, will depend on a number of factors, including, but not limited to:

- the clinical indications for which our drug candidates are approved;
- physicians' and patients' perception of our drug candidates as a safe and effective treatment;
- the potential and perceived advantages of our drug candidates over alternative treatments;
- the prevalence and severity of any side effects;
- product labeling or package insert requirements of the EMA, NMPA, FDA or other comparable regulatory authorities;
- limitations or warnings contained in the labeling approved by the EMA, NMPA, FDA or other comparable regulatory authorities;
- the timing of market introduction of our drug candidates, as well as competitive drugs;

- the cost of treatment in relation to alternative treatments;
- the amount of upfront costs or training required for physicians to administer our drug candidates;
- the availability of adequate coverage and reimbursement by government authorities;
- the willingness of patients to pay any out-of-pocket expenses in the absence of coverage and reimbursement by third-party payors and governmental authorities;
- relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts.

Even if our drugs achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our drugs, are more cost-effective or render our drugs obsolete. Our failure to achieve or maintain market acceptance for our future approved drug candidates would materially adversely affect our business, financial condition, results of operations and prospects.

We have limited experience in launching and marketing drug candidates. If we fail to establish, expand and optimize an effective sales and distribution network for our drugs, our business could be adversely affected.

Our operations to date have been largely focused on developing our drug candidates, primarily undertaking preclinical studies and conducting clinical trials. Although members of our management have years of experience relating to marketing and commercialization, we have not yet demonstrated an ability to launch and commercialize any of our drug candidates. As a result, our ability to successfully commercialize our drug candidates may involve more inherent risk, take longer, and cost more than it would if we were a company with experience launching and marketing drug candidates.

We will have to compete with other biopharmaceutical companies to recruit, hire, train and retain marketing and sales personnel. If we are unable to, or decide not to, further develop internal sales, marketing and commercial distribution capabilities for any or all of our drug candidates, we will likely pursue collaborative arrangements for the sales and marketing of our drug candidates. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if we are able to do so, that they will have effective sales forces. Any revenue we receive will also depend upon the efforts of such third parties. We could have little or no control over the marketing and sales efforts of such third parties, and our revenue from drug product sales may be lower than if we had commercialized our drug candidates ourselves. We also face competition in our search for third parties to assist us with the sales and marketing efforts for our drug candidates.

There can be no assurance that we will be able to further develop and successfully maintain in-house sales and commercial distribution capabilities or establish or maintain relationships with third-party collaborators to successfully commercialize any product, and as a result, we may not be able to generate revenue from sales of drug products.

The size of the potential market for our current or future drug candidates is difficult to estimate and, if any of our assumptions are inaccurate, the actual markets for our current or future drug candidates may be smaller than our estimates.

Our projections of the number of patients who have the potential to benefit from treatment with our drug candidates are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations, or market research and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these diseases. The number of patients may turn out to be fewer than expected. As a result, the potentially addressable patient population and market size for our drug candidates may be smaller than our estimates.

Furthermore, there is no guarantee that any of our drug candidates, even if approved, would be approved for the line of therapy we are aiming for. For indications with well-established standard of care therapies, the EMA, NMPA, FDA and other comparable regulatory authorities may approve new therapies initially only for later lines of therapy. While we may seek approval for our drug candidates as an early-line therapy for certain indications, there is no guarantee that they will be approved as such. As a result, even if we obtain market approval for our drug candidates, we may not achieve the anticipated market size and revenue unless such market approval is for the intended lines of therapy or for additional indications.

Even if we are able to commercialize any approved drug candidates, reimbursement may be limited or unavailable in certain market segments for our drug candidates, and we may be subject to unfavorable pricing regulations, which could harm our business.

The regulations that govern regulatory approvals, pricing and reimbursement for new therapeutic products vary widely from country to country. We intend to seek approval to market our drug candidates in Europe, China, the U.S. and other jurisdictions. In China, the pricing of certain drugs and biologics is subject to governmental regulation, which can take considerable time even after obtaining regulatory approval. Our ability to successfully commercialize any approved drug candidates will also depend in part on the extent to which reimbursement for these drugs and related treatments will be available from government health administration authorities, private health insurers and other organizations.

A primary trend in the global healthcare industry is cost containment. Government authorities and third-party payers have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. In China, the Ministry of Human Resources and Social Security of China, together with other government authorities, review the inclusion or removal of drugs from the China's National Drug Catalog for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (2024) (《國家基本醫療保險、工傷保險和生育保險藥品目錄 (2024年)》), or the National Reimbursement Drug List (the "**NRDL**"), regularly, and the tier under which a drug will be classified, both of which affect the amounts reimbursable to program participants for their purchases of those drugs.

There can be no assurance that any of our future approved drug candidates will be included in the NRDL. If we were to successfully launch commercial sales of our products but fail in our efforts to have our products included in the NRDL, our revenue from commercial sales would be highly dependent on patients' self-payment, which could make our products less competitive. Patients may choose other drugs with similar efficiency but lower price which have been included in the NRDL. Additionally, even if the Ministry of Human Resources and Social Security of China or any of its local counterparts were to accept our application for the inclusion of products in the NRDL, our potential revenue from the sales of these products could still decrease as a result of the significantly lowered prices we may be required to charge for our products to be included in the NRDL.

In Europe, most countries have national healthcare systems with formal processes for assessing whether new therapies should be covered and reimbursed. These systems typically employ Health Technology Assessment (HTA) frameworks to evaluate both the clinical effectiveness and cost-effectiveness of new drugs, which serve as important inputs into national reimbursement decisions — though the impact and implementation of HTA recommendations may vary across countries. While inclusion in national reimbursement systems can provide broad market access and stable revenue streams for innovative products, the process often involves lengthy assessments, price negotiations, and requirements for substantial evidence demonstrating added value over existing therapies. For truly innovative treatments addressing unmet medical needs, favorable reimbursement pathways may be available; however, pricing pressures, divergent national policies, and administrative complexity may result in delays or limitations in market access across different European jurisdictions.

In the U.S., no uniform policy of coverage and reimbursement for drugs exists among third-party payers. As a result, obtaining coverage and reimbursement approval of a drug from a government or other third-party payer is a time-consuming and costly process that could require us to provide to each payer supporting scientific, clinical and cost-effectiveness data for the use of our future approved drugs on a payer-by-payer basis, with no assurance that coverage and adequate reimbursement will be obtained. Even if we obtain coverage for a given drug, the resulting reimbursement rates might not be adequate for us to achieve or sustain profitability or may require co-payments that patients find unacceptably high. Additionally, third-party payers may not cover, or provide adequate reimbursement for, long-term follow-up evaluations required following the use of our future approved drug candidates. Patients are unlikely to use any of our future approved drug candidates unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of the drugs.

We cannot be sure that reimbursement will be available for any approved drug candidates that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Reimbursement may impact the demand for, or the price of, any approved drug candidates that we commercialize. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any drug candidates that we successfully develop.

There may also be significant delays in obtaining reimbursement for approved drug candidates, and reimbursement coverage may be more limited than the approved indications of the drug candidates by the EMA, NMPA, FDA or other comparable regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Payment rates may vary according to the uses of the drugs and the clinical setting in which the drugs are used, may be based on payments allowed for lower-cost drugs that are already reimbursed, and may be incorporated into existing payments for other services. Our inability to promptly obtain reimbursement coverage at intended payment rates for our drug candidates and any new drug candidates that we develop could have a material adverse effect on our business, operating results, and overall financial conditions.

The manufacturing of biopharmaceutical products is a complex process, and we have limited experience in manufacturing biopharmaceutical products on a large commercial scale.

As of the Latest Practicable Date, we had not commercialized any drug candidates. As a result, we have limited experience in manufacturing biopharmaceutical products on a commercial scale, which is a complex process requiring significant expertise and capital investment, in part due to strict regulatory requirements. We cannot assure you that issues relating to the manufacturing of our drug candidates will not occur in the future. We also face certain risks in relation to the CDMOs we engage for manufacturing activities. See "— Risks Relating to Dependence on Third Parties — We may rely on third parties to manufacture our drug products for clinical development and commercial sales and to provide a stable and adequate supply of quality materials and products for our drug development and commercialization needs. Our business could be harmed if these third parties suffer substantial disruption to supply chain and production facilities, encounter problems in manufacturing or fail to deliver sufficient quantities of product or at acceptable quality or price levels."

Issues may arise during the manufacturing process for reasons including: (i) equipment malfunction, (ii) failure to follow specific protocols and procedures, (iii) problems with raw materials, (iv) changes in manufacturing production sites or limits to manufacturing capacity due to regulatory requirements, (v) changes in the type of products produced, (vi) advances in manufacturing techniques, (vii) physical limitations that could inhibit continuous supply, and (viii) the occurrence of natural disasters.

If problems arise during the production process of certain future products, a batch or several related batches of such products may have to be discarded and cause production delays, cost increases, lost revenue and damage to customer relationships and our reputation. If problems are not discovered before the relevant products are released to the market, we may incur additional costs in connection with product recalls and product liability.

Failure to obtain and maintain regulatory approvals for our manufacturing facilities, and any disruption or suspension of manufacturing activities may affect our business and results of operations.

As of the Latest Practicable Date, our manufacturing activities were primarily limited to supporting our drug development process. We also engaged, and will continue to engage, industry-recognized CDMOs to supplement our in-house capacity so as to enhance efficiency and reduce operational and regulatory compliance costs. For more details, see "Business — Manufacturing." If we fail to obtain and maintain regulatory approvals for our manufacturing facilities, we may not be able to manufacture sufficient quantities of our drug candidates, which would limit our development and commercialization activities and our opportunities for growth. Cost overruns associated with maintaining or expanding our facilities could also require us to raise additional funds from other sources.

Our manufacturing facilities are required to obtain and maintain regulatory approvals, including being subject to ongoing, periodic inspection by the EMA, NMPA, FDA or other comparable regulatory authorities to ensure compliance with cGMP regulations. Our manufacturing facilities are designed in compliance with requirements under the cGMP standards, and other applicable regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions. We cannot guarantee, however, that we will be able to adequately follow and document our adherence to such cGMP regulations or other regulatory requirements. Remediating deficiencies, if any, can be laborious, time-consuming and costly. Failure to obtain and maintain such regulatory approvals may materially affect our R&D activities, and seriously delay the clinical trials and commercialization of our drug candidates.

We may also encounter problems with achieving adequate or clinical-grade products that meet the EMA, NMPA, FDA or other comparable regulatory authority standards or specifications, maintain consistent and acceptable production costs, experience shortages of qualified personnel, raw materials or key contractors, and experience unexpected damage to our facilities or the equipment in them. In these cases, we may be required to delay or suspend our manufacturing activities. We may be unable to secure temporary, alternative manufacturers for our drugs with the terms, quality and costs acceptable to us, or at all. Such an event could delay our clinical trials and/or the availability of our products for commercial sale. Moreover, we may spend significant time and costs to remedy these deficiencies before we can continue production at our manufacturing facilities. We may also be subject to sanctions for failure to comply with applicable regulations, including fines, injunctions, penalties, suspension of clinical trials, failure of regulatory authorities to grant marketing approval of our drug candidates, suspension or withdrawal of approvals, supply disruptions, seizures or recalls of our drug candidates, operating restrictions and criminal prosecutions, any of which may harm our business. See "— Risks Relating to Dependence on Third Parties — We may rely on third parties to manufacture our drug products for clinical development and commercial sales and to provide a stable and adequate supply of quality materials and products for our drug

development and commercialization needs. Our business could be harmed if these third parties suffer substantial disruption to supply chain and production facilities, encounter problems in manufacturing or fail to deliver sufficient quantities of product or at acceptable quality or price levels."

We may not be able to maintain effective quality control over our drug products.

The quality of our products, including drug candidates we used for research and development purposes, will depend significantly on the effectiveness of our quality control and quality assurance, which in turn depends on factors such as the production processes, the quality and reliability of equipment used, the capabilities of the CDMOs we engage and our ability to ensure that they adhere to our quality control and quality assurance protocol. We operate a comprehensive quality control system, which is established and refined in accordance with the rigorous regulations and guidelines. See "Business — Quality Management." However, we cannot assure you that our quality control and quality assurance procedures will be effective in consistently preventing and resolving deviations from our quality standards or that our standard operating procedures will be complete or updated at all times. Any significant failure or deterioration of our quality control and quality assurance protocol or standard operating procedures could render our products unsuitable for use, resulting in gaps in the audit of our processes, and/or harm our market reputation and relationship with business partners. Any such developments may have a material and adverse effect on our business, financial condition and results of operations.

Illegal and/or parallel imports and counterfeit pharmaceutical products may reduce demand for our future approved drug candidates and could have a negative impact on our reputation and business.

The illegal importation of competing products from countries where government price controls or other market dynamics result in lower prices may adversely affect the demand for our future approved drug candidates and, in turn, may adversely affect our sales and profitability in Europe, China, the U.S. and other countries and regions where we commercialize our products in the future. Illegal imports may continue to occur or even increase as the ability of patients and other customers to obtain these lower priced imports continues to grow. In addition, governmental authorities may expand consumers' ability to import lower priced versions of our future approved products or competing products. Cross-border imports from lower-priced markets (which are known as parallel imports) into higher-priced markets could harm sales of our future drug products and exert commercial pressure on pricing within one or more markets. Any future legislation or regulations that increase consumer access to lower priced medicines could have a material adverse effect on our business.

Furthermore, certain products distributed or sold in the pharmaceutical market may be manufactured without proper licenses or approvals, or be fraudulently mislabeled with respect to their content or manufacturers. These products are generally referred to as counterfeit pharmaceutical products. The counterfeit pharmaceutical product control and enforcement

system, particularly in developing markets, may be inadequate to discourage or eliminate the manufacturing and sale of counterfeit pharmaceutical products imitating our products. Since counterfeit pharmaceutical products in many cases have similar appearances compared with the authentic pharmaceutical products but are generally sold at lower prices, counterfeits could quickly erode the demand for our drug candidates approved in the future. In addition, thefts of our inventory at warehouses, plants or while in-transit could lead to our products being wrongfully stored and handled, and eventually sold through unauthorized channels. A patient who receives a counterfeit or unauthorized pharmaceutical product may be at risk for a number of dangerous health consequences, which potentially exposes us to product liability claims, government investigations, and other disputes and negative consequences. Our reputation and business could suffer harm as a result of counterfeit or unauthorized pharmaceutical products sold under our or our collaborators' brand name(s).

Negative results from off-label use of our future marketed drug products could harm our business reputation, product brand and financial condition and expose us to liability.

Products distributed or sold in the pharmaceutical market may be subject to off-label drug use. Off-label drug use is the prescription of a product for an indication, dosage or in a dosage form that is not in accordance with regulatory approved usage and labeling. Even though the EMA, NMPA, FDA and other comparable regulatory authorities (including jurisdictions where we have obtained IND approvals) actively enforce the laws and regulations prohibiting the promotion of off-label use, there remains the risk that our product is subject to off-label drug use and is prescribed in a patient population, dosage or dosage form that has not been approved by competent authorities. This occurrence may render our products less effective or entirely ineffective and may cause adverse drug reactions or adverse events. Any of these occurrences can create negative publicity and materially and adversely affect our business reputation, product brand, business operations and financial conditions. These occurrences may also expose us to liability and cause a delay in the progress of our clinical trials and may ultimately result in failure to obtain regulatory approval for our drug candidates.

Guidelines, recommendations, and studies published by government agencies or various organizations could disfavor our drug candidates.

Government agencies, professional societies, practice management groups, private health and science foundations and organizations focused on various diseases may publish guidelines, recommendations or studies that affect our or our competitors' drugs and drug candidates. However, any such guidelines, recommendations or studies that reflect negatively on our drug candidates, either directly or relative to our competitive drug candidates, could result in current or potential decreased use and/or sales of, and revenue from one or more of our drug candidates. Furthermore, our success depends in part on our ability to educate healthcare providers and patients about our drug candidates, and these education efforts could be rendered ineffective by, among other things, third parties' guidelines, recommendations or studies.

RISKS RELATING TO OUR OPERATIONS

Our future success depends on our ability to attract, retain and motivate senior management, qualified medical professionals and scientific employees.

We are highly dependent on the expertise of the members of our research and development team, as well as the principal members of our management. We have entered into employment agreements with our executive officers, but each of them may terminate their employment with us at any time with prior written notice.

Recruiting, retaining and motivating qualified management, scientific, clinical and sales and marketing personnel will also be critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Further, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize drugs. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous biopharmaceutical companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions.

If we fail to effectively manage our anticipated growth or execute on our growth strategies, our business, financial condition, results of operations and prospects could suffer.

Our future financial performance and our ability to commercialize our drug candidates will also depend, in part, on our ability to effectively manage our growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to implement our long-term development strategies. For details, see "Business — Our Business Strategies." Pursuing our growth strategies has resulted in, and will continue to result in, substantial demands on capital and other resources. In addition, managing our growth and executing on our growth strategies will require, among other things, our ability to continue to identify and develop promising drug candidates in the highly competitive global and PRC biopharmaceutical market, effective coordination and integration of new facilities and new teams that we may develop, successful hiring and training of personnel, as well as effective and efficient financial and management control and quality control.

All of these endeavors will require substantial management attention and efforts and significant additional expenditures. If we fail to expand at our expected pace, we may face capacity constraints in the future which may adversely affect our business and financial condition. We cannot assure you that we will be able to execute our business strategies and

manage any future growth effectively and efficiently, and any failure to do so may materially and adversely affect our ability to capitalize on new business opportunities, which in turn may have a material and adverse effect on our business, financial condition, results of operations, and prospects.

Our potential engagement in acquisitions or strategic partnerships may increase our capital requirements, dilute the value of your [REDACTED] in our Shares, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

To enhance our growth, we may acquire businesses, products, technologies or know-how or enter into strategic partnerships that we believe would benefit us in terms of product development, technology advancement or distribution network. Any potential acquisition or strategic partnership may entail numerous risks, including, but not limited to:

- increased operating expenses and cash requirements;
- the assumption of additional indebtedness or contingent liabilities;
- the issuance of our equity securities;
- assimilation of operations, intellectual property and products of an acquired company, including difficulties associated with integrating new personnel;
- the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the assimilation of operations, corporate culture and personnel of the acquired business;
- risks and uncertainties associated with the counterparty, including the prospects of that party and its existing drugs or drug candidates;
- our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs; and
- changes in accounting principles relating to recognition and measurement of our investments that may have a significant impact on our financial results.

In addition, if we undertake acquisitions, we may issue dilutive securities, assume or incur debt obligations, incur large one-time expenses and acquire intangible assets that could result in significant future amortization expense. Moreover, we may not be able to locate suitable acquisition opportunities and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business.

From time to time, we may be involved in inspections, claims, disputes and legal proceedings in our ordinary course of business. These may concern issues relating to, among others, product liability, privacy protection, environmental and safety matters, breach of contract, employment or labor disputes and intellectual property rights. Any inspections, claims, disputes or legal proceedings initiated by us or brought against us, our management or Directors, with or without merit, may result in substantial costs and diversion of resources, and if we are unsuccessful, could materially harm our reputation. Furthermore, inspections, claims, disputes or legal proceedings against us, our management or Directors may be due to actions taken by our counterparties, such as our suppliers, CROs and other service providers. Even if we are able to seek indemnity from them, they may not be able to indemnify us in a timely manner, or at all, for any costs that we incur as a result of such claims, disputes and legal proceedings.

Our reputation is important to our success. Negative publicity with respect to us, our Shareholders, management, employees, business partners, affiliates, or our industry, may materially and adversely affect our reputation, business, results of operations and prospect.

We believe that market awareness and recognition of our brand image, and the maintenance of a positive brand image, is crucial to the success of our business. However, our reputation is vulnerable to potential threats that can be difficult or impossible to control, and costly or impossible to remediate. While we will continue to promote our brands to remain competitive, we may not be successful in doing so. In addition, we may engage various third parties to expand our commercialization network and increase market access for our drugs, which can make it increasingly difficult to effectively manage our brand reputation, as we have relatively limited control over these third parties.

Any regulatory inquiries or investigations or other actions against our management, any perceived unethical, fraudulent, or inappropriate business conduct by us or perceived wrongdoing by any key member of our management team or other employees, our business partners or our affiliates, could harm our reputation and materially and adversely affect our business. Regardless of the merits or final outcome of such regulatory inquiries, investigations or actions, our reputation may be substantially damaged, which may impede our ability to attract and retain talent and business partners and grow our business.

We may be exposed to risks of conducting our business and operations in international markets.

International markets are an important component of our growth strategy. We are dedicated to exploring market opportunities overseas, where we believe there is substantial demand for our drug candidates, and identifying and collaborating with reputable local partners that have proven track record to maximize the global value of our drug candidates. We will also continue to seek license and co-development opportunities with global MNCs, and expand our global clinical programs. For more details, see "Business — Our Business Strategies."

However, such activities may subject us to additional risks that may materially adversely affect our ability to attain or sustain profitable operations, including but not limited to:

- efforts to enter into collaboration or license arrangements with third parties may increase our expenses or divert our management's attention from the development of drug candidates;
- changes in a specific country's or region's political and cultural climate or economic condition;
- differing regulatory requirements for drug approvals and marketing internationally;
- difficulty of effective enforcement of contractual provisions in local jurisdictions;
- potentially reduced protection for intellectual property rights;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- compliance with tax, employment, immigration and labor laws for employees traveling abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters, including earthquakes, volcanoes, typhoons, floods, hurricanes and fires.

These and other risks may materially adversely affect our ability to attain or sustain revenue and profits from international markets.

Increased labor costs could slow our growth and adversely affect our operations and profitability.

Our operations depend in part on the skills and know-how of our employees. In recent years, the average labor cost in the global biopharmaceutical market, particularly for highly skilled and experienced personnel, has been steadily increasing as the competition for qualified employees has become more intense. We cannot assure you that there will be no further increase in labor cost, which may adversely affect our operations and financial condition. In addition, share options and other share-based incentives granted under our existing or future share-based incentive arrangements and scheme could adversely affect our costs and our results of operations. See also "— Risks Relating to Our Financial Position and Need for Additional Capital — Share-based payments may have a material and adverse effect on our financial performance and cause shareholding dilution to our Shareholders."

We may be subject to additional social insurance fund and housing provident fund contributions and late fees or fines imposed by relevant regulatory authorities.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》), Interim Measures for Social Insurance System Coverage of Foreigners Working within the Territory of China (《在中國境內就業的外國人參加社會保險暫行辦法》) and other applicable PRC regulations, including the Interpretation (II) of the Supreme People's Court on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋（二）》) (the "New Judicial Interpretation"), we are required to participate in the employee social welfare plan administered by local governments. Such plan consists of pension insurance, medical insurance, work-related injury insurance, maternity insurance, unemployment insurance and housing provident fund. The amount we are required to contribute for each of our employees under such plan should be calculated based on the actual income of our employees (including foreign employees), together with the minimum and maximum level as from time to time prescribed by national laws and regulations and local authorities. Any failure to make timely social welfare contribution for our employees may trigger an order of correction from competent authority requiring us to make up the full amount of such overdue social welfare contribution within a specified period of time, and the competent authority may further impose fines or penalties. In addition, pursuant to the New Judicial Interpretation, any agreement or undertaking between an employer and an employee to waive statutory social insurance contributions is invalid, and where an employer fails to pay social insurance contributions in accordance with the law, the employee may, under certain circumstances, terminate the labor contract and claim economic compensation.

During the Track Record Period, we engaged third-party human resources agencies to pay on our behalf social insurance premium and housing provident funds for some of our employees, and we did not pay social insurance for a small number of our foreign employees. As a result, we may be required by competent authorities to pay the outstanding amount, and may be subject to late payment penalties or enforcement application made to the court, specifically, according to the relevant PRC laws and regulations, (i) with respect to social

insurance, the relevant government authorities may order us to pay the outstanding amounts within the prescribed time period with a late charge at the daily rate of 0.05% on the outstanding amounts, and if and only if we fail to do so, they may impose a fine or penalty ranging from one to three times the outstanding amounts; and (ii) with respect to housing provident funds, the relevant government authorities may order us to pay the outstanding amounts within the prescribed time period, and they may apply to a competent court for enforcement of the outstanding amounts if we fail to do so, and a fine or penalty ranging from RMB10,000 to RMB50,000 may be imposed. The total amount of social insurance and housing provident funds we may be required to pay was RMB2.3 million for the year ended December 31, 2023, RMB2.1 million for the year ended December 31, 2024 and RMB1.1 million for the six months ended June 30, 2025. Pursuant to applicable PRC laws and regulations, the aggregate maximum penalties for such late payment that may be imposed on us are estimated to be RMB4.9 million for the year ended December 31, 2023, RMB4.6 million for the year ended December 31, 2024 and RMB2.4 million for the six months ended June 30, 2025. During the Track Record Period and up to the Latest Practicable Date, no competent government authorities imposed administrative action, fine or penalty to us with respect to this non-compliance incident or required us to settle the outstanding amount of social insurance payments and housing provident fund contributions. We cannot guarantee you that the competent government authorities will not require us to settle the outstanding amount within the specified time limit or impose late payment penalties on us. Such actions may have a material and adverse impact on our financial position and results of operation.

During the Track Record Period, certain of our foreign employees voluntarily chose to waive our payment of social insurance contributions on their behalf. However, in light of the New Judicial Interpretation, such waivers may be deemed invalid, and these employees retain the right to seek termination of their labor contracts and claim economic compensation from us for our failure to make statutory social insurance contributions. The total amount of social insurance contributions that we should have contributed for such foreign employees during the Track Record Period was approximately RMB480,000. There is no assurance that we will not be required to pay additional contributions, late fees or fines, or incur other losses or liabilities as a result.

Changes in international trade policies and political tensions may adversely impact our business and results of operations.

We are susceptible to constantly changing international economic, regulatory, social and political conditions, and local conditions in foreign countries and regions. Tensions and political concerns between China and other countries or regions may adversely affect our business, financial condition, results of operations, cash flows and prospects. China's political relationships with foreign countries and regions may affect the prospects of our relationship with third parties, such as business partners, suppliers and future customers. For example, on September 9, 2024, the U.S. House of Representatives voted in favor of the BIOSECURE Act. On October 9, 2025, the U.S. Senate introduced an amended version of the BIOSECURE Act into the FY2026 National Defense Authorization Act ("**FY2026 NDAA**"). The final reconciled version of the FY2026 NDAA was released on December 7, 2025, incorporating a revised

version of the BIOSECURE Act based on the October 2025 Senate Amendment, which was signed by President Trump on December 18, 2025. The BIOSECURE Act aims at prohibiting the U.S. government from procuring biotechnology equipment or services from designated "biotechnology companies of concern," or providing government contracts, loans and grants to any entity that uses biotechnology equipment or services from a designated "biotechnology company of concern." If our suppliers or collaboration partners were to be listed as "biotechnology companies of concern," our ability to engage in business with the U.S. government or with companies that engage in business with the U.S. government may be limited. Prohibitions in the BIOSECURE Act will not take effect until the OMB issues implementing guidance and relevant federal regulations are finalized. The timing and substance of such enabling regulations remain subject to uncertainty and may differ materially from current expectations.

In addition, on February 21, 2025, U.S. President Donald J. Trump issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"), outlining the ongoing review and consideration of potential new or expanded restrictions on U.S. outbound investment in the PRC in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, and directed energy. The America First Memo also contemplates potential restrictions on investments in publicly traded securities by pension funds, university endowments and other limited partner investors. Further, on April 15, 2025, the U.S. Department of Commerce announced investigations into the national security implications of semiconductor and pharmaceutical product imports. Such political tensions and policy changes would have an adverse effect on global economic conditions, the stability of global financial markets, and international trade policies.

Additionally, there have been recent instances where the FDA imposed additional restrictions on, or declined to accept, clinical trial data generated in China or from sites located in China. As a result, clinical data generated in China may face increased scrutiny from the FDA and other overseas regulatory authorities, including more stringent review requirements or potential rejection. If overseas regulatory authorities, including the FDA, were to impose more onerous requirements on, limit the use of, or decline to recognize clinical trial data generated in China, our Core Product and other drug candidates could face challenges in obtaining regulatory approval outside China. This could delay or prevent our planned overseas clinical development or registration strategies, increase our development costs and adversely affect our results of operations and overall business prospects.

Any rising trade and political tensions or unfavorable government policies on international trade, such as capital controls or tariffs, may affect the competitive position of our drug products, the hiring of scientists and other research and development personnel, or import or export of raw materials in relation to drug development. The U.S. government has implemented a series of tariff policies since February 2025, including increased tariffs on Chinese imports across multiple sectors. In response, China has implemented retaliatory measures, including imposing tariffs on certain U.S. imports, which could further complicate our cross-border operations and global supply chains. During the Track Record Period, we procured certain raw materials and equipment from the U.S., representing less than 5% of our

total purchase amount for each year/period. We have identified or are seeking domestic alternatives for these U.S.-sourced materials and do not expect additional costs from potential tariff increases to have material impact on our overall cost structure and results of operations. However, we cannot predict how tariff policies in various countries may further evolve or anticipate any potential impacts of subsequent developments in such policies on our business. If we, our customers, suppliers or other business partners become subject to these measures, our business, financial condition, and results of operations could be materially and adversely affected.

We may be subject to natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control.

Natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of natural disasters, such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic, such as swine flu, avian influenza, severe acute respiratory syndrome, or SARS, Ebola, Zika, COVID-19, other factors beyond our control, such as power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or are susceptible to potential wars or terrorist attacks.

The occurrence of a disaster or a prolonged outbreak of an epidemic illness or other adverse public health developments in which we operate our business could materially disrupt our business and operations. These uncertain and unpredictable factors include, but are not limited to, adverse effects on the economy, potential delays of our ongoing and future clinical trials, and disruptions to the operations of our business partners and CROs.

Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of the foregoing events and other events beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

We maintain industry-standard benefit plans in accordance with relevant laws and regulations, based on our assessment of our operational needs and industry practice. Our insurance policies cover adverse events in our clinical trials, liability insurance for workplace safety and general insurance for properties and machinery damage. In line with general market practice, we have elected not to maintain certain types of insurance, such as business interruption insurance or key personnel life insurance.

Our existing insurance coverage may prove to be inadequate or could cease to be available to us on acceptable terms, if at all. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

We may be unable to detect, deter and prevent all instances of bribery, fraud or other misconduct committed by our employees or third parties.

We may be exposed to fraud, bribery or other misconduct committed by our employees or third parties that could subject us to financial losses and sanctions imposed by governmental authorities, which may adversely affect our reputation. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any instances of fraud, bribery, or other misconduct involving employees and other third parties that had any material and adverse impact on our business and results of operations. However, we cannot assure you that there will not be any such instances in the future. We may be unable to prevent, detect or deter all such instances of misconduct by our employees or third parties. Any such misconduct committed against our interests, which may include past acts that have gone undetected or future acts, may have a material adverse effect on our business, results of operations and reputation.

Our information technology systems, or those used by our partners or other contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, our information technology systems and those of our CROs, consultants and other service providers are vulnerable to damage from computer viruses, unauthorized access, cyber-attacks, natural disasters, terrorism, war and telecommunication and electrical failures. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our research and development programs. For example, our data may not be backed up in a timely manner and the loss of clinical trial data from ongoing or future clinical trials for any of our drug candidates could result in delays in regulatory approval efforts and significantly increase costs to recover or reproduce the data. To the extent that any disruption or security breach was to result in a loss of or damage to data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development of our drug candidates could be delayed.

Our leased properties may be subject to non-compliances or challenges that could potentially affect our future use of them.

We have leased certain properties in China primarily used as our offices and R&D facilities. Pursuant to the Measures for Administration of Lease of Commodity Properties (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) on December 1, 2010 and became effective on February 1, 2011, both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases.

As of the Latest Practicable Date, 41 of our lease agreements, which primarily pertained to premises for R&D and office use, were not registered. Although failure to register does not in itself invalidate the leases, we may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of lease agreements. However, we cannot assure you that we would not be subject to any penalties and/or requests from local authorities to fulfill the registration requirements, which may increase our costs in the future. If any of our leases is terminated or becomes unenforceable as a result of challenges from third parties, we would need to seek alternative properties and incur relocation costs. Any relocation could lead to disruptions to our operations and adversely affect our business, financial conditions and results of operations.

As our leases expire, we may face difficulties renewing them, either on commercially acceptable terms or at all. Our inability to enter into new leases or renew existing leases on terms acceptable to us could materially and adversely affect our business, results of operations or financial condition.

RISKS RELATING TO THE [REDACTED]

No public market currently exists for our H Shares. An active [REDACTED] market for our H Shares may not develop and the [REDACTED] and [REDACTED] volume of our H Shares maybe volatile.

No public market currently exists for our H Shares. The initial [**REDACTED**] for our H Shares to the public will be the result of negotiations between our Company and the [**REDACTED**], and the [**REDACTED**] may differ significantly from the [**REDACTED**] of the H Shares following the [**REDACTED**]. We have applied to the Stock Exchange for the [**REDACTED**] of, and permission to [**REDACTED**], the H Shares. A [**REDACTED**] on the Stock Exchange, however, does not guarantee that an active and liquid [**REDACTED**] market for our H Shares will develop, or if it does develop, that it will be sustained following the [**REDACTED**], or that the [**REDACTED**] of the H Shares will not decline following the [**REDACTED**].

The price and [**REDACTED**] volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. In particular, the business, results of operations and the [**REDACTED**] of the shares of other companies engaging in similar business may affect the [**REDACTED**] and [**REDACTED**] volume of our H Shares. In addition to market and industry factors, the [**REDACTED**] and [**REDACTED**] volume of our H Shares may be highly volatile for reasons specific to our business, such as the results of clinical trials of our drug candidates, the results of our applications for approval of our drug candidates, regulatory developments and healthcare policies directly affecting us, the commercialization results of our approved drugs, fluctuations in our cash flows, investments

and expenditures, relationships with our suppliers, movements or activities of key personnel or actions taken by competitors, among others. Moreover, shares of other pharmaceutical companies listed on the Stock Exchange have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our performance.

Future sales or perceived sales or conversion of significant amounts of our H Shares in the public market following the [REDACTED] could materially and adversely affect the price of our H Shares.

Prior to the [**REDACTED**], there has not been a public market for our H Shares. Future sales or perceived sales of significant amounts of our H Shares or conversion of the Unlisted Shares, if any, by specific Shareholders subject to certain regulatory requirements, after the [**REDACTED**] could result in a significant decrease in the prevailing [**REDACTED**] of our H Shares. Nevertheless, after these restrictions lapse or if they are waived, future sales of significant amounts of our H Shares in the public market or the perception that these sales, or conversion of existing Unlisted Shares, if any, may occur could significantly decrease the prevailing [**REDACTED**] of our H Shares and our ability to raise equity capital in the future.

You will incur immediate and significant dilution and may experience further dilution if we issue additional Shares or equity securities in the future.

The [**REDACTED**] of the H Shares is higher than the net tangible asset value per H Share immediately prior to the [**REDACTED**]. Therefore, purchasers of the H Shares in the [**REDACTED**] will experience an immediate dilution. In order to expand our business, we may consider [**REDACTED**] and issuing additional Shares in the future. Purchasers of the H Shares may experience dilution if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares through the Employee Incentive Platforms, which would further dilute Shareholders' interests in our Company.

There can be no assurance whether and when we will pay dividends in the future, and payment of dividends is subject to applicable PRC laws.

No dividend has been paid or declared by our Company during the Track Record Period. Under the applicable PRC laws, the payment of dividends may be subject to certain limitations. The calculation of our profit under applicable accounting standards differs in certain respects from the calculation under IFRS. As a result, we may not be able to pay a dividend in a given year even if we were profitable as determined under IFRS. Our Board may declare dividends in the future after taking into account our financial condition, results of operations, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the PRC laws and regulations and requires approval at our Shareholders' meeting. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As of the Latest Practicable Date, we had not established a specified dividend pay-out ratio.

We are a PRC tax resident, and we are subject to PRC tax on our global income, and the dividends payable to [REDACTED] and gains on the sale of our H Shares by our [REDACTED] are subject to PRC tax.

As a PRC-incorporated company, under applicable PRC tax laws, we are subject to a tax of up to 25% on our global income. Under applicable PRC tax laws, regulations and statutory documents, non-PRC resident individuals and enterprises are subject to different tax obligations with respect to dividends received from us or gains realized upon the sale or other disposition of our H Shares.

Non-PRC individuals are generally subject to PRC individual income tax under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) with respect to PRC source dividend income or gains at a rate of 20%. We are required to withhold related tax from dividend payments paid to non-PRC resident individuals, unless specifically exempted by the tax authority of the State Council or reduced or eliminated by an applicable tax treaty. Pursuant to applicable regulations, PRC companies issuing shares in Hong Kong may generally, when distributing dividends, withhold individual income tax at the rate of 10%. However, withholding tax on distributions paid by us to non-PRC individuals may be imposed at other rates pursuant to applicable tax treaties (and up to 20% if no tax treaty is applicable) if the identity of the individual holder of H shares and the tax rate applicable thereto are known to us. There is uncertainty as to whether gains realized upon disposition of H shares by non-PRC individuals are subject to PRC individual income tax.

Non-PRC resident enterprises that do not have establishments or premises in the PRC, or that have establishments or premises in the PRC but their income is not related to such establishments or premises are subject to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) ("the EIT") at the rate of 10% on dividends received from PRC companies and gains realized upon disposition of equity interests in the PRC companies pursuant to the EIT Law and other applicable PRC tax regulations and statutory documents, which may be reduced or eliminated under special arrangements or applicable treaties between the PRC and the jurisdiction where the non-resident enterprise resides. Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including [**REDACTED**] and payments through [**REDACTED**]). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, payment of any such refund will be subject to the PRC tax authorities' verification. As of the Latest Practicable Date, there were no specific rules on how to levy tax on gains realized by non-resident enterprise holders of H Shares through the sale or transfer by other means of H Shares.

The interpretation and application of the relevant PRC tax laws by the PRC tax authorities, including whether and how individual income tax or EIT Law on gains derived by holders of our H Shares from their disposition of our H Shares may be collected, are subject to evolvement and shall be determined in accordance with relevant laws and regulations in force at the time. If any such tax is collected, the value of our H Shares may be affected accordingly.

You may experience difficulties in effecting service of process upon or enforcing foreign judgments against us or our management.

Most of our assets are situated in the PRC and most of our Directors and officers reside in the PRC. Therefore, there remains the possibility that it may be difficult to effect service of process outside the PRC upon most of our Directors and officers, including with respect to matters arising under applicable securities laws. The PRC does not have treaties providing for the reciprocal recognition and enforcement of civil case judgments of courts with the United States and many other countries. Consequently, you may experience difficulties in enforcing against us or our Directors or officers in the PRC any judgments obtained from courts outside of the PRC.

On July 14, 2006, Hong Kong and China entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》), or the Arrangement, pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in China. Similarly, a party with a final judgment rendered by a Chinese court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. On January 18, 2019, the Supreme People's Court and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》), which has come into effect on January 29, 2024 and superseded the Arrangement, or the New Arrangement, which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong and the mainland. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. After the New Arrangement became effective, a judgment rendered by a Hong Kong court can generally be recognized and enforced in the PRC even if the parties in the dispute do not enter into a choice of court agreement in writing. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the PRC, as whether a specific judgment will be recognized and enforced is still subject to a case-by-case examination made by the relevant court in accordance with the New Arrangement.

Facts, statistics and forecasts in this document relating to the healthcare market may not be fully reliable.

This document contains information and statistics relating to the healthcare market which were obtained from government publications. The information and statistics from such sources have not been independently verified by us, the Joint Sponsors, the [**REDACTED**], [**REDACTED**], [**REDACTED**], [**REDACTED**], the [**REDACTED**], and other [**REDACTED**], any of our or their respective directors, officers or representatives or any other party involved in the [**REDACTED**] and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on such information or statistics.

You should read the entire document carefully, and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us or the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [**REDACTED**]. Prior to the publication of this document, there has been press and media coverage regarding us. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation for the [**REDACTED**], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemption from strict compliance with the relevant provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

According to Rules 8.12 and 19A.15 of the Listing Rules, our Company must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Since most of our business operations are not principally located, managed or conducted in Hong Kong, and our Directors consider that the relocation of our executive Directors to Hong Kong or the appointment of additional executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Company and therefore would not be in the best interests of our Company and our Shareholders as a whole, our Company does not, and, for the foreseeable future, will not, have two executive Directors who are ordinarily resident in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is a regular and effective communication between the Stock Exchange and us by way of the following arrangements:

(i) **Authorized representatives**: both of our Company's authorized representatives, Dr. LIANG, chairman of the Board, executive Director and chief executive officer of our Company, and Mr. ZHANG Su (張甦), the chief financial officer, secretary of the Board and a joint company secretary of our Company, will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and/or email.

Each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;

(ii) **Directors**: each Director has provided their mobile phone number, office phone number, fax number (if any) and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to the authorized representatives.

Each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time;

(iii) **Compliance advisor**: we have appointed Soochow Securities International Capital Limited as our compliance advisor (the "**Compliance Advisor**"), in compliance with Rule 3A.19 of the Listing Rules, who will, among other things and in addition to the authorized representatives and our Directors, also act as an additional channel of communication with the Stock Exchange from the [**REDACTED**] to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the [**REDACTED**]. Pursuant to the Note of Rule 3A.23, the Compliance Advisor will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that our authorized representatives, Directors and other officers will promptly provide such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, and other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between the Stock Exchange and us.

Any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and/or our Compliance Advisor; and

(iv) **Legal advisors**: we will also retain legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the [**REDACTED**].

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of their academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable:

(i) a member of The Hong Kong Chartered Governance Institute;

(ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and

(iii) a certified public accountant (as defined in the Professional Accountants Ordinance).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience," the Stock Exchange will consider the individual's:

(i) length of employment with the issuer and other issuers and the roles they played;

(ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than 15 hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(i) whether the issuer has principal business activities primarily outside Hong Kong;

(ii) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and

(iii) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "**Waiver Period**") and on the following conditions:

(i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company's operations, nexus to the Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who is familiar with our Company's business and affairs as company secretary.

We have appointed Mr. ZHANG Su (張甦) ("**Mr. Zhang**") and Mr. CHUNG Ming Fai (鍾明輝) ("**Mr. Chung**") as our joint company secretaries. Mr. Zhang is the chief financial officer and secretary of the Board of our Company. Since Mr. Zhang does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, he is not able to solely fulfil the requirements as a company secretary of a [**REDACTED**] issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. To support Mr. Zhang, we have appointed Mr. Chung, a fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia, who meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance, for a three-year period from the [**REDACTED**] so as to enable Mr. Zhang to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge his duties.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Mr. Zhang as our joint company secretary. Pursuant to the Chapter 3.10 of the Guide for New Listing Applicants, such waiver [has been granted] on the conditions that:

(i) Mr. Chung is appointed as a joint company secretary to assist Mr. Zhang in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules;

(ii) our Company will further ensure that Mr. Zhang has access to the relevant training and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an issuer [**REDACTED**] on the Stock Exchange. Our Hong Kong legal advisors have provided training to Mr. Zhang on the principal requirements of the Listing Rules and the Hong Kong laws and regulations applicable to our Company after the [**REDACTED**]. In addition, Mr. Zhang will endeavour to familiarize himself with the Listing Rules, including any updates thereto, during the three-year period from the [**REDACTED**];

(iii) Mr. Zhang has confirmed that he will attend no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investor relations as well as the functions and duties of a company secretary of a Hong Kong [**REDACTED**] issuer during each financial year as required under Rule 3.29 of the Listing Rules;

(iv) before the expiry of Mr. Zhang's initial term of appointment as the company secretary of our Company, our Company will evaluate his experience in order to determine if he has acquired the qualifications required under Rule 3.28 of the Listing Rules; and

(v) this waiver will be revoked immediately if and when Mr. Chung ceases to provide such assistance during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Mr. Chung ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of our Company. In addition, this waiver is subject to revocation in the event of any material breaches of the Listing Rules by our Company.

For biographical information of Mr. Zhang and Mr. Chung, see "Directors, Supervisors and Senior Management."

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(B) IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all prospectuses to include matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and set out the reports specified in Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires a company to include in its document a statement as to the gross trading income or sales turnover (as the case may be) of the company during each of the three financial years immediately preceding the issue of the document, including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance further requires a company to include in its document a report by the auditors of the company with respect to (i) the profits and losses of the company for each of three financial years immediately preceding the issue of the document and (ii) the assets and liabilities of the company of each of the three financial years immediately preceding the issue of the document.

Section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interest of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

Rule 4.04(1) of the Listing Rules, the accountants' report contained in the document must include, inter alia, the results of the Company in respect of each of the three financial years immediately preceding the issue of the document or such shorter period as may be acceptable to the Stock Exchange.

Rule 18A.03(3) of the Listing Rules requires that a biotech company must have been in operation in its current line of business for at least two financial years prior to [**REDACTED**] under substantially the same management. Rule 18A.06 of the Listing Rules requires that a biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in Rule 4.04 shall instead be references to "two financial years" or "two years", as the case may be. Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months from the date of the [**REDACTED**] document.

Accordingly, we [have applied] to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance regarding the inclusion of the accountants' report covering the full three financial years immediately preceding the issue of this document on the following grounds:

(i) our Company is a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules. Our Company will fulfil the additional conditions for [**REDACTED**] required under Chapter 18A of the Listing Rules;

(ii) the Accountants' Report covering the two financial years ended December 31, 2024 and the six months ended June 30, 2025 will be disclosed in this document and set out in Appendix I to this document in accordance with Rule 18A.06 of the Listing Rules;

(iii) notwithstanding that the financial results set out in this document will be only for the two years ended December 31, 2024 and the six months ended June 30, 2025 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and requirements under the Companies (Winding up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this document pursuant to the relevant requirements;

(iv) given that Chapter 18A of the Listing Rules provides that the minimum track record period for biotech companies in terms of financial disclosure is two years, strict compliance with the requirements of section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for our Company; and

(v) the Directors are of the view that the Accountants' Report covering the two years ended December 31, 2024 and the six months ended June 30, 2025 which will be set out in Appendix I to this document, together with other disclosure in this document, has already provided the potential [**REDACTED**] with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of our Company; and our Directors confirm that all information which is necessary for the [**REDACTED**] public to make an informed assessment of the business, assets and liabilities, financial position, management and prospects has been included in this document. Therefore, the exemption would not prejudice the interests of the [**REDACTED**] public.

A certificate of exemption [has been] granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) particulars of the exemption are set out in this document, and (ii) this document will be issued on or before [**REDACTED**].

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

[**REDACTED**]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. LIANG Zicai (梁子才)[(1)]	No. 203, Unit 2, Building 29 Brownstone Garden Haidian District Beijing PRC	Swedish
Dr. GAN Liming (甘黎明)	Hovaas Jagarevag 9 43652 Hovaas Vastra Gotaland Gothenburg Sweden	Swedish
Dr. ZHANG Hongyan (張鴻雁)[(1)]	No. 203, Unit 2, Building 29 Brownstone Garden Haidian District Beijing PRC	Swedish
Non-executive Directors		
Dr. QI Fei (戚飛)	Room 001, 1/F, Entrance 6 Building 23, Ande Road Xicheng District Beijing PRC	Chinese
Mr. LI Dongfang (李東方)	Room 401, Unit 1, Building 5 Yimingyuan, Chengnan Jiayuan Fengtai District Beijing PRC	Chinese
Mr. LI Yuhui (李宇輝)	No. 476, Lane 3333 Jinhai Road Pudong New Area Shanghai PRC	Chinese

Note:

(1) Dr. LIANG Zicai (梁子才) is the spouse of Dr. ZHANG Hongyan (張鴻雁).

Name	Address	Nationality
Independent Non-executive Directors		
Dr. YU Xuefeng (宇學峰)	Room 5-803, No. 10 Huanghai Road Economic-Technological Development Area Tianjin PRC	Canadian
Mr. MA Chaosong (馬朝松)	Room 10C, 9/F, Building 8 District 5, Yuandayuan Haidian District Beijing PRC	Chinese
Mr. WANG Ruiping (王瑞平)	Block M4 Floral Villas 18 Tso Wo Road Sai Kung, New Territories Hong Kong	Chinese (Hong Kong)

SUPERVISORS

Name	Address	Nationality
Ms. WANG Fan (王番)	Room 104, Building 2 Times Cultural Home Kunshan City Jiangsu Province PRC	Chinese
Mr. WANG Lijie (王立傑)	Room 102 No. 3 Lane 349, Huaqiu Road Baoshan District Shanghai PRC	Chinese
Mr. ZHANG Ning (張寧)	Room 1703, Building 19 Times Central Garden Yushan Town, Kunshan City Jiangsu Province PRC	Chinese

For further details regarding our Directors and Supervisors, please see "Directors, Supervisors and Senior Management" in this document.

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors and [REDACTED]

China International Capital Corporation Hong Kong Securities Limited
29/F One International Finance Center
1 Harbor View Street
Central
Hong Kong

Citigroup Global Markets Asia Limited
50th Floor, Champion Tower
Three Garden Road
Central
Hong Kong

[REDACTED]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

Legal Advisors to our Company	*as to Hong Kong and U.S. laws:* **Kirkland & Ellis** 26/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong *as to PRC law:* **Zhong Lun Law Firm** 22-31/F, South Tower of CP Center 20 Jin He East Avenue Chaoyang District Beijing 100020 China
Legal Advisors to the Joint Sponsors and [REDACTED]	*as to Hong Kong and U.S. laws:* **O'Melveny & Myers** 31/F, AIA Central 1 Connaught Road Central Hong Kong *as to PRC law:* **Commerce & Finance Law Offices** 12/F-15/F, China World Office II No. 1 Jianguomenwai Avenue Beijing, the PRC
Reporting Accountant and Independent Auditor	**Ernst & Young** *Certified Public Accountants and Registered Public Interest Entity Auditor* 27/F, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong

Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 West Nanjing Road Shanghai PRC
Independent Property Valuer	**Asia-Pacific Consulting and Appraisal Limited** Flat/Rm A, 12/F Kiu Fu Commercial Building 300 Lockhart Road, Wanchai Hong Kong
Compliance Advisor	**Soochow Securities International Capital Limited** Level 17, Three Pacific Place 1 Queen's Road East Hong Kong

[**REDACTED**]

CORPORATE INFORMATION

Head Office, Registered Office and Principal Place of Business in the PRC	No. 168 Yuanfeng Road Yushan Town Kunshan City Jiangsu Province PRC
Principal Place of Business in Hong Kong	40/F, Dah Sing Financial Centre No. 248 Queen's Road East Wanchai Hong Kong
Company's Website	**www.ribolia.com** *(Information contained in this website does not form part of this document)*
Joint Company Secretaries	**Mr. ZHANG Su (張甦)** No. 168 Yuanfeng Road Yushan Town Kunshan City Jiangsu Province PRC **Mr. CHUNG Ming Fai (鍾明輝)** *Fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia* 40/F, Dah Sing Financial Centre No. 248 Queen's Road East Wanchai Hong Kong
Authorized Representatives	**Dr. LIANG Zicai (梁子才)** No. 168 Yuanfeng Road Yushan Town Kunshan City Jiangsu Province PRC **Mr. ZHANG Su (張甦)** No. 168 Yuanfeng Road Yushan Town Kunshan City Jiangsu Province PRC

Audit Committee	Mr. MA Chaosong (馬朝松) *(Chairperson)* Mr. WANG Ruiping (王瑞平) Dr. YU Xuefeng (宇學峰)
Remuneration and Appraisal Committee	Mr. WANG Ruiping (王瑞平) *(Chairperson)* Dr. LIANG Zicai (梁子才) Dr. YU Xuefeng (宇學峰)
Nomination Committee	Dr. YU Xuefeng (宇學峰) *(Chairperson)* Dr. ZHANG Hongyan (張鴻雁) Mr. MA Chaosong (馬朝松)
Strategy Committee	Dr. LIANG Zicai (梁子才) *(Chairperson)* Dr. GAN Liming (甘黎明) Mr. WANG Ruiping (王瑞平) Mr. LI Dongfang (李東方) Dr. QI Fei (戚飛) Mr. LI Yuhui (李宇輝)

[**REDACTED**]

Principal Bank	**China CITIC Bank, Kunshan Sub-Branch** Room 101, 501-508 and 601-604 Building 1 Huijin Fortune Plaza No. 258 Dengyun Road Yushan Town Kunshan City Jiangsu Province PRC

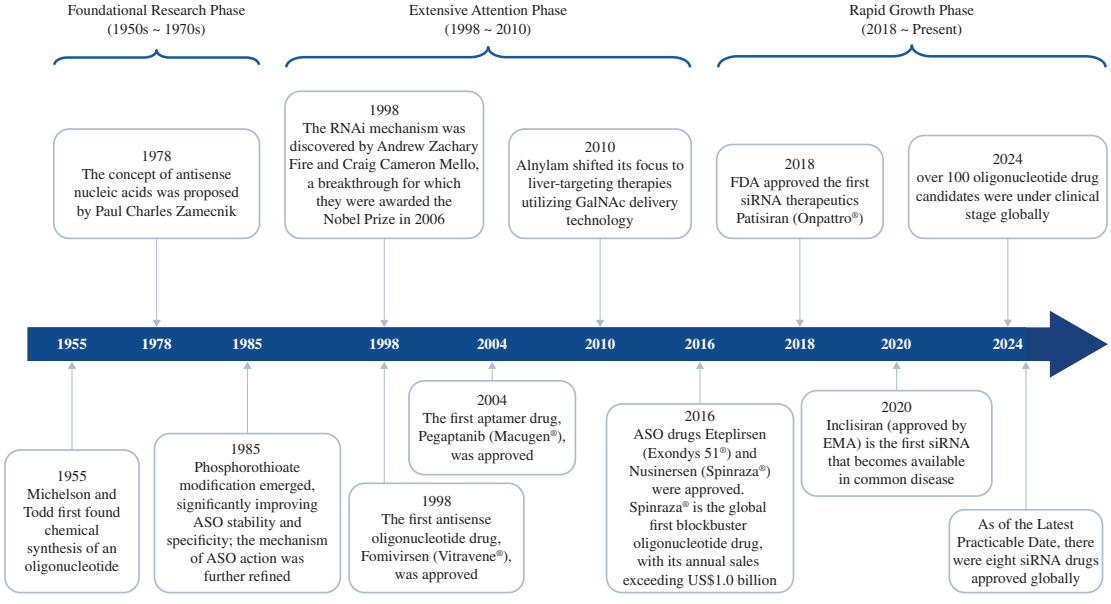
The information and statistics set out in this section and other sections of this document were extracted from official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan (the "Frost & Sullivan Report"). We engaged Frost & Sullivan to prepare the Frost & Sullivan Report in connection with the* [REDACTED]. *The information from official government sources have not been independently verified by us, the* [REDACTED], *Joint Sponsors,* [REDACTED] *and* [REDACTED], *or any other persons or parties involved in the* [REDACTED] *or their respective directors, officers, employees, advisers and agents (except for Frost & Sullivan), and no representation is given as to its accuracy.

OLIGONUCLEOTIDE DRUG MARKET

Overview

Oligonucleotides are chemically synthesized, short-length (typically 15-25 nucleotides) nucleic acid sequences that regulate gene expression, offering a direct approach to treating diseases through modulation at the mRNA transcription level. Oligonucleotide drugs primarily include small interfering RNAs (siRNAs), antisense oligonucleotides (ASOs) and aptamers, which function through different mechanisms to regulate gene expression and protein levels, thereby modulating the corresponding protein functions.

The development of oligonucleotide-based therapeutics has evolved over the years, as illustrated in the diagram below.



Source: Literature Review; Frost & Sullivan Report

The development of oligonucleotide therapeutics has progressed through several generations of scientific innovation since the first ASO drug was approved in 1998. Early ASO therapies faced significant challenges including poor bioavailability and off-target effects, which limited their clinical application. The discovery of RNAi mechanism in 1998 and subsequent development of siRNA technology represented a major therapeutic breakthrough. siRNA drugs' potent and specific gene silencing capabilities, coupled with the potential to target previously undruggable targets, make them effective tools for treating a wide range of diseases, from rare genetic disorders to chronic diseases and cancer.

The translation of siRNA into clinically viable therapies has taken over two decades of intensive research to overcome key delivery challenges and other technical obstacles. While only eight siRNA drugs have received marketing approval globally to date, the field stands at an inflection point: advances in targeted delivery and chemical modifications are expected to usher in a new wave of innovation for siRNA therapeutics, with the next decade expected to yield significant growth in clinical and commercial applications of this breakthrough modality. This momentum is supported by over 100 siRNA candidates currently in clinical development worldwide — a demonstration of the technology's maturation and its expanding potential to address previously undruggable targets and unmet medical needs across therapeutic areas.

The following table sets forth features of the major classes of oligonucleotide drugs.

	siRNA	ASO	Aptamer
Structure	Double-stranded, typically 20-25 nucleotides	Single-stranded, typically 15-30 nucleotides	Single-stranded, typically 20-80 nucleotides and folded into specific 3D conformations
Target mechanism of action	• mRNA • Loaded into RNA-Induced Silencing Complex (RISC) to recognize and cleave target mRNA	• Primarily mRNA • Inhibits gene expression through mRNA binding and degradation, or via steric hindrance blocking translation initiation	• Proteins, small molecules • Protein binding and modulation
Advantages	• High potency at low concentrations • Better stability • Long-term efficacy • Relatively easier to obtain a potent siRNA	• Easier in vivo delivery and no vector requirement • Simple chemical modification	• High affinity and specificity • Strong inhibitory potential • Low immunogenicity
Challenges	• Tissue-specific delivery technologies required	• Generally higher toxicity than siRNA • Generally lower potency and duration of effect than siRNA	• Complex screening process • Short half-life

Source: Literature Review; Frost & Sullivan Report

siRNAs, which are short double-stranded RNA molecules that, when delivered into cells as exogenous therapeutic agents, engage the cell's native RNA interference (RNAi) mechanism to specifically degrade target mRNAs, have emerged as the frontier in oligonucleotide therapeutics. ASOs are single-stranded RNA or DNA molecules that bind complementary mRNA, which can modulate protein level and function through multiple mechanisms. Aptamers, on the other hand, fold into specific 3D structures to bind target proteins with high affinity and specificity to inhibit protein function.

The ability to develop therapeutics that effectively interact with disease-causing proteins remains one of the greatest challenges in modern medicine. According to Frost & Sullivan, only approximately 15% of the estimated 20,000 human proteins are considered "druggable" by conventional small-molecule drugs. While antibody drugs have expanded this range to a certain degree, they remain limited to proteins on the cell surface and cannot access intracellular proteins that represent approximately 80% of all proteins in the human body. Currently approved therapeutics specifically address fewer than 700 human proteins. This renders the vast majority of disease-causing proteins unable to be effectively addressed through small molecule drugs and antibody therapeutics, making them essentially "undruggable."

Oligonucleotide therapeutics, represented by siRNAs, demonstrate distinct advantages over traditional modalities such as small molecules and antibodies. A comparison of siRNA, small molecules and antibody drug modalities is set forth in the table below:

	siRNA	Small molecules	Antibody
Molecular weight	~14 kDa	<500Da	>100kDa
Mechanism of action	Regulation of gene expression	Regulation of proteins	Regulation of proteins
Specificity	High	Low	High
Duration of effects	Long	Short	Medium
Dosing frequency	Monthly/quarterly/ bi-quarterly	Daily	Monthly/bi-monthly
Manufacturing method/costs	Synthetic technologies/ moderate	Chemical synthesis/low	Biological process/high
Clinical development success rate	High	Low	Medium
Immunogenicity and ADA development	Low	Minimal	High
Drug-drug interactions	Minimal	Common	Low

Source: Literature Review; Frost & Sullivan Report

The siRNA drug market is expected to experience significant growth in the foreseeable future. According to Frost & Sullivan, the penetration rates of siRNA drugs in the global antithrombotic drug market, hypertriglyceridemia drug market, hypercholesterolemia drug market, and anti-HBV drug market are expected to reach 4.5%, 8.1%, 15.5%, and 5.0%, respectively, in 2034.

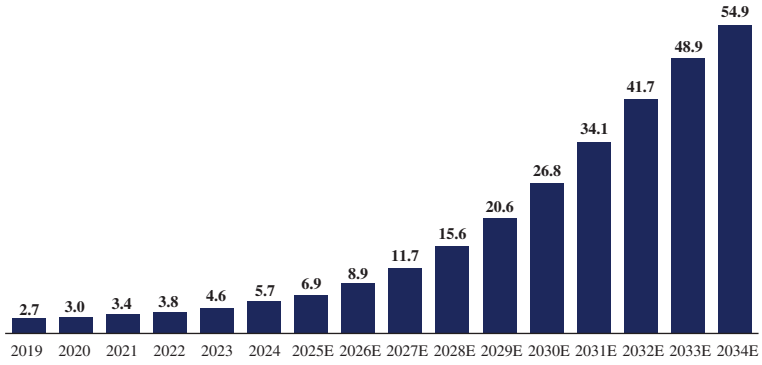
Market Size

The global oligonucleotide drug market demonstrates robust and sustained growth. It grew from US$2.7 billion in 2019 to US$5.7 billion in 2024 at a CAGR of 16.2%. Growth in the global oligonucleotide drug market is expected to accelerate, driven by ongoing technological advancements, market approvals and increasing clinical validation, reaching US$20.6 billion and US$54.9 billion in 2029 and 2034, respectively, representing a CAGR of 29.4% from 2024 to 2029 and 21.6% from 2029 to 2034. The following chart sets forth the market size of the global oligonucleotide drug market.

Global Oligonucleotide Drug Market Size, 2019-2034E

Period	CAGR
2019-2024	16.2%
2024-2029E	29.4%
2029E-2034E	21.6%

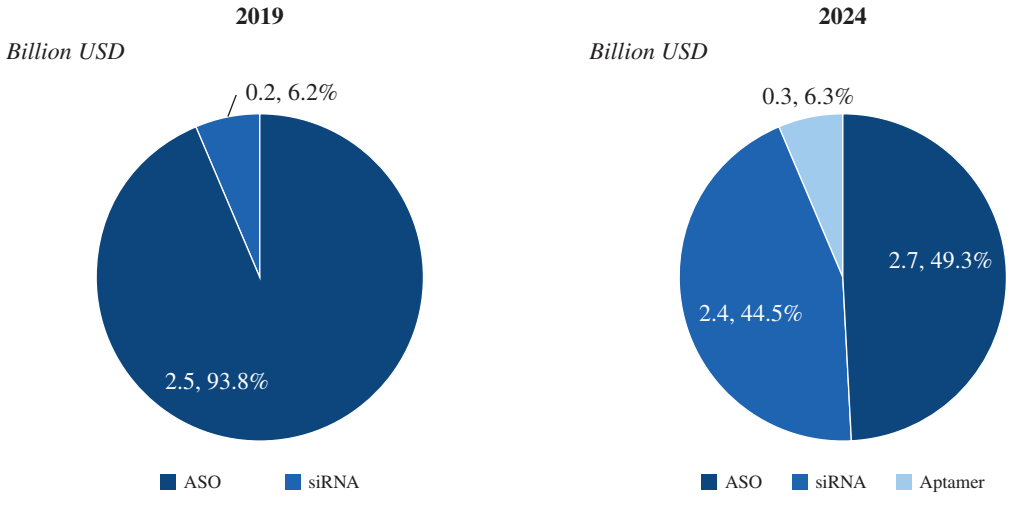
Billion USD



Source: Frost & Sullivan Report

The following charts set forth the breakdowns of global oligonucleotide drug market by drug type for the years of 2019 and 2024 respectively. siRNA drugs are expected to capture a greater market share in the next decade, outpacing other oligonucleotide modalities.

Breakdown of Global Oligonucleotide Drug Market by Drug Type, 2019 vs. 2024



Source: Frost & Sullivan Report

Market Drivers and Future Trends

The primary market drivers and trends of the oligonucleotide drug market include the following:

Technological advancement. The evolution of genetic screening and sequencing technologies has significantly enhanced target identification and validation capabilities. Advanced analytical tools have enabled more efficient and cost-effective analysis of genetic materials, accelerating drug development. Moreover, breakthroughs in RNA chemical modification and delivery systems have substantially improved drug stability, efficacy, and safety profiles. The success of liver-targeted delivery, particularly through GalNAc-conjugate technology, has paved the way for expanding oligonucleotide therapeutics to other organs through innovative delivery strategies. These technological innovations, particularly in target screening, synthesis methods, and delivery platforms, continue to expand the therapeutic potential of oligonucleotide drugs and drive market growth.

Expanding therapeutic applications and combination therapies. The growing number of approved oligonucleotide therapeutics and their commercial success have validated this drug modality. As of the Latest Practicable Date, among the eight marketed siRNA drugs in the world, seven were approved for rare diseases. The versatility of oligonucleotide platforms enables targeting of previously "undruggable" target genes, expanding applications beyond rare genetic diseases to more prevalent conditions including cardiovascular diseases, metabolic disorders, and cancer. This proven clinical efficacy and broadening therapeutic scope have boosted investor confidence and accelerated market growth. Moreover, by targeting different molecular levels of cellular signaling pathways, oligonucleotide drugs in combination with conventional drugs are expected to offer enhanced therapeutic efficacy, reduced toxicity, and better resistance management.

Growing R&D investment and collaboration. Rising venture capital investments and increased R&D expenditure from biotechnology and pharmaceutical companies are accelerating market growth. Global MNCs have made siRNA therapeutics a mainstay in their pipeline, increasing strategic investments and partnerships with aggregate deal value exceeding US$22.2 billion since 2024. Particularly, the active investment environment is marked by partnerships between MNCs and many leading biotech companies in oligonucleotide therapeutics, including Alnylam, Ionis, Arrowhead and our Company. This convergence of financial resources and industry expertise, coupled with growing government support, has created a robust ecosystem driving oligonucleotide drug development and commercialization.

Supportive regulatory landscape. Global regulatory agencies have established streamlined pathways to accelerate the development and approval of oligonucleotide-based therapies. Initiatives such as the U.S. FDA's fast track, breakthrough therapy and priority review designations, alongside the EMA's priority medicines scheme, provide predictable frameworks that reduce timelines for clinical trials and market entry. Additionally, several jurisdictions have introduced national strategies or funding programs that support innovation in oligonucleotide therapeutics. For instance, China has prioritized the development of nucleic acid drugs and RNAi technologies in national policies such as the 14th Five-Year Plan, creating

a favorable environment for industry growth. The U.S. National Institutes of Health has funded RNA-based drug research through initiatives such as the RNA Therapeutics Program, which supports the development of novel oligonucleotide modalities, and the EU has included RNA and oligonucleotide therapeutics in its Horizon Europe program, a major EU research and innovation funding initiative.

Entry Barriers

The major entry barriers for new entrants to the oligonucleotide drug market are set forth as follows:

Technical expertise gap. The industry faces substantial talent and technology barriers, requiring specialized expertise in delivery systems, chemical modifications, and quality control processes. The scarcity of experienced professionals, coupled with the oligonucleotide drug industry's continuous development, creates a significant workforce challenge.

Intellectual property constraints. Patents play a key role in oligonucleotide drug development. Pioneers in this field hold an advantage with a robust patent portfolio, which creates obstacles for new entrants in designing oligonucleotide drugs, having to circle around these patents.

Raw materials and manufacturing complexity. High-quality nucleoside monomers are both critical and difficult to source, while the manufacturing process demands sophisticated impurity control systems and specialized handling of hazardous materials. These technical and operational challenges, combined with high material costs, create substantial barriers that favor established manufacturers with integrated capabilities.

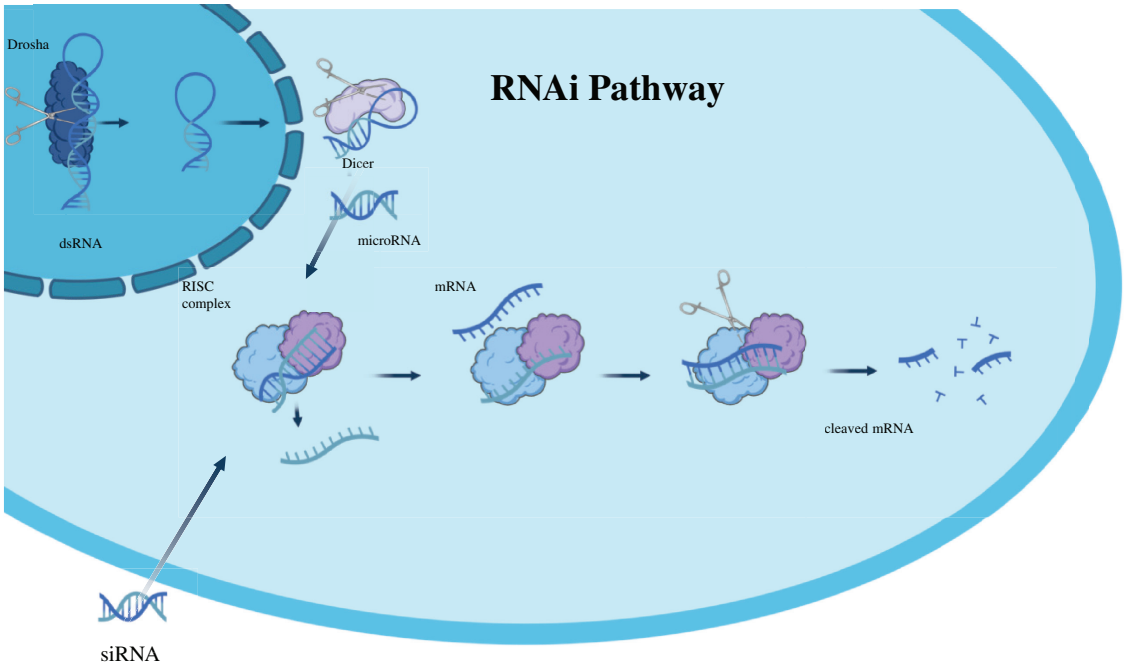
INTRODUCTION TO siRNA DRUGS

RNAi is a biological mechanism that regulates gene expression by silencing specific genes through degrading mRNAs, thereby preventing the synthesis of the corresponding proteins. siRNA, a double-stranded RNA molecule typically consisting of 20 to 25 nucleotides, utilizes the RNAi pathway to selectively target and suppress the expression of specific genes, making them powerful tools in both research and therapeutic applications.

The biological mechanism underlining siRNA therapeutics is the Nobel prize-winning RNAi mechanism, which is the natural mechanism of gene regulation embedded in a broad spectrum of organisms including human and other mammalian animals. The natural RNAi process involves three sequential steps, as illustrated in the diagram below: (i) the precursor RNA is processed by Dicer enzyme into short double stranded RNA molecules (20 to 25 nucleotides) (namely microRNA), which are the functional units for gene silencing; (ii) these microRNA molecules are then loaded into the RNA-induced silencing complex (RISC), where their two strands are separated and one strand is retained as the guide strand; and (iii) this guide strand directs RISC to the target mRNA, to result in translational repression of the mRNA and its degradation. The process is known as gene silencing.

siRNA therapeutics are artificial short double-stranded RNA molecules that function by using the RNAi mechanism to silence genes in human and animals. These siRNA molecules are designed, normally chemically synthesized, to enable highly specific silencing of genes of identical sequences with high potency, and long duration.

The following diagram illustrates the RNAi mechanism of action.



Source: Literature Review; Frost & Sullivan Report

siRNA therapeutics can be precisely designed to silence virtually any gene through its unique RNAi mechanism, offering significant opportunities to address previously undruggable targets. Moreover, siRNA has demonstrated various advantages compared to other modalities, including high specificity and duration of effect, as well as encouraging clinical success rates, due to its sequence-based targeting mechanism.

Core Technologies of siRNA Drug Development

The successful development of siRNA therapeutics integrates several critical technologies, including improved delivery systems to enable cellular uptake and tissue targeting, chemical modifications to enhance stability and reduce unwanted side effects, and optimized RNA synthesis and purification to ensure consistent quality. Mastering and integrating these core technologies offers several advantages, including modularity in adapting established platforms for new targets and drug products. This systematic approach, combined with continuous technological advancement, can significantly improve the success rates of siRNA drug development while shortening development timelines.

Delivery Technologies

siRNA molecules require specialized delivery systems to overcome their inherent challenges: large molecular weight (~14 kDa), negative charge preventing membrane passage, and susceptibility to nuclease degradation. Three main liver-targeted delivery methods have emerged: N-Acetylgalactosamine (GalNAc) conjugates, lipid nanoparticles, and polymer-based carriers. Each method aims to protect siRNA in circulation, facilitate cellular entry, enable endosomal escape, or achieve targeted delivery to specific tissues.

GalNAc conjugates have emerged as a clinically successful liver-targeting delivery system for siRNA therapeutics. This approach leverages the high expression of asialoglycoprotein receptors (ASGPR) on liver cells, enabling receptor-mediated endocytosis. GalNAc-siRNA conjugates offer advantages such as high potency, favorable safety and long-lasting effects.

Chemical Modification Technologies

Chemical modifications of siRNA are crucial for therapeutic success, primarily focusing on three key positions: sugar modifications (2'-O-methyl and 2'-fluoro), backbone modifications (phosphorothioate linkages), and terminal modifications (3' and 5' ends). These modifications strategically suppress immunostimulatory effects, enhance nuclease resistance, and improve target specificity while maintaining gene-silencing activity. The optimal modification pattern requires balance, as demonstrated in approved siRNA therapeutics that combine multiple chemical modifications for maximal stability and efficacy while minimizing off-target toxicity.

siRNA Synthesis and Screening Technologies

siRNA therapeutic development involves a systematic process of design, synthesis, and screening. Design of siRNA therapeutics not only focuses on RNA sequences complementary to target disease genes, but also seeks to avoid potentially hit other genes (known other off-target effects) or triggering the body's immune responses. Whenever possible, siRNA is designed to act simultaneously in rodents, non-human primates and human so that the translational process can be facilitated.

Although during the discovery and exploration of the RNAi mechanism, siRNA synthesis has been explored utilizing multiple approaches including chemical synthesis, *in vitro* methods, and vector-based systems to generate functional siRNA molecules, siRNA therapeutics under clinical and preclinical development are mostly produced through chemical synthesis using solid-phase RNA synthesizers, whereas liquid-phase synthesis of siRNA as well as enzymatic synthesis of siRNA have been attempted with initial success.

To obtain siRNAs with sufficient safety profile, potency, and other desired properties, screening is required to provide experimental proof of such properties of the selected siRNAs. The screening process combines in-cell assays, animal assays, and computational tools to verify the potency, specificity, durable property, and potential off-target effects.

Competitive Landscape of siRNA Drugs

The global siRNA therapeutics market is dominated by a few major players with years of technology and expertise accumulation. The following table sets forth the key players in the global siRNA drug landscape.

Key Players in the Global siRNA Drug Landscape

Company	No. of siRNA Assets under Clinical Development (No. in Phase 2 or Beyond)	No. of Marketed siRNA Drugs	Indication Coverage
Alnylam Pharms	15 (8)	6	Liver diseases, neurological disorders, hypertension, renal diseases
Arrowhead	18 (5)	1	Lipid disorders, cardiovascular diseases, liver diseases, rare diseases
Novo Nordisk	9 (3)	1	Rare diseases, liver diseases
Argo Biopharma	7 (5)	/	Liver diseases, lipid disorders, rare diseases, hypertension
Our Company	7 (4)	/	Thrombotic diseases, hyperlipidemia, renal diseases, liver diseases
Sanegene	4 (2)	/	Cardiometabolic disorders, hypertension, complement-mediated diseases
Sarepta Therapeutic	4 (1)	/	Rare diseases
Novartis	3 (0)	1	Cardiovascular diseases, lipid disorders
Sirius Therapeutics	3 (2)	/	Thrombosis/coagulation disorders, cardiovascular/lipid disorders, obesity
Silence Therapeutic	3 (1)	/	Rare diseases, dyslipidemia
Arbutus Biopharma	3 (1)	/	HBV
Wave Life Science	1 (0)	/	Overweight or obesity

Source: FDA, CDE, Frost & Sullivan Report

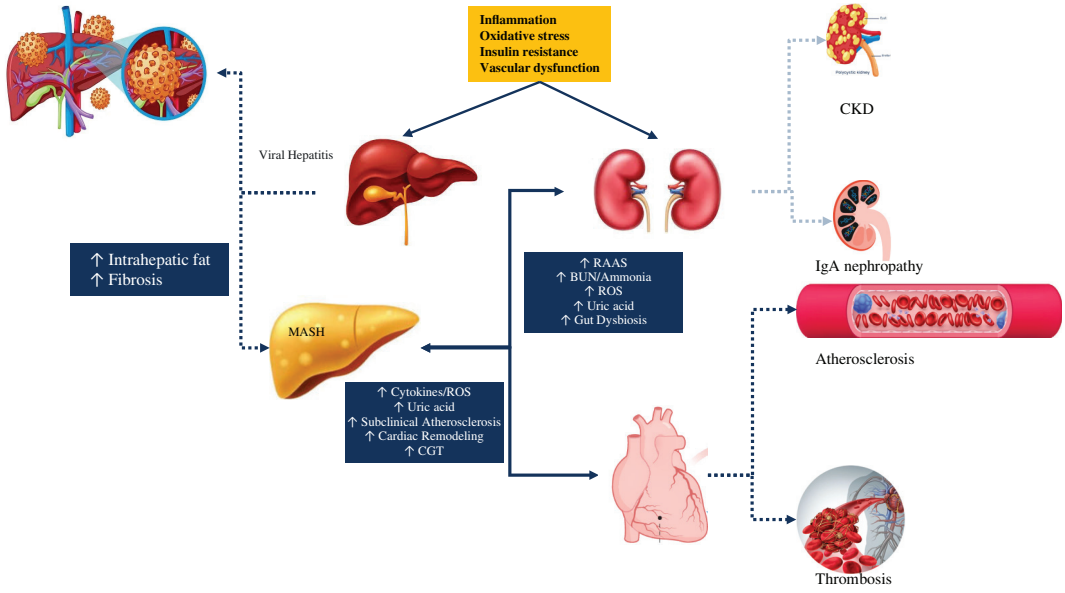
China's siRNA drug development has gained significant momentum in recent years with a select group of key players emerging as market leaders. Our Company currently has one of the largest portfolios of clinical-stage assets among these domestic players.

CARDIOVASCULAR, METABOLIC AND RENAL DISEASES

Cardiovascular, metabolic and renal diseases are closely interconnected chronic conditions that share common risk factors and pathophysiological pathways. Metabolic disorders, particularly lipid abnormalities such as elevated cholesterol and triglycerides, contribute to atherosclerosis development and increased thrombotic risk. For example, elevated low-density lipoprotein cholesterol ("LDL-C") (≥160 mg/dL), often referred to as "bad cholesterol," is estimated to increase atherosclerosis risk by 70%, while hypertriglyceridemia ("HTG") (≥200 mg/dL) raises thrombotic event risk by approximately 40%. Chronic kidney diseases, such as IgA nephropathy, are commonly associated with metabolic disturbances including dyslipidemia and enhanced thrombotic risk, which contribute to increased cardiovascular complications. Studies indicate that approximately 60%-80% of chronic kidney disease patients are diagnosed with HTG. The resultant dyslipidemia further exacerbates renal damage. Triglyceride levels exceeding 200 mg/dL in patients with chronic kidney disease are associated with a 2.3-fold increased risk of renal function decline.

Notably, these interconnected diseases involve multiple organs and systems, with the liver serving as a key metabolic hub in their development and progression. Given the liver's central role in regulating many disease pathways, liver-targeting therapies offer a promising treatment approach to these widespread conditions. Cardiovascular, metabolic and renal diseases also share common pathophysiological pathways with certain liver conditions, particularly metabolic-dysfunction-associated steatotic liver disease (MASLD). This bidirectional interconnection means patients with liver disease face elevated risks of cardiovascular, metabolic and renal diseases, and vice versa, with each condition potentially exacerbating the others through multiple shared pathways including chronic inflammation, dyslipidemia, metabolic disturbances, and fibrosis progression.

The close interconnection among cardiovascular, metabolic and renal diseases underscores the importance of therapeutic interventions that can effectively reduce cardiovascular mortality risk, especially in patients with concurrent liver diseases. The following chart illustrates the interconnection among cardiovascular, metabolic, renal and liver diseases.



Source: Frost & Sullivan Report

Thrombotic Diseases

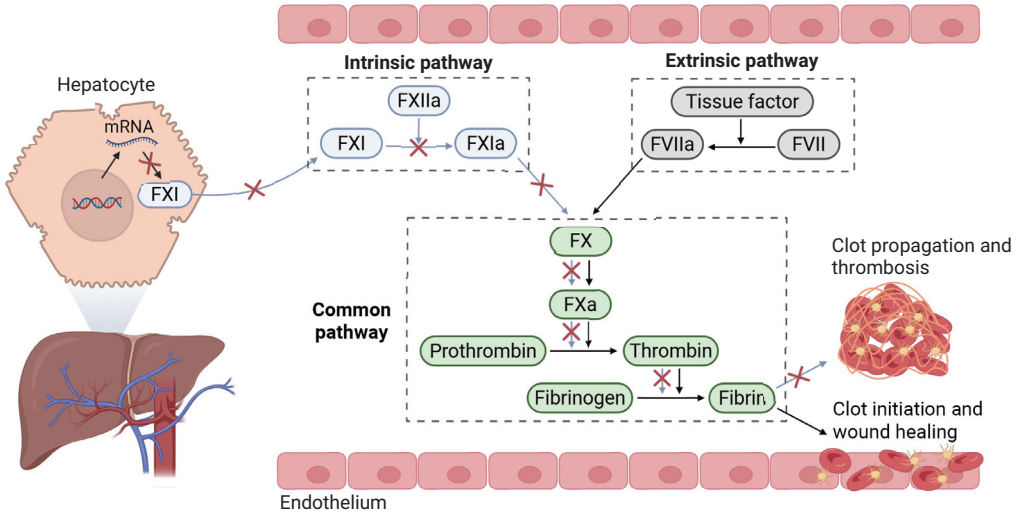
Overview

Thrombotic diseases encompass a spectrum of conditions characterized by pathological blood clot formation (thrombosis) in arterial or venous vessels. Thrombotic diseases have emerged as one of the leading causes of death worldwide, accounting for one-quarter of deaths globally each year. Global incidence of thrombotic diseases in 2024 was 26.7 million (including 4.8 million in the EU and 7.0 million in China), and is expected to reach 29.1 million in 2034 (including 7.6 million in the EU and 12.4 million in China). Risk factors include advanced age, obesity, physical inactivity, and major surgery, while medical conditions such as metabolic disorders, atrial fibrillation and cancer significantly increase thrombotic risk. Notably, metabolic disorders such as hyperlipidemia (particularly elevated levels of cholesterol and triglycerides) can promote thrombosis by inducing endothelial dysfunction and creating a prothrombotic state.

Thrombosis is triggered by the interaction of three key pathophysiological components: endothelial injury (damage to blood vessel walls), stasis (abnormal blood flow), and hypercoagulability (increased blood clotting tendency). The coagulation process occurs through a complex but well-organized cascade system. Blood clotting is initiated via two pathways: the intrinsic pathway, triggered by contact with damaged vessel surfaces and primarily involved in pathological clot formation, and the extrinsic pathway, which rapidly initiates protective clot formation when tissue injury exposes blood to external factors and serves as the body's primary defense against excessive bleeding. Both pathways converge on a common pathway, in which activated factor X (Xa) converts prothrombin to thrombin, ultimately leading to the formation of fibrin and a stable blood clot.

While this process is essential for hemostasis, its pathological activation can result in thrombotic complications. Arterial thrombosis primarily manifests as acute events such as myocardial infarction and ischemic stroke, while venous thrombosis typically presents as deep vein thrombosis, which can lead to pulmonary embolism and thrombosis in other sites.

The following diagram illustrates the coagulation pathway.

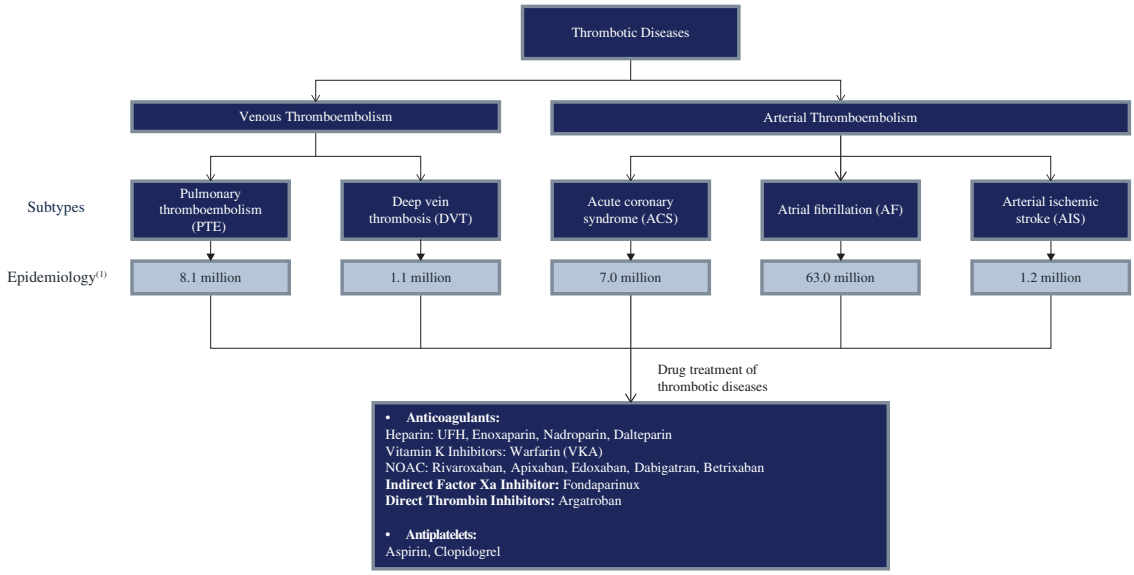


* Red crosses (X) indicate the inhibitory points of anticoagulants, blocking specific coagulation factors (e.g., Xa, thrombin) to prevent clot formation by interrupting the coagulation cascade.

Source: Illustration created by the Company using BioRender.com

While lifestyle interventions such as regular exercise, smoking cessation, and weight management serve as important preventive measures and adjunctive treatments, they are often insufficient for high-risk patients or those with severe thrombotic conditions. The current primary pharmacological therapy for thrombotic diseases is anticoagulants (including warfarin, heparin, and direct oral anticoagulants). Antiplatelet agents (such as aspirin and P2Y12 inhibitors) are used when treating arterial thrombosis. While effective at preventing thrombotic events, most current agents act non-selectively, affecting the intrinsic, extrinsic, and common downstream pathways of clotting. This therapeutic approach inevitably compromises normal hemostatic responses to injury, resulting in increased likelihood of bleeding complications, such as gastrointestinal bleeding and intracranial hemorrhage. Moreover, current anticoagulants typically require frequent monitoring or complex dose adjustments, resulting in poor patient compliance. These limitations have driven recent development focus toward novel anticoagulation mechanisms, particularly FXI-targeting oligonucleotide therapies, which selectively inhibit the intrinsic coagulation pathway while preserving extrinsic pathway-mediated hemostasis, potentially offering improved safety profiles with reduced bleeding risk.

The following chart sets forth the treatment paradigm for thrombotic diseases.



Note:

(1) Representing global incidence numbers in 2024 except AF, which represented prevalence number in 2024 to reflect overall disease burden given AF's paroxysmal or chronic nature.

Source: Literature Review; Frost & Sullivan Report

The following table sets forth the main categories of pharmacological therapies for thrombotic diseases.

Therapy	MOA	Hemorrhagic Risk	PK/Administration Advantage	Treatment Eligibility in High-Risk/ Contraindicated Patients	Representative Drugs	Annual Cost*
FXI-targeting therapies**	FXI-specific inhibition; targeted anticoagulation	Low	High	High	RBD4059 (siRNA), IONIS-FXIRx (ASO), abelacimab, asundexian	/
Warfarin	Vitamin K antagonist; inhibits multiple coagulation factors	High	Low	Medium	Coumadin	~US$100–300
Heparin/LMWH	Activates antithrombin III to inhibit thrombin & FXa	High	Low	Medium	Lovenox	~US$1,500–2,500
NOACs	Direct FXa or thrombin inhibition	Medium	Medium	Medium	Xarelto	~US$6,000–8,400

* Representing annual cost of representative drugs of each therapy.

** As of the Latest Practicable Date, no FXI-targeting therapies had been approved for treating thrombotic diseases.

Source: Literature Review; Frost & Sullivan Report

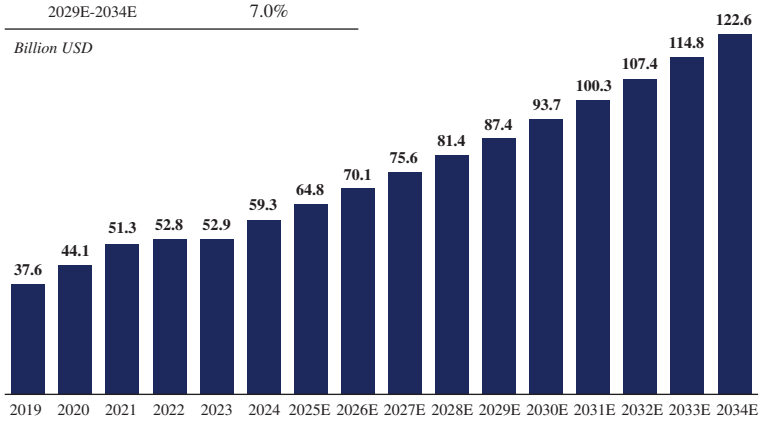
Current drug development efforts in thrombotic diseases have focused primarily on FXI-targeting therapies due to their potential to reduce thrombotic risk while minimizing bleeding complications. These therapies span three main modalities: oligonucleotide therapies that suppress hepatic FXI mRNA expression, including Ionis Pharmaceuticals/Bayer's IONIS-FXIRx (ASO) and the Company's RBD4059 (siRNA); monoclonal antibodies that directly bind and inhibit FXI/FXIa, including Anthos Therapeutics' abelacimab; and oral small molecule inhibitors that block FXIa catalytic activity, including Bayer's asundexian. Among these approaches, oligonucleotide-based therapies have emerged as a leading development direction due to their prolonged duration of action, though all three modalities continue to advance in parallel.

Addressable Market Size of Antithrombotic Drugs

The global antithrombotic drug market increased from US$37.6 billion in 2019 to US$59.3 billion in 2024 at a CAGR of 9.5%, and is expected to reach US$87.4 billion and US$122.6 billion in 2029 and 2034, respectively, representing a CAGR of 8.0% from 2024 to 2029 and 7.0% from 2029 to 2034. The following chart sets forth the addressable market size of global antithrombotic drug market.

Market Size of Antithrombotic Drugs Globally, 2019-2034E

Period	CAGR
2019-2024	9.5%
2024-2029E	8.0%
2029E-2034E	7.0%



Source: Frost & Sullivan Report

Approximately 55%-60% of the global antithrombotic drug market is potentially addressable by FXI-targeting siRNA therapies. This percentage represents patients requiring long-term chronic anticoagulation — the primary therapeutic focus of FXI-targeting siRNAs — while the excluded 40%-45% comprises perioperative and acute short-term anticoagulation uses.

FXI-targeting siRNA Drugs for Thrombotic Diseases

Factor XI (FXI) is a protein that plays a crucial role in the process of blood clotting, or hemostasis. FXI-targeted therapies provide key benefits for treating thrombotic diseases by specifically blocking FXI in the intrinsic clotting pathway. This selective mechanism, by preserving the extrinsic pathway essential for normal hemostasis, provides effective prevention of blood clots with reduced bleeding risk, addressing a critical unmet need in thrombotic disease management. Given these promising characteristics, various therapeutic modalities targeting FXI are currently under clinical development, including small molecules, antibodies, and oligonucleotides, although none had been approved as of the Latest Practicable Date.

Among these FXI-targeting approaches, FXI-targeting siRNA therapeutics demonstrate several potential advantages. Unlike small molecule drugs which often require daily dosing, FXI-targeting siRNA therapeutics can achieve sustained reduction in FXI protein and activity with extended dosing intervals due to its long-lasting effects, which leads to enhanced patient compliance and lower overall treatment costs. Additionally, the synthetic nature and liver-specific delivery of siRNA drugs result in lower immunogenicity and minimal anti-drug antibody (ADA) development compared to antibodies, which as protein-based drugs inherently carry a higher risk of immunogenicity. With selective thrombosis inhibition and predictable pharmacological effects enabled by direct hepatic targeting, these siRNA therapeutics demonstrate superior safety profile, positioning them as next-generation antithrombotic drugs, particularly crucial for long-term prevention requiring sustained drug exposure.

Competitive Landscape of FXI-targeting siRNA Drugs for Thrombotic Diseases

As of the Latest Practicable Date, no FXI-targeting siRNA drugs had been approved for treating thrombotic diseases, and there were four FXI-targeting siRNA drug candidates under clinical development for treating thrombotic diseases globally as shown in the table below.

FXI-targeting siRNA Drug Candidates Under Clinical Development for Thrombotic Diseases Globally

Drug Name	Company	Technology	Indication	Phase	First Posted Date
RBD4059	**Our Company**	**siRNA (GalNAc)**	**Stable coronary artery disease**	**2**	**2024-08**
		siRNA (GalNAc)	**Healthy subjects**	**1**	**2022-12**
SRSD107	Sirius Therapeutics	siRNA (GalNAc)	Thrombosis	2	2025-08
STP122G	Sirnaomics	siRNA (GalNAc)	Healthy subjects	1	2023-05
ADX-626	ADARx Pharmaceuticals	siRNA (GalNAc)	Healthy subjects	1	2025-07

Source: ClinicalTrials.gov, Frost & Sullivan Report

Dyslipidemia

Overview

Dyslipidemia is a condition characterized by abnormal levels of any or all lipids (e.g. triglycerides, cholesterol, phospholipids) or lipoproteins in the blood. Globally, the prevalence of dyslipidemia in adults is estimated at around 40%, affecting approximately 3.0 billion individuals each year.

Hypercholesterolemia ("HC") is the most common type of dyslipidemia, accounting for approximately 27.4% of global dyslipidemia cases. Approximately 935.0 million people were affected by HC in 2024 globally, which is expected to reach 1,010.0 million people in 2034. In the EU and China, 174.9 million and 118.2 million people were affected by HC in 2024, respectively, which are expected to reach 172.0 million and 122.7 million in 2034, respectively. HC is typically characterized by elevated LDL-C, with or without an increase in total cholesterol. It can be caused by factors such as poor diet, physical inactivity, obesity, and genetic predisposition. While most patients with HC have no obvious discomfort, it is a significant risk factor for cardiovascular diseases and is frequently associated with other metabolic disorders. According to Frost & Sullivan, among patients with premature cardiovascular disease, approximately 33.8% to 44.3% present with HC. For HC, lifestyle modifications including dietary changes, regular physical exercise, and weight management constitute the foundation of treatment and prevention. However, these interventions alone are often insufficient to achieve target LDL-C levels, particularly in patients with familial hypercholesterolemia or severe dyslipidemia. Statins are the first-line medication for treating HC, with the intensity selected based on cardiovascular risk assessment and target LDL-C reduction goals. Additional options include cholesterol-absorption inhibitors such as ezetimibe, proprotein convertase subtilisin/kexin type 9 (PCSK9) inhibitors, and bile acid sequestrants, often used in combination therapy for patients not achieving target levels with statins alone or who are statin-intolerant. However, only about one-third of patients achieve their target LDL-C levels with available treatments. Poor adherence can also be found in patients with HC. Such limitations highlight unmet needs for more effective and better-tolerated therapeutic options.

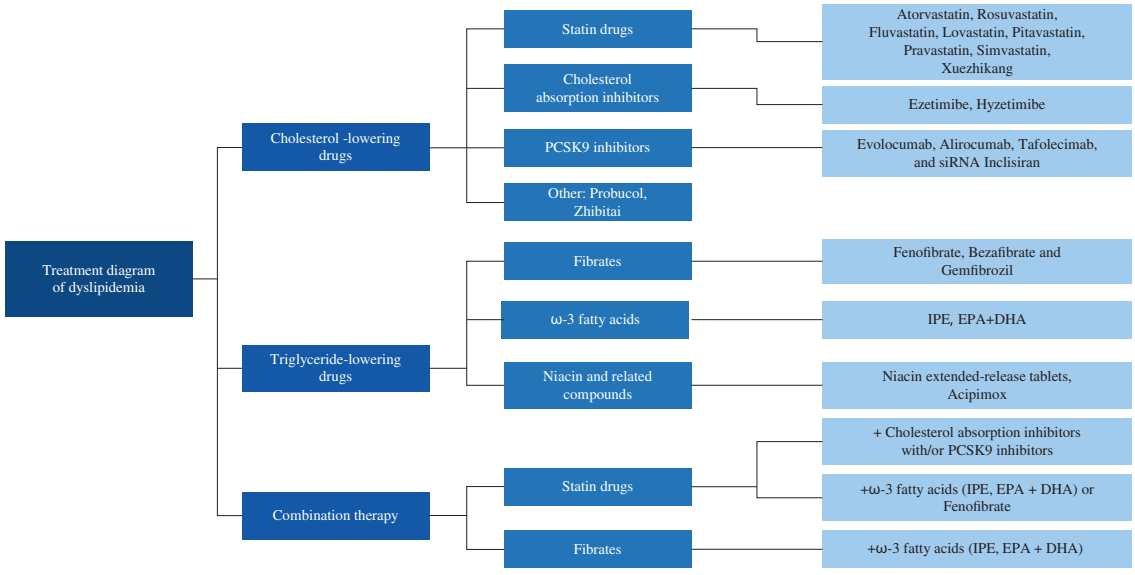
HTG, defined by elevated blood triglyceride levels (TG $\geq$ 1.7 mmol/L), affects approximately 25% of the global dyslipidemia cases. Approximately 845.6 million people were affected by HTG in 2024 globally, which is expected to reach 913.9 million in 2034. In the EU and China, 174.3 million and 217.3 million people were affected by HTG in 2024, respectively, which are expected to reach 172.0 million and 219.9 million in 2034, respectively. HTG is closely associated with multiple diseases, represented by cardiovascular disease and acute pancreatitis. According to Frost & Sullivan, among individuals with these conditions, approximately 35%-50% are affected by HTG. For HTG, treatment strategies depend on the severity of elevation and associated conditions. Lifestyle interventions including dietary modifications (particularly reduction of refined carbohydrates and alcohol), weight loss, and increased physical activity may be adequate for patients with mild HTG. However, these measures often provide insufficient TG reduction in patients with severe HTG, necessitating

pharmacological intervention. Fibrates are often the primary pharmacological choice when TG levels are significantly elevated (typically TG >5.6 mmol/L). Other therapeutic options include omega-3 fatty acids and niacin, especially for patients intolerant to other treatments. However, current treatments for HTG show modest efficacy in achieving target TG levels, with fibrates and omega-3 fatty acids demonstrating suboptimal responses in approximately 16.2%-26.2% of patients, particularly in those with severe HTG. In cases of mixed dyslipidemia, where both cholesterol and triglycerides are elevated, combination therapy may be necessary. These agents are further constrained by daily dosing requirements that contribute to poor long-term adherence and safety concerns including hepatotoxicity, myopathy, gastrointestinal disturbances and pancreatitis risk. These limitations underscore the unmet need for novel therapies with improved risk-benefit profiles, including APOC3-targeting oligonucleotide therapies.

The table below sets forth the key distinctions between HC and HTG:

Characteristics	Hypercholesterolemia (HC)	Hypertriglyceridemia (HTG)
Elevated Lipid	Low-density lipoprotein (LDL) cholesterol	Triglycerides
Global Prevalence (2024)	Approximately 935.0 million	Approximately 845.6 million
Primary Risks	Atherosclerotic cardiovascular disease	Acute pancreatitis
Standard-of-Care Therapies	Statins, ezetimibe, PCSK9 inhibitors	Fibrates, omega-3 fatty acids
Unmet Medical Needs	Limited response, poor long-term adherence and safety concerns	

The treatment paradigm for dyslipidemia is set forth as below:



Source: Frost & Sullivan Report

The following table sets forth the main categories of pharmacological therapies for HTG.

Therapy	MOA	Efficacy in Severe/Refractory TG Reduction	Dosing / Adherence Advantage	Applicability in Severe/Refractory Hypertriglyceridemia	Representative Drugs	Annual Cost*
APOC3-targeting therapies	APOC3 silencing; reduces TG at source	High	High	High	Waylivra (ASO), Plozasiran (siRNA)	Waylivra: ~ US$450,000 Plozasiran: ~US$60,000
Fibrates	PPARα agonists; increase lipolysis & TG clearance	Medium	Medium	Medium	Tricor, Lopid	~ US$120 – 360
High-intensity statins	HMG-CoA reductase inhibition; mainly LDL-C lowering	Medium	Medium	Medium	Lipitor	~ US$100 – 250
ω-3 fatty acids	Reduces hepatic TG synthesis	Low	Medium	Low	Vascepa	~US$4,800– 5,500
ANGPTL3 mAb	Inhibits ANGPTL3 to lower TG/LDL	High	Medium	Medium	Evkeeza	~ US$450,000 – 487,500

* Representing annual cost of representative drugs of each therapy.

Source: Literature Review; Frost & Sullivan Report

APOC3-targeting oligonucleotide therapies have emerged as the predominant development direction in HTG due to their potent, long-acting TG-lowering effects and potential to improve the risk-benefit profile compared with existing treatments. The most clinically advanced drug candidates include Ionis Pharmaceuticals' olezarsen, which is an NDA-enabling ASO candidate for severe HTG.

The following table sets forth the main categories of pharmacological therapies for HC.

Therapy	MOA	LDL-C Reduction Efficacy	Dosing/ Adherence Advantage	Efficacy in Statin-Intolerant/ High-Risk ASCVD Patients	Representative Drugs	Annual Cost*
PCSK9-targeting therapies	PCSK9-specific inhibition; enhanced hepatic LDL receptor expression and LDL-C clearance	High	High	High	Inclisiran (siRNA) Repatha (mAb)	~US$6,000 – 6,500
Statins	HMG-CoA reductase inhibition	Medium	High	Medium	Lipitor, Crestor	~US$150 – 300
Ezetimibe	NPC1L1 inhibition; reduces cholesterol absorption	Medium	High	Medium	Zetia	~US$500 – 2,800

* Representing annual cost of representative drugs of each therapy.

Source: Literature Review; Frost & Sullivan Report

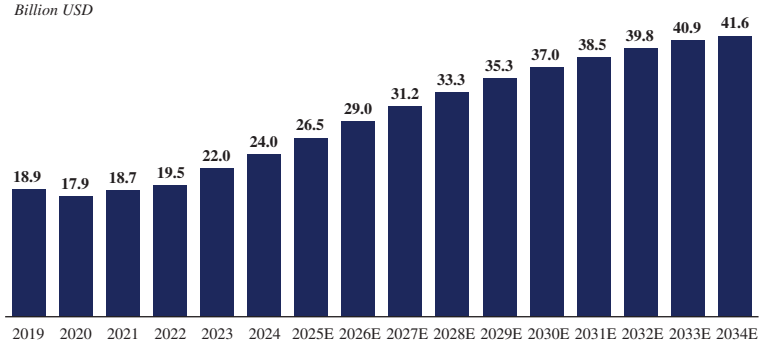
Within HC, most product candidates are targeted therapies, including: (i) PCSK9-targeting agents, such as Merck's oral macrocyclic peptide inhibitor MK-0616, AstraZeneca's oral small-molecule inhibitor AZD0780 and the Company's PCSK9-targeting siRNA RBD5044; (ii) lipoprotein(a)-targeting therapies, including Amgen/Arrowhead's siRNA candidate olpasiran; and (iii) angiopoietin-like protein 3 (ANGPTL3)-targeting therapies, including Eli Lilly's siRNA candidate solbinsiran.

Addressable Market Size of Lipid-regulation Drugs

The global burden of dyslipidemia is substantial and under-addressed. In 2024, the prevalence of dyslipidemia reached 3,221.6 million people in the worldwide, and it is expected to increase to 3,672.5 million in 2034. Such a large group of patients have a huge demand for dyslipidemia treatment to control the progression of the disease. The global lipid-regulation drug market increased from US$18.9 billion in 2019 to US$24.0 billion in 2024 at a CAGR of 4.9%. It is expected to reach US$35.3 billion and US$41.6 billion in 2029 and 2034, respectively, representing a CAGR of 8.0% from 2024 to 2029 and 3.4% from 2029 to 2034. The following chart sets forth the addressable market size of global lipid-regulation drug market.

Market Size of Lipid-regulation Drugs Globally, 2019-2034E

Period	CAGR
2019-2024	4.9%
2024-2029E	8.0%
2029E-2034E	3.4%



Source: Frost & Sullivan Report

APOC3-targeting siRNA Drugs for HTG

Apolipoprotein C-III (APOC3) is a key regulator of lipid metabolism in the body, particularly affecting TG levels. When present at elevated levels, APOC3 disrupts normal lipid processing primarily by inhibiting lipoprotein lipase (LPL), an enzyme responsible for breaking down TGs (LPL-dependent pathway), and by interfering with hepatic clearance of TG-rich lipoprotein remnants (LPL-independent pathway). This leads to a significant accumulation of TGs in the blood, resulting in HTG. The strong association between APOC3 and TG metabolism makes it an important therapeutic target for treating HTG.

APOC3-targeting therapies have emerged as a breakthrough approach by directly inhibiting a key regulator of lipid metabolism, thereby enhancing the clearance of TG-rich lipoproteins and remnant cholesterol from the bloodstream. This strategy provides more effective and targeted management of TG and remnant cholesterol-related cardiovascular risk compared to LDL cholesterol-focused standard-of-care treatments, as TG-rich particles and remnant particles are increasingly recognized as major contributors to atherosclerotic plaque formation and vascular damage. By specifically targeting APOC3 mRNA, APOC3-targeting siRNA therapeutics can effectively reduce APOC3 protein levels, thereby removing its inhibitory effects on crucial enzymes involved in lipid metabolism, such as lipoprotein lipase, and enhancing the clearance of TG-rich lipoproteins. Clinical studies have demonstrated that APOC3 reduction through siRNA drugs can lead to significant decreases in TG levels, particularly beneficial for patients with severe HTG who have limited treatment options or inadequate response to existing therapies. The specificity of this approach and its complementary mechanism to current treatments suggests potential clinical value both as monotherapy and in combination with existing lipid-lowering medications. Unlike conventional TG-lowering therapies that primarily function through metabolic pathway modulation, APOC3 siRNA's gene-silencing mechanism enables synergistic combinations with established treatments. Specifically, it complements statins through dual-pathway action combining cholesterol synthesis inhibition with APOC3 gene silencing, works alongside fibrates by pairing PPAR pathway activation with direct APOC3 blockade, and enhances omega-3 fatty acid efficacy by eliminating APOC3-mediated resistance. This complementary positioning expands the addressable market beyond treatment substitution, creating incremental therapeutic value for patients with inadequate response to conventional therapies and enabling enhanced overall efficacy through combination treatment strategies. Importantly, siRNA's durable pharmacological activity enables long-lasting TG control with quarterly or bi-annual dosing schedules — a paradigm shift from daily drug regimens that significantly enhances patient adherence.

Competitive Landscape of APOC3-targeting siRNA Drugs for HTG

As of the Latest Practicable Date, there were only three APOC3-targeting oligonucleotide drugs approved, volanesorsen and olezarsen, both of which were ASOs, and plozasiran, an siRNA, for the treatment of familial chylomicronemia syndrome ("FCS"). FCS is a rare, inherited form of severe HTG caused by defective chylomicron metabolism. The approval of these drugs have demonstrated the clinical validity of APOC3 as a therapeutic target in severe HTG. As of the Latest Practicable Date, there were four APOC3-targeting siRNA drug candidates under clinical development for HTG. The following table illustrates the competitive landscape of the APOC3-targeting siRNA drug candidates under clinical development globally.

APOC3-targeting siRNA Drug Candidates Under Clinical Development for HTG Globally

Drug Name/Code	Company	Technology	Indication	Phase	First Posted Date
Plozasiran	Arrowhead Pharma, Visirna Therapeutics	siRNA (GalNAc)	HTG	3	2024-05
		siRNA (GalNAc)	Severe HTG	3	2024-07
		siRNA (GalNAc)	Severe HTG at high risk of acute pancreatitis	3	2025-03
RBD5044	**Our Company**	**siRNA (GalNAc)**	**Mixed dyslipidemia**	**2**	**2025-01**
		siRNA (GalNAc)	**Healthy subjects**	**1**	**2022-11**
ALN-APOC3	Regeneron Pharmaceuticals	siRNA (GalNAc)	Dyslipidemia	1/2	2025-01
RN0361	Rona Therapeutics	siRNA (GalNAc)	Elevated TC	1	2024-06

Source: ClinicalTrials.gov, Frost & Sullivan Report

PCSK9-targeting siRNA Drugs for Hypercholesterolemia

PCSK9 naturally regulates cholesterol metabolism by promoting the degradation of low-density lipoprotein ("LDL," the main carrier of "bad cholesterol") receptors on liver cells. PCSK9 inhibitors work by preventing this degradation, thereby increasing functional LDL receptors and enhancing LDL-C clearance. Clinical trials have demonstrated that this mechanism can achieve substantial LDL-C reduction (typically 50%-70%, compared to statins (generally 20%-50%) and ezetimibe (15%-20%)) and proves particularly effective for patients who are statin-intolerant or unable to reach target levels with conventional therapies. With established safety data and a complementary mechanism to existing treatments, PCSK9 inhibitors provide an important therapeutic option for managing high-risk HC patients.

PCSK9-targeting siRNA drugs represent an innovative approach in HC treatment by reducing PCSK9 protein synthesis at the mRNA level. Unlike monoclonal antibodies that bind to circulating PCSK9, these siRNA drugs prevent PCSK9 production in hepatocytes, leading to increased LDL receptor expression and enhanced LDL-C clearance. Clinical trials of PCSK9-targeting siRNA drugs have demonstrated durable LDL-C reduction with twice-yearly dosing, compared to biweekly or monthly administrations required for antibody therapies. This mechanism and reduced dosing frequency provide a distinct therapeutic option for long-term HC management.

Competitive Landscape of PCSK9-targeting siRNA Drugs for Hypercholesterolemia

As of the Latest Practicable Date, there was one PCSK9-targeting siRNA drug, inclisiran, approved globally for the treatment of HC, and there were six siRNA drug candidates under clinical development globally for HC.

Marketed PCSK9-targeting siRNA Drugs for HC Globally

Drug Name	Company	Technology	Indication	Approval Regions	First Posted Date	Treatment Cost per Patient (2024)	Market Share (2024)
Inclisiran	Novartis, Alnylam Pharma, The Medicines Company	siRNA (GalNAc)	heterozygous familial hypercholesterolemia (HeFH) or clinical atherosclerotic cardiovascular disease (ASCVD), mixed hyperlipidemia	EU, U.S., PRC, Japan, South Korea	EMA: 2020-12 FDA: 2021-12 NMPA: 2023-08 PMDA: 2023-09 MFDS: 2024-06	U.S.: US$6,746.8 China: RMB19,976	100%[(1)]

Note:

(1) In the global PCSK9-targeting siRNA drug market.

PCSK9-targeting siRNA Drug Candidates Under Clinical Development for HC Globally

Drug Name/Code	Company	Technology	Indication	Phase	First Posted Date
SYH2053	CSPC Pharma	siRNA (GalNAc)	Primary HC or mixed hyperlipidemia with elevated LDL-C	2	2024-11
RBD7022	**Our Company/Qilu Pharmaceutical**	**siRNA (GalNAc)**	**Primary HC or mixed hyperlipidemia with elevated LDL-C**	**2**	**2024-12**
		siRNA (GalNAc)	**Normal or elevated LDL-C**	**1**	**2022-12**
SGB-3403	SanegeneBio	siRNA (GalNAc)	heterozygous familial hypercholesterolemia (HeFH) or clinical atherosclerotic cardiovascular disease (ASCVD)	1	2023-05
RN0191*	Rona Therapeutics	siRNA (GalNAc)	Elevated LDL-C	1	2023-06
SRSD101	Sirius Therapeutics	siRNA (GalNAc)	Normal or elevated LDL-C	1	2023-11
COR-1004	Corsera Health	siRNA (GalNAc)	Normal or elevated LDL-C	1	2025-11

* As of the Latest Practicable Date, phase 1 study for RN0191 had been completed.

Source: ClinicalTrials.gov, Frost & Sullivan Report

Renal Diseases

Overview

Renal diseases are conditions that impair kidney structure or function, leading to waste accumulation, electrolyte imbalances and increased cardiovascular risk. They can be broadly classified into acute kidney injury and chronic kidney disease. The prevalence of chronic kidney disease is approximately 9.5% in the adult population globally. Conventional treatments — including corticosteroids, immunosuppressants, and renin-angiotensin system blockers — often provide suboptimal disease control because they fail to directly target the underlying pathophysiological mechanisms, such as immune-mediated injury and progressive renal fibrosis. Moreover, their long-term use often leads to significant adverse effects and diminished efficacy in certain patient populations.

The complement system plays a critical role in mediating inflammation and fibrosis in renal diseases through Classical, Lectin, and Alternative pathways. These pathways converge through enzymatic amplification, forming C3/C5 convertases that ultimately lead to membrane attack complex (MAC) assembly, promoting inflammation and cell destruction. Emerging therapies targeting complement activation represent a shift from symptom management to addressing root pathological mechanisms. Current approaches include protein-level inhibition through monoclonal antibodies like eculizumab, a C5 inhibitor approved for atypical hemolytic uremic syndrome. Novel siRNA therapeutics targeting mRNAs encoding complement proteins in liver cells offer promising advantages by preventing the synthesis of these proteins at their source, potentially providing more durable inhibition with fewer off-target effects.

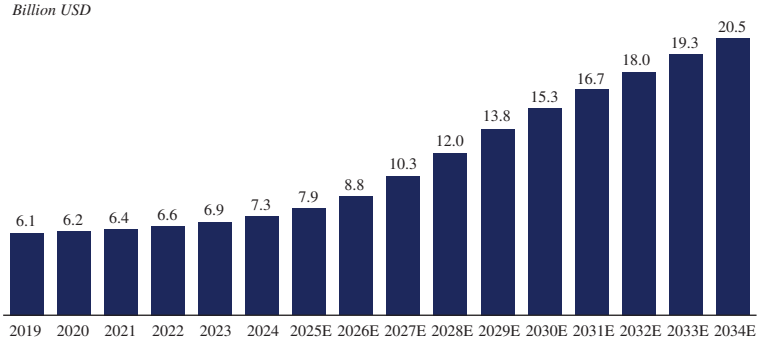
IgA nephropathy (IgAN) represents an important application for complement-targeted therapies. IgAN is characterized by IgA-dominant immune complex deposition in the glomerular mesangium — the supporting tissue of "filters" in the kidney, is the most prevalent primary glomerulonephritis — inflammation of the kidney's filtering units, worldwide. According to Frost & Sullivan, approximately 9.6 million people were affected by IgAN in 2024 globally, which is expected to reach 10.4 million in 2034. As complement activation contributes significantly to IgAN pathogenesis, targeted therapies against the complement system could address underlying disease mechanisms and provide more effective treatment options.

Addressable Market Size of IgAN Drugs

The global IgAN drug market increased from US$6.1 billion in 2019 to US$7.3 billion in 2024 at a CAGR of 3.6%, and is expected to expand to US$13.8 billion and US$20.5 billion in 2029 and 2034, respectively, representing a CAGR of 13.7% from 2024 to 2029 and 8.3% from 2029 to 2034. The following chart sets forth the addressable market size of IgAN drug market worldwide.

Market Size of IgAN Drugs Globally, 2019-2034E

Period	CAGR
2019-2024	3.6%
2024-2029E	13.7%
2029E-2034E	8.3%



Source: Frost & Sullivan Report

LIVER DISEASES

Chronic Hepatitis B ("CHB")

Overview

Chronic hepatitis B (CHB) is a long-term liver disease caused by persistent infection with the hepatitis B virus (HBV). It is characterized by the persistence of hepatitis B surface antigen (HBsAg) in serum for at least six months. The virus spreads through blood, semen, and other body fluids, commonly via mother-to-child transmission, unprotected sex, or sharing needles. According to Frost & Sullivan, 80%-90% of infants aged one year old and 30%-50% of children aged six years old and younger who are infected with HBV will develop CHB, which can lead to serious and potentially fatal complications, including cirrhosis, liver failure and liver cancer. About 20%-30% of untreated patients with CHB may turn into cirrhosis and liver cancer. Despite the availability of HBV vaccines, CHB is still estimated to affect at least 260 million individuals annually worldwide in the next decade, making it a significant health concern worldwide. In the EU and China, 8.1 million and 67.6 million people were affected by CHB in 2024, respectively.

There is currently no effective functional cure for CHB, which focuses on identifying and addressing the root causes of CHB and defined as sustained HBsAg loss with or without anti-HBs seroconversion. The standard of care is to monitor disease progression, with nucleos(t)ide analogs (NAs) or pegylated interferon-alpha (PegIFN-α) being the most recommended antiviral therapies. NAs, such as entecavir and tenofovir, work by directly inhibiting HBV DNA polymerase, thereby reducing viral replication. They are generally well-tolerated and can be taken orally, making them the preferred first-line treatment for most patients with CHB. However, NAs require long-term and indefinite treatment for most CHB

patients and only 1%-5% of CHB patients achieve functional cure. Interferon-based therapies, particularly pegylated interferon-α (PegIFN-α), stimulate the immune system to combat the virus and have both antiviral and immunomodulatory effects. While PegIFN-α can lead to higher rates of HBsAg loss in CHB patients, particularly in those with lower baseline HBsAg levels, it is administered via injection, has a limited treatment duration, and is associated with more side effects compared to NAs. Most CHB patients are subject to long-term and even lifelong treatments, which fails to adequately reduce the risk of developing liver cancer and other serious liver complications. These limitations underscore a significant unmet need for safe and effective treatments with a finite duration to increase the rate of functional cure.

The following table set forth the main categories of pharmacological therapies for CHB.

Therapy	MOA	Functional Cure Potential	Dosing/PK Advantage	Functional Cure Potential in Chronic HBV Patients	Representative Drugs	Annual Cost*
Nucleos(t)ide analogs	Inhibit viral reverse transcriptase; suppress replication	Low	Medium	Medium	Entecavir, Tenofovir disoproxil fumarate	~ US$11,000 – 12,500
PEG-IFN	Immune modulation to suppress HBV	Medium	Low	Medium	Pegasys	~ US$11,000 – 12,000

* Representing annual cost of representative drugs of each therapy.

Source: Literature Review; Frost & Sullivan Report

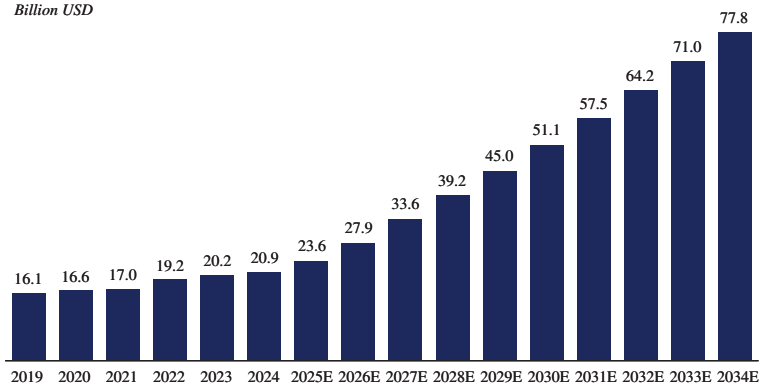
Key product candidates under development for CHB include (i) oligonucleotide-based therapies such as GSK's ASO bepirovirsen; and (ii) capsid modulators such as Cosunter's GST-HG141, inhibiting viral replication by disrupting HBV capsid assembly at an upstream stage of the viral life cycle. GST-HG141 has received breakthrough therapy designation. These mechanisms are considered complementary, and combination regimens incorporating oligonucleotide agents and capsid modulators are being explored to enhance the depth and durability of antiviral responses beyond those achievable with existing therapies.

Addressable Market Size of Anti-HBV Drugs

The global anti-HBV drug market increased from US$16.1 billion in 2019 to US$20.9 billion in 2024 at a CAGR of 5.4%, and is expected to expand to US$45.0 billion and US$77.8 billion in 2029 and 2034, respectively, representing a CAGR of 16.5% from 2024 to 2029 and 11.6% from 2029 to 2034. The following chart sets forth the addressable market size of anti-HBV drug market worldwide.

Anti-HBV Drug Market Size Globally, 2019-2034E

Period	CAGR
2019-2024	5.4%
2024-2029E	16.5%
2029E-2034E	11.6%



Source: Frost & Sullivan Report

siRNA Drugs for CHB

Anti-HBV siRNA drugs represent an innovative therapeutic approach targeting CHB through direct interference with viral RNA. Unlike conventional treatments — NAs and PegIFN-α that primarily inhibit viral replication but rarely achieve functional cure, with the latter associated with significant side effects leading to poor tolerability — siRNA drugs are designed to suppress the production of HBsAg, HBV DNA and HBeAg through sequence-specific binding to HBV RNA transcripts. This unique mechanism of action addresses a key limitation in current CHB treatment paradigms by potentially enabling HBsAg clearance, a critical step toward functional cure.

These therapeutics demonstrate several distinct advantages over existing treatments, including extended half-life enabling monthly or quarterly dosing compared to daily NA administration or weekly PegIFN-α injections, sustained therapeutic effects with >2 log10 reduction in HBsAg levels in clinical trials, and favorable safety profiles. Additionally, the complementary mechanism of action of anti-HBV siRNA drugs supports combination therapy approaches with existing treatments, potentially offering enhanced therapeutic outcomes and prognosis in finite treatment duration versus lifelong NA therapy. This novel therapeutic modality represents a promising approach to address the significant unmet needs in CHB treatment by targeting key aspects of viral persistence.

Competitive Landscape of Anti-HBV siRNA Drugs

As of the Latest Practicable Date, no anti-HBV siRNA drug had been approved for treating CHB, and there were seven anti-HBV siRNA drug candidates in phase 2 or beyond globally for CHB as shown in the table below.

Anti-HBV siRNA Drug Candidates Under Clinical Development for CHB Globally (in Phase 2 or Beyond)

Drug Name/Code	Company	Technology	Target	Indication	Phase*	First Posted Date
Elebsiran (BRII-835)	Alnylam Pharma, Brii Biosciences, VIR Biotechnology	siRNA (GalNAc)	HBX	CHB	2	2020-06
Imdusiran (AB-729)	Arbutus Biopharma, Qilu Pharmaceutical, Barinthus Biotherapeutics, Antios Therapeutics	siRNA (GalNAc)	HBX	CHB	2	2021-07
RBD1016	**Our Company**	**siRNA (GalNAc)**	**HBX**	**CHB**	**2**	**2023-07**
HRS-5635	Fujian Shengdi Pharma	siRNA	HBX	CHB	2	2024-05
GSK5637608 (JNJ3989)	GSK	siRNA	HBsAg, HBX	CHB	2	2024-11
HT-101	Hepa Thera	siRNA	HBsAg	CHB	2	2024-12
BW-20507	Argo Biopharmaceutical	siRNA	ASGPR, HBsAg	CHB	2	2025-08

* Not including phase 1/2 trials where there is no publicly available information confirming that the phase 2 study has been initiated.

Source: ClinicalTrials.gov, Frost & Sullivan Report

Chronic Hepatitis D ("CHD")

Chronic Hepatitis D

CHD is a superinfection of the liver that may occur in patients with CHB. It is caused by hepatitis D virus (HDV), a "satellite" virus that can only infect individuals who are also infected by HBV as HDV requires HBsAg for viral assembly and propagation. Nearly 5% of patients with CHB virus infection worldwide are infected with HDV. CHD is the most severe form of viral hepatitis and is associated with an increased risk of liver cancer and death, with faster progression to serious liver complications such as liver fibrosis, cirrhosis and liver decompensation compared to CHB alone. As of 2024, CHD affected 12.3 million people worldwide, including 0.1 million in the EU and 2.0 million in China.

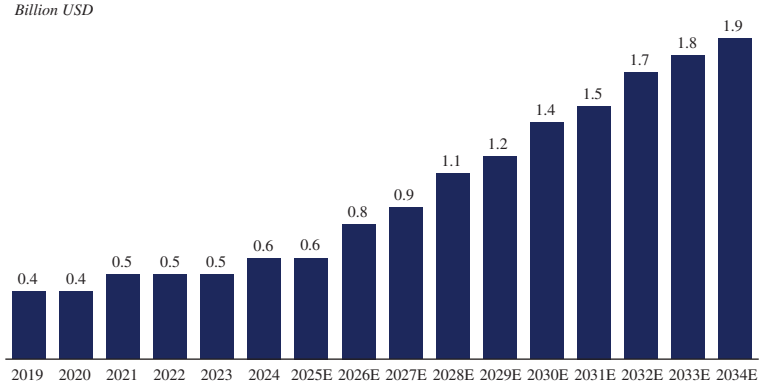
Currently, treatment options for CHD are limited. PegIFN-α is the generally recommended treatment for CHD patients worldwide, which has significant side effects. In the EU, NTCP inhibitor bulevirtide is approved for the indication, but it has limited effect on HBsAg with its mechanism of actions. While NAs such as entecavir or tenofovir are recommended for controlling HBV replication in some patients who are ineligible for PegIFN-α treatment, they are ineffective in reducing HBsAg or HBV RNA levels. These limitations underscore an immense unmet need for safe and effective therapies to achieve HBsAg clearance and sustained HDV virological response. For details regarding comparison among current treatment options for CHD, see "— Liver Diseases — Chronic Hepatitis B — Overview." Current drug development efforts focus on targeted, CHD-specific therapies that directly interfere with viral infection and spread. Representative product candidates include BlueJay Therapeutics's brelovitug, a monoclonal antibody that has received breakthrough therapy designation from the U.S. FDA.

Addressable Market Size of Anti-HDV Drugs

The global anti-HDV drug market increased from US$0.4 billion in 2019 to US$0.6 billion in 2024 at a CAGR of 6.0%, and is expected to expand to US$1.2 billion and US$1.9 billion in 2029 and 2034, respectively, representing a CAGR of 16.7% from 2024 to 2029 and 9.4% from 2029 to 2034. The following chart sets forth the addressable market size of anti-HDV drug market worldwide.

Anti-HDV Drug Market Size Globally, 2019-2034E

Period	CAGR
2019-2024	6.0%
2024-2029E	16.7%
2029E-2034E	9.4%



Source: Frost & Sullivan Report

siRNA Drugs for CHD

Given HDV's dependence on HBsAg for viral assembly and propagation, the therapeutic potential of anti-HBV siRNA drugs which could suppress the HBsAg level, represent a promising new approach in CHD treatment. For details regarding anti-HBV oligonucleotide drugs, see "— Liver Diseases — Chronic Hepatitis B — siRNA Drugs for CHB."

Competitive Landscape of siRNA Drugs for CHD

As of the Latest Practicable Date, no siRNA drug had been approved for treating CHB, and there were three siRNA drug candidates under clinical development for CHD globally as shown in the table below.

Anti-HDV siRNA Drug Candidates Under Clinical Development for CHD Globally

Drug Name/Code	Company	Technology	Target	Indication	Phase	First Posted Date
Elebsiran (BRII-835)	Alnylam Pharma, Brii Biosciences, VIR Biotechnology	siRNA (GalNAc)	HBX	CHD	3	2025-03
RBD1016	**Our Company**	**siRNA (GalNAc)**	**HBX**	**CHD**	**2**	**2024-10**
		siRNA (GalNAc)	**HBX**	**Healthy subjects**	**1**	**2021-02**
JNJ3989	Janssen Research & Development, LLC	siRNA (GalNAc)	HBsAg, HBX	CHD	2*	2021-02

* As of the Latest Practicable Date, phase 2 study for JNJ3989 had been completed.

Source: ClinicalTrials.gov, Frost & Sullivan Report

Metabolic Dysfunction-associated Steatohepatitis (MASH)

Metabolic dysfunction-associated steatohepatitis (MASH) is a severe form of MASLD, characterized by excessive fat accumulation in the liver (steatosis) and accompanied by inflammation and hepatocyte injury. MASH is one of the most common hepatic diseases worldwide. The global prevalence of MASH increased from 340.4 million in 2019 to 398.7 million in 2024 at a CAGR of 3.2%. The number is expected to grow to 470.1 million and 533.4 million in 2029 and 2034, respectively, representing a CAGR of 3.3% from 2024 to 2029 and 2.6% from 2029 to 2034.

The primary pathogenesis of MASH is linked to metabolic disorders like obesity, insulin resistance, and dyslipidemia, which lead to increased free fatty acid influx, lipotoxicity, oxidative stress, and chronic inflammation within the liver. MASH frequently coexists with and shares common pathophysiological pathways with type 2 diabetes and cardiovascular diseases, forming a complex network of metabolic disorders that mutually influence disease progression. Without proper intervention, severe MASH can progress to liver fibrosis, cirrhosis and even liver cancer, while its metabolic comorbidities may lead to adverse cardiovascular outcomes, significantly impacting patient prognosis.

The current treatment approach for MASH involves lifestyle modifications such as diet and regular exercise, management of comorbidities such as metabolic syndrome or type 2 diabetes, and emerging drug therapies. In March 2024, the FDA approved Rezdiffra (resmetirom) for the treatment of adults with MASH with moderate to advanced liver fibrosis, which was the first approved medication directly for MASH. To date, there has been no NMPA approval of any specifically treatment for MASH. The current medications for the treatment of MASH in China are those for weight loss, hypertension and diabetes. Given MASH's high prevalence, associated comorbidities, growing burden of end-stage liver disease, and limited medication availability, identifying therapies that can halt or reverse MASH progression remains an urgent unmet medical need.

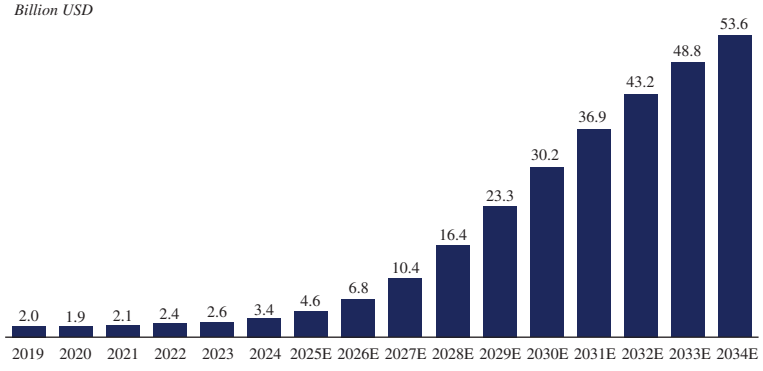
Oligonucleotide therapeutics potentially offer distinct advantages in treating MASH through their unique mechanism of action and delivery specificity characteristics. Their liver-targeting capability, particularly via GalNAc conjugation, enables efficient hepatic delivery and specific modulation of key disease pathways. The ability to simultaneously target multiple disease-driving genes in hepatocytes provides a comprehensive approach to addressing the complex pathogenesis of MASH, including lipid metabolism, inflammation, and fibrosis. Moreover, their prolonged duration of action allows for infrequent dosing regimens, improving patient compliance in this chronic condition where long-term treatment is essential.

Addressable Market Size of MASH Drugs

The global MASH drug market increased from US$2.0 billion in 2019 to US$3.4 billion in 2024 at a CAGR of 11.2%, and is expected to expand to US$23.3 billion and US$53.6 billion in 2029 and 2034, respectively, representing a CAGR of 47.0% from 2024 to 2029 and 18.1% from 2029 to 2034. The following chart sets forth the addressable market size of MASH drug market worldwide.

MASH Drug Market Size Globally, 2019-2034E

Period	CAGR
2019-2024	11.2%
2024-2029E	47.0%
2029E-2034E	18.1%



Source: Frost & Sullivan Report

REPORT COMMISSIONED BY FROST & SULLIVAN

In connection with the [**REDACTED**], we have engaged Frost & Sullivan to conduct a detailed analysis and prepare an industry report on the major markets for which our drug candidates are positioned. Frost & Sullivan is an independent global market research and consulting company that provides market research on a variety of industries including biotechnology. We have agreed to pay Frost & Sullivan a total fee of RMB0.7 million for the preparation of the Frost & Sullivan Report, and we believe that such fees are consistent with the market rate. The payment of such amount was not contingent upon our successful [**REDACTED**] or on the results of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the [**REDACTED**].

The market size projections in the Frost & Sullivan Report were based on the following key assumptions: (i) the addressable market size is calculated as the product of target market population, disease prevalence rate, diagnosis rate, treatment rate, therapy penetration rate, and average annual treatment cost, with adjustments for patient compliance and disease-specific factors; (ii) future market trends incorporate considerations of evolving healthcare policies, competitive landscape developments, pipeline advancements, and changes in patient demographics; (iii) the overall healthcare environment and regulatory framework in the target jurisdictions are expected to remain stable during the forecast period; and (iv) there are no extreme disruptions such as force majeure events or fundamental changes to industry regulations that would dramatically alter market dynamics. The reliability of the Frost & Sullivan Report may be affected by the accuracy of the foregoing key assumptions.

Due to the nature of our business operations, our Company is primarily subject to PRC and EU laws and regulations. The following is a summary of the types of PRC and EU laws and regulations that have a significant impact on our business, which is intended to provide [**REDACTED**] with a brief overview of the major laws and regulations applicable to our Company. This summary does not purport to be a complete description of all laws and regulations applicable to our business and operations. [**REDACTED**] should note that the summary below is based on relevant laws and regulations in effect as of the date of the document and may be subject to changes.

OVERVIEW OF PRC LAWS AND REGULATIONS

NMPA and Center for Drug Evaluation

National Medical Products Administration (the "NMPA", formerly known as the China Food and Drug Administration (the "CFDA")) is the department in charge of the pharmaceutical industry of China. It is responsible for drawing up the laws and regulations related to pharmaceuticals and medical devices, making policy planning, formulating departmental regulations, organizing the development and issuance of pharmaceutical and medical device standards, classification and management systems, such as national formulary, and supervising the implementation.

Center for Drug Evaluation of National Medical Products Administration (the "CDE") is the technical evaluation unit for drug registration under NMPA. It is mainly responsible for conducting technical evaluation on the drugs applying for registration and verifying the relevant drug registrations.

NHC

The National Health Commission (the "NHC", formerly known as the National Health and Family Planning Commission), is a primary national regulator for public health and family planning management. It is primarily responsible for drafting national health policies, supervising and regulating public health, healthcare services and health emergency systems, coordinating the reform of medical and health system, organizing the formulation of national drug policies and national essential medicine system, launching an early warning mechanism for the monitoring of the use and clinical comprehensive evaluation of medicine as well as the drug shortage, giving suggestions on the pricing policy of national essential medicine, and regulating the operation of medical institutions and practicing of medical personnel.

NIFDC

The National Institutes for Food and Drug Control (the "NIFDC") is a public institution directly subordinate to NMPA and the statutory authority and supreme technical arbitration institution for inspecting the quality of pharmaceuticals and biological products. It is responsible for the approval and registration inspection, import inspection, supervision and inspection, safety evaluation of drugs, biological products, medical devices, foods, dietary

supplements, cosmetics, laboratory animals and package materials and the batch release of biological products, the research, distribution and management of the national drug and medical device reference materials and bacterial and viral strains for production verification, as well as the relevant technical research.

MOFCOM

The Ministry of Commerce of the PRC (the "MOFCOM") is responsible for guiding and managing the foreign investment in the country, drawing up the laws and regulations related to foreign investment, formulating the relevant rules, policies and reform schemes, organizing the implementation, supervising and inspecting the implementation status; participating in the formulation and joint issuance of Special Management Measures for the Access of Foreign Investment (Negative List) (《外商投資准入特別管理措施(負面清單)》) and Catalog of Industries for Encouraging Foreign Investment (《鼓勵外商投資產業目錄》) with the National Development and Reform Commission (the "NDRC"); managing and guiding the foreign investment review, approval and filing works.

NDRC

The NDRC is mainly responsible for participating in the formulation of health development policies, the establishment of technical reform investment projects, the macro guidance and management of the economic operation of pharmaceutical enterprises, and the supervision of the implementation of relevant policies and regulations.

NHSA

The National Healthcare Security Administration (the "NHSA") is mainly responsible for formulating and organizing the implementation of policies, plans and standards for medical insurance, maternity insurance, medical aid and other medical security systems, organizing the formulation and adjustment of prices and charging standards for drugs and medical services, and formulating and supervising the implementation of the bidding and procurement policies for drugs and medical consumables.

Regulations on the Research and Development and Manufacturing Services of Drugs

Research and Development of Drugs

Research and Development of New Drugs

The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "Drug Administration Law") promulgated by the Standing Committee of the National People's Congress (the "SCNPC") in September 1984, last amended on August 26, 2019 and became effective on December 1, 2019, and the Implementation Regulations of the Drug Administration Law of the PRC (《中華人民共和國藥品管理法實施條例》) (the "Implementation Regulations") promulgated by the State Council in August 2002, last

amended on December 6, 2024 and became effective on January 20, 2025, have laid down the legal framework for the establishment and maintenance of pharmaceutical manufacturing and trading enterprises, as well as for the administration of pharmaceutical products including the development and manufacturing of new drugs. According to the Drug Administration Law and the Implementation Regulations, the PRC encourages the research and development of new drugs, and protects the legal rights and interests in the research and development of new drugs. The developer and clinical trial applicant of any new drug shall truthfully submit the new drug's manufacturing method, quality specifications, results of pharmacological and toxicological tests and the related data, documents and samples to the NMPA for approval before any clinical trial is conducted.

Non-clinical Research

The NMPA requires preclinical data to support registration applications for imported and domestic drugs. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》), non-clinical safety research shall be carried out in an institution that has passed the certification of the Good Laboratories Practice of Non-clinical Laboratory and comply with the Administrative Measures for Good Laboratories Practice of Non-clinical Laboratory (《藥物非臨床研究質量管理規範》) (the "GLP"), which was issued by NMPA on July 27, 2017. The GLP has been promulgated to improve the quality of non-clinical safety evaluation and research. Pursuant to the Administrative Measures for Certification of Good Laboratory Practice for Non-clinical Laboratory (2023 Amendments) (《藥物非臨床研究質量管理規範認證管理辦法》(2023年修訂)) issued by the NMPA on June 19, 2023 and became effective on July 1, 2023, the NMPA is responsible for the certification of non-clinical safety evaluation and research institutions nationwide and local provincial drug administrative department is in charge of the daily supervision of non-clinical safety evaluation and research institution. The NMPA decides whether an institution is qualified for undertaking pharmaceutical non-clinical research by evaluating such institution's organizational administration, its research personnel, its equipment and facilities, and its operation and management of non-clinical pharmaceutical projects.

Animal Testing

The State Science and Technology Commission (now known as Ministry of Science and Technology) promulgated the Regulations for the Administration of Affairs Concerning Experimental Animals (《實驗動物管理條例》) on November 14, 1988, which was last amended on March 1, 2017 by the State Council. The State Science and Technology Commission and the State Bureau of Quality and Technical Supervision jointly promulgated the Administrative Measures on Good Practice of Experimental Animals (《實驗動物質量管理辦法》) on December 11, 1997. The Ministry of Science and Technology and other regulatory authorities promulgated the Administrative Measures on the Certificate for Experimental Animals (for Trial Implementation) (《實驗動物許可證管理辦法(試行)》) on December 5, 2001. According to such laws and regulations, performing experimentation on animals requires a certificate for use of laboratory animals.

Application for Clinical Trial

According to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs (《關於調整部分藥品行政審批事項審批程序的決定》) promulgated by the CFDA on March 17, 2017, the decision on the approval of clinical trials of drugs shall be made by the CDE from May 1, 2017. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》), which was promulgated on January 22, 2020 and took effect on July 1, 2020, drug clinical trials shall be divided into Phase I clinical trial, Phase II clinical trial, Phase III clinical trial, Phase IV clinical trial, and bioequivalence trial.

In accordance with the Administrative Measures for Drug Registration and the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》) issued in July 2018, where an application is filed for carrying out clinical trials, if an applicant does not receive any negative or questioned opinions from the CDE within 60 days after the date when the trial application is accepted and the fees are paid, the applicant can proceed with the clinical trial in accordance with the trial protocol submitted to the CDE.

Conducting Clinical Trial

After obtaining clinical trial approval, the applicant shall conduct clinical trials at qualified clinical trial institutions. The qualified clinical trial institution refers to institutions that have the conditions to conduct clinical trials in accordance with the requirements and technical guidelines set forth in the Regulations for the Administration of Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》), which came into effect on December 1, 2019. Such clinical trial institutions shall be subject to filing requirements, with the exception of institutions that only engage in analysis of biological samples related to drug clinical trials, which shall not be subject to such filing requirements. The NMPA is responsible for setting up a filing management information platform for the registration, filing and operation management of drug clinical trial institutions, as well as the entry, sharing and disclosure of information from the supervision and inspection activities conducted by the drug regulatory authorities and competent healthcare authorities. Clinical trials must be conducted in accordance with the Good Clinical Practice for Drug Trials (《藥物臨床試驗質量管理規範》) promulgated by NMPA and NHC on April 23, 2020 and effective on July 1, 2020, which stipulates the requirements for the procedures of conducting clinical trials, including preclinical trial preparation, trial protocols, protection of subjects' rights and interests, duties of researchers, sponsors and monitors, as well as data management and statistical analysis.

According to the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》), where the application for clinical trial of new investigational drug has been approved, upon the completion of Phases I and II clinical trials and prior to Phase III clinical trial, the applicant shall submit the application for communication meetings to CDE to discuss with CDE the key technical questions including the design of Phase III clinical trial protocol.

According to the Administrative Measures for Communication on the Research, Development and Technical Evaluation of Drugs (《藥物研發與技術審評溝通交流管理辦法》), revised by the NMPA on December 10, 2020, during the research and development periods and in the registration applications of, among others, the innovative new drugs, the applicants may propose to conduct communication meetings with the CDE. The communication meetings can be classified into three types. Type I meetings are convened to address key safety issues in clinical trials of drugs and key technical issues in the research and development of breakthrough therapeutic drugs. Type II meetings are held during the key research and development stages of drugs, mainly including Pre-IND meetings, End-of-Phase 2 meetings, Pre-NDA meetings, and risk evaluation and control meetings. Type III meetings refer to other meetings not classified as Type I or Type II.

Overseas Clinical Trial

On January 30, 2015, the NMPA promulgated the Guidelines for International Multi-Center Clinical Trials of Drugs (for Trial Implementation) (《國際多中心藥物臨床試驗指南(試行)》) to guide the application, implementation and administration of international multi-center drug clinical trials in China. When the data of international multi-center drug clinical trials are used to support the drug registration applications in China, a further trend analysis concerning clinical trial data in China and Asia shall be conducted after an overall review of global clinical trial data, during which the consistency of characteristics between subjects in the study and subjects in China shall be considered. The sample size of Chinese subjects shall be sufficient to evaluate and infer the safety and effectiveness and meet the requirements of statistics and relevant laws and regulations. Also, both domestic and overseas centers involved in the international multi-center clinical trial are subject to on site inspection organized by PRC drug administrative departments.

According to the Opinions on Deepening the Reform on Examination and Approval System and Encouraging the Innovation of Drugs and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》) (the "Innovation Opinions") formulated by the General Office of the State Council and the CPC Central Committee in October 2017, the clinical trial data obtained from overseas multi-centers may be used to apply for drug registration in China if they meet the relevant requirements for the drug registration in China. For drugs that apply for a NDA for the first time in China, the applicant for registration shall provide clinical trial data on whether there are ethnic differences (if any).

According to the Announcement on Promulgation of the Guiding Technical Principles for the Acceptance of Overseas Clinical Trial Data of Drugs (《關於發佈接受藥品境外臨床試驗數據的技術指導原則的通告》) issued by NMPA on July 6, 2018, if drug registration applicants use overseas clinical trials for drug registration applications in China, all overseas clinical trial data shall be provided, rather than selectively. If drug registration applicants plan to carry out follow-up clinical research and development following the early overseas clinical trials, they shall evaluate the early clinical trial data and only after having obtained complete clinical trial data and communicated with the CDE, these data could be used to support the follow-up clinical trials.

Gathering, Collection and Filing of Human Genetic Resources

On June 10, 1998, the Ministry of Science and Technology and the Ministry of Health (which was canceled in the institutional reform of the State Council in 2013, its functions were first inherited by the National Health and Family Planning Commission and then by the NHC) promulgated the Interim Measures for the Management of Human Genetic Resources (《人類遺傳資源管理暫行辦法》), which sets out rules for the effective protection and reasonable use of human genetic resources in China. Pursuant to the Service Guide for Administrative Licensing of Gathering, Collection, Deal, Export and Exit Approval of Human Genetic Resources (《人類遺傳資源採集、收集、買賣、出口、出境審批行政許可事項服務指南》) promulgated by the Ministry of Science and Technology in July 2015 and updated on July 14, 2023, the gathering and collection of human genetic resources through clinical trials by a foreign-invested sponsor shall be filed for record with the China Human Genetic Resources Management Office through an online system. The Ministry of Science and Technology promulgated the Notice on Optimizing the Administrative Examination and Approval Process of Human Genetic Resources (《關於優化人類遺傳資源行政審批流程的通知》) in October 2017, which has simplified the approval process for the gathering and collection of human genetic resources for the marketing of drugs in China.

The Regulations on the Management of Human Genetic Resources of the PRC (《中華人民共和國人類遺傳資源管理條例》) promulgated by the State Council in May 2019, amended on March 10, 2024 and came into effect on May 1, 2024, replaces the Interim Measures for the Management of Human Genetic Resources, and further regulates the collection, preservation, utilization and external provision of human genetic resources in China. Foreign organizations, individuals and institutions established or actually controlled by them shall not gather or preserve Chinese human genetic resources in China, or provide Chinese human genetic resources to foreign countries. Where a foreign entity needs to use Chinese human genetic resources to conduct scientific research activities or clinical trials, it shall cooperate with Chinese scientific research institutions, institutions of higher education, medical institutions or enterprises.

On May 26, 2023, the Ministry of Science and Technology promulgated the Implementation Rules for the Administrative Regulation on Human Genetic Resources (《人類遺傳資源管理條例實施細則》) (the "Human Genetic Resources Implementing Rules"), which came into effect on July 1, 2023. The Human Genetic Resources Implementing Rules further provided specific provisions on the collection, preservation, utilization and external provision of human genetic resources of the PRC.

The Bio-security Law of the PRC (《中華人民共和國生物安全法》) promulgated by the SCNPC on October 17, 2020 and last amended on April 26, 2024 and effective from the same date, provides that the PRC shall have sovereignty over the human genetic resources and biological resources of China. The Bio-security Law of the PRC further stipulates that the competent health department under the State Council shall be the competent authority for the approval or filing of using China's human genetic resources.

New Drug Application, Approval and Renewal

According to the Administrative Measures for Drug Registration, an applicant shall, upon completion of studies including pharmacy, pharmacology and toxicology and clinical trial of drugs which support the registration of drug marketing, determination of quality standards, verification of commercial scale manufacturing process, and preparation to undergo examination and inspection for drug registration, submit an application for drug marketing authorization, and submit the relevant research materials in accordance with the submission requirements. The CDE shall organize pharmacist, medical and other technical personnel to comprehensively review the application regarding the safety, effectiveness and quality control of the drug. Where the application is cleared by the comprehensive review, the drug shall be approved for marketing and a drug registration certificate shall be issued. Under the Administrative Measures for Drug Registration, drugs are classified into Chinese medicine, chemical medicine, biological products and others. The registration of chemical medicine is classified according to innovative chemical medicine, improved new chemical medicine, generic medicine, etc.

In November 2005, the NMPA promulgated the Special Approval Procedures for Drugs of the China Food and Drug Administration (《國家食品藥品監督管理局藥品特別審批程序》), pursuant to which, the NMPA may, in accordance with the law, initiate special approval procedures for certain drugs needed in response to public health emergencies under the following circumstances: (1) when the President of the PRC declares a state of emergency, or the State Council decides that certain regions of provinces, autonomous regions, or municipalities directly under the Central Government enter a state of emergency; (2) when public health emergency response procedures are activated in accordance with the law; (3) when the drug reserve department of the State Council or the competent health administrative authority proposes special approval for drugs with existing national standards; and (4) other circumstances requiring special approval procedures.

According to the Working Procedures for the Evaluation of Breakthrough Therapy Designation Drugs (for Trial Implementation) (《突破性治療藥物審評工作程序(試行)》) promulgated by the NMPA in July 2020, during the clinical trials of a drug, for innovative drugs or improved new drugs for the prevention and treatment of diseases that are seriously life-threatening or severely affect the quality of life, and there is no effective prevention and treatment method or sufficient evidence demonstrating significant clinical advantages over current therapies, the applicant may apply for the breakthrough therapy designation process during the Phase I or Phase II clinical trial (generally no later than the Phase III clinical trial). Meanwhile, according to the Working Procedures for the Prioritized Review and Approval of Drug Marketing Authorization (for Trial Implementation) (《藥品上市許可優先審評審批工作程序(試行)》), a drug marketing authorization holder may apply for prioritized review and approval for drugs included in the breakthrough therapy designation process.

According to the Announcement on Matters concerning the Optimization of Drug Registration Review and Approval (《關於優化藥品註冊審評審批有關事宜的公告》) jointly issued by the NMPA and the NHC in May 2018, the CDE will prioritize the allocation of resources for review, inspection, examination and approval of registration applications that have been included in the scope of priority evaluation and approval to speed up the review and approval progress.

The Administrative Measures for Drug Registration provides more detailed standards, procedures and policy support for different expedited drug marketing authorization pathways, including breakthrough therapy designation, conditional approval, prioritized review and approval and special approval procedures. For example, during the clinical trials of a drug, for innovative drugs or improved new drugs for the prevention and treatment of diseases that are seriously life-threatening or severely affect the quality of life, and there is no effective prevention and treatment method or sufficient evidence demonstrating significant clinical advantages over current therapies, the applicant may apply for the breakthrough therapy designation process.

Pursuant to the Drug Administration Law, an applicant who has obtained a drug registration certificate shall be recognized as a drug marketing authorization holder, responsible for non-clinical laboratory studies, clinical trials, production and distribution, post-market studies, and the monitoring, reporting and handling of adverse reactions in connection with pharmaceuticals in accordance with the provisions of the Drug Administration Law. The drug marketing authorization holder may engage in manufacturing or sales on their own or to entrust a licensed third party. According to the Administrative Measures for Drug Registration, at the time of application for drug marketing authorization, the applicant and the manufacturing enterprise shall have held the corresponding pharmaceutical manufacturing permit.

Pursuant to the Administrative Measures for Drug Registration, the validity period of a drug registration certificate shall be five years. The drug marketing authorization holder of the drug registration certificate shall ensure the safety, effectiveness and quality control of the marketed drug at all times during the validity period of the certificate and apply for re-registration of the drug six months before the expiry of such validity period. After the drug re-registration application is accepted, the local provincial-level drug regulatory authorities or the CDE shall conduct post-marketing reevaluation and adverse reaction monitoring of the drug marketing authorization holder, carry out relevant work in accordance with the drug approval documents and the requirements of the drug regulatory authorities, and review any changes based on the information stated in the drug approval documents. If the application complies with the regulations, re-registration shall be approved and a drug re-registration approval notice shall be issued. If the application does not comply with the regulations, re-registration shall be denied, and the case shall be submitted to the NMPA to cancel the drug registration certificate.

Drug Manufacturing

According to the Administrative Measures on Supervision of Pharmaceutical Manufacturing (《藥品生產監督管理辦法》) which was promulgated by the NMPA on December 11, 2002 and last amended by the SAMR on January 22, 2020 and effective on July 1, 2020, all facilities that manufacture drugs in China must apply for a pharmaceutical manufacturing permit which are issued by the drug supervision and administration department of the province, autonomous region or municipality directly under the central government where it is domiciled. The pharmaceutical manufacturing permit is valid for five years and shall be renewed six months before the expiry date. The drug marketing authorization holder who entrusts another party to produce preparations shall meet the requirements as specified in Administrative Measures on Supervision of Pharmaceutical Manufacturing, sign an entrustment agreement and a quality agreement with a qualified drug producer, and submit the relevant agreements and the application materials of the actual production site to provincial drug supervision and administration department where the drug marketing authorization holder is located to apply for the pharmaceutical manufacturing permit. According to the Administrative Measures for Drug Registration, when an application for marketing authorization is submitted, the applicant and the drug manufacturer shall have obtained the corresponding pharmaceutical manufacturing permit.

These drug manufacturing facilities shall comply with drug manufacturing quality management norms, establish a sound drug manufacturing quality management system and ensure the whole drug manufacturing process continuously comply with statutory requirements. The drug marketing authorization holder shall establish a quality assurance system for pharmaceuticals, and employ designated personnel to be independently in charge of quality control for pharmaceuticals. Pursuant to the Administrative Regulations for the Contract Manufacturing of Drugs (《藥品委託生產監督管理規定》) (the "Contract Manufacturing Regulations") issued by the NMPA on August 14, 2014, in the event a drug manufacturer in China that has obtained a drug marketing authorization temporarily lacks manufacturing conditions as a result of technology upgrade or is unable to ensure market supply due to insufficient manufacturing capabilities, it can entrust the manufacturing of that drug to another domestic drug manufacturer. Such contract manufacturing arrangements needs to be approved by the provincial branch of the NMPA. The Contract Manufacturing Regulations prohibit the contract manufacturing arrangement of certain special drugs, including but not limited to narcotic drugs, psychoactive drugs, biochemical drugs, multi-component biochemical drugs and drug substance.

Drug Operation

According to the Measures for the Supervision and Administration of the Quality of Drug Operation and Use (《藥品經營和使用質量監督管理辦法》) issued by the SAMR on September 27, 2023, operation of drug business, including drug wholesale and drug retail, is prohibited without a drug business permit. A drug business permit shall state the validity period and the scope of business and be subject to review and reissuance upon expiry of the validity period.

According to the Good Manufacturing Practice for Pharmaceutical Products (2010 Revision) (《藥品生產質量管理規範(2010年版)》) promulgated by the Ministry of Health in January 2011 and became effective in March 2011, drug business operators shall comply with the drug operation quality management norms, establish and improve their drug operation quality management system, and ensure that the whole drug business process continuously comply with statutory requirements.

In China, governmental pricing controls on drugs (other than narcotic and certain psychiatric drugs) have been lifted since June 2015 when the Opinions on Advancing Drug Price Reform (《推進藥品價格改革意見》) came into effect. Instead of direct governmental controls, the government exercises control over the drugs through establishing a centralized tender process or centralized procurement mechanism, revising the National Medical Insurance Drug Catalogue or provincial medical insurance drug catalogue and strengthening regulation of medical and pricing practices. Also, according to the Opinions of the State Council on the Reform of Review and Approval System for Drugs and Medical Devices (《國務院關於改革藥品醫療器械審評審批制度的意見》) promulgated by the State Council in August 2015, enterprises which apply for the registration of new drugs should promise that the prices of their products on the PRC market should not be higher than the comparable market prices in original countries or the surrounding area of the PRC.

Regulations on Dual Invoicing System

According to the Implementing Opinions on Promoting the "Dual Invoicing System" for Drug Procurement by Public Medical Institutions (for Trial Implementation) (《關於在公立醫療機構藥品採購中推行"兩票制"的實施意見(試行)》) (the "Dual Invoicing System Notice") issued on December 26, 2016, the dual invoicing system refers to a system that requires one invoice to be issued from pharmaceutical manufacturers to pharmaceutical distributors and the other invoice to be issued from pharmaceutical distributors to medical institutions. According to the Dual Invoicing System Notice and the Several Opinions of the General Office of the State Council on Further Reform and Improvement in Policies of Drug Production, Circulation and Use (《國務院辦公廳關於進一步改革完善藥品生產流通使用政策的若干意見》) issued on January 24, 2017, dual invoicing system would be promoted in pilot provinces (autonomous regions and municipalities directly under the Central Government) involved in the comprehensive medical reform program and pilot cities for public hospital reform on a priority basis.

Monitoring Period of New Drugs

According to the Implementation Regulations for the Drug Administration Law of the PRC, the NMPA may impose an administrative monitoring period of up to five years on newly approved drugs to safeguard public health, during which the safety of such new drugs shall undergo continuous monitoring. No other manufacturer shall be permitted to produce or import such new drugs during the monitoring period.

Drug Advertisements

The Advertising Law of the PRC (《中華人民共和國廣告法》), as amended and effective on April 29, 2021, outlines the regulatory framework for the advertising industry. Advertisers, advertising service providers and advertising publishers are required to ensure that the contents of the advertisements they prepare or distribute are true and in full compliance with applicable laws and regulations. For advertisement of drugs, the advertisement contents shall be examined by the relevant authorities prior to the publishing. Pursuant to the Interim Administrative Measures for the Review of Advertisements for Drugs, Medical Devices, Health Food and Formula Food for Special Medical Purposes (《藥品、醫療器械、保健食品、特殊醫學用途配方食品廣告審查管理暫行辦法》) promulgated by SAMR on December 24, 2019 and effective from March 1, 2020, advertisements for drugs shall not contain any false or misleading contents. Advertisers shall be responsible for the veracity and legitimacy of the contents of advertisements for drugs, medical devices, health food and formula food for special medical purposes.

Drug Recalls

According to the Measures for Administration of Drug Recall (《藥品召回管理辦法》) promulgated by the NMPA on October 24, 2022 and became effective on November 1, 2022, a marketing authorization holder shall establish and improve its drug recall system by collecting relevant information about drug safety and conducting investigation and evaluation with respect to the drugs with potential safety hazards. If there are any potential safety hazards that endanger human health and life safety in respect of any drugs sold in PRC, such manufacturer must start the drug recall procedures. When a drug is recalled, the drug operating and using institutions should assist such marketing authorization holder to perform its recall obligations by communicating the drug recall information and any feedback, controlling and recovering such drugs according to the recall plan.

Regulations on Medical Insurance Systems

Pursuant to the Notice on Issuing the Opinion on the Diagnosis and Treatment Management, Scope and Payment Standards of Medical Service Facilities Covered by the Urban Employees Basic Medical Insurance Scheme (《關於印發<城鎮職工基本醫療保險診療項目管理、醫療服務設施範圍和支付標準意見>的通知》) promulgated on June 30, 1999, part of the fees of diagnostic and treatment devices and diagnostic tests would be paid through the basic medical insurance scheme. Detailed reimbursement coverage and rate are subject to provincial local policies. Pursuant to the Decision of the State Council on the Establishment of the Urban Employee Basic Medical Insurance Program (《國務院關於建立城鎮職工基本醫療保險制度的決定》) issued by the State Council on December 14, 1998, the Opinions on the Establishment of the New Rural Cooperative Medical System (《關於建立新型農村合作醫療制度意見的通知》) issued by the three ministries and commissions of the State Council (including the Ministry of Health) on January 16, 2003, the Guiding Opinions of the State Council about the Pilot Urban Resident Basic Medical Insurance (《國務院關於開展城鎮居民基本醫療保險試點的指導意見》) issued by the State Council on July 10, 2007, and the

Opinions of the State Council on Integrating the Basic Medical Insurance Systems for Urban and Rural Residents (《國務院關於整合城鄉居民基本醫療保險制度的意見》) promulgated on January 3, 2016, all employees and residents in rural and urban areas would be involved in medical insurance program.

The General Office of the State Council further released the Guidance of the General Office of the State Council on Further Deepening the Reform of the Payment Method of Basic Medical Insurance (《國務院辦公廳關於進一步深化基本醫療保險支付方式改革的指導意見》) in June 2017. The main objectives are to implement a diversified reimbursement mechanism including diagnosis related groups, per-capita caps, and per-bed-day caps. Local administration of healthcare security will introduce a total budget control for their jurisdictions and decide the amount of reimbursement to public hospitals based on hospitals' performance and the spending targets of individual basic medical insurance funds.

Regulations on Product Liability

The Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the "Product Quality Law"), promulgated by the SCNPC on February 22, 1993 and last amended on December 29, 2018, is the principal governing law relating to the supervision and administration of product quality. According to the Product Quality Law, manufacturers shall be liable for the quality of products produced by them, and sellers shall take measures to ensure the quality of the products sold by them. A manufacturer shall be liable for compensating for any personal injury or property damage, other than the defective product itself, resulting from the defects in the product, unless the manufacturer is able to prove that (1) the product has never been distributed; (2) the defects causing injuries or damages did not exist at the time when the product was distributed; or (3) the science and technology at the time when the product was distributed was at a level incapable of detecting the defects. A seller shall be liable for compensating for any personal injury or property damage of others caused by the defects in the product if such defects are attributable to the seller. A seller shall pay compensation if it fails to indicate either the manufacturer or the supplier of the defective product. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller.

Pursuant to the Civil Code or the PRC (《中華人民共和國民法典》) promulgated by the NPC in May 2020 and effective from January 2021, manufacturers or suppliers of defective products that cause property damage or personal injury to any person may be held civilly liable for such damage or injury. Where a patient suffers damage due to defects in drugs, he or she may seek compensation from the drug marketing authorization holder or the medical institution. Where the patient seeks compensation from the medical institution, the medical institution, after it has made the compensation, shall have the right to recover the compensation from the liable drug marketing authorization holder.

The Law of the PRC on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) was promulgated on October 31, 1993, last amended on October 25, 2013 and became effective on March 15, 2014 to protect consumers' rights when they purchase or use goods and accept services. Operators shall comply with this law when they provide customers with the goods manufactured or sold by them and/or provide services to customers. Operators shall pay high attention to protecting customers' privacy and must strictly keep confidential any consumer information they obtain during their business operations.

Laws and Regulations on Anti-Unfair Competition

Since the early 1990s, legislative authorities at all levels in China have enacted a series of laws and regulations against commercial bribery. According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) (the "Anti-Unfair Competition Law"), which was last amended on April 23, 2019, operators shall abide by the principle of voluntariness, equality, impartiality, integrity and adhere to laws and business ethics during market transactions. Operators in violation of the Anti-Unfair Competition Law shall bear corresponding civil, administrative or criminal liabilities depending on the specific circumstances.

Pursuant to the Interim Provisions on the Prohibition of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) issued by the State Administration for Industry and Commerce of the People's Republic of China (predecessor of the SAMR) on November 15, 1996, commercial bribery refers to the acts of business operators offering money, property, or using other means to bribe counterpart entities or individuals for the purpose of selling or purchasing goods. "Other means" refers to means used to provide any form of benefit other than money or property, such as the provision of domestic and foreign travel. Under the Anti-Unfair Competition Law and the Interim Provisions on the Prohibition of Commercial Bribery, regulatory authorities may impose fines depending on the severity of the case, and any illegal gains shall be confiscated.

According to the Regulations on the Establishment of Adverse Records with Respect to Commercial Briberies in the Medicine Purchase and Sales Industry (2013 Amendments) (《關於建立醫藥購銷領域商業賄賂不良記錄的規定(2013年修訂)》) implemented by the National Health and Family Planning Commission (which was canceled in the institutional reform of the State Council in 2018, its functions were inherited by the National Health Commission of the PRC) on March 1, 2014, where the production and operation enterprises of drugs, medical devices and medical disposables, as well as their agencies and individuals bribe the staff of medical institutions responsible for the procurement and use of their drugs, medical devices and medical disposables with property or other benefits, they shall be listed in the adverse records of commercial bribery provided such conduct falls within the circumstances specified in the aforementioned regulations. If medical production and operation enterprises are listed into the adverse records of commercial bribery for more than once in five years, their products shall not be purchased by public medical institutions, and medical and health institutions receiving financial subsidies nationwide for two years since publication of the record.

Regulations on Company Establishment and Foreign Investment

Company Law

The establishment, operation and management of corporate entities in the PRC is governed by the Company Law of the PRC (《中華人民共和國公司法》) (the "PRC Company Law"), which was promulgated by the SCNPC on December 29, 1993, amended on December 29, 2023 and took effect on July 1, 2024. The PRC Company Law generally governs two types of companies: limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of a company to its creditors is limited to the entire value of assets owned by the company. Liabilities of shareholders of a joint stock limited company are limited to the amount of capital they are legally obliged to contribute for the shares for which they have subscribed.

Foreign Investment Law and Relevant Catalogue of Industries

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) was promulgated by the SCNPC on March 15, 2019 and became effective on January 1, 2020. Since January 1, 2020, the Law on Sino-foreign Equity Joint Ventures of the PRC (《中華人民共和國中外合資經營企業法》), the Law on Wholly Foreign-owned Enterprises of the PRC (《中華人民共和國外資企業法》) and the Law on Sino-foreign Cooperative Joint Ventures of the PRC (《中華人民共和國中外合作經營企業法》) have been repealed simultaneously, and the organizational form, structure, and operations of foreign-invested enterprises are subject to the Company Law and other applicable laws and regulations.

China adopts the management system of pre-establishment national treatment and negative list for foreign investment. Foreign investors shall not invest in any field with investment prohibited by the negative list for foreign investment access. Foreign investors shall meet the investment conditions stipulated under the negative list for any field with investment restricted by the negative list for foreign investment access. For the fields not included in the negative list for foreign investment access, management shall be conducted under the principle of consistency for domestic and foreign investment.

The Regulation for Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) was promulgated by State Council on December 26, 2019 and became effective on January 1, 2020. According to the regulation, foreign investors may not invest in a field where their investment is prohibited as specified in the negative list. To invest in a field where their investment is restricted as specified in the negative list, foreign investors shall comply with the special administrative measures for restrictive access such as requirements for shareholding ratios and senior executives as specified in the negative list. The registration of foreign-funded enterprises shall be conducted in accordance with the law by the market regulatory department of the State Council or the market regulatory departments of the local people's governments authorized by it. Foreign investors or foreign-funded enterprises shall report investment information to the commerce departments through the enterprise registration system and the enterprise credit information publicity system.

According to the Industry Guidelines on Encouraged Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》) which was jointly promulgated by the NDRC and the MOFCOM and the Foreign Investment Access Special Management Measures (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "Negative List") which was promulgated on September 6, 2024 and implemented on November 1, 2024, industries for foreign investment are classified into the encouraged foreign investment industry, restricted foreign investment industry and prohibited foreign investment industry.

Regulations on Intellectual Property Rights

Trademark Law

According to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019 (the latest revised version became effective from November 1, 2019) and the Implementation Regulations for the PRC Trademark Law (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002 and amended on April 29, 2014 (the latest revised version became effective from May 1, 2014), registered trademarks including commodity trademarks, service marks, collective trademarks and certification marks, refer to trademarks that have been approved and registered by the Trademark Office. The trademark registrants shall enjoy the exclusive right to use the marks, which shall be protected by the law. Any natural person, legal person or other organization, intending to acquire the exclusive right to use a trademark for his/her/its goods or service in the course of their manufacturing and business activities, shall file an application for the registration of the trademark with the Trademark Office. The Trademark Law of the PRC has adopted a "first come, first file" principle with respect to trademark registration. Where trademark for which a registration application has been made is identical or similar to another trademark which has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Any person applying for the registration of a trademark may not prejudice the existing right first obtained by others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use.

Patent Law

The Patent Law of the PRC (《中華人民共和國專利法》) was promulgated by the SCNPC on March 12, 1984 and last amended on October 17, 2020 (the latest revised version became effective from June 1, 2021). The Implementation Regulations for the Patent Law of the PRC (《中華人民共和國專利法實施細則》) was promulgated by the State Council on June 15, 2001 and last amended on December 11, 2023 (the latest revised version became effective from January 20, 2024). According to the regulations mentioned above, "invention-creations" shall mean invention patent, utility model patent or design patent. Any invention or utility model for which patent right may be granted must possess novelty, inventiveness and practical applicability. Invention patent shall be valid for 20 years from the date of application, utility model patent shall be valid for 10 years from the date of application and design patent shall be valid for 15 years from the date of application. The patent right entitled to its owner shall be protected by the laws. Any exploitation of a patent without the authorization of the patentee constitutes an infringement of the patent right of the patentee.

Trade Secret

According to the Anti-Unfair Competition Law, the term "trade secrets" refers to technical and business information that is unknown to the public, has utility, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the Anti-Unfair Competition Law, business operators are prohibited from infringing others' trade secrets by: (i) acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion, or any other unfair means; (ii) disclosing, using, or allowing another person to use a trade secret acquired from the right holder by any means as specified in the item (i) above; (iii) disclosing, using, or allowing another person use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential; (iv) abetting a person, or tempting another person into or in acquiring, disclosing, using, or allowing another person to use the trade secret of the right holder in violation of his or her non-disclosure obligation of the requirements of the right holder for keeping the trade secret confidential. If a third party knows or should have known of the above-mentioned illegal conduct but nevertheless obtains, uses or discloses trade secrets of others, the third party may be deemed to have committed a misappropriation of the others' trade secrets. The parties whose trade secrets are being misappropriated may petition for administrative corrections, and regulatory authorities may stop any illegal activities and impose fine on the infringing parties.

Copyright Law

The Copyright Law of the PRC (《中華人民共和國著作權法》) was promulgated by the SCNPC on September 7, 1990 and last amended on November 11, 2020. Works of Chinese citizens, legal entities or other organizations, whether published or not, shall enjoy copyright in accordance with the Copyright Law. Works include written works, oral works, musical, dramatic, opera, dance, acrobatic artistic works, fine arts, architectural works, photographic works, audio-visual works, graphic works and model works, computer software and other intellectual achievements which comply with the characteristics of the works. Except as otherwise provided in the Copyright Law, copying, distributing, performing, screening, broadcasting, compiling, or distributing through the information network the work to the public, without the permission of the copyright owner, shall constitute infringement of copyright.

According to the Measures for Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002 and last amended on July 1, 2004, and the Computer Software Protection Regulations (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991 and last amended on January 30, 2013, software developed by Chinese citizens, legal persons or other organizations shall be automatically protected immediately after its development, whether published or not. Software copyright may be registered with the software registration agency appointed by the State Council copyright administrative department.

Domain Names

The Ministry of Industry and Information Technology (the "MIIT") promulgated the Administrative Measure for Internet Domain Names (《互聯網域名管理辦法》) on August 24, 2017, which became effective from November 1, 2017. According to this measure, the MIIT is in charge of the administration of PRC internet domain names and the domain name services follow a "first come, first file" principle. Use of domain names by providers of internet information services shall comply with laws and regulations and the relevant provisions of the telecommunication administrative authorities and shall not use a domain name to carry out illegal acts.

Regulations on Tax

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "Enterprise Income Tax Law"), which was promulgated on March 16, 2007 and amended on February 24, 2017 and December 29, 2018 (the latest amendment was implemented from December 29, 2018) and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), which was promulgated on December 6, 2007, last amended on December 6, 2024 and implemented from January 20, 2025, taxpayers consist of resident enterprises and non-resident enterprises. Resident enterprises are defined as enterprises that are established in the PRC in accordance with PRC laws, or that are established in accordance with the laws of foreign countries but whose actual administration is conducted in the PRC. Non-resident enterprises refers to enterprises that are established in accordance with the laws of foreign countries and whose actual administration is conducted outside the PRC, but have established institutions or premises in the PRC, or have no such established institutions or premises but have income generated from the PRC. The Enterprise Income Tax Law applies a uniform 25% enterprise income tax rate to both foreign-invested enterprises and domestic enterprises, except where tax incentives are granted to special industries and projects. However, if non-resident enterprises have not established institutions or premises in the PRC, or have established institutions or premises in the PRC but the income derived has no actual connection with such established institutions or premises, the enterprise income tax is, in that case, set at the rate of 10% for their income sourced from inside the PRC.

In February 2015, the State Administration of Taxation (the "SAT") issued the Announcement of the SAT on Several Issues Concerning the Enterprise Income Tax on Indirect Property Transfer by Non-Resident Enterprises (《國家税務總局關於非居民企業間接轉讓財產企業所得税若干問題的公告》) (the "SAT Circular 7"). According to the SAT Circular 7, an "indirect transfer" of assets, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. The

SAT Circular 7 provides two exemptions: (i) where a non-resident enterprise derives income from the indirect transfer of PRC taxable assets by acquiring and selling equity interests of the same listed overseas company on a public market; and (ii) where the non-resident enterprise had directly held and transferred such PRC taxable assets, the income from the transfer of such PRC taxable assets would have been exempted from enterprise income tax in the PRC under an applicable tax treaty or arrangement.

The Announcement of the SAT on Issues Relating to Withholding at Source of Income Tax of Non-resident Enterprises (《國家税務總局關於非居民企業所得税源泉扣繳有關問題的公告》) (the "SAT Circular 37") was promulgated by the SAT on October 17, 2017 and amended on June 15, 2018, which replaced or supplemented certain previous provisions in the Circular 7. The SAT Circular 37 purports to clarify certain issues in the implementation of the SAT Circular 7 and other regulations, by providing, among others, the definition of equity transfer income and tax basis, the foreign exchange rate to be used in the calculation of withholding amount, and the date of occurrence of the withholding obligation. Specifically, the SAT Circular 37 provides that where the transfer income subject to withholding at source is derived by a non-PRC resident enterprise in installments, the installments may first be treated as recovery of costs of previous investments. Upon recovery of all costs, the tax amount to be withheld must then be computed and withheld.

Withholding Tax

Pursuant to the Enterprise Income Tax Law and the Implementation Regulations for the Enterprise Income Tax Law, if non-resident enterprises have not established institutions or premises in the PRC, or have established institutions or premises in the PRC but the income derived has no actual connection with such established institutions or premises, it will be subject to a withholding tax on its PRC-sourced income at a rate of 10%. According to the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) effective from December 8, 2006, dividends repatriated from a PRC entity to its Hong Kong shareholder owning more than 25% of the its capital would be entitled to a reduced withholding tax rate of 5% subject to certain conditions.

The SAT issued the Administrative Measures on Entitlement of Non-resident Taxpayers to Treatment under Treaties (《非居民納税人享受協定待遇管理辦法》) on October 14, 2019 and effective on January 1, 2020, which applies to non-resident taxpayers who have tax liability in China and need to claim treaty benefits. Non-resident taxpayers enjoying its tax treaty benefits shall adopt the method of "self-assessment, claims by declaration and retention of the relevant materials for future inspection". Non-resident taxpayers who make their own declaration shall make self-assessment regarding whether they are entitled to tax treaty benefits and submit the relevant reports, statements and materials as required, and simultaneously collect and retain the relevant materials for future inspection. Also, tax authorities at any level shall, through strengthening follow-up administration for non-resident taxpayers' entitlement to tax treaty benefits, implement tax treaties accurately and prevent risks of indiscriminately application of tax treaties, tax evasion and tax avoidance.

Value-added Tax and Business Tax

According to the Interim Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例》) promulgated on December 13, 1993, amended on November 10, 2008, February 6, 2016 and November 19, 2017 (the latest amendment was implemented from November 19, 2017), and the Detailed Rules for the Implementation of the Interim Regulations of the PRC on Value-Added Tax (《中華人民共和國增值税暫行條例實施細則》) promulgated on December 25, 1993 and most recently revised on October 28, 2011 (the latest revision became effective from November 1, 2011), all entities and individuals in the PRC engaging in sale of goods or labor services of processing, repair or replacement, sale of services, intangible assets, or immovables, or import of goods are required to pay value-added tax for the added value derived from the process of manufacture, sale or services.

According to the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value added Tax to Replace Business Tax (《關於全面推開營業税改徵增值税試點的通知》), which was promulgated by the MOF and the SAT on March 23, 2016 and last amended on April 1, 2019, the pilot program of the collection of value-added tax in lieu of business tax shall be promoted nationwide in a comprehensive manner from May 1, 2016, and all taxpayer of business tax engaged in the building industry, the real estate industry, the financial industry and the life service industry shall be included in the scope of the pilot program with regard to payment of value-added tax instead of business tax.

According to the Circular of the MOF and the SAT on Adjusting Value-added Tax Rates (《財政部、國家税務總局關於調整增值税税率的通知》), which was promulgated on April 4, 2018 and became effective on May 1, 2018, where a taxpayer engages in value-added tax taxable sales activities or import of goods, the previous applicable value-added tax rates of 17% and 11% are adjusted to be 16% and 10% respectively.

According to the Circular on Policies to Deepen Value-added Tax Reform (《關於深化增值税改革有關政策的公告》), which was promulgated on March 20, 2019 and became effective on April 1, 2019, where a general VAT payer engages in value-added tax taxable sales activities or import of goods, the previous applicable value-added tax rates of 16% and 10% are adjusted to be 13% and 9% respectively.

Regulations on Labor Protection

Labor Law and Labor Contract Law

The Labor Law of the PRC (《中華人民共和國勞動法》) was promulgated by the SCNPC on July 5, 1994 and was amended on August 27, 2009 and December 29, 2018 (the latest amendment became effective from December 29, 2018). The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) was promulgated by the SCNPC on June 29, 2007 and was amended on December 28, 2012 (the latest amendment became effective from July 1, 2013). The Implementing Regulations of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) were promulgated and became effective on September 18, 2008. These

laws together stipulate the labor contracts, settlement of labor dispute, labor remuneration, protection of occupational safety and healthcare, social insurance and welfare, etc. Written labor contracts must be entered into in order to establish the labor relationship between employers and employees. Employers are also required to pay wages no lower than the local minimum wage standards to their employees.

According to the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "New Judicial Interpretation"), which was promulgated by the Supreme People's Court on July 31, 2025 and came into effect on September 1, 2025, various issues concerning the application of law in labor dispute cases are clarified with a view to unifying adjudication standards. The New Judicial Interpretation principally addresses matters such as the determination of employment relationships, the execution and renewal of labor contracts, payment of double wages, open-ended labor contracts, non-compete restrictions, legal consequences of unlawful termination of labor contracts, employers' obligations in respect of social insurance contributions, and limitation periods for labor arbitration. Article 19(1) of the New Judicial Interpretation provides that where an employer and an employee agree, or the employee undertakes, that social insurance contributions need not be paid, the people's court shall hold such agreement or undertaking to be invalid. It further provides that where an employer fails to pay social insurance contributions in accordance with the law and the employee terminates the labor contract and claims economic compensation pursuant to Article 38(3) of the PRC Labor Contract Law, the people's court shall uphold such claims in accordance with the law.

Social Insurance and Housing Provident Funds

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on October 28, 2010 and amended on December 29, 2018, governs the PRC social insurance system. It requires employers and/or employees (as the case may be) to register social insurance with competent authorities and contribute required amount of social insurance funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance and maternity insurance. Employers who failed to complete social security registration shall be ordered by the social security administrative authorities to make correction within a stipulated period; where correction is not made within the stipulated period, the employer shall be subject to a fine ranging from one to three times the amount of the social security premiums payable, and the person(s)-in-charge who is/are directly accountable and other directly accountable personnel shall be subject to a fine ranging from RMB500 to RMB3,000. Employers who failed to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times the amount of the amount in arrears.

According to the Interim Measures for the Participation in Social Insurance of Foreigners Employed in China (《在中國境內就業的外國人參加社會保險暫行辦法》), which was promulgated on December 23, 2024 and became effective on the same date, employers who hire foreigners shall register them for social insurance within 30 days from the date of obtaining employment certificates. Foreigners who participate in social insurance and meet the requirements shall enjoy social insurance benefits in accordance with the law.

Under the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》), which was promulgated by the State Council on April 3, 1999 and last amended on March 24, 2019, an employer shall make contribution registration with the housing provident fund management and complete the formalities of opening housing provident fund accounts for its employees. Where an employer fails to undertake payment and deposit registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed. Where an employer is overdue in the payment of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the payment within a prescribed time limit; where the payment has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

Regulations on Production Safety

The Production Safety Law of the PRC (《中華人民共和國安全生產法》), which was promulgated by the SCNPC on June 29, 2002, last amended on June 10, 2021 and came into effect on September 1, 2021, is the basic law for governing production safety. It provides that, any entity whose production safety conditions do not meet the requirements may not carry out production and operation activities. Production and operation entities shall educate and train employees regarding production safety so as to ensure that the employees have the necessary knowledge of production safety, are familiar with the relevant regulations and rules for safe production and the rules for safe operation, master the skills of safe operation in their own positions, understand the emergency measures, and know their own rights and duties in terms of production safety. Employees who fail the education and training programmes on production safety may not commence working in their positions. Safety facilities of new building, rebuilding or expanding project shall be designed, constructed and put into operation simultaneously with the main body of the project. Investment in safety facilities shall be included in the budget of the construction project.

Regulations on Environmental Protection

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the "Environmental Protection Law"), which was promulgated by the SCNPC on December 26, 1989, last amended on April 24, 2014 and came into effect on January 1, 2015, the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002 and last amended on December 29, 2018, and the Administrative Regulations on the Environmental Protection of Construction Project (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, last amended on July 16, 2017 and came into effect on October 1, 2017, enterprises which plan to construct projects shall engage qualified professionals to provide the assessment reports, assessment form, or registration form on the environmental impact of such projects. The assessment reports, assessment form, or registration form shall be filed with or approved by the relevant environmental protection bureau prior to the commencement of any construction work.

According to the Environmental Protection Law and the Regulation on Administration of Discharge Permit (《排污許可管理條例》) issued by the State Council on January 24, 2021 and came into effect on March 1, 2021, enterprises, public institutions and other producers and operators that are subject to the administration of discharge permit shall discharge pollutants in accordance with the requirements of the discharge permit; and those who have not obtained the discharge permit shall not discharge pollutants. The competent authorities in charge of environmental protection shall impose different administrative penalties on individuals or enterprises that violate the Environmental Protection Law. According to the Measures for Pollutant Discharge Permitting Administration (《排污許可管理辦法》), published by the Ministry of Ecology and Environment on April 1, 2024 came into effect on July 1, 2024, enterprises, public institutions and other producers and business operators shall, in accordance with factors such as the amount of pollutants produced, the amount of pollutants discharged and the extent of their impact on the environment, carry out the management of pollutant discharge permits with a focus, simplified management and pollutant discharge registration. The specific scope of pollutant discharging entities under priority pollutant discharge permitting administration or those under summary pollutant discharge permitting administration shall be governed by the classification administration list of pollutant discharge permitting for fixed pollution sources. The pollutant discharging entity that, in accordance with the law, shall apply for a pollutant discharge permit in accordance with the law and discharge pollutants in accordance with the relevant provisions.

According to the Classification Management List for Fixed Source Pollution Permits (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》), the manufacturing of biological drugs and products falls into the classification management scope for fixed source pollution permits. The Ministry of Ecology and Environment is authorized to promulgate national environmental quality and pollutant emission standards as well as to supervise national environmental protection works. At the same time, local environmental protection authorities could set local standards that are more stringent than national standards, and in this regard, the enterprises concerned must comply with both national and local standards.

Regulations on Foreign Exchange and Overseas Investment and Dividend Distribution

Foreign Exchange and Overseas Investment

Foreign exchange in the PRC is mainly regulated by the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on January 29, 1996 and most recently amended on August 5, 2008. Renminbi is freely convertible for current account items, including the distribution of dividends, interest payments, trade and service-related foreign exchange transactions, but is not freely convertible for capital account items, such as direct investments, loans, repatriation of investments and investments in securities outside of the PRC, unless prior approval is obtained from the SAFE and/or prior registration with the SAFE is made.

According to the Notice of SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) announced by the SAFE on December 26, 2014, the SAFE and its branch offices and administrative offices shall oversee, regulate and inspect domestic companies regarding their business registration, opening and use of accounts, trans-border payments and receipts, exchange of funds and other conduct involved in overseas listing. Domestic companies shall, within 15 working days upon the end of their public offering overseas, handle registration formalities for overseas listing with the foreign exchange authority at its place of registration with the required materials.

On February 13, 2015, the SAFE promulgated the Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "SAFE Circular 13"), which took effect on June 1, 2015 and was amended on December 30, 2019. In accordance with the SAFE Circular 13, the banks will review and carry out foreign exchange registration under domestic direct investment as well as foreign exchange registration under overseas direct investment directly, and the SAFE and its branches shall implement indirect supervision over foreign exchange registration of direct investment via the banks.

According to the Circular on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "Circular 19") (promulgated by SAFE on March 30, 2015, became effective on June 1, 2015 and partially repealed on December 30, 2019), the foreign exchange capital of foreign-invested enterprises shall be subject to the Discretional Foreign Exchange Settlement (the "Discretional Foreign Exchange Settlement"). The Discretional Foreign Exchange Settlement refers to the foreign exchange capital in the capital account of a foreign-invested enterprise for which the rights and interests of monetary contribution has been confirmed by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) can be settled at the banks based on the actual operational needs of the foreign-invested enterprise. The proportion of Discretional Foreign Exchange Settlement of the foreign exchange capital of a foreign-invested enterprise is temporarily determined as 100%. The Renminbi converted from the foreign exchange capital will be kept in a designated account. If a foreign-invested enterprise needs to make a further payment from such assigned accounts, it still needs to provide supporting documents and go through the banks' review process.

Pursuant to the Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (Hui Fa [2016] No. 16) (《關於改革和規範資本項目結匯管理政策的通知》(匯發[2016]16號)) (the "Circular 16"), which was promulgated by the SAFE and came into effect on June 9, 2016, and was amended on December 4, 2023), enterprises registered in the PRC (including Chinese-funded enterprises and foreign-invested enterprises, excluding financial institutions) may also convert their foreign debts from foreign currency to Renminbi on a self-discretionary basis. The Circular 16 provides an integrated standard for converting foreign exchange under capital account items (including but not limited to foreign exchange capital and foreign debts) on a discretionary basis which applies to all enterprises registered in the PRC. The Circular 16 reiterates the principle that Renminbi converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC laws or regulations, and such converted Renminbi shall not be provided as loans to its non-affiliated entities, except where it is expressly permitted in the business license.

In accordance with the Circular of the SAFE on Further Promoting Cross-border Trade and Investment Facilitation (Hui Fa [2019] No. 28) (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (匯發[2019]28號), which was promulgated by the SAFE and came into effect on October 23, 2019, and was amended on December 4, 2023, foreign-invested enterprise engaged in non-investment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to laws and regulations under the condition that the current Special Administrative Measures (Negative List) for Foreign Investment Access are not violated and the relevant domestic investment projects are true and compliant.

According to the Circular of the SAFE on Further Deepening Reforms to Facilitate Cross-Border Trade and Investment (Hui Fa [2023] No. 28) (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) (匯發[2023]28號), which was promulgated by the SAFE and came into effect on December 4, 2023, the equity transfer consideration paid in foreign currency by domestic entities owe to domestic equity transferors (including institutions and individuals), as well as the foreign exchange funds raised by domestic enterprises listed overseas, can be remitted to the capital project settlement account directly. The funds in the capital project settlement account can be independently settled and utilized.

Dividend Distribution

The SAFE promulgated the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) in January 2017, which stipulates several capital control measures with respect to the outbound remittance of profits of a domestic entity equivalent to more than USD50,000 (exclusive) including the following: (1) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution (or the partners resolutions regarding profit distribution), the original version of tax filing records and audited financial statements; and (2) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, domestic entities shall make detailed explanations of the sources of capital and the usage of funds (use plan), and provide board resolutions (or the partners resolutions), contracts and other proof when completing the registration procedures in connection with an outbound investment.

Regulations on Information Security and Data Privacy

The Basic Standards and Practice of Medical Test Laboratory (for Trial Implementation) (《醫學檢驗實驗室基本標準和管理規範(試行)》), which was promulgated by the National Health and Family Planning Commission of the PRC and came into force on July 20, 2016, provides that medical laboratories must establish information management and patient privacy protection policies. The Measures for the Administration of General Population Health Information (for Trial Implementation) (《人口健康信息管理辦法(試行)》) promulgated by the National Health and Family Planning Commission of the PRC on May 5, 2014 sets forth the implementation measures for patient privacy protection in medical institutions. The measures regulate the collection, use, management, safety and privacy protection of general population health information by medical institutions. Medical institutions must establish information management departments responsible for general population health information and establish quality control procedures and relevant information systems to manage such information. Medical institutions must adopt stringent procedures to verify the general population health data collected, timely update and maintain the data, establish policies on the authorized use of such information, and establish safety protection systems, policies, practice and technical guidance to avoid divulging confidential or private information.

On May 28, 2020, the NPC approved the Civil Code of the PRC (the "Civil Code"), which came into effect on January 1, 2021. Pursuant to the Civil Code, the personal information of a natural person shall be protected by the law. Any organization or individual that need to obtain personal information of others shall obtain such information legally and ensure the safety of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase or sell, provide or make public personal information of others.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "Personal Information Protection Law"), promulgated by the SCNPC on August 20, 2021 and effective from November 1, 2021, stipulates the scope of personal information and establishes rules for processing personal information onshore and offshore. The Personal Information Protection Law sets forth certain specific personal information protection requirements, including but not limited to more specific inform and consent requirements in various contexts, strengthened and classified obligations of personal information processors, and more limitations and rules on processing of personal information.

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "PRC Data Security Law"), which became effective on September 1, 2021. Pursuant to the PRC Data Security Law, data refers to any record of information in electronic or any other form. Data processing includes but is not limited to the collection, storage, use, processing, transmission, provision, and public disclosure of data. Industrial sector, telecommunications, transportation, finance, natural resources, health, education, science and technology, and other departments shall undertake the duty to supervise data security in their respective industries and fields. The PRC Data Security Law stipulates that each organization or individual collecting data shall adopt legal and proper methods, and

shall not steal or obtain data by other illegal methods, and the data processing activities shall comply with laws and regulations, respect social mores and ethics, comply with commercial ethics and professional ethics, be honest and trustworthy, perform obligations to protect data security, and undertake social responsibility; it shall not endanger national security, the public interest, or individuals' and organizations' lawful rights and interests.

On December 28, 2021, the Cyberspace Administration of China (the "CAC"), together with other PRC governmental authorities, promulgated the revised Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "Cybersecurity Measures"). Pursuant to the Cybersecurity Measures, (i) the purchase of network products and services of a critical information infrastructure operator and data processing activities of an online platform operator that affect or may affect national security shall be subject to the cybersecurity review, (ii) particularly, if a critical information infrastructure operator purchase network products and services that affect or may affect national security, or an online platform operator possessing personal information of over one million users and pursues a listing abroad, such operator must apply for cybersecurity review, and (iii) relevant governmental authorities in the PRC may initiate cybersecurity review if such governmental authorities determine any network products and services, and data processing activities affect or may affect national security. On September 24, 2024, the State Council issued the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "Regulations on the Administration of Cyber Data Security"). The Regulations on the Administration of Cyber Data Security, which will come into effect from January 1, 2025, provides clear stipulation on carrying out cyber data processing activities and the security supervision and management thereof.

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Administration of Scientific Data (《科學數據管理辦法》), which provide a broad definition of scientific data, including data obtained in the fields of natural sciences, engineering and technology through basic research, applied research and experimental development, as well as the original and derived data acquired through observation and monitoring, surveys, examination and testing, and other methods for use scientific research activities.

According to the Measures for the Administration of Scientific Data, enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the Chinese government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. Furthermore, scientific data involving state secrets, national security, social and public interest, trade secrets or personal privacy shall not be made publicly available for sharing, or where necessary, the purpose, user qualifications, confidentiality requirements, etc. shall be subject to review, with strict control on the scope of information.

In addition, legal entities shall establish a cybersecurity protection system in accordance with the national cybersecurity management regulations, adopt safe and reliable products and services, improve management measures such as data control, attribute management, identity authentication, behavior traceability and blacklist, and improve anti-tamper, anti-leak, anti-attack, anti-virus and other security protection systems.

According to the Regulations on the Administration of Cyber Data Security issued by the State Council on September 30, 2024 and implemented on January 1, 2025, cyber data processors carrying out cyber data processing activities that affect or may affect national security shall be subject to national security review in accordance with relevant state regulations. It also proposes specific requirements for cyber data processors dealing with important data. The Regulations on the Administration of Cyber Data Security defines "important data" as "data in specific fields, groups, regions, or with a certain precision and scale, which, once tampered with, destroyed, leaked, or illegally obtained or used, may directly endanger national security, economic operation, social stability, public health and safety". The Regulations on the Administration of Cyber Data Security requires that the national data security coordination mechanism shall coordinate the relevant authorities to formulate the catalogs of "important data" for relevant regions and departments. The cyber data processors shall identify the "important data" processed by them and report it to the relevant authorities which shall promptly notify the cyber data processors or make the processing results public. The Regulations on the Administration of Cyber Data Security impose a number of compliance obligations on cyber data processors processing important data, including but not limited to (i) appointing a cyber data security chief and establishing an internal data security management organization; (ii) conducting a risk assessment before providing, entrusting a supplier to process or co-processing important data, unless such processing activities are part of the performance of statutory duties or statutory obligations; (iii) reporting the disposal plan of important data to the provincial competent authorities (including the name and contact information of important data recipients) before merger, division, dissolution, bankruptcy and other events that may have a significant impact on the security of important data; and (iv) carrying out risk assessment of cyber data processing activities every year, and submitting risk assessment reports to the relevant provincial competent authorities, which shall inform the provincial cyberspace administration and public security organs.

On July 7, 2022, the Cyberspace Administration of China, or CAC promulgated Measures for the Security Assessment of Outbound Data Transfers (《數據出境安全評估辦法》), which became effective on September 1, 2022 and outlines the possible security assessment process for outbound data transfers. According to the Measures for the Security Assessment of Outbound Data Transfers, a data processor that provides important data collected or generated within China during its operations in China as well as personal information for security assessment to overseas recipients in accordance with the law shall comply with the provisions of these measures. According to the Measures for the Security Assessment of Outbound Data Transfers, a data processor providing data abroad is required to apply for security assessment for outbound data transfer in any of the following circumstances: (i) where a data processor provides critical data abroad; (ii) where a critical information infrastructure operator or a data processor that processes personal information of more than one million individuals provides

personal information abroad; (iii) where a data processor has provided personal information in the aggregate of more than 100,000 individuals or sensitive personal information of more than 10,000 individuals in total to abroad since January 1 of the previous year; and (iv) other circumstances prescribed by the CAC for which declaration for security assessment for cross-board transfer of data is required. The Measures for the Security Assessment of Outbound Data Transfers also stipulates the procedures for security assessment and submission, the important factors to be considered during the assessment and the legal liability of the data processor for failure to declare the assessment.

On March 22, 2024, the CAC issued Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), which provide provisions for the implementation of outbound data transfer systems including security assessment for outbound data transfers, standard contracts for outbound transfer of personal information, and personal information protection certification. In accordance with these provisions, unless otherwise stipulated, (I) data processors who provide data abroad, and meet any of the following conditions, are required to declare the security assessment of outbound data transfer to the national cyberspace administration authority through the provincial-level cyberspace administration authority where the data handlers are located: (A) critical information infrastructure operators providing personal information or important data abroad; (B) data processors other than critical information infrastructure operators providing important data abroad or cumulatively providing abroad personal information (excluding sensitive personal information) of more than one million individuals, or sensitive personal information of more than 10,000 individuals since January 1 of the current year; and (II) data processors other than critical information infrastructure operators have cumulatively provided abroad personal information (excluding sensitive personal information) of more than 100,000 and less than 1,000,000 individuals, or sensitive personal information of less than 10,000 individuals as of January 1 of the current year, shall enter into a standard contract for outbound transfer of personal information with the overseas recipient or obtain personal information protection certification in accordance with the law.

Regulations on Overseas Securities Offering and Listing by Domestic Enterprises

The CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the "Overseas Listing Trial Measures") and five relevant guidelines on February 17, 2023, which took effect on March 31, 2023. The Overseas Listing Trial Measures comprehensively reformed the regulatory regime for overseas offering and listing of securities by the PRC domestic enterprises, either directly or indirectly, into a filing-based system.

According to the Overseas Listing Trial Measures, the PRC domestic enterprises that seek to offer and list securities in overseas markets, either directly or indirectly, are required to fulfill the filing procedure with the CSRC and report relevant information. The Overseas Listing Trial Measures provides that an overseas listing or offering is explicitly prohibited, if any of the following applies: (i) such securities offering or listing is explicitly prohibited by provisions in PRC laws, administrative regulations or relevant state rules; (ii) the securities

offering or listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with laws; (iii) the domestic enterprise or its controlling shareholder(s) and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic enterprise is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) or actual controller.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "Provision on Confidentiality"), which took effect on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

Regulations on "Full Circulation" of H Shares

On November 14, 2019, the CSRC issued the Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H Share Companies (《H股公司境內未上市股份申請"全流通"業務指引》) (the "Guidelines"), which was amended and came into effect on August 10, 2023. According to the Guidelines, "Full Circulation" refers to the listing and circulation of the domestic unlisted shares of an H-share company (including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares that are further issued in the PRC after overseas listing and unlisted shares held by foreign shareholders) on the Hong Kong Stock Exchange. Holders of unlisted domestic shares may, at their own discretion, negotiate and determine the number and proportion of shares to be applied for circulation, and entrust H-share companies to apply for "full circulation", as well as entrust H-share companies to submit the "full circulation" filing documents to the CSRC, subject to compliance with relevant laws and regulations as well as policy requirements in respect of state-owned assets management, foreign investment and industry regulation. According to the

Guidelines, shareholders of domestic unlisted shares should handle the transfer of shares in accordance with the relevant business rules of CSDC, and H-share companies should submit a report on the relevant situation to the CSRC within 15 days after the completion of the transfer of the shares involved in the application to CSDC.

According to the regulations on overseas listing, where a domestic enterprise directly issues and lists its securities overseas, the shareholders holding unlisted domestic shares may, after filing, convert the above shares into overseas listed shares in accordance with the law and list and circulate the same on an overseas stock exchange. A domestic enterprise may also submit an application for "full circulation" at the same time when it submits an application for the overseas direct issuance and listing to the CSRC.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited ("CSDC") and Shenzhen Stock Exchange ("SZSE") jointly announced the Measures for Implementation of H-share Full Circulation Business (《H股"全流通"業務實施細則》) (the "Measures for Implementation"). The businesses in relation to the H-share full circulation business, such as cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc. are subject to the Measures for Implementation.

In order to fully promote the reform of H-share full circulation and clarify the business arrangement and procedures for the relevant shares' registration, custody, settlement and delivery, CSDC promulgated the Guide to the Program for Full Circulation of H-shares (《H股"全流通"業務指南》) on February 7, 2020, and updated it on September 20, 2024, which specifies the business preparation, account arrangement, cross-border share transfer registration and overseas centralized custody, and other relevant matters. In February 2020, China Securities Depository and Clearing (Hong Kong) Company Limited ("CSDC (Hong Kong)") also promulgated the Guide to the Program for Full Circulation of H-shares of China Securities Depository and Clearing (Hong Kong) Company Limited (《中國證券登記結算(香港)有限公司H股"全流通"業務指南》) to specify the escrow, custody, agent service, arrangement for settlement and delivery, risk management measures and other relevant matters. On September 20, 2024, China Securities Depository and Clearing Corporation Limited Shenzhen Branch promulgated the Guide to the Program for Full Circulation of H-shares of China Securities Depository and Clearing Corporation Limited Shenzhen Branch (《中國證券登記結算有限責任公司深圳分公司H股"全流通"業務指南》), which came into effect on September 23, 2024, and it specifies the business preparation, cross-border share transfer registration, arrangement for settlement and delivery, risk management measures and other relevant matters.

OVERVIEW OF EU LAWS AND REGULATIONS

Clinical Trial Approval

The European Medicines Agency ("**EMA**") is the scientific agency of the European Union (EU) that coordinates the evaluation and monitoring of new and approved medicinal products such as small molecules and biologics. It is responsible for the scientific evaluation of applications for EU marketing authorizations, as well as the development of technical guidance and the provision of scientific advice to sponsors.

The approval process for medicinal products within the EU is broadly analogous to that of the United States. It typically necessitates the successful completion of the following stages:

- preclinical laboratory tests, animal studies and formulation studies all performed in accordance with the applicable EU Good Laboratory Practice regulations;

- Submission of a clinical trial application ("**CTA**") must be done in the Clinical Trials Information System ("**CTIS**") for each clinical trial, which must be approved before human clinical trials may begin;

- performance of adequate and well-controlled clinical trials to establish the safety and efficacy of the product for each proposed indication;

- satisfactory completion of an inspection by the relevant national authorities of the manufacturing facility or facilities, including those of third parties, at which the product is produced to assess compliance with cGMP;

- potential audits of the non-clinical and clinical trial sites that generated the data in support of the MAA; and

- review and approval by the relevant national authority of the MAA before any commercial marketing, sale or shipment of the product.

Preclinical studies include laboratory evaluations of product chemistry, formulation and stability, as well as studies to evaluate the potential efficacy and toxicity in animals. The conduct of the preclinical tests and formulation of the compounds for testing must comply with the relevant EU regulations and requirements. The results of the preclinical tests, together with relevant manufacturing information and analytical data, are submitted as part of the CTA when seeking approval to start a clinical trial, and with the MAA when seeking marketing authorization.

On January 31, 2022, the Clinical Trials Regulation (EU) No. 536/2014 repealed the Clinical Trials Directive 2001/20/EC. To ensure that the rules for clinical trials are identical throughout the EU, the Clinical Trials Regulation (EU) No. 536/2014 was passed as a regulation which is directly applicable in all EU member states.

Requirements for the conduct of clinical trials in the EU including Good Clinical Practice ("**GCP**"), are implemented in the Clinical Trials Regulation (EU) No 536/2014 (EU CTR) and the GCP Directive 2005/28/EC. Pursuant to Regulation (EU) No 536/2014 and Directive 2005/28/EC, as amended, a system for the approval of clinical trials in the EU has been implemented through national legislation of the EU member states. Under this system, approval must be obtained from the competent national authority in which a trial is planned to be conducted, or in multiple member states if the clinical trial is to be conducted in a number of member states. A CTA is submitted, which must be supported by an investigational medicinal product dossier ("**IMPD**") and further supporting information prescribed by Regulation (EU) No 536/2014 and Directive 2005/28/EC and other applicable guidance documents. Furthermore, a clinical trial may only be started after a competent ethics committee has issued a favorable opinion on the clinical trial application in that country.

Regulation (EU) No 536/2014 aims to simplify and streamline the approval of clinical trial in the EU. The main characteristics of the regulation include:

- a streamlined application procedure via a single-entry point, known as the Clinical Trials Information System ("**CTIS**");

- a single set of documents to be prepared and submitted for the application as well as simplified reporting procedures which will spare sponsors from submitting broadly identical information separately to the competent authorities of various countries;

- harmonized procedure for the assessment of applications for clinical trials, which is divided in two parts;

- strictly defined deadlines for the assessment of clinical trial application; and

- the involvement of the ethics committees in the assessment procedure in accordance with the national law of the member state concerned but within the overall timelines defined by the Regulation (EU) No 536/2014.

Clinical trial authorization occurs at EU member state level. The Clinical Trials Regulation enables sponsors to submit one online application via the CTIS maintained by the EMA, through which regulators and authorities of each state can collaboratively process clinical trial applications, request further information from the Sponsor, authorize or refuse a trial and oversee an authorized trial. The evaluation process of an initial clinical trial application includes three main phases: validation, assessment and decision. The assessment phase includes two parts: Part I and Part II.

- Part I is a joint assessment by the member states concerned ("**MSCs**") led by the reporting member state ("**RMS**") on aspects primarily related to scientific documentation, manufacturing and importing requirements, protocol, labeling requirements and completeness and adequateness of the investigator's brochure.

- Part II is a separate assessment performed by each MSC, each of which results in the submission of an individual conclusion. The scope of the Part II assessment is set out in the Clinical Trial Regulation and primarily relates to aspects such as informed consent, compensation, protection of data and samples, patient recruitment and suitability of clinical trial sites.

Request for information ("**RFI**") may be raised by RMS for Part I or by the MSC for Part II. Each MSC decides if the application is complete and adequate, and therefore if the clinical trial can be conducted in its territory.

Marketing Authorization

Centralized Procedure

Authorization to market a product in the member states of the EU proceeds under one of four procedures: a centralized procedure, a mutual recognition procedure, a decentralized procedure or a national procedure.

The centralized procedure enables applicants to obtain a marketing authorization that is valid in all EU member states based on a single application. Certain medicinal products, including products developed by means of biotechnological processes must undergo the centralized authorization procedure for marketing authorization, which, if granted by the European Commission, based on the opinion of the EMA, is automatically valid in all EU member states. Sponsors may elect to file an MAA through the centralized procedures for other classes of products.

The centralized procedure is mandatory for certain types of products such as, medicines derived from biotechnology processes such as genetic engineering, advanced-therapy medicines such as gene-therapy or tissue engineered medicine, orphan medicines, and medicinal products containing a new active substance indicated for the treatment of cancer, diabetes, neurodegenerative disorders, autoimmune and other immune dysfunctions, and viral diseases.

The centralized authorization procedure is optional for other medicinal products if they contain a new active substance, if the applicant shows that the medicinal product concerned constitutes a significant therapeutic, scientific or technical innovation, or that the granting of authorization is in the public interest of the EU.

Administration Procedure

Under the centralized procedure, the EMA's Committee for Human Medicinal Products ("**CHMP**") serves as the scientific committee that renders opinions about the safety, efficacy and quality of medicinal products for human use on behalf of the EMA. The CHMP is composed of experts nominated by each member state's national authority for medicinal products, with one of them appointed to act as Rapporteur for the co-ordination of the

evaluation with the possible assistance of a further member of the Committee acting as a Co-Rapporteur. After approval, the Rapporteur(s) continue to monitor the product throughout its life cycle. The CHMP has 210 active days, to adopt an opinion as to whether a marketing authorization should be granted. The process usually takes longer in case additional information is requested, which triggers clock-stops in the procedural timelines. The process is complex and involves extensive consultation with the regulatory authorities of member states and a number of experts. When an application is submitted for a marketing authorization in respect of a drug which is of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation, the applicant may, pursuant to Article 14(9) Regulation (EC) No 726/2004, request an accelerated assessment procedure. If the CHMP accepts such request, the time-limit of 210 days will be reduced to 150 days, but it is possible that the CHMP can revert to the standard time-limit for the centralized procedure if it considers that it is no longer appropriate to conduct an accelerated assessment. Once the procedure is completed, a European Public Assessment Report ("**EPAR**") is produced. If the opinion is negative, information is given as to the grounds on which this conclusion was reached. After the adoption of the CHMP opinion, a decision on the MAA must be adopted by the European Commission, after consulting the EU member states, which in total can take more than 60 days. After a drug has been authorized and launched, it is a condition of maintaining the marketing authorization that all aspects relating to its quality, safety and efficacy must be kept under review.

Conditional Approval

In specific circumstances, EU legislation (Article 14(7) Regulation (EC) No. 726/2004 and Regulation (EC) No. 507/2006 on Conditional Marketing Authorizations for Medicinal Products for Human Use) enables applicants to obtain a conditional marketing authorization prior to obtaining the comprehensive clinical data required for an application for a full marketing authorization. Such conditional approvals may be granted for products (including medicines designated as orphan medicinal products), if (1) the risk-benefit balance of the product is positive, (2) it is likely that the applicant will be in a position to provide the required comprehensive clinical trial data, (3) the product fulfills unmet medical needs, and (4) the benefit to public health of the immediate availability on the market of the medicinal product concerned outweighs the risk inherent in the fact that additional data are still required. A conditional marketing authorization may contain specific obligations to be fulfilled by the marketing authorization holder, including obligations with respect to the completion of ongoing or new studies, and with respect to the collection of pharmacovigilance data.

Conditional marketing authorizations are valid for one year, and may be renewed annually, if the risk-benefit balance remains positive, and after an assessment of the need for additional or modified conditions and/or specific obligations. The timelines for the centralized procedure described above also apply with respect to the review by the CHMP of applications for a conditional marketing authorization.

Drug Manufacturing

The manufacture and import of drugs in the EU are subject to regulatory authorization. In order to obtain a manufacturing authorization the applicant shall have at his disposal, suitable and sufficient premises, technical equipment and control facilities complying with the requirements for manufacture, control and storage of drugs. Furthermore, it is compulsory to have at least one qualified person that is responsible to guarantee compliance with manufacturing requirements. To meet this obligation, a manufacturer may refer to, and comply with, the GMP guidelines.

According to the Commission Delegated Regulation (EU) 2017/1569 and Directive (EU) 2017/1572 for compliance with GMP, all manufacturers should operate an effective quality management system of their manufacturing operations, which requires the implementation of a pharmaceutical quality assurance system. The principles and guidelines of GMP should be set out in relation to quality management, personnel, premises and equipment, documentation, production, quality control, contracting out, complaints and product recall, and self-inspection.

To ensure that a drug manufacturer complies with GMP, the competent authorities of the EU member states carry out inspections according to Article 111 of the Directive 2001/83/EC. If the competent authority determines that the activities of the manufacturer are GMP-compliant, it grants a GMP certificate that confirms the compliance status.

In the EU, international GMP certificates by foreign public authorities may be recognized by the competent authority. The EU member states generally accept GMP audits/inspections and approvals of the competent national authorities of other EU member states because of the harmonization of the quality and pharmacovigilance regulations on the EU level.

Data Protection

The collection, use, disclosure, transfer, or other processing of personal data regarding individuals in the EU, including personal health data, is subject to the General Data Protection Regulation (Regulation (EU) 2016/679; GDPR) ("**GDPR**"), which became effective on May 25, 2018. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third-party processors.

Under the GDPR, transfers of personal data to countries outside the European Economic Area ("**EEA**"), are only permitted where appropriate safeguards are in place to ensure an adequate level of protection. One of the primary legal mechanisms for such transfers is the use of Standard Contractual Clauses ("**SCCs**") adopted by the European Commission in June 2021 under Commission Implementing Decision (EU) 2021/914.

In accordance with applicable regulatory requirements and guidance from the European Data Protection Board, organizations relying on SCCs must assess the legal framework of the recipient country, consider potential access to data by public authorities, and implement supplementary measures where necessary to ensure that the level of data protection is essentially equivalent to that guaranteed within the EU.

Fines for non-compliance with the GDPR are up to the greater of €20 million or 4% of global turnover. In addition to administrative fines, a wide variety of other potential enforcement powers are available to competent supervisory authorities in respect of potential and suspected violations of the GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal data carried out by non-compliant actors. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. Compliance with the GDPR is a rigorous and time-intensive process that increases the cost of doing business and has required companies to change their business practices.

ESG Regulation

The ESG framework in clinical trials within the EU is primarily governed by the Clinical Trials Regulation ("**CTR**"), Regulation (EU) No 536/2014 has been fully applicable in Sweden since January 31, 2022 and it replaces the previous national legislation based on Directive 2001/20/EC. This regulation enhances transparency by mandating public access to clinical trial data through the CTIS, improves efficiency by enabling a centralized application process for multi-country trials, and supports sustainability by reducing administrative burdens and streamlining approval procedures, which also aligns with Swedish law (2018:1091) on ethical review of clinical trials.

In alignment with these objectives, the Accelerating Clinical Trials in the EU (ACT EU) initiative, launched by the EMA, the European Commission (EC), and the Heads of Medicines Agencies (HMA), seeks to promote innovation in clinical trial design and execution. It also aims to establish multi-stakeholder platforms to foster collaboration and to encourage sustainable practices in clinical research.

Furthermore, the WHO Global Clinical Trials Forum held in 2023, with active participation from the EU, emphasized the importance of global coordination in ethics review processes, the need for public engagement to address misinformation, and the role of digital transformation in supporting more inclusive and efficient clinical trials.

Recent Development on Oligonucleotide Drug Regulation

In July 2024, the EMA published a draft "Guideline on the Development and Manufacture of Oligonucleotides" (EMA/CHMP/CVMP/QWP/262313/2024), which was under public consultation until January 31, 2025. This represents the first comprehensive regulatory framework specifically dedicated to synthetic oligonucleotides, including siRNA products, and addresses specific aspects of manufacturing, characterization, specification setting, and analytical control that are inadequately addressed under existing EMA guidelines such as the Guideline on the Chemistry of Active Substances (EMA/454576/2016).

The guideline explicitly acknowledges that synthetic oligonucleotides are not fully covered by certain guidelines issued by International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use ("**ICH**"), including ICH Q3A/B, ICH Q6A/B, and ICH M7, due to the unique physicochemical properties and manufacturing processes of oligonucleotides that differ from conventional small molecules and biologics. It is intended to complement these guidelines rather than replace them. Notably, mRNA-based products are outside the scope of this guideline.

For siRNA therapeutics, the guideline outlines detailed expectations for solid-phase synthesis, strand annealing, impurity profiling, stereoisomeric distribution of phosphorothioate linkages, and the use of orthogonal analytical methods. It also emphasizes the control of single-stranded intermediates and duplex purity, requirements for conjugation (e.g., GalNAc), active substances in solution, and clinical trial applications.

This guideline represents a significant step toward regulatory harmonization in the EU and supports the development, quality control, and registration of siRNA-based oligonucleotide therapeutics.

OVERVIEW OF LAWS AND REGULATIONS IN AUSTRALIA

Drug Development and Manufacturing

Clinical trials conducted in Australia are regulated by the Therapeutic Goods Administration ("**TGA**"). Clinical trials must comply with a number of laws and regulations in Australia at the Commonwealth and State/Territory levels, including the Therapeutic Goods Act 1989 (Cth) and the Therapeutic Goods Regulations 1990 (Cth). Clinical trials must also comply with: the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) Guidelines for Good Clinical Practice, as adopted and annotated by the TGA (the "**ICH GCP Guidelines**"); and the National Statement on Ethical Conduct in Human Research (the "**National Statement**").

There are two schemes for the approval of clinical trials in Australia: the Clinical Trial Notification ("**CTN**") scheme; and the Clinical Trial Approval ("**CTA**") scheme. The CTN scheme involves the TGA being notified of the clinical trial, but not undertaking any evaluation of the clinical trial. The CTA scheme involves the TGA not only being notified of the clinical trial, but also conducting an evaluation and assessment of the clinical trial prior to its commencement. The CTN scheme is generally used for earlier phase studies when there is adequate preclinical information about the product, particularly in relation to safety. The CTA scheme is generally used for high-risk or new treatments, where there is little known or no knowledge about the safety of the goods. The decision regarding which scheme to follow is generally up to the sponsor of the trial and the applicable Human Research Ethics Committee ("**HREC**"), although the CTA scheme is mandatory for certain types of biological medicines. Clinical trials in Australia require the approval of the research institute that is conducting the trial, following a review by its HREC before the trial commences. HRECs are also responsible for overseeing clinical trials.

Clinical trials conducted in Australia must have a trial sponsor that is an Australian company. It is permissible for a foreign corporation to engage an Australian company to act as the sponsor of a clinical trial in Australia, often referred to as the Local Sponsor. In this situation, the foreign corporation does not, itself, need to obtain any licenses or authorizations in respect of the clinical trial. The Australian trial sponsor is responsible for the initiation, management and financing (or arranging the financing) for the clinical trial and is legally responsible for the conduct of the clinical trial, including obtaining the requisite licenses or authorizations. The trial sponsor does not need to be the manufacturer of the product being trialed. The product manufacturer may rely on the results the trial when seeking to have the product registered on the Australian Register of Therapeutic Goods.

Clinical trials in Australia must follow the ICH GCP Guidelines as annotated by the TGA. The TGA's annotations provide additional guidance regarding compliance with the National Statement, obtaining informed consent in special cases, responsibility for the conduct of the trial (including management, data handling and record keeping), the manufacturing, packaging, labelling and coding of investigational products, and reporting for adverse drug reactions. The approval of a clinical trial in Australia is conditional upon compliance with the ICH GCP Guidelines as annotated by the TGA.

Clinical trials in Australia must also comply with the National Statement. The National Statement sets out the Australian ethical standards against which all research involving humans, including clinical trials, are reviewed. The approval of a clinical trial in Australia is conditional upon compliance with the National Statement.

In relation to safety reporting requirements, clinical trials conducted in Australia must follow: the Note for Guidance on Clinical Safety Data Management: Definitions and Standards for Expedited Reporting (CPMP/ICH/377/95), as annotated by the TGA; and the National Health and Medical Research Council ("**NHMRC**") Guidance: Safety Monitoring and Reporting in Clinical Trials Involving Therapeutic Goods.

Additionally, per the ICH GCP Guidelines as annotated by the TGA, products used in clinical trial must comply with the applicable good manufacturing practices ("**GMP**"). For investigational products manufactured in Australia, the relevant manufacturing standards are set out in the Therapeutic Goods (Manufacturing Principles) Determination 2020 (Cth). Generally, therapeutic goods (other than blood, blood components, haematopoietic progenitor cells and biologicals that do not comprise or contain live animal cells, tissues or organs) must be manufactured in accordance with the Guide to Good Manufacturing Practice of Medicinal Products (PE 009-15, 1 May 2021) published by PIC/S.

Under both the CTN and CTA schemes, the clinical trial sponsor for a trial involving medicines or biological products must provide to the TGA information about the proposed dosage form, route of administration, formulation, dosage, and frequency of administration of the product (amongst other information), prior to the commencement of the clinical trial. If a change to the dosage is proposed to be made following the completion of a phase I clinical trial, then that change must be either notified to the TGA (if the clinical trial falls under the CTN scheme), or approved by the TGA (if the clinical trial falls under the CTA scheme). The change would also require review and approval by the HREC overseeing the trial.

Data Protection

The Privacy Act 1988 (Cth) ("**Privacy Act**") and Australian Privacy Principles ("**APPs**") apply to APP entities. An APP entity includes 'organizations', which means businesses that have an annual turnover for the previous financial year AU$3 million or more.

The Privacy Act is the principal piece of Australian legislation protecting the handling of personal information about individuals. This includes the collection, use, storage and disclosure of personal information of Australian individuals.

There are 13 APPs and they govern standards, rights and obligations around:

- the collection, use and disclosure of personal information;
- an organization or agency's governance and accountability;
- integrity and correction of personal information; and
- the rights of individuals to access their personal information.

It is a requirement for an APP entity to have a privacy policy. APP 1.4 contains a non-exhaustive list of information that an APP entity must include in its APP Privacy Policy:

- the kinds of personal information collected and held by the entity (APP 1.4(a));
- how personal information is collected and held (APP 1.4(b));
- the purposes for which personal information is collected, held, used and disclosed (APP 1.4(c));
- how an individual may access their personal information and seek its correction (APP 1.4(d));
- how an individual may complain if the entity breaches the APPs or any registered binding APP code, and how the complaint will be handled (APP 1.4(e)); and
- whether the entity is likely to disclose personal information to overseas recipients (APP 1.4(f)), and if so, the countries in which such recipients are likely to be located if it is practicable to specify those countries in the policy (APP 1.4(g)).

Each state and territory have its own separate privacy legislation which is largely consistent with the Privacy Act requirements.

Cross-Border Disclosure Requirements

Patient data falls under the category of 'sensitive information' under the Privacy Act. Sensitive information attracts a higher level of protection under the Privacy Act than other types of personal information, and can only be disclosed (1) for the purpose for which it was collected, (2) for a directly related secondary purpose, or (3) where an exception applies (for example, with an individual's consent, where required by law, or where a permitted general situation exists). For this reason, prior to disclosing patient data overseas a disclosing entity should ensure that such disclosure is permitted under the Privacy Act.

In addition to the above general disclosure requirements, where personal information is disclosed outside Australia to an overseas recipient the disclosing entity must take reasonable steps to ensure that the overseas recipient does not breach the Privacy Act in respect of that information. The concept of 'reasonable steps' is not defined, but it is generally expected that the disclosing party will enter into an enforceable contractual arrangement with the overseas recipient that requires the recipient to handle personal information in accordance with the Privacy Act. It is likely that more rigorous steps will be required where the information to be disclosed is sensitive information (including patient data).

The disclosing entity also remains accountable for any acts or practices of the overseas recipient, and may be liable for any breaches of the Privacy Act by the overseas recipient even if the disclosing entity has taken reasonable steps to ensure the overseas entity complies with its legal requirements. An 'overseas recipient' includes a related body corporate located outside Australia, however does not include an overseas office of the disclosing entity.

Limited exceptions to the above requirements arise under the Privacy Act, including circumstances where:

- the overseas recipient is subject to a substantially similar law or binding scheme which individuals can access;
- the overseas recipient is subject to the laws of a country which is prescribed by Australia's privacy regulations (this exception has been newly introduced and to date there are no such prescribed countries);
- the individual has consented to the disclosure after being expressly informed that if the individual consents, the entity will not be accountable under the Privacy Act;
- the disclosure is required or authorised by law; or
- a permitted general situation exists (i.e. disclosure is necessary to lessen or prevent a serious threat to life, to locate a missing person, etc.).

Patient data may also be subject to additional Australian privacy laws, such as State-based health privacy laws.

State and Territory privacy laws apply to 'health service providers' and entities which collect, hold, or use health information. Legislation underpinning these laws is the Health Records and Information Privacy Act 2002 (NSW) in New South Wales, the Health Records (Privacy and Access) Act 1997 (ACT) in the Australian Capital Territory, and the Health Records Act 2000 (Vic) in Victoria. These laws impose similar limitations to the disclosure of patient data as the Privacy Act.

Green-Washing Laws

The practice of 'greenwashing' occurs where a business makes a false or misleading environmental claim, typically in an attempt to make their business appear more environmentally beneficial. Greenwashing statements may be considered 'false or misleading representations', which are prohibited under the Australian Consumer Law (ACL) (legislation in Australia which provides protections to consumers and small businesses). The Australian Consumer Law will apply to all businesses selling goods and service in Australia (even if the business itself is located overseas). The Australian Competition and Consumer Commission, Australia's consumer law regulator, has frequently taken action against companies for allegations of greenwashing.

To avoid allegations of 'greenwashing', companies should ensure that all claims made about the environmental impact of a product/service are true and accurate, and that they are not misleading to an "ordinary and reasonable" audience. Businesses should only make claims that represent the genuine environmental impact of a product/service, and should not exaggerate the benefits or level of scientific acceptance of an environmental claim. Businesses should also ensure they have clear evidence to back up all environmental claims made. Visual elements are also important — use of symbols or other elements which are intended to give the impression that a product is 'good for the environment' can be considered misleading if the impression given to a consumer based on those elements is false.

A breach of the ACL's prohibition on false or misleading representations can lead to significant penalties — for example, corporations can be subject to penalties the greater of (a) $50 million AUD; (b) three times the value of the benefit obtained from the breach; or (c) 30% of the corporation's adjusted turnover during the breach period.

OVERVIEW

The history of our Group can be traced back to January 18, 2007, when our Company was established as a limited liability company in Suzhou, Jiangsu province, the PRC. For further details of the incorporation and major shareholding changes of our Company, see "— Corporate Development and Major Shareholding Changes of Our Company — Establishment and Early Major Shareholding Changes of Our Company" below.

Our Company is a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics. With decades of expertise in the RNAi technologies, Dr. LIANG, our founder, brings profound understanding of both the complexities and the potential of the RNAi technologies to our Company. For details of the biographies of Dr. LIANG, see "Directors, Supervisors and Senior Management."

MILESTONES

The following table summarizes various key milestones in our corporate and business development.

Year	Milestones
2007	In January, our Company was established as a limited liability company in Kunshan, Jiangsu Province (江蘇省昆山市).
	In April, our R&D center was established in Zhongguancun, Beijing (北京中關村).
2008	In April, we successfully hosted the first RNAi China conference (中國小核酸技術與應用學術會議).
2010	In December, we completed ISO 9001:2008 quality management system accreditation (ISO 9001:2008質量管理體系認證).
2016	In September, we completed Series A Financing.
2018	In February, we completed Series B Financing.
2020	In January, we completed Series C1 Financing and raised RMB203.0 million.
	In April, we completed Series C2 Financing and raised RMB454 million.
	In September, we completed Series C+ Financing and raised RMB250.0 million.

Year	Milestones
2021	In November, we completed RBD1016's phase 1a clinical trial in Australia.
2022	In February, we established Ribocure AB in Sweden as our international R&D center.
	In September, we completed Series E1 Financing and raised RMB254.00 million.
2023	In March, RBD4059's phase 1 clinical trial in Australia was initiated.
	In August, RBD1016's phase 2 global MRCT in CHB patients was initiated in Sweden.
	In October, RBD1016's phase 2 global MRCT in CHB patients was initiated in Hong Kong.
	In October, we completed RBD1016's phase 1b clinical trial in patients with CHB in Hong Kong.
	In December, we entered into a license and collaboration agreement with Qilu Pharmaceutical, pursuant to which we granted Qilu Pharmaceutical a license to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong and Macau.
	In December, we entered into a strategic partnership with Boehringer Ingelheim to jointly progress potential first-in-class siRNAs utilizing our RiboGalSTAR™ technology.
2024	In August, RBD1016's phase 2a clinical trial in CHD patients was initiated in Sweden.
	In August, RBD4059's phase 2a clinical trial in patients with coronary artery disease in Sweden was initiated.
	In September, RBD7007 received CTA approval from EMA to initiate its phase 1 clinical trial.
	In October, RBD4059's phase 1 clinical trial in Australia was completed.

Year	Milestones
2025	In January, we announced the achievement of the first preclinical milestone under our collaboration with Boehringer Ingelheim. In February, RBD2080 received the TGA's acknowledgment to initiate its phase 1 clinical trial in Australia. In February, we completed patient enrollment for RBD4059's phase 2a clinical trial in patients with coronary artery disease in Sweden. In August 2025, we initiated the phase 1 clinical trial of RBD1119 with the first patient enrolled in Australia. In October 2025, the EMA granted Orphan Drug Designation to RBD1016 for the treatment of HDV infection.

OUR SUBSIDIARIES

As of the Latest Practicable Date, we had eight subsidiaries. The following table sets out certain information of each of our subsidiaries as of the Latest Practicable Date.

No.	Name of company	Place of establishment	Principal business activities	Shareholding controlled by our Company	Date of establishment and commencement of business
1.	Shandong Ribotek	PRC	pharmaceutical R&D service	100%	July 25, 2025
2.	Shenzhen Ribotek	PRC	pharmaceutical R&D service	100%	May 29, 2025
3.	Ribocure AB[(1)]	Sweden	pharmaceutical R&D service	50.29%	February 18, 2022
4.	Ribo Australia	Australia	pharmaceutical R&D service	100%	June 28, 2021
5.	Azemidite[(2)]	PRC	pharmaceutical R&D and production	65.29%	August 23, 2017
6.	Beijing RiboCure	PRC	pharmaceutical R&D service	100%	August 6, 2015
7.	Ribo HK	Hong Kong	no substantial operation	100%	July 22, 2013
8.	Kunshan RiboCure	PRC	pharmaceutical R&D service	100%	October 16, 2012

Notes:

(1) Upon incorporation of Ribocure AB, Ribocure AB was held by our Company and Dr. GAN Liming (甘黎明), an executive Director of the Company, as to 95% and 5%, respectively. To effectively enhance the motivation of our global R&D team to further promote our R&D progress, our Company, Dr. GAN and Adstella Holding AB, entered into a shareholders' agreement dated December 18, 2021, pursuant to which, Dr. GAN and Adstella Holding AB subsequently subscribed for 9,375 and 178,125 shares in Ribocure AB at a consideration of SEK9,375 and SEK178,125, respectively. Upon such subscription, Ribocure AB was held by our Company, Dr. GAN and Adstella Holding AB as to 80%, 5% and 15%, respectively. Adstella Holding AB is a company established for the purpose of implementing the Ribocure AB Share Incentive Scheme. In November 2024, as rewards and incentives to Dr. GAN in recognition of his contributions to our Group, 65,500 shares in Ribocure AB were issued to Dr. GAN at a consideration of SEK65,500 which was fully settled as of the Latest Practicable Date. Upon such issuance, Ribocure AB was held by the Company, Adstella Holding AB and Dr. GAN as to 75.82%, 14.21% and 9.97%, respectively. Pursuant to the deed of adherence dated January 5, 2023 executed by Adstella Holding AB, our Company and Dr. GAN, a deed of voting proxy shall be executed by Adstella Holding AB in favor of our Company to further safeguard our Company's control over the voting rights of Ribocure AB. Pursuant to the deed of voting proxy entered by Adstella Holding on April 17, 2025 (the "**Deed of Voting Proxy**"), our Company shall be entitled to, as the attorney of Adstella Holding AB at the Company's sole discretion, to exercise the voting rights attached to the shares in Ribocure AB held by Adstella Holding AB. For providing further funds for the R&D progress of Ribocure AB, on June 13, 2025, Erik Selin Fastigheter Aktiebolag and Co Activate AB, each an Independent Third Party, entered into a share subscription agreement with Ribocure AB, pursuant to which, Erik Selin Fastigheter Aktiebolag and Co Activate AB subscribed 616,862 and 19,277 shares in Ribocure AB at a consideration of US$32,000,000 and US$1,000,000, respectively, which was settled on the same date. Upon such subscription, Ribocure AB was held by our Company, Erik Selin Fastigheter Aktiebolag, Adstella Holding AB, GAN Liming and Co Activate AB as to 50.29%, 32.65%, 9.43%, 6.61% and 1.02%, respectively. The decrease of the Company's interest in Ribocure AB will not materially impact the Group's operations, R&D capabilities, or clinical development of Ribocure AB given that the Company retains majority control and decision-making authority over Ribocure AB while this round of financing enhanced Ribocure AB's financial position, enabling it to better carry out its R&D activities. The new investors of Ribocure AB could bring local resources and networks, which would support Ribocure AB's R&D, clinical programs and potential business development in Europe. For details, see the section headed "Directors, Supervisors and Senior Management" and "Statutory and General Information — D. Share Incentive Schemes — 3. Ribocure AB Share Incentive Scheme" in Appendix VII to this document.

(2) Upon establishment, Azemidite was owned as to 75%, 15% and 10% by the Company, YU Zhongsheng, a key employee of the Group, and Suzhou Hanmei Biotechnology Co., Ltd. (蘇州漢酶生物技術有限公司) ("**Suzhou Hanmei**"), an Independent Third Party, respectively. On December 14, 2018 and February 6, 2020, Suzhou Hanmei and YU Zhongsheng transferred all its equity interests in Azemidite to our Company at a consideration of RMB300,000 and RMB80,000, respectively. Since then, Azemidite conducted several rounds of capital increase to provide funding for its operations and R&D, and has introduced Haihe Asymchem Fund as an external investor to help coordinate resources for the Company's operations and development in the local area (i.e. Tianjin). On June 29, 2021, Tianjin Haihe Asymchem Biopharmaceutical Industry Innovation Investment L.P. (天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)) ("**Haihe Asymchem Fund**"), also being one of our Pre-[**REDACTED**] Investors, entered into a capital increase agreement with the Company and Azemidite (the "**First Azemidite Capital Increase Agreement**"), pursuant to which, Haihe Asymchem Fund agreed to invest in Azemidite by subscribing for an increase of RMB6.5 million registered capital of Azemidite at a total consideration of RMB50 million. On November 3, 2023, our Company entered into a capital increase agreement with Azemidite and Haihe Asymchem Fund (the "**Second Azemidite Capital Increase Agreement**"), pursuant to which, our Company agreed to invest in Azemidite by subscribing for an increase of RMB2.6 million registered capital of Azemidite at a total consideration of RMB20 million. Upon completion of these transfers and subscriptions, Azemidite was owned as to 70.59% and 29.41% by our Company and Haihe Asymchem Fund, respectively. Therefore, Haihe Asymchem Fund is a connected person of our Company at the subsidiary level. For details, see "— Pre-[**REDACTED**] Investments — Information Relating to our Major Pre-[**REDACTED**] Investors" below.

Pursuant to the First Azemidite Capital Increase Agreement and the Second Azemidite Capital Increase Agreement, Haihe Asymchem Fund was granted certain special rights as a shareholder of Azemidite, including (i) redemption rights, (ii) liquidation preferences rights, (iii) pre-emptive rights; and (iv) information rights. All such special rights are limited to Azemidite and none of such special rights enables Haihe Asymchem Fund to obtain any Share of our Company or any share of other subsidiaries of our Company.

On August 19, 2025, to ensure the stability, motivation and long-term of the core employees of Azemidite, Tianjin Qingyuanxing Enterprise Management Counsulting L.P. (天津清源興企業管理諮詢合夥企業(有限合夥)) ("**Qingyuanxing**"), Tianjin Qingyuanbo Enterprise Management Counsulting L.P. (天津清源博企業管理諮詢合夥企業(有限合夥)) ("**Qingyuanbo**") and Tianjin Qingyuanrun Enterprise Management Counsulting L.P. (天津清源潤企業管理諮詢合夥企業(有限合夥)) ("**Qingyuanrun**"), each an employee shareholding platform with Dr. LIANG acting as the general partner, entered into a capital increase agreement with Azemidite, Haihe Asymchem Fund and the Company (the "**Third Azemidite Capital Increase Agreement**"), pursuant to which, Qingyuanxing, Qingyuanbo and Qingyuanrun agreed to invest in Azemidite by subscribing for an increase of RMB836,216, RMB597,297 and RMB358,379 registered capital of Azemidite at a total considerations of RMB2,229,730. Upon completion of these subscriptions and as of the Latest Practicable Date, Azemidite was owned as to 65.29%, 27.21%, 3.5%, 2.5% and 1.5% by the Company, Haihe Asymchem Fund, Qingyuanxing, Qingyuanbo and Qingyuanrun, respectively.

Detailed information of the above subsidiaries is also included in note 1 to the Accountants' Report as set out in Appendix I to this document.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Establishment and Early Major Shareholding Changes of Our Company

Our Company was established in Suzhou, Jiangsu province, the PRC as a limited liability company on January 18, 2007 with an initial registered capital of RMB13.33 million under the name of Suzhou Ribo Life Science Limited (蘇州瑞博生物技術有限公司), of which Dr. LIANG, Kunshan Guoke Venture Capital Co., Ltd. (昆山市國科創業投資有限公司) ("**Kunshan Guoke**"), Mr. Joseph Wade Collard, Prof. ZHANG Lihe, Mr. JIN Qi, Prof. XI Zhen, Mr. SUN Qiwei and Mr. LIU Guoping held 38.75%, 30.00%, 7.50%, 5.00%, 5.00%, 5.00%, 5.00% and 3.75%, respectively.

On December 2, 2011, Kunshan Ruikong was established in the PRC as a limited partnership serving as an intermediary holding platform for holding equity interests of our Company by several individual investors who had confidence in our Group's future development and commercialization. Dr. ZHANG was appointed as the general partner of Kunshan Ruikong in September 2020 and prior to that, Dr. ZHANG held her partnership interest and exercised her voting rights in Kunshan Ruikong through her nominee, LIANG Liping, an associate of Dr. ZHANG. Such nominee shareholding arrangement was terminated in September 2020. In February 2012, due to Kunshan Guoke's then willings to divest its investment in our Company, the total 30.00% registered capital of our Company held by Kunshan Guoke was acquired by Kunshan Ruikong at a consideration of RMB11.1 million via public auction in accordance with then requirements of state-owned assets supervision and administration for the transactions involving the equity held by Kunshan Guoke, a state-owned company, which was fully settled on March 23, 2012.

In April 2013, Mr. SUN Qiwei, Ms. MO Hua, Prof. XI Zhen, Mr. LIU Guoping, Dr. LIANG, Mr. Joseph Wade Collard, Mr. JIN Qi and Mr. Claes Robert Wahlestedt entered a series of equity transfer agreements, pursuant to which, (i) Ms. MO Hua, Prof. XI Zhen and Mr. LIU Guoping agreed to acquire 1.25%, 2.5% and 1.25% registered capital of our Company from Mr. SUN Qiwei at a consideration of RMB412,000, RMB824,000 and RMB412,000, respectively, (ii) Ms. MO Hua agreed to acquire 1.75% registered capital of our Company from Dr. LIANG at a nil consideration, (iii) Mr. Claes Robert Wahlestedt agreed to acquire 3.75% registered capital of our Company from Mr. Joseph Wade Collard at nil consideration, and (iv) Ms. MO Hua agreed to acquire 5% registered capital of our Company from Mr. JIN Qi at a consideration of RMB666,000. The aforementioned considerations were determined after arm's length negotiation with reference to the then registered capital of our Company or the then paid-in capital by the relevant transferors, which were fully settled, where applicable, on June 18, 2013.

On July 11, 2014, Kunshan Ruiji was established in the PRC as a limited partnership as a shareholding platform of several our employees and individual investors. On August 8, 2014, Kunshan Ruiji entered into an equity transfer agreement with Mr. Joseph Wade Collard, pursuant to which, Kunshan Ruiji agreed to acquire 3.75% registered capital of our Company from Mr. Joseph Wade Collard at a consideration of RMB1.25 million, which was fully settled on December 12, 2014. Such consideration was determined after arm's length negotiation with reference to the then registered capital of our Company.

After series of equity transfers and capital changes, our registered capital increased to RMB14.31 million immediately prior to the Series A Financing (as defined below). The information of our Shareholders immediately prior to the Series A Financing is set forth as follows:

Name of Shareholder[(1)]	Registered capital	Corresponding equity interest in our Company
	(RMB)	*(%)*
Dr. LIANG	4,932,725	34.47%
Kunshan Ruikong[(1)]	4,000,000	27.95%
Ms. MO Hua	1,065,775	7.45%
Prof. XI Zhen	999,000	6.98%
Kunshan Ruiman[(2)]	981,789	6.86%
Mr. LIU Guoping	666,500	4.66%
Prof. ZHANG Lihe	666,000	4.65%
Mr. Claes Robert Wahlestedt	500,000	3.49%
Kunshan Ruiji	500,000	3.49%
Total	**14,311,789**	**100%**

Notes:

(1) As of the Latest Practicable Date, the general partner of Kunshan Ruikong was Dr. ZHANG. For background of Kunshan Ruikong, please refer to the paragraph headed "— Our Capitalization" below.

(2) For background of Kunshan Ruiman, please refer to the paragraph headed "— Employee Incentive Platforms" below.

Series A Financing

In November 2015, Wise Vigour Limited ("**Wise Vigour**"), Suzhou Jiyuan Yuanxing Equity Investment L.P. (蘇州紀源源星股權投資合夥企業(有限合夥)) ("**Jiyuan Yuanxing**"), Ningbo Panlin Qianyuan Equity Investment Partnership (Limited Partnership) (寧波磐霖仟源股權投資合夥企業(有限合夥)) (currently known as Ningbo Panlin Qianyuan Venture Capital Partnership (Limited Partnership) (寧波磐霖仟源創業投資合夥企業(有限合夥)) ("**Panlin Qianyuan**") and Tianjin Legend Star Venture Capital Co. Ltd. (天津聯想之星創業投資有限公司) (currently known as Xizang Xingfan Enterprise Management Co., Ltd. (西藏星帆企業管理有限公司)) ("**Legend Star**") (collectively, the "**Series A First Tranche Investors**") entered into a capital increase agreement with our Company and the then Shareholders, pursuant to which, the Series A First Tranche Investors agreed to invest in our Company by subscribing for an increase of RMB4,256,898 registered capital at a total consideration of RMB98,998,400 (the "**Series A First Tranche Financing**"). Upon completion of the Series A First Tranche Financing, our registered capital was increased to RMB18,568,687.

In December 2015, Kunshan Industrial Technology Research Institute of Small Nucleic Acid Biotechnology Research Institute Co. Ltd. (昆山市工業技術研究院小核酸生物技術研究所有限責任公司) ("**Small Nucleic Acid Research Institute**", and together with the Series A First Tranche Investors, the "**Series A Investors**") entered into a capital increase agreement with our Company and the then Shareholders, pursuant to which, Small Nucleic Acid Research Institute agreed to invest in our Company by subscribing for an increase of RMB1,074,991 registered capital at a total consideration of RMB25 million, (the "**Series A Second Tranche Financing**", and together with the Series A First Tranche Financing, the "**Series A Financing**"). Upon completion of the Series A Second Tranche Financing, our registered capital was increased to RMB19,643,678.

Series B Financing and 2017 Equity Transfer

In February 2017, Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥)) ("**FIIF**"), Jiaxing Futong Investment L.P. (嘉興福通投資合夥企業(有限合夥)) ("**Futong Investment**"), China Resources Medical Industry Development (Beijing) Co. Ltd. (華潤醫藥產業發展(北京)有限公司) (currently known as China Resources Life Sciences Industry Development Co. Ltd. (華潤生命科學產業發展有限公司)) ("**CR Life Science**"), Zhuhai Qidi Rongchuang I Medical Industry Investment L.P. (珠海啟迪融創一期醫療產業投資合夥企業(有限合夥)) ("**Qidi Rongchuang I**"), Wise Vigour, Jiyuan Yuanxing and Panlin Qianyuan (collectively, the "**Series B Investors**") entered into an equity transfer and capital increase agreement with our Company and the then Shareholders, pursuant to which, (i) Series B Investors agreed to invest in our Company by subscribing for an increase of RMB5,836,220 registered capital at a total consideration of RMB246,242,640 (the "**Series B First Tranche Financing**"); (ii) Futong Investment agreed to acquire RMB562,327 registered capital of our Company from several then Shareholders at a total consideration of RMB23,725,781.01 (the "**2017 First Equity Transfer**"); and (iii) Kunshan Ruiman agreed to subscribe for RMB307,169 registered capital at a consideration of RMB307,169 for the purpose of implementing our Employee Incentive Scheme. Upon completion of the Series B First Tranche Financing, our registered capital was increased to RMB25,787,067.

In April 2017, Ionis Pharmaceuticals, Inc. ("**Ionis**" and together with the Series B First Tranche Investors, the "**Series B Investors**")) entered into a capital increase agreement with our Company and the then Shareholders, pursuant to which, (i) Ionis agreed to invest in our Company by subscribing for an increase of RMB2,544,749 registered capital at a consideration of RMB107,368,421 (the "**Series B Second Tranche Financing**", and together with the Series B First Tranche Financing, the "**Series B Financing**"); and (ii) Kunshan Ruiman further subscribed for RMB133,935 registered capital at a consideration of RMB133,935 for the purpose of implementing our Employee Incentive Scheme. For the capital subscriptions and background of our Employee Incentive Platforms, see "— Employee Incentive Platforms" below. Upon completion of the aforementioned subscription, our registered capital was increased to RMB28,465,751.

In September 2017, Ningbo Daxie Yungong Jiajie Equity Investment Partnership (Limited Partnership) (寧波大榭允公嘉傑股權投資合夥企業(有限合夥)) ("**Daxie Yungong**") and Shanghai Chuang Yuan Yuan Investment Management Co. Ltd. (上海創源垣投資管理有限公司) ("**Shanghai Chuangyuanyuan**") entered into an equity transfer agreement with Futong Investment, pursuant to which Daxie Yungong and Shanghai Chuangyuanyuan agreed to acquire RMB267,211 and RMB118,506 registered capital of our Company from Futong Investment at nil consideration after arm's length negotiation with reference to the then paid-in capital by Futong Investment (the "**2017 Second Equity Transfer**", together with the 2017 First Equity Transfer, the "**2017 Equity Transfers**"). Daxie Yungong and Shanghai Chuangyuanyuan fully paid their subscribed registered capital at a consideration of RMB11,274,219 and RMB5,000,000, respectively, on December 28, 2017.

Series C1 Financing

In November 2019, Panlin Qianyuan, Ningbo Panlin Shenghui Venture Capital Partnership (Limited Partnership) (寧波磐霖盛暉創業投資合夥企業(有限合夥)) (currently known as Jiaxing Panlin Yuesheng Venture Capital Partnership (Limited Partnership) (嘉興磐霖悦生創業投資合夥企業(有限合夥))) ("**Panlin Yuesheng**"), Shanghai Panlong Equity Investment Fund Partnership (Limited Partnership) (上海磐隴股權投資基金合夥企業(有限合夥)) (currently known as Shanghai Panlong Venture Capital Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥)) ("**Panlong Investment**"), Trinity Zhongzhi (Tianjin) Venture Capital Center L.P. (三一眾志(天津)創業投資中心(有限合夥)) ("**Trinity Zhongzhi**"), Trinity UCSF Limited ("**Trinity UCSF**"), Xinsu Ronghe (Changezhou) Environment Protection Investment Fund L.P. (新蘇融合(常州)環保投資基金(有限合夥)) ("**Xinsu Ronghe**"), Kunshan Shuangyu Investment Enterprise L.P. (昆山雙禹投資企業(有限合夥)) ("**Shuangyu Investment**"), Shanghai Bluestone Investment Co., Ltd. (上海藍石投資有限公司) ("**Shanghai Bluestone**"), Shenzhen Blue Ocean No. 1 Fund Management Investment Center L.P. (深圳藍海壹號基金管理投資中心) ("**Blue Ocean Investment**"), Jiaxing Xiangtian Venture Capital L.P. (嘉興象田創業投資合夥企業(有限合夥)) ("**Xiangtian Investment**"), FIIF, Wise Vigour, Shanghai Chuangyuanyuan and Daxie Yungong (collectively, the "**Series C1 Investors**") entered into a capital increase agreement with our Company and the then Shareholders, pursuant to which, (i) Series C1 Investors agreed to invest in our Company by subscribing for an increase of RMB2,765,137 registered capital at a total consideration of RMB202,956,800 (the "**Series C1 Financing**"); and (ii) Kunshan Ruiman subscribed for RMB145,210 registered capital at a consideration of RMB145,210 for the purpose of implementing our Employee Incentive Scheme. Upon completion of the Series C1 Financing, our registered capital was increased to RMB31,376,098.

2020 Equity Transfer and Series C2 Financing

In March 2020, Jiaxing Co-way Yintian Venture Capital L.P. (嘉興眾匯銀田創業投資合夥企業(有限合夥)) ("**Co-way Yintian**") entered an equity transfer agreement with Kunshan Ruikong, pursuant to which Co-way Yintian agreed to acquire RMB185,932 registered capital of our Company from Kunshan Ruikong at a consideration of RMB16,000,000 (the "**2020 Equity Transfer**").

In March 2020, Shenzhen Yilong Venture Capital L.P. (深圳翼龍創業投資合夥企業(有限合夥)) ("**Shenzhen Yilong**"), Zhuhai Gaoling Qiheng Equity Investment L.P. (珠海高瓴騏恒股權投資合夥企業(有限合夥)) (currently known as Zhuhai Qiheng Equity Investment L.P. (珠海騏恒投資合夥企業(有限合夥)) ("**Zhuhai Qiheng**"), CICC Qide (Xiamen) Innovation Biomedical Equity Investment Fund Partnership (Limited Partnership) (中金啟德(廈門)創新生物醫藥股權投資基金合夥企業(有限合夥)) (currently known as CICC Qide (Xiamen) Innovation Biomedical Venture Capital Partnership (Limited Partnership) (中金啟德(廈門)創新生物醫藥創業投資合夥企業(有限合夥))) ("**CICC Biomedical Fund**"), Shanghai Yangtze River Delta Industrial Upgrading Equity Investment L.P. (上海長三角產業升級股權投資合夥企業(有限合夥)) ("**YRD Investment**"), Ningbo Meishan Bonded Port District Qirui Equity Investment L.P. (寧波梅山保稅港區祺睿股權投資中心(有限合夥)) ("**Ningbo Qirui**"), Langma Seventeen (Shenzhen) Venture Capital Center L.P. (朗瑪十七號(深圳)創業投資中心(有限合夥)) ("**Langma Seventeen**"), Langma Twenty (Shenzhen) Venture Capital Center L.P. (朗瑪二十號(深圳)創業投資中心(有限合夥)) ("**Langma Twenty**"), Zhuhai Hongtao Youxuan Equity Investment Partnership (LP) (珠海弘陶優選股權投資合夥企業(有限合夥)) ("**Hongtao Youxuan**"), Co-way Yintian, Shanghai Zhulu Enterprise Management Consultation Center L.P. (上海築陸企業管理諮詢中心(有限合夥)) ("**Zhulu Consultation**") (collectively, the "**Series C2 Investors**") entered into a capital increase agreement with our Company and the then Shareholders, pursuant to which, Series C2 Investors agreed to invest in our Company by subscribing for an increase of RMB5,275,384 registered capital at a total consideration of RMB454,000,000. Upon completion of the Series C2 Financing, our registered capital was increased to RMB36,651,932.

For further details of the foregoing major financings and equity transfer, see "— Pre-[**REDACTED**] Investments" below.

Conversion into a Joint Stock Company and Subsequent Major Financings

Conversion into a Joint Stock Company

On July 15, 2020, the then existing Shareholders entered into a promoters' agreement, approving, amongst other matters, the conversion of our Company from a limited liability company into a joint stock company. On July 16, 2020, our Company convened the first general meeting, and passed related resolutions approving the conversion into a joint stock company. On August 14, 2020, we were converted into a joint stock company with limited liabilities with 110,791,038 Shares in a nominal value of RMB1.00 each and the company name changed to "Suzhou Ribo Life Science Co., Ltd. (蘇州瑞博生物技術股份有限公司)." For the details of our promoters, see "Statutory and General Information — E. Other Information — 8. Promoters" in Appendix VII to this document.

Along with the development and expansion of the business of our Group, we further completed several capital increases and Share transfers before the Track Record Period, major events of which are set out as below.

Series C+ Financing

In September 2020, Wise Vigour, Qingdao Panlin Hongyu Venture Capital Partnership (Limited Partnership) (青島磐霖鴻裕創業投資企業(有限合夥)) ("**Panlin Hongyu**"), FIIF, Futong Investment, Daxie Yungong, Zhuhai Rongqian Equity Investment L.P. (珠海融謙股權投資基金合夥企業(有限合夥)) ("**Zhuhai Rongqian**", together with Qidi Rongchuang, the "**Qirong Venture**"), Tianjin Haihe Asymchem Biopharmaceutical Industry Innovation Investment L.P. (天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)) ("**Haihe Asymchem Fund**"), Shuangyu Investment, Shanghai Bluestone, Blue Ocean Investment, Xiangtian Investment, Shenzhen Yilong, Zhuhai Qiheng, YRD Investment, Langma Thirty-Two (Shenzhen) Venture Capital Center L.P. (朗瑪三十二號(深圳)創業投資中心(有限合夥)) ("**Langma Thirty-Two**"), Shenzhen Hongtao Jiaxin Equity Investment L.P (深圳弘陶嘉信股權投資合夥企業(有限合夥)) ("**Hongtao Jiaxin**", together with Hongtao Youxuan, the "**Hongtao Capital**"), Zhulu Consultation, Kunshan Hi-tech Venture Investment Co., Ltd. (昆山高新創業投資有限公司) ("**Kunshan Hi-tech Venture**") and Kunshan Guoke (collectively, the "**Series C+ Investors**") entered into a capital increase agreement with our Company and Dr. LIANG, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruikong, Kunshan Ruiji and Kunshan Ruiman (the "**Founding Shareholders**"), pursuant to which, the Series C+ Investors agreed to invest in our Company by subscribing for 8,393,261 Shares at a total consideration of RMB250,000,000 (the "**Series C+ Financing**"). Upon completion of the Series C+ Financing, our registered capital was increased to RMB119,184,299.

Series D Financing

In September 2020, Shanghai Zehong Biotechnology Co. Ltd. (上海澤鴻生物科技有限公司) ("**Shanghai Zehong**"), Kunshan Gongyan Venture Investment Co. Ltd. (昆山市工研創業投資有限公司) ("**Kunshan Gongyan**") and Kunshan Hi-tech Venture (collectively, the "**Series D Investors**") entered into a capital increase agreement with our Company and the Founding Shareholders, pursuant to which, the Series D Investors agreed to invest in our Company by subscribing for 2,040,615 Shares at a total consideration of RMB60,781,352 (the "**Series D Financing**"). Upon completion of the Series D Financing, our registered capital was increased to RMB121,224,914.

2020 Share Transfer

In November 2020, Rixir Therapeutics, Limited ("**Rixir**") entered a share transfer agreement with Shanghai Zehong, pursuant to which Rixir agreed to acquire 816,246 Shares of our Company from Shanghai Zehong at a consideration of RMB24,312,541 (the "**2020 Share Transfer**").

Series E1 Financing

In May 2022, Haihe Asymchem Fund, Jiaxing Panlin Guangci Venture Capital Partnership (Limited Partnership) (嘉興磐霖廣慈創業投資合夥企業(有限合夥)) ("**Panlin Guangci**"), Wise Vigour, Hangzhou Panlin Xukang Venture Capital Partnership (Limited Partnership) (杭州磐霖旭康創業投資合夥企業(有限合夥) ("**Panlin Xukang**"), Trinity Zhongzhi II (Tianjin) Venture Capital Center L.P. (三一眾志二期(天津)創業投資中心(有限合夥)) ("**Trinity Zhongzhi II**"), TIF Biomedical Fund II VCC ("**TIF**"), Ms. CHEN Chi Nga (陳之雅), Mr. William WONG (王興國) and Tianjin Chouqin Tiancheng Venture Investment L.P. (天津酬勤天成創業投資合夥企業) ("**Chouqin Tiancheng**") (collectively, the "**Series E1 Investors**") entered into a share subscription agreement with our Company and the Founding Shareholders, pursuant to which, (i) Series E1 Investors agreed to invest in our Company by subscribing for 6,981,709 Shares at a total consideration of RMB247,650,000 and (ii) Dr. LIANG agreed to subscribe for 179,018 Shares at a consideration of RMB6,350,000 (the "**Series E1 Financing**"). Upon completion of the Series E1 Financing, our registered capital was increased to RMB128,385,641. The consideration of Series E1 Financing was fully settled on September 21, 2022.

Changes in Shareholding Structure of our Company during the Track Record Period and up to the Latest Practicable Date

During the Track Record Period, a summary of changes in shareholding structure of our Company is set out below:

2024 Share Transfers

In June 2024, Ningbo Boyuan Huizhi Enterprise Management Partnership (Limited Partnership) (寧波博遠匯智企業管理合夥企業(有限合夥)) ("**Boyuan Huizhi**") entered into a share transfer agreement with Langma Seventeen, pursuant to which Boyuan Huizhi agreed to acquire 522,936 Shares of our Company from Langma Seventeen at a consideration of RMB15,350,000 (the "**2024 First Share Transfer**"). The consideration of the 2024 First Share Transfer was settled on June 17, 2024.

In September 2024, Boyuan Huizhi entered into a share transfer agreement with Langma Twenty, pursuant to which Boyuan Huizhi agreed to acquire 325,363 Shares of our Company from Langma Twenty at a consideration of RMB10,650,000 (the "**2024 Second Share Transfer**"). The consideration of the 2024 Second Share Transfer was settled on September 25, 2024.

On September 26, 2024, Wenzhou Chouqin Borui Venture Investment L.P. (溫州酬勤博瑞創業投資合夥企業) ("**Wenzhou Chouqin**") entered into a share transfer agreement with Jiyuan Yuanxing, Zhuhai Qiheng, Ningbo Qirui and Qidi Rongchuang I, pursuant to which, Wenzhou Chouqin agreed to acquire 105,286, 117,749, 62,240 and 24,053 Shares of our Company from Jiyuan Yuanxing, Zhuhai Qiheng, Ningbo Qirui and Qidi Rongchuang I at a consideration of RMB3,149,094, RMB3,521,861, RMB1,861,592 and RMB719,423 respectively (the "**2024 Third Share Transfer**"). The consideration of the 2024 Third Share Transfer was settled on October 18, 2024.

On the same date, Panlin Xukang entered into a share transfer agreement with Shanghai Chuangyuanyuan, Legend Star, Shanghai Bluestone and Qidi Rongchuang I, pursuant to which, Panlin Xukang acquired 12,358, 25,414, 12,400 and 15,642 Shares of our Company from Shanghai Chuangyuanyuan, Legend Star, Shanghai Bluestone and Qidi Rongchuang I at consideration of RMB369,626, RMB760,130, RMB370,883 and RMB467,851, respectively (the "**2024 Fourth Share Transfer**", together with the 2024 First Share Transfer, the 2024 Second Share Transfer and the 2024 Third Share Transfer, the "**2024 Share Transfers**"). The consideration of the 2024 Fourth Share Transfer was settled on October 25, 2024.

Series E2 Financing

In August 2024, Shanghai Mingxin Equity Investment L.P. (上海名信股權投資合夥企業（有限合夥）) ("**Shanghai Mingxin**") and Wenzhou Chouqin and Panlin Xukang entered into a share subscription agreement with our Company and the Founding Shareholders which was amended in January 2025 with Yantai Muxin Biopharmaceutical Health Industry Development Partnership (Limited Partnership) (煙台牟信生物醫藥健康產業發展合夥企業(有限合夥)) ("**Muxin Health**") (the investment vehicle designated by Shanghai Mingxin) and Shenzhen Xinchuang Medical Private Equity Investment Fund Partnership (Limited Partnership) (深圳欣創醫合私募股權投資基金合夥企業(有限合夥)) ("**Shenzhen Xinchuang**", together with Muxin Health, Wenzhou Chouqin and Panlin Xukang (the "**Series E2 Investors**")) as new joining parties, pursuant to which, Series E2 Investors agreed to invest in our Company by subscribing for 1,759,404 Shares at a total consideration of RMB65,779,540 (the "**Series E2 Financing**"). Upon completion of the Series E2 Financing, our registered capital was increased to RMB130,145,045. The consideration of Series E2 Financing was fully settled on January 26, 2025.

Details of Series E2 Financing are set out below:

Name of Shareholders	Shares subscribed	Consideration
		(RMB)
Shenzhen Xinchuang	401,205	15,000,000
Muxin Health	133,735	5,000,000
Wenzhou Chouqin	1,009,645	37,748,030
Panlin Xukang	214,819	8,031,510
Total	**1,759,404**	**65,779,540**

2025 Share Transfers

In February 2025, Muxin Health entered into a share transfer agreement with Shenzhen Yilong and Shanghai Bluestone, pursuant to which, Muxin Health agreed to acquire 145,270 and 21,899 Shares of our Company from Shenzhen Yilong and Shanghai Bluestone at a consideration of RMB4,345,000 and RMB655,000, respectively (the "**2025 First Share Transfer**"). The consideration of 2025 First Share Transfer was settled on February 10, 2025.

On June 17, 2025, Worldstar Global Holdings Limited ("**Worldstar Global**") entered into a share transfer agreement with Wise Vigour, pursuant to which, Worldstar Global agreed to acquire 501,506 Shares of our Company from Wise Vigour at a consideration of US$2,090,708.89 (equivalent to RMB15,000,000) (the "**2025 Second Share Transfer**"). The consideration of the 2025 Second Share Transfer was settled on June 27, 2025.

On June 25, 2025, Jinan Mingxin Industrial Investment Fund Partnership (Limited Partnership) (濟南名信產業投資基金合夥企業(有限合夥)) ("**Jinan Mingxin**") entered into (i) a share transfer agreement with Shenzhen Yilong, pursuant to which, Jinan Mingxin agreed to acquire 255,075 Shares of our Company from Shenzhen Yilong at a consideration of RMB7,629,279 (the "**2025 Third Share Transfer**"); and (ii) a share transfer agreement with Shanghai Bluestone, pursuant to which, Jinan Mingxin agreed to acquire 38,457 Shares of our Company from Shanghai Bluestone at a consideration of RMB1,150,242 (the "**2025 Fourth Share Transfer**") and the consideration of each of the 2025 Third Share Transfer and the 2025 Fourth Share Transfer was settled on the same date.

On June 30, 2025, Wuxi Xingxi Venture Capital Partnership (Limited Partnership) (無錫星錫創業投資合夥企業(有限合夥)) ("**Wuxi Xingxi**") entered into a share transfer agreement with Legend Star, pursuant to which, Wuxi Xingxi agreed to acquire 867,471 Shares of our Company from Legend Star (the "**2025 Fifth Share Transfer**", together with the 2025 First Share Transfer, the 2025 Second Share Transfer, the 2025 Third Share Transfer, and the 2025 Fourth Share Transfer, the "**2025 Share Transfers**") at a consideration of approximately RMB20 million and the consideration of the 2025 Fifth Share Transfer was settled on the same date. For the relationship between Wuxi Xingxi and Legend Star, please refer to "Information Relating to Our Major Pre-[**REDACTED**] Investors" below for details.

Series E3 Financing

In June 2025, Jinan Mingxin, Langma Ninety-Five (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership) (朗瑪九十五號(深圳)私募創業投資基金合夥企業(有限合夥)) ("**Langma Ninety-Five**"), Langma Ninety-Six (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership) (朗瑪九十六號(深圳)私募創業投資基金合夥企業(有限合夥)) ("**Langma Ninety-Six**" together with Langma Thirty-Two, Langma Twenty and Langma Ninety-Five, the "**Langma Capital**"), MI Zhongye (宓仲業), Kunshan Hi-tech Venture, Kunshan Guoke and LI Xiaofeng (李曉峰) (collectively, the "**Series E3 Investors**") entered into share subscription agreements with our Company and Founding Shareholders, pursuant to which, Series E3 Investors agreed to invest in our Company by subscribing for 4,058,065 Shares at a total consideration of RMB151,720,479 (the "**Series E3 Financing**"). Upon completion of the Series E3 Financing, our registered capital was increased to RMB134,203,110. The consideration of Series E3 Financing was fully settled on June 30, 2025.

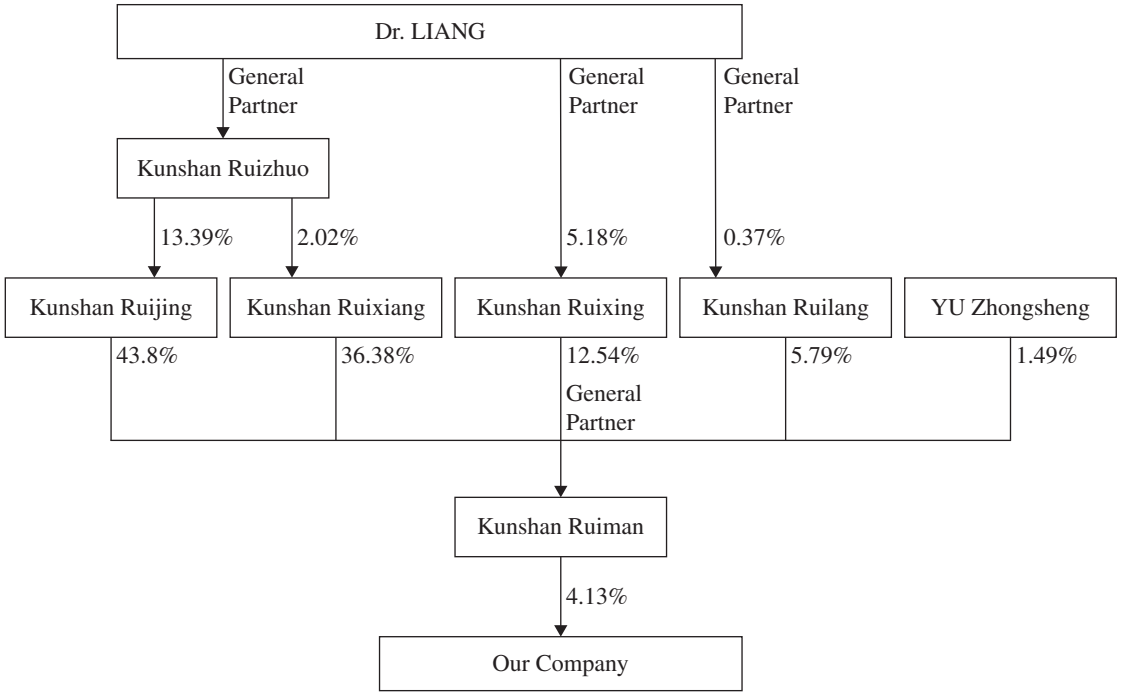
Details of Series E3 Financing are set out below:

Name of Shareholders	Shares subscribed	Consideration
		(RMB)
Jinan Mingxin	1,570,595	58,720,479
Langma Ninety-Five	561,687	21,000,000
Langma Ninety-Six	240,723	9,000,000
MI Zhongye	80,241	3,000,000
Kunshan Hi-tech Venture	802,409	30,000,000
Kunshan Guoke	534,940	20,000,000
LI Xiaofeng	267,470	10,000,000
Total	**4,058,065**	**151,720,479**

For the shareholding structure of our Company following completion of the aforementioned financings and Share transfers, see "— Our Capitalization" below.

Employee Incentive Platforms

In recognition of the contributions of our employees and to incentivize them to further promote our development, each of Kunshan Ruiman, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo was established in the PRC as our Employee Incentive Platform. As of the Latest Practicable Date, the simplified shareholding structure of the Employee Incentive Platforms is as follows:



Kunshan Ruiman was established in the PRC as a limited partnership on September 22, 2015. Kunshan Ruixing, the general partner of Kunshan Ruiman, holding 12.54% partnership interest therein, is responsible for its overall management and is entitled to exercise the voting rights attaching to the Shares held by Kunshan Ruiman. As of the Latest Practicable Date, Kunshan Ruiman had four limited partners, including Kunshan Ruijing, Kunshan Ruixiang, Kunshan Ruilang and YU Zhongsheng, an employee of our Group and an Independent Third Party.

Kunshan Ruixing was established in the PRC as a limited partnership on May 20, 2020. Dr. LIANG is the general partner of Kunshan Ruixing, who holds 5.18% partnership interest therein, responsible for its overall management. Therefore, Dr. LIANG is indirectly entitled to exercise the voting rights attaching to the Shares held by Kunshan Ruiman. As of the Latest Practicable Date, Kunshan Ruixing had four limited partners, including Dr. GAN Liming, our executive Director, co-chief executive officer, global R&D president and chief medical officer, Dr. TONG Cheng, our executive vice president and other two employees of our Group, being Independent Third Parties and save as YU Hong, an employee of our Group holding 34.86% partnership interest in Kunshan Ruixing, no other limited partners held more than 30% partnership interest therein.

Kunshan Ruijing was established in the PRC as a limited partnership on May 20, 2020. Dr. GAO Shan, our senior vice president and chief scientific officer, is the general partner of Kunshan Ruijing, who holds 11.58% partnership interest therein, responsible for its overall management. As of the Latest Practicable Date, Kunshan Ruijing had 26 limited partners, including Kunshan Ruizhuo, and other 25 current or former employees of our Group, being Independent Third Parties and no limited partners held more than 30% partnership interest in Kunshan Ruijing.

Kunshan Ruixiang was established in the PRC as a limited partnership on May 20, 2020. Mr. WANG Fengtong, a key employee of our Group, is the general partner of Kunshan Ruixiang, who holds 14.74% partnership interest therein, responsible for its overall management. As of the Latest Practicable Date, Kunshan Ruixiang had 22 limited partners, including Kunshan Ruizhuo, Dr. GAO Shan and other 20 current or former employees of our Group, being Independent Third Parties and no limited partners held more than 30% partnership interest in Kunshan Ruixiang.

Kunshan Ruilang was established in the PRC as a limited partnership on May 20, 2020. Dr. LIANG is the general partner of Kunshan Ruilang who holds 0.37% partnership interest therein, responsible for its overall management. As of the Latest Practicable Date, Kunshan Ruilang had eight limited partners, including Dr. GAO Shan, Dr. ZHANG, Dr. TONG Cheng and other four current or former employees and one former consultant of our Group and save as Dr. TONG Cheng holding 36.15% partnership interest in Kunshan Ruilang, no other limited partners held more than 30% partnership interest therein.

Kunshan Ruizhuo was established in the PRC as a limited partnership on February 23, 2023, which is held by Dr. LIANG, its general partner and Dr. GAN Liming, its sole limited partner, as to 8.61% and 91.39%, respectively. Dr. LIANG is responsible for its overall management.

Certain participants such as Dr. LIANG, Dr. GAN Liming, Dr. GAO Shan and Dr. TONG Cheng hold incentive interests across several Employee Incentive Platforms, which is primarily due to: (i) historically, there were occasional cases where incentive employees left the Company for personal reasons, and certain of their granted incentive partnership interests were transferred to other eligible participants. Such transferred interests may have originated from different Employee Incentive Platforms, resulting in certain participants holding interests in multiple Employee Incentive Platforms; and (ii) in the course of the Company's development, certain long-serving employees have consistently made significant contributions. Holding incentives across different Employee Incentive Platforms reflects the Company's recognition of their contributions at various stages. For details of the overlapping participants among Kunshan Ruijing, Kunshan Ruixiang and Kunshan Ruilang, please refer to "Statutory and General Information — D. Share Incentive Schemes — Details of the Incentive Awards Grant Under the Employee Incentive Scheme" in Appendix VII to this document.

In order to implement or expand the pool of the Employee Incentive Scheme, Kunshan Ruiman subscribed for RMB981,789, RMB307,169, RMB133,935, RMB145,210 and RMB278,414 registered capital of our Company on August 30, 2015, February 24, 2017, April 18, 2017, November 8, 2019 and May 13, 2020, respectively.

For further details about our Employee Incentive Scheme, see the section headed "Statutory and General Information — D. Share Incentive Schemes" in Appendix VII to this document.

ACTING-IN-CONCERT

Over the course of our business history, Dr. LIANG, Dr. ZHANG, Ms. MO Hua (an early shareholder of the Company without any managerial or executive position in the Group), Prof. XI Zhen, Prof. ZHANG Lihe (a founding shareholder of the Company without any managerial or executive position in the Group), Kunshan Ruiman, Kunshan Ruiji, Kunshan Ruikong and Kunshan Ruixing (collectively, "**Concert Parties**") have been acting in concert with each other in respect of the management and operation of our Group. On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements (the **"Concert Party Arrangement**"). Even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties, it shall be deemed to be a Concert Party under the Concert Party Arrangement, as Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. Liang was the general partner of Kunshan Ruixing. Pursuant to the Concert Party Arrangement, the Concert Parties had agreed that: (i) they (including the

Directors nominated by Concert Parties, if any) shall act in concert by way of reaching consensus on proposals requiring consideration and approval by the general meetings and Board meetings of the Company; (ii) they shall vote in concurrence with Dr. LIANG on the proposals and voting on matters related to the nomination of Directors and other matters subject to the consideration and approval by the general meetings and Board meetings and Board committees meetings (if any) of the Company; (iii) they shall consult with Dr. LIANG and reach consensus with each other before proposing, reviewing, discussing and voting on the general meetings and Board meetings of the Company; and (iv) in the event that consensus cannot be reached, Dr. LIANG's view shall prevail and the remaining Concert Parties shall reflect Dr. LIANG's view in their decisions in such meetings accordingly. The Concert Party Arrangement will continue until the third anniversary from the [**REDACTED**], subject to further extension.

PRE-[REDACTED] SHARE OPTION SCHEME

For the purpose of motivating our management team and key employees, while attracting and integrating talent, enhancing our technological R&D capabilities, and ensuring the realization of our development strategy and operational goals, we have adopted the Pre-[**REDACTED**] Share Option Scheme on December 10, 2024.

The total number of options granted under the Pre-[**REDACTED**] Share Option Scheme is 2,113,987 options (representing the right to subscribe for 2,113,987 Shares), accounting for approximately 1.58% and [**REDACTED**]% of the Company's total issued share capital immediately prior to completion of the [**REDACTED**] and immediately following the completion of the [**REDACTED**] (assuming that no options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised), respectively.

On February 8, 2025, we have granted all the 2,113,987 options under the Pre-[**REDACTED**] Share Option Scheme to an aggregate of 25 grantees, including two Directors, three senior management members (other than Directors), 19 key employees and one consultant of our Group. No further options will be granted upon the [**REDACTED**]. Assuming full vesting and exercise of all outstanding options granted under the Pre-[**REDACTED**] Share Option Scheme, the shareholding of our Shareholders immediately following the completion of the [**REDACTED**] (assuming that all options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised), will be diluted by approximately [**REDACTED**]%.

For the details of the Pre-[**REDACTED**] Share Option Scheme, see "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 2. Pre-[**REDACTED**] Share Option Scheme".

PRC LEGAL ADVISORS' CONFIRMATION

As advised by our PRC Legal Advisors, our Company and its subsidiaries have made all necessary filings and have complied with applicable PRC laws and regulations in relation to the changes of shareholdings as set out above.

PRE-[REDACTED] INVESTMENTS

The following table summarizes the key terms of the Pre-[**REDACTED**] Investments of our Company:

	Series A Financing	Series B Financing	2017 Equity Transfers	Series C1 Financing	Series C2 Financing	2020 Equity Transfer	Series C+ Financing	Series D Financing	2020 Share Transfer	Series E1 Financing	2024 Share Transfers	Series E2 Financing	2025 Share Transfers	Series E3 Financing
Date of agreement (equity/Share subscription)	November 16, 2015 for Series A First Tranche Financing/ December 10, 2015 for Series A Second Tranche Financing	February 24, 2017 for Series B First Tranche Financing/ April 18, 2017 for Series B Second Tranche Financing	N/A	November 8, 2019	March 18, 2020	N/A	September 18, 2020	September 25, 2020	N/A	May 10, 2022	N/A	August 30, 2024, December 24, 2024 and January 26, 2025	N/A	June 25, 2025 and June 30, 2025
Date of agreement(s) (equity/Share transfer)	N/A	N/A	February 24, 2017 for 2017 First Equity Transfer/ September 11, 2017 for 2017 Second Equity Transfer	N/A	N/A	March 18, 2020	N/A	N/A	November 18, 2020	N/A	June 13, 2024, September 13, 2024 and September 26, 2024	N/A	February 10, 2025, June 17, 2025, June 25, 2025 and June 30, 2025	N/A
Date of payment of full consideration	September 20, 2016	February 6, 2018	December 28, 2017	January 3, 2020	April 3, 2020	April 14, 2020	September 28, 2020	September 28, 2020	December 8, 2020	September 21, 2022	October 25, 2024	January 26, 2025	June 30, 2025	June 30, 2025
Approximate cost per Share[(1)]	RMB7.75[(4)]	RMB14.06[(5)]	RMB14.06	RMB24.47[(6)]	RMB28.68[(7)]	RMB28.68	RMB29.79[(8)]	RMB29.79[(8)]	RMB29.79	RMB35.47[(9)]	RMB29.35 ~ RMB32.73[(10)]	RMB37.39[(11)]	RMB23.06 or RMB29.91[(12)]	RMB37.39[(13)]
Amount of registered capital subscribed/ acquired	RMB5,331,889	RMB8,380,969	RMB948,044	RMB2,765,137	RMB5,275,384	RMB185,932	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Amount of Shares subscribed/ acquired	N/A	N/A	N/A	N/A	N/A	N/A	8,393,261	2,040,615	816,246	7,160,727	1,222,441	1,759,404	1,829,678	4,058,065

	Series A Financing	Series B Financing	2017 Equity Transfers	Series C1 Financing	Series C2 Financing	2020 Equity Transfer	Series C+ Financing	Series D Financing	2020 Share Transfer	Series E1 Financing	2024 Share Transfers	Series E2 Financing	2025 Share Transfers	Series E3 Financing
Approximate amount of consideration paid	RMB124 million	RMB353.6 million	RMB40.0 million	RMB203.0 million	RMB454.0 million	RMB16 million	RMB250.0 million	RMB60.78 million	RMB24.31 million	RMB254.00 million	RMB37.22 million	RMB65.78 million	RMB48.78 million	RMB151.72 million
Discount to the [**REDACTED**][(1)(2)]	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]% ~ [**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]% or [**REDACTED**]%	[**REDACTED**]%
Approximate post-money valuation of our Company[(3)]	RMB456.83 million	RMB1.14 billion	–	RMB2.30 billion	RMB3.15 billion	–	RMB3.55 billion	RMB3.61 billion	–	RMB4.55 billion	–	RMB4.87 billion	–	RMB5.02 billion
Use of Proceeds	We utilized the proceeds to (i) finance our R&D activities and (ii) fund our daily operations. As of the Latest Practicable Date, we had utilized [95.90]% of the proceeds from our Pre-[**REDACTED**] Investments.													
Strategic benefits	At the time of the Pre-[**REDACTED**] Investments, our Directors were of the view that (i) our Company would benefit from the additional capital provided by the Pre-[**REDACTED**] Investors and their knowledge and experience; and (ii) the Pre-[**REDACTED**] Investments demonstrated the Pre-[**REDACTED**] Investors' confidence in the operation and development of our Group. Leveraging the resources provided by the Pre-[**REDACTED**] Investors, we are able to bring in new business opportunities.													
Special rights of the Pre-[**REDACTED**] Investors	All special rights of granted to the Pre-[**REDACTED**] Investors including redemption rights were terminated prior to the Track Record Period and there are no reinstatement clauses or mechanisms that would allow such special rights to be restored upon the termination.													
Lock-up period	Pursuant to the applicable PRC law, within the 12 months following the [**REDACTED**], Shares issued by our Company prior to the [**REDACTED**] (including those held by the Pre-[**REDACTED**] Investors at the time of the [**REDACTED**]) are restricted from [**REDACTED**].													

Notes:

(1) Adjusted when applicable to reflect the conversion into a joint stock company of our Company.

On July 15, 2020, our Company converted from a limited liability company with registered capital of RMB36,930,346 into a joint stock company with 110,791,038 Shares.

(2) The discount to the [**REDACTED**] is calculated based on the foreign exchange rate as of the Latest Practicable Date and the assumption that the [**REDACTED**] is HK$[**REDACTED**] per H Share (being the mid-point of the indicative [**REDACTED**] range).

(3) Post-money valuation is calculated on the basis of (a) cost per Share; and (b) the total number of Shares of our Company upon completion of the relevant round of the Pre-[**REDACTED**] Investment. The valuation of our Company was determined based on, among other things, arm's length negotiations between the relevant parties primarily taking into consideration the status and continuous development of our business and the progress in the R&D of our pipelines.

(4) The cost per share and valuation of our Company at the time of Series A Financing was reference with, among other things, arm's length negotiations between the relevant parties primarily taking into consideration of then R&D progress of the pipelines of the Company.

(5) The cost per share and valuation of our Company increased during the period between the Series A Financing and the Series B Financing is primarily due to the progress of our product candidates in clinical study and the development of our GalNAc delivery platform.

(6) The cost per share and valuation of our Company increased during the period between the Series B Financing and the Series C1 Financing is primarily due to the clinical study progress of RBD4988, and the preclinical research progress of RBD1016.

(7) The cost per share and valuation of our Company increased during the period between the Series C1 Financing and the Series C2 Financing is primarily due to the progress of IND-enabling study of RBD1016 and the progress in preclinical research of RBD4059, RBD5044 and RBD7022.

(8) The cost per share and valuation of our Company increased during the period between the Series C2 Financing and the Series C+ Financing is primarily due to the progress of the Company's research pipeline. The purchase price of registered capital from the Series C+ Financing to the Series D Financing remained unchanged as the three rounds were conducted within a short interval, during which period the Company did not achieve material advancements in its pipeline.

(9) The cost per share and valuation of our Company increased during the period between the Series D Financing and the Series E1 Financing is primarily due to achievements in progress of RBD5044, RBD1016 and RBD7022, and GalNAc platform development.

(10) The cost per share of our Company at each time of the Share transfers was lower than that of the Series E1 Financing as the costs per Share were arrived after negotiation between the relevant transferors and transferees and the underlying Shares were acquired or subscribed by the transferors in previous rounds of Pre-[**REDACTED**] Investments with relatively lower costs.

(11) The cost per share and valuation of our Company increased during the period between the Series E1 Financing and the Series E2 Financing is primarily due to progress in RBD4059, RBD5044 and RBD7022, and achievements in globalization strategy and cooperation deals with Boehringer Ingelheim and Qilu Pharmaceutical.

(12) The cost per share of our Company at each time of the Share transfer was lower than that of the Series E1 Financing as the cost per Share was arrived after negotiation between the relevant transferors and transferee and the underlying Shares were acquired or subscribed by the transferors in previous rounds of Pre-[**REDACTED**] Investments with relatively lower costs.

(13) The cost per Share between the Series E2 and the Series E3 remained unchanged as the two rounds were conducted within a short interval, during which period the Company did not achieve material advancements in its pipeline.

(14) The valuation of our Company upon the [**REDACTED**] increased from the Series E3 Financing primarily due to the research and development progress we made in our product candidates, alongside achieving key business milestones and the increasing industry recognition of the targets under the Company's R&D process subsequent to the Series E3 Financing, including, among others, (i) the clinical performance of RBD4059, RBD5044 and RBD7022, among others; (ii) the recognition of RBD1016 as Orphan Drug Designation by the EMA for the treatment of HDV infection; (iii) an uplift in the valuation of RBD4059 and RBD5044, driven by increased industry recognition of the FXI and APOC3 targets.

Information Relating to Our Major Pre-[REDACTED] Investors

Set out below are details of our major Pre-[**REDACTED**] Investors who held more than 1.0% of the total issued share capital of our Company or were not Independent Third Parties as of the Latest Practicable Date.

To the best of our Company's knowledge, information and belief and having made all reasonable enquiries, save for Trinity (as defined below), Panlin (as defined below) and Shanghai Chuangyuanyuan, all the other Pre-[**REDACTED**] Investors are Independent Third Parties.

Pre-[REDACTED] Investors	Backgrounds
FIIF	FIIF is a limited partnership established in the PRC. The general partner of FIIF is SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) ("**SDICFUND**"). SDICFUND is held as to 40% by China SDIC Gaoxin Industrial Investment Corp., Ltd (中國國投高新產業投資有限公司), which is held as to approximately 72.36% by State Development and Investment Corporation (國家開發投資集團有限公司), a state-owned enterprise wholly owned by the State-owned Assets Supervision and Administration Commission (國務院國有資產監督管理委員會). SDICFUND is an independent private equity fund manager. SDICFUND and its affiliates manage nearly RMB100 billion of capital from diversified investors, including financial institutions, social security fund, private enterprises, state-owned enterprises. SDICFUND focuses on four investment sectors: life science, intelligent NEV, smart manufacturing as well as information & communication technology. Its portfolio companies, which are listed on the Stock Exchange, in life science sector include CanSino Biologics Inc. (stock code: 6185), Innovent Biologics, Inc. (stock code: 1801), Ascentage Pharma Group International (stock code: 6855) and Peijia Medical (stock code: 9996). FIIF has 11 limited partners, all being Independent Third Parties, among which, Ministry of Finance of the PRC (中華人民共和國財政部), holding approximately 35.48% of the partnership interest therein and none of the remaining limited partners holds more than 30% of partnership interest. FIIF is a Sophisticated Investor.

Pre-[REDACTED] Investors	Backgrounds
Wise Vigour	Wise Vigour is a company incorporated in Hong Kong on July 16, 2015, which is held by LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P., each an Independent Third Party, as to 92.6% and 7.4%, respectively. LC Healthcare Continued Fund GP Limited., the general partner of each of LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P. is wholly owned by LC Fund GP Limited, an Independent Third Party, which is in turn wholly owned by Union Season Holdings Limited ("**Union Season**"). Union Season is wholly owned by Legend Capital Co., Ltd. (君聯資本管理股份有限公司) ("**Legend Capital**"). Legend Capital is held as to 80.00% by Beijing Juncheng Hezhong Investment Management Partnership Enterprises (Limited Partnership) (北京君誠合眾投資管理合夥企業(有限合夥)) ("**Beijing Juncheng Hezhong**"), the general partner of which is Beijing Junqi Jiarui Business Management Limited (北京君祺嘉睿企業管理有限公司) ("**Beijing Junqi Jiarui**"). Beijing Junqi Jiarui is held as to 40% by Chen Hao (陳浩), the largest shareholder therein and an Independent Third Party. Legend Capital is a joint stock limited company established under the laws of PRC in April 2001, which is a professional investment institution focusing on early-stage venture capital investments and growth-stage private equity investments, and has total assets under management of more than RMB80 billion. Legend Capital's portfolio companies, which are listed on the Stock Exchange, in life science sector include Innovent Biologics, Inc. (stock code: 1801), HBM Holdings Limited (stock code: 2142), Jiangsu Recbio Technology Co., Ltd. (stock code: 2179), WuXi AppTec Co., Ltd. (stock code: 2359) and Pharmaron Beijing Co., Ltd. (stock code: 3759). Wise Vigour is a Sophisticated Investor. Wise Vigour is an institutional investor that primarily focus on equity investment.

Pre-[REDACTED] Investors	Backgrounds
Ionis	Ionis is a limited liability company incorporated under the laws of the State of California of the United States on January 10, 1989 and reorganized as a Delaware corporation in 1991. Ionis is a company listed on the NASDAQ (symbol: IONS). As of December 31, 2024, Ionis recorded net asset value of US$588,351,000. Ionis is a global, science-led biopharmaceutical company that focuses on the discovery, development, and commercialization of nucleic acid medicines and a pioneer in RNA-targeted medicines, which has a rich innovative pipeline in neurology, cardiology and other areas of high patient need. Ionis is a Sophisticated Investor.
Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng, Panlin Hongyu and Panlong Investment (collectively "**Panlin**")	Panlin Qianyuan is a limited partnership established under the laws of PRC on January 28, 2015, which is held as to approximately 1.29% by its general partner, Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司) ("**Shanghai Panlin**") which is owned by Mr. LI Yuhui, our non-executive Director and Mr. TAN Huidong, an Independent Third Party, as to 46% and 39%, respectively. As of the Latest Practicable Date, all 24 limited partners of Panlin Qianyuan were Independent Third Parties, of which Shanxi C&Y Pharmaceutical Group Co., Ltd. (山西仟源醫藥集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300254), being the largest limited partner, held 30% partnership interest in Panlin Qianyuan. Panlin Xukang is a limited partnership established under the laws of PRC on July 30, 2021, which is held as to 1% by its general partner, Shanghai Panlin. As of the Latest Practicable Date, all 12 limited partners of Panlin Xukang were Independent Third Parties, of which Jiaxing Panlin Shenghui No. 2 Venture Capital Partnership (Limited Partnership) (嘉興磐霖盛暉二號創業投資合夥企業(有限合夥)) and Hangzhou High-Tech Venture Capital Management Co., Ltd (杭州高科技創業投資管理有限公司), being the largest and second largest limited partner, held approximately 20.1% and 20% partnership interest in Panlin Xukang, respectively.

Pre-[REDACTED] Investors	Backgrounds
	Panlin Guangci is a limited partnership established under the laws of PRC on March 28, 2022, which is held as to 2.5% by its general partner, Shanghai Panlin. As of the Latest Practicable Date, except for Mr. LI Yuhui, our non-executive Director, who was a limited partner of Panlin Guangci and held 5% partnership interest in it, all the remaining 17 limited partners of Panlin Guangci were Independent Third Parties, of which YUAN Weisheng, being the largest limited partner, held 15% partnership interest in Panlin Guangci. Panlin Yuesheng is a limited partnership established under the laws of PRC on October 15, 2018, which is held as to approximately 1.05% by its general partner, Shanghai Panlin. As of the Latest Practicable Date, except for Mr. LI Yuhui, our non-executive Director, who was a limited partner of Panlin Yuesheng and held approximately 4.49% partnership interest in it, all the remaining 37 limited partners of Panlin Yuesheng were Independent Third Parties, of which Luzhou Puxin Equity Investment Partnership (Limited Partnership) (瀘州璞信股權投資基金合夥企業(有限合夥)), being the largest limited partner, held approximately 13.84% partnership interest in Panlin Yuesheng. Panlin Hongyu is a limited partnership established under the laws of PRC on August 28, 2020, which is held as to approximately 48.48% by its general partner, Shanghai Panlin. As of the Latest Practicable Date, except for Mr. LI Yuhui, our non-executive Director, who was a limited partner of Panlin Hongyu and held approximately 9.09% partnership interest in it, all the remaining eight limited partners of Panlin Hongyu were Independent Third Parties, of which CAI Liling, being the largest limited partner, held approximately 10.61% partnership interest in Panlin Hongyu.

Pre-[REDACTED] Investors	Backgrounds
	Panlong Investment is a limited partnership established under the laws of PRC on October 17, 2019, which is held as to 1% by its general partner, Shanghai Panlin Management Consulting Co., Ltd. (上海磐霖管理諮詢有限公司), which is a wholly-owned subsidiary of Shanghai Panlin. As of the Latest Practicable Date, save as Panlin Yuesheng, being the largest limited partner, held approximately 49% interest in Panlong Investment, no more remaining limited partners of Panlong Investment held more than 30% interest of Panlong Investment. The remaining six limited partners of Panlong Investment were Independent Third Parties. Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng, Panlin Hongyu and Panlong Investment are investment funds controlled by Panlin Capital (磐霖資本) (referring to Shanghai Panlin, its related parties, and the private equity funds managed by the aforementioned entities). Panlin Capital is a Renminbi-denominated fund established in Shanghai, China in 2010. It is a leading and influential investment institution in both the healthcare and technology sectors, known for its professional expertise. Panlin Capital is dedicated to "Identifying the entrepreneurs among scientists, and fostering the innovators among entrepreneurs". To date, Panlin Capital has invested in nearly 100 portfolio companies, with assets under management exceeding RMB5 billion. In the field of healthcare and biotechnology, Panlin Capital's investment portfolio includes Shenzhen Kangtai Biological Products Co., Ltd. (深圳康泰生物製品股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300601), Guangdong Hybribio Biotech Co., Ltd. (廣東凱普生物科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300639), and GenFleet Therapeutics (Shanghai) Inc. (勁方醫藥科技(上海)股份有限公司), a company listed on the Stock Exchange (stock code: 2595). Panlin is a Sophisticated Investor.

Pre-[REDACTED] Investors	Backgrounds
Small Nucleic Acid Research Institute, Kunshan Hi-tech Venture, Kunshan Guoke and Kunshan Gongyan (collectively "**Kunshan Investment**")	Small Nucleic Acid Research Institute is a limited liability company incorporated under the laws of PRC on October 29, 2008, and is wholly owned by Kunshan Finance Bureau (昆山市财政局), an Independent Third Party. Kunshan Hi-tech Venture is a limited liability company incorporated under the laws of PRC on May 24, 2012, which is wholly owned by Kunshan Hi-tech and ultimately controlled by the Stated-owned Assets Supervision and Administration Commission of Kunshan (昆山市國有資產監督管理辦公室), an Independent Third Party. Kunshan Guoke is a limited liability company incorporated under the laws of PRC on August 31, 2001 and is held as to 98.76% by Kunshan Venture Holding Group Co., Ltd. (昆山創業控股集團有限公司) which is wholly owned by Kunshan SASAC. Kunshan Gongyan is a limited liability company incorporated under the laws of PRC on July 2, 2012, which is wholly owned by Kunshan Technology Investment Co., Ltd. (昆山科技招商投資有限公司). Kunshan Technology Investment Co., Ltd. is wholly owned by Kunshan Industrial Technology Research Institute Co., Ltd. (昆山市工業技術研究院有限責任公司), which is wholly owned by Kunshan Finance Bureau.

Pre-[REDACTED] Investors	Backgrounds
Shenzhen Yilong	Shenzhen Yilong is a limited partnership established under the laws of PRC on June 28, 2019 with assets under management of over RMB1.9 billion. The general partner of Shenzhen Yilong is China Reform Venture Capital Investment Management (Shenzhen) Ltd. (國新風險投資管理(深圳)有限公司), which is wholly owned by Shenzhen Guoxin Investment Partnership Enterprise (Limited Partnership) (深圳國新投資合夥企業(有限合夥)) ("**Shenzhen Guoxin Investment**"). The general partner of Shenzhen Guoxin Investment is Guoxin Shengde Investment (Beijing) Co., Ltd. (國新盛德投資(北京)有限公司), a wholly owned subsidiary of China Reform Fund Management Co., Ltd. (中國國新基金管理有限公司) ("**CRFM**"). CRFM is a wholly-owned subsidiary of China Guoxin Holding Co., Ltd. (中國國新控股有限責任公司) ("**CGHC**"), which is wholly owned by the State Council. Shenzhen Yilong has four limited partners, of which China Venture Capital Fund Corporation Ltd. (中國國有資本風險投資基金股份有限公司) ("**CVC**"), being the largest limited partner, holds approximately 92.34% of the partnership interest therein. CVC is held by Guoxin (Shenzhen) Investment Co., Ltd. (國新(深圳)投資有限公司) as to approximately 35.29%, being the largest shareholder, which is also wholly owned by CGHC. CVC was established in August 2016 in the PRC with a registered capital of RMB102 billion. CVC was set up with the investment purpose to support technological breakthroughs and industrialization of scientific and technological achievements, accelerate the incubation and cultivation of emerging industries, innovate business models and promote the integration of capital and technology. The field of biotech and healthcare is one of the focused areas of CVC and CVC's portfolio companies in such field include Shanghai United Imaging Healthcare Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 688271), Alphamab Oncology, a company listed on the Stock Exchange (stock code: 9966), Shanghai MicroPort MedBot (Group) Co., Ltd., a company listed on the Stock Exchange (stock code: 2252), and 3D Medicines Inc., a company listed on the Stock Exchange (stock code: 1244). As an investment fund with assets under management exceeding HK$1.0 billion, Shenzhen Yilong is a Sophisticated Investor.

Pre-[REDACTED] Investors	Backgrounds
Jiyuan Yuanxing	Jiyuan Yuanxing is a limited partnership established under the laws of PRC on June 13, 2014, which is held as to 2% by its general partner, Ningbo Jixing Chuanghao Investment L.P. (寧波紀星創豪投資合夥企業(有限合夥)) ("**Ningbo Jixing**"), which is ultimately owned by YU Lifeng and JIN Jiong, the largest and the second largest limited partner, each an Independent Third Party, as to 36.43% and 36.43%, respectively. The general partner of Ningbo Jixing is Shanghai Jixing Investment Management Co., Ltd. (上海紀星投資管理有限公司), which is owned by YU Lifeng and JIN Jiong, as to 50% and 50% respectively. As of the Latest Practicable Date, all 15 limited partners of Jiyuan Yuanxing were Independent Third Parties, of which Shanghai Gefei Shangken Equity Investment Center L.P. (上海歌斐尚墾股權投資中心(有限合夥)) ("**Shanghai Gefei Shangken**"), being the largest limited partner, held 39.6% partnership interest in Jiyuan Yuanxing and none of the remaining limited partners of Jiyuan Yuanxing held more than 30% partnership interest therein. The general partner of Shanghai Gefei Shangken is Wuhu Gopher Asset Management Co., Ltd. (蕪湖歌斐資產管理有限公司). Wuhu Gopher Asset Management Co., Ltd. is a wholly-owned subsidiary of Gopher Asset Management Co., Ltd. (歌斐資產管理有限公司), which is in turn a wholly-owned subsidiary of Shanghai Noah Investment Management Co., Ltd. (上海諾亞投資管理有限公司) ("**Noah Investment**"). Noah Investment is a consolidated affiliated entity controlled by Noah Holdings Limited (a company listed on the New York Stock Exchange (ticker symbol: NOAH) and the Stock Exchange (stock code: 6686)). Jiyuan Yuanxing is an institutional investment fund under the management of V Star Capital (源星資本), which primarily focus on investment in early and growth-stage companies in China and around the world.

Pre-[REDACTED] Investors	Backgrounds
Haihe Asymchem Fund, Trinity Zhongzhi, Trinity Zhongzhi II, Trinity UCSF and TIF (collectively "**Trinity**")	Haihe Asymchem Fund is a limited partnership established under the laws of PRC on June 14, 2019, which is held as to 0.13% by its general partner, Haiyingchuang (Tianjin) Investment Management Co., Ltd. (海英創(天津)投資管理有限公司) ("**Tianjin Haiyingchuang**"). As of the Latest Practicable Date, there were five limited partners of Haihe Asymchem Fund, of which Tianjin Haihe Industry Fund L.P. (天津市海河產業基金合夥企業(有限合夥)), being the largest limited partner, held 39.6% partnership interest in Haihe Asymchem Fund and none of the remaining limited partners of Haihe Asymchem Fund held more than 30% partnership interest of Haihe Asymchem Fund, each being an Independent Third Party. Tianjin Haihe Industry Fund L.P. is held as to approximately 99.75% by its sole limited partner, Tianjin Finance Bureau (天津市財政局) and approximately 0.25% by its general partner, Tianjin Haihe Industrial Fund Management Co., Ltd. (天津市海河產業基金管理有限公司), of which none of its shareholders holds more than 30% equity interest. Tianjin Haiyingchuang is held by Yunqi (Tianjin) Business Management Consulting L.P. (雲起(天津)企業管理諮詢合夥企業) ("**Yunqi Tianjin**"), and Trinity Innovation (Beijing) Investment Management Co. Ltd. (三一創新(北京)投資管理有限公司) ("**Trinity Innovation**"), as to 44.38% and 44.38%, respectively. Yunqi Tianjin is held by ZHANG Da, its general partner, and YANG Rui, its sole limited partner, each being an Independent Third Party, as to 40% and 60%, respectively. Trinity Innovation is ultimately held by YIN Zheng, an Independent Third Party, as to 90%. Trinity Zhongzhi is a a limited partnership established under the laws of PRC on December 17, 2018, which is held as to 0.0057% by its general partner, Trinity Innovation and thus ultimately controlled by YIN Zheng. As of the Latest Practicable Date, all ten limited partners of Trinity Zhongzhi were Independent Third Parties, of which Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (a company listed on the Stock Exchange (stock code: 6821), Shanghai Desano Pharmaceutical Co., Ltd. (上海迪賽諾化學製藥有限公司), Qiantong Technology Industry Co., Ltd (乾通科技實業有限公司) and Ruoze (Tianjin) Equity Investment Fund Partnership (L.P.) (若澤(天津)股權投資基金合夥企業(有限合夥)), being the largest limited partners, each held 14.36% partnership interest in Trinity Zhongzhi, respectively.

Pre-[REDACTED] Investors	Backgrounds
	Trinity Zhongzhi II is a limited partnership established under the laws of PRC on August 27, 2021, which is held as to 0.0041% by its general partner, Trinity Innovation and thus ultimately controlled by YIN Zheng. As of the Latest Practicable Date, all eight limited partners of Trinity Zhongzhi II were Independent Third Parties, of which Qiantong Technology Industry Co., Ltd., being the largest limited partner, held 28.40% partnership interest in Trinity Zhongzhi II. Trinity UCSF is a company incorporated in Hong Kong on May 21, 2019 which is ultimately controlled by YIN Zheng. TIF is a company incorporated in Singapore on July 5, 2021, which is ultimately controlled by YIN Zheng. Each of Trinity Zhongzhi, Trinity Zhongzhi II, Trinity UCSF and TIF is an investment arm of the Trinity Innovation, which is a biomed venture capital focusing on innovation and value investment with deep insight and experience on Asia markets and has invested over dozens of biotech companies.
CICC Biomedical Fund and Ningbo Qirui (collectively "**CICC Fund**") . . .	CICC Biomedical Fund is a limited partnership incorporated under the laws of PRC on October 10, 2019, focusing on world-leading innovative medicines and biotechnologies and other related businesses. CICC Biomedical Fund had 30 limited partners, each an Independent Third Parties as of the Latest Practicable Date who are private investors and institutional investors and none of the limited partners held more than 30% partnership interest therein. The general partner of CICC Biomedical Fund which held 1.09% partnership interest of CICC Biomedical Fund is CICC Capital Management Co., Ltd. ("**CICC Capital Management**"), an Independent Third Party.

Pre-[REDACTED] Investors	Backgrounds
	Ningbo Qirui is a limited partnership established in the PRC on November 29, 2016 and its general partner is Yaojin (Shanghai) Private Equity Fund Management Co., Ltd. (曜金(上海)私募基金管理有限公司) (formerly known as Guoyao Zhongjin (Shanghai) Private Equity Investment Management Co., Ltd (國藥中金(上海)私募股權投資管理有限公司)) ("**Yaojin Shanghai**"), which held 0.05% partnership interest of Ningbo Qirui. As of the Latest Practicable Date, Sinopharm Group Co., Ltd. (國藥控股股份有限公司) ("**Sinopharm Group**"), a company listed on the Stock Exchange (stock code: 01099), China National Accord Medicines Corporation Ltd. (國藥集團一致藥業股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000028) and China National Medicines Corporation Ltd. (國藥集團藥業股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600511) held approximately 15.86%, 10.58% and 7.93% partnership interest in Ningbo Qirui, respectively. Each of China National Accord Medicines Corporation Ltd. and China National Medicines Corporation Ltd. was controlled by Sinopharm Group. Therefore, Sinopharm Group held approximately 34.36% beneficial interest in Ningbo Qirui. Sinopharm Group is mainly engaged in pharmaceutical products and medical device distribution business. As of the Latest Practicable Date, Ningbo Qirui had 11 limited partners, each an Independent Third Party, of which Chuancai Securities Co., Ltd. (川財證券有限責任公司) held approximately 26.44% of its partnership interest and China State owned capital venture capital fund Co., Ltd. (中國國有資本風險投資基金股份有限公司) held approximately 25.91% of its partnership interest, being the largest and second largest limited partners. Yaojin Shanghai is controlled by CICC Capital Management and Sinopharm Group as to 51% and 49%, respectively. None of the other limited partners of Ningbo Qirui held more than 30% partnership interest in it.

Pre-[REDACTED] Investors	Backgrounds
	CICC Capital Management is a wholly-owned subsidiary of China International Capital Corporation Limited, a company listed on the Stock Exchange (stock code: 3908) and the Shanghai Stock Exchange (stock code: 601995) and principally engaged in investment banking business, equities business, fixed-income, commodities and currency business, asset management business, private equity business, wealth management business and other business activities.
China Resources Venture Investment Co., Ltd. (華潤創業投資有限公司) ("**CR Venture**")*Note*	CR Venture is a limited liability company incorporated under the laws of PRC on July 1, 2021 and wholly owned by China Resources Enterprise, Limited (華潤創業有限公司) ("**China Resources Enterprise**"), a company incorporated in Hong Kong on July 28, 2015. China Resources Enterprise is wholly owned by China Resources (Holdings) Company Limited (華潤(集團)有限公司), which in turn is indirectly wholly owned by China Resources Company Limited (中國華潤有限公司). China Resources Company Limited is a company established in the PRC with limited liability and is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (國務院國有資產監督管理委員會). To the best of the Company's knowledge, information and belief, having made all reasonable enquiries, China Resources Enterprise and its ultimate beneficial owner are Independent Third Parties.

Note: Due to internal arrangements of China Resources Company Limited, on May 13, 2020, CR Life Science transferred all equity interest of our Company held by it to China Resources Life Sciences Group Co., Ltd. (華潤生命科學集團有限公司) ("**CR Life Science Group**"), which then transferred all Shares held by it to CR Venture on December 29, 2022. Each of CR Life Science, CR Life Science Group and CR Venture is wholly owned and controlled by China Resources Company Limited.

Pre-[REDACTED] Investors	Backgrounds
Zhuhai Qiheng.	Zhuhai Qiheng is a limited partnership established under the laws of PRC. The general partner of Zhuhai Qiheng is Shenzhen Gao Ling Tiancheng III Investment Co., Ltd. (深圳高瓴天成三期投資有限公司) ("**Shenzhen Gao Ling Tiancheng III**"). Shenzhen Gao Ling Tiancheng III is jointly held by Zhang Haiyan, Ma Cuifang, Cao Wei, Li Liang and Zhu Jia, each an Independent Third Party. As of the Latest Practicable Date, the limited partners of Zhuhai Qiheng are private equity funds managed by Zhuhai Gao Ling Private Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司) ("**Zhuhai Gao Ling**"). Zhuhai Qiheng has five limited partners, of which Shenzhen Gaoling Muqi Equity Investment Fund Partnership (L.P.) (深圳高瓴慕祺股權投資基金合夥企業(有限合夥)) ("**Shenzhen Gaoling Muqi**") and Xiamen Gaoling Ruiqi Equity Investment Fund Partnership Enterprise (Limited Partnership) (廈門高瓴瑞祺股權投資基金合夥企業(有限合夥)) ("**Xiamen Gaoling Ruiqi**"), being the largest and second largest limited partner, holding approximately 50.10% and 36.41% partnership interest in Zhuhai Qiheng, respectively. As of the Latest Practicable Date, none of the partners of Shenzhen Gaoling Muqi or Xiamen Gaoling Ruiqi had more than 30% partnership interest in Zhuhai Qiheng. Zhuhai Gao Ling collaborates with industry-defining enterprises, aiming to establish alignment with sustainable, forward-thinking companies across healthcare, business services, consumer, and industrial sectors.

Pre-[REDACTED] Investors	Backgrounds
YRD Investment	YRD Investment is a limited partnership established under the laws of PRC on September 3, 2019, which is held as to 0.10% by its general partner, Shanghai Hengxu Chuangling Private Equity Fund Management Co., Ltd. (上海恒旭創領私募基金管理有限公司) (formerly known as Shanghai Hengxu Chuangling Investment Management Co., Ltd. (上海恒旭創領投資管理有限公司)) ("**Hengxu Capital**"). Hengxu Capital is held as to 45.00% and 40.00% respectively by Shanghai Qijia Enterprise Management Consulting Partnership (Limited Partnership) (上海頎嘉企業管理諮詢合夥企業(有限合夥)) ("**Shanghai Qijia**") and Shanghai Automotive Group Financial Control Management Co., Ltd. (上海汽車集團金控管理有限公司). ("**Shanghai Automotive**"), respectively. The general partner of Shanghai Qijia is Shanghai Shengqi Enterprise Management Consulting Co., Ltd. (上海晟頎企業管理諮詢有限公司), which is controlled by LU Yongtao, an Independent Third Party. Shanghai Automotive is an wholly-owned company of SAIC Motor Corporation Limited (上海汽車集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600104). Hengxu Capital is ultimately controlled by LU Yongtao, an Independent Third Party. As of the Latest Practicable Date, all nine limited partners of YRD Investment were Independent Third Parties, of which Shanghai Automotive, being the largest limited partner, held 28.54% partnership interest in YRD Investment. YRD Investment is an institutional investor that primarily focuses on equity investment.
Jiaxing Futong.	Jiaxing Futong is a limited partnership established under the laws of PRC on December 5, 2016, which is held as to 4.17% by its general partner, Beijing Zhenghe Yuantong Investment Management Co. Ltd. (北京正和元通投資管理有限公司) ("**Zhenghe Yuantong**"), an Independent Third Party. Zhenghe Yuatong is held as to 43.40% by the largest shareholder, XU Haoyu, an Independent Third Party. As of the Latest Practicable Date, all 13 limited partners of Jiaxing Futong were Independent Third Parties, of which Nanjing Xinzhengtu Investment Management Co., Ltd. (南京新征途投資管理有限公司), being the largest limited partner, held 20.83% partnership interest in Jiaxing Futong. Jiaxing Futong is an institutional investor that primarily focuses on equity investment.

Pre-[REDACTED] Investors	Backgrounds
Legend Star and Wuxi Xingxi (collectively "**Legend Investment**")	Legend Star is a limited liability company incorporated under the laws of PRC on January 19, 2012, which is wholly owned by Legend Holdings Corporation (聯想控股股份有限公司) ("**Legend Holdings**"), a company listed on the Stock Exchange (stock code: 3396). Wuxi Xingxi is a limited partnership established under the laws of PRC on May 14, 2025, which is held as to 1.25% and 1.25% by its general partners, Qushui Xinghuan Venture Investment Management Center (L.P.) (曲水縣星環創業投資管理中心(有限合夥)) ("**Xinghuan Venture**") and Wuxi Guolian Industrial Investment Private Equity Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) ("**Wuxi Guolian**"), respectively, each an Independent Third Party. Wuxi Xingxi has one limited partner, namely Wuxi Taihu Aisi Venture Investment Limited Partnership (L.P.) (無錫市太湖愛思創業投資合夥企業(有限合夥)) ("**Aisi Investment**"), holding 97.5% partnership interest in Wuxi Xingxi. The general partner of Xinghuan Venture, holding 30% partnership interests in Xinghuan Venture, is Duilong Deqing Xingchuan Venture Investment management Co., Ltd. (堆龍德慶星川創業投資管理有限公司), which is indirectly wholly owned by Legend Holdings. Each of Wuxi Guolian and Aisi Investment is ultimately controlled by Stated-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會) ("**Wuxi SASAC**"). Therefore, Wuxi Xingxi is ultimately controlled by each of Legend Holdings and Wuxi SASAC, and Legend Star and Wuxi Xingxi are related to each other.

Pre-[REDACTED] Investors	Backgrounds
Co-way Yintian and Jiaxing Xiangtian (collectively "**Co-way Investment**")	Co-way Yintian is a limited partnership established under the laws of PRC on January 3, 2020, which is held as to 0.32% by its general partner, Shenzhen Co-way Capital Services Co., Ltd. (深圳眾匯投資管理有限公司) ("**Shenzhen Co-way**"), an Independent Third Party. Shenzhen Co-way is wholly controlled by FAN Miaojiang, an Independent Third Party. As of the Latest Practicable Date, all 11 limited partners of Co-way Yintian were Independent Third Parties, of which Jiaxing Xiangtian, being the largest limited partner, held 41.75% partnership interest in Co-way Yintian and none of the remaining limited partners of Co-way Yintian held more than 30% partnership interest of Co-way Yintian. Jiaxing Xiangtian is a limited partnership established under the laws of PRC on April 24, 2019, which is held as to 3.33% by its general partner, Shenzhen Co-way. As of the Latest Practicable Date, all four limited partners of Jiaxing Xiangtian were Independent Third Parties, of which LU Chong, being the largest limited partner, held 50% partnership interest in Jiaxing Xiangtian and none of the remaining limited partners of Jiaxing Xiangtian held more than 30% partnership interest of Jiaxing Xiangtian. Each of Co-way Yintian and Jiaxing Xiangtian is an institutional investor that primarily focuses on equity investment.
Daxie Yungong	Daxie Yungong is a limited partnership established under the laws of PRC on April 6, 2017, which is held as to 0.5% by its general partner, PU Weijie, an Independent Third Party. As of the Latest Practicable Date, all nine limited partners of Daxie Yungong were Independent Third Parties, of which YUAN Qian, being the largest limited partner, held 50% partnership interest in Daxie Yungong and none of the remaining limited partners of Daxie Yungong held more than 30% partnership interest of Daxie Yungong. Daxie Yungong is an institutional investor that primarily focuses on equity investment.

Pre-[REDACTED] Investors	Backgrounds
Wenzhou Chouqin and Chouqin Tiancheng (collectively "**Chouqin Investment**")	Wenzhou Chouqin is a limited partnership established under the laws of PRC on June 11, 2024, which is held as to 0.02% by its general partner, Tianjin Tiandi Chouqin Equity Investment Management Co., Ltd. (天津天地酬勤股權投資管理有限公司) ("**Tianjin Chouqin**"). As of the Latest Practicable Date, all four limited partners of Wenzhou Chouqin are Independent Third Parties and save as WU Jiafu, an Independent Third Party, who holds 80.79% partnership interest in Wenzhou Chouqin, none of the remaining limited partners hold more than 30% partnership interest in Wenzhou Chouqin. Chouqin Tiancheng is a limited partnership incorporated under the laws of PRC on June 1, 2020, which is held as to 3.85 % by its general partner, Tianjin Chouqin. As of the Latest Practicable Date, the remaining interest in Chouqin Tiancheng was owned by two limited partners namely Tianjin Tiandi Hemu Enterprise Management Center (Limited Partnership) (天津天地和睦企業管理中心(有限合夥)) ("**Tianjin Hemu**") and Beijing Mengtianxing Investment Co., Ltd. (北京夢天行投資有限公司) as to 76.92% and 19.23%, respectively. Tianjin Hemu is ultimately controlled by ZHOU Yi, its general partner, an Independent Third Party. Tianjin Chouqin is owned as to 50% and 50% by ZHENG Changjiang, an Independent Third Party, and ZHOU Yi, respectively. Tianjin Chouqin is an institutional investor that primarily focuses on equity investment, whose portfolio companies include Unogold Bioengineering (Suzhou) Co., Ltd. (優諾金生物工程(蘇州)有限責任公司), Suzhou Aijie Boya Technology Co., Ltd. (蘇州艾捷博雅科技有限公司), Anhui Xipu Sunshine Technology Co., Ltd. (安徽西普陽光科技股份有限公司) and Nginetech Co., Ltd. (安擎計算機信息股份有限公司).

Pre-[REDACTED] Investors	Backgrounds
Jinan Mingxin	Jinan Mingxin is a limited partnership established under the laws of PRC on June 12, 2025, which is held as to 1.43% and 1.43% by its executive general partner, Shanghai Mingxin Private Equity Fund Management Partnership (L.P.) (上海名信私募基金管理合夥企業(有限合夥)) ("**Shanghai Mingxin**") and general partner, Jinan Caitou New Momentum Private Equity Fund Management Co., Ltd. (濟南財投新動能私募基金管理有限公司) ("**Jinan Caitou**"), respectively. XU LIXING, an Independent Third Party, holds 20% partnership interest in Shanghai Mingxin as its executive general partner. As of the Latest Practicable Date, the remaining partnership interest in Jinan Mingxin was held by the two limited partners of Jinan Mingxin namely Jinan Hi-tech Capital Investment Co., Ltd. (濟南高新資本投資有限公司) ("**Jinan Hi-tech**") and Jinan Caijin Biopharmaceutical Industry Investment Co., Ltd. (濟南財金生物醫藥產業投資有限公司) ("**Jinan Caijin**"), each an Independent Third Party, as to 59.14% and 38%, respectively. Jinan Hi-tech was ultimately owned by Administrative Committee of Jinan High-Tech Industrial Development Committee (濟南高新技術產業開發區管理委員會) and each of Jinan Caijin and Jinan Caitou was ultimately controlled by Municipal Finance Bureau of Jinan (濟南市財政局).
Shanghai Chuangyuanyuan . .	Shanghai Chuangyuanyuan is a limited liability company incorporated under the laws of PRC on November 24, 2014 and wholly owned by Shanghai Chuangyuan Technology Development Co., Ltd. (上海創源科技發展有限公司) ("**Chuangyuan Technology**"). As of the Latest Practicable Date, Chuangyuan Technology was held as to approximately 79.77% by Shanghai Nuoyuan Enterprise Management Center (Limited Partnership) (上海諾垣企業管理中心(有限合夥)), whose general partner is LIU Wanfeng, the spouse of Ms. MO Hua and holding 87.10% limited partnership therein. Shanghai Chuangyuanyuan is an institutional investor that primarily focuses on equity investment.

Joint Sponsors' Confirmation

The Joint Sponsors confirm that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

[**REDACTED**]

Following the completion of the [**REDACTED**], all Unlisted Share will be converted into H Shares.

The 53,571,095 H Shares to be converted from Unlisted Shares held by our Single Largest Group of Shareholders (i.e. Dr. LIANG, Prof. ZHANG Lihe, Kunshan Ruikong, Kunshan Ruiji, Kunshan Ruiman, Prof. XI Zhen, Ms. MO Hua), Trinity (including Haihe Asymchem Fund, a substantial shareholder at the subsidiary level and its close associates), Panlin (ultimately controlled by Mr. LI Yuhui, a non-executive Director, and thus a close associate of Mr. LI Yuhui) and Shanghai Chuangyuanyuan (ultimately controlled by the spouse of Ms. MO Hua, and thus a close associate of Ms. MO Hua) will not be considered as part of the [**REDACTED**] as the aforesaid Shareholders are core connected persons of our Group or their respective close associate.

To the best of our Directors' knowledge, information and belief and having made all reasonable inquiries, save as disclosed above, none of the existing Shareholders (i) is a core connected person of our Group; (ii) has been financed directly or indirectly by a core connected person of our Group for the subscription of Shares; or (iii) is accustomed to taking instructions from a core connected person of our Group in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them. Therefore, the 80,632,015 H Shares to be converted from the Unlisted Shares held by the other existing Shareholders, upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme) will be treated as part of the [**REDACTED**] of our Company following [**REDACTED**] for the purpose of Rule 19A.13A(1) of the Listing Rules.

Upon [**REDACTED**], our Company will satisfy the [**REDACTED**] requirement under Rule 19A.13A(1) of the Listing Rules. This calculation assumes that (i) [**REDACTED**] H Shares are allotted and issued in the [**REDACTED**], (ii) 134,203,110 Unlisted Shares held by our existing Shareholders are converted into H Shares, and (iii) [**REDACTED**] H Shares are in issue upon completion of the [**REDACTED**]. Based on these assumptions, [**REDACTED**] H Shares, equivalent to [**REDACTED**]% of the total number of issued Shares of our Company, will be counted towards the [**REDACTED**], which is higher than the prescribed percentage of H Shares required to be held in public hands under Rule 19A.13A(1) of the Listing Rules, representing [**REDACTED**]% of H Shares to be held in public hands with the expected market value of HK$[**REDACTED**] at the time of [**REDACTED**], based on the minimum [**REDACTED**] of HK$[**REDACTED**] per H Share.

At the time of [**REDACTED**], our Company is expected to satisfy the [**REDACTED**] requirement under Rule 19A.13C(1) of the Listing Rules, with sufficient H Shares held by the public and available for [**REDACTED**].

MAJOR ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

PREVIOUS LISTING APPLICATION AND REASONS FOR [REDACTED]

In December 2020, our Company submitted an application for listing of our Shares on the SSE STAR Market (the "**Previous A-Share Listing Application**"), which was referred to the listing committee of the Shanghai Stock Exchange (上海證券交易所上市審核委員會) for consideration. In May 2021, we voluntarily withdrew the Previous A-Share Listing Application after considering, among others, our future business strategic positioning and the uncertainty of the A-Share listing process influenced by an evolving regulatory environment, in particular the heightened scrutiny on biotechnology companies. As of the time we withdrew the Previous A-Share Listing Application, there were no outstanding comments from the Shanghai Stock Exchange.

Our Directors consider that the Stock Exchange, as an internationally recognized and reputable stock exchange, can provide us with a good platform to access the international capital markets and expand our global business footprint. The [**REDACTED**] will provide us with the necessary funding to increase our competitiveness by assisting us to expand our operations and strengthen our business prospects, and the [**REDACTED**] on the Stock Exchange will raise our profile and market awareness of our brand name and present us with an opportunity to further expand our investor base. Taking into account, among others, the aforementioned factors and the long-term business development strategies of our Group, our Directors consider the Stock Exchange to be a more suitable venue to access international equity markets, and the [**REDACTED**] will be in the best interests of our Company and our Shareholders as a whole.

Our Directors are not aware of any matters or findings from the Previous A-Share Listing Application which have been brought to their attention and would have a material adverse implication on the [**REDACTED**], or any matters that might materially and adversely affect our Company's suitability for the [**REDACTED**]. Our Directors further confirm that there is no other matter in relation to the Previous A-Share Listing Application that needs to be brought to the attention of the Stock Exchange or potential [**REDACTED**]. Having taken into account the factors above and the independent due diligence work conducted by the Joint Sponsors, nothing material has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' view above.

OUR CAPITALIZATION

The below table is a summary of the capitalization of our Company as of the Latest Practicable Date and immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme):

	As of the Latest Practicable Date		Immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)		
			Number of Shares		
Name of Shareholder	Number of Shares	% as to the total issued share capital of our Company	H Shares	Unlisted Shares	% as to the total issued share capital of our Company
Members of our Single Largest Group of Shareholder	*40,139,267*	*29.91%*	*40,139,267*	–	[**REDACTED**]%
– Dr. LIANG	14,546,306	10.84%	14,546,306	–	[**REDACTED**]%
– Kunshan Ruikong[(1)]	10,842,204	8.08%	10,842,204	–	[**REDACTED**]%
– Kunshan Ruiman	5,539,551	4.13%	5,539,551	–	[**REDACTED**]%
– Ms. MO Hua	3,037,458	2.26%	3,037,458	–	[**REDACTED**]%
– Prof. XI Zhen	2,847,150	2.12%	2,847,150	–	[**REDACTED**]%
– Prof. ZHANG Lihe	1,898,100	1.41%	1,898,100	–	[**REDACTED**]%
– Kunshan Ruiji[(2)]	1,428,498	1.06%	1,428,498	–	[**REDACTED**]%
FIIF	11,430,002	8.52%	11,430,002	–	[**REDACTED**]%
Panlin	*8,978,569*	*6.69%*	*8,978,569*	–	[**REDACTED**]%
– Panlin Qianyuan	4,380,906	3.26%	4,380,906	–	[**REDACTED**]%
– Panlin Xukang	1,175,724	0.88%	1,175,724	–	[**REDACTED**]%
– Panlin Guangci	1,004,334	0.75%	1,004,334	–	[**REDACTED**]%
– Panlin Yuesheng	817,455	0.61%	817,455	–	[**REDACTED**]%
– Panlong Investment	817,455	0.61%	817,455	–	[**REDACTED**]%
– Panlin Hongyu	782,695	0.58%	782,695	–	[**REDACTED**]%
Wise Vigour	8,714,881	6.49%	8,714,881	–	[**REDACTED**]%
Kunshan Investment	*8,472,535*	*6.31%*	*8,472,535*	–	[**REDACTED**]%
– Small Nucleic Acid Research Institute	3,224,973	2.40%	3,224,973	–	[**REDACTED**]%
– Kunshan Hi-tech Venture	2,553,454	1.90%	2,553,454	–	[**REDACTED**]%
– Kunshan Guoke	1,877,862	1.40%	1,877,862	–	[**REDACTED**]%
– Kunshan Gongyan	816,246	0.61%	816,246	–	[**REDACTED**]%
Ionis	7,634,247	5.69%	7,634,247	–	[**REDACTED**]%
Shenzhen Yilong	6,297,338	4.69%	6,297,338	–	[**REDACTED**]%
Jiyuan Yuanxing	5,239,889	3.90%	5,239,889	–	[**REDACTED**]%
Trinity	*4,070,991*	*3.03%*	*4,070,991*	–	[**REDACTED**]%
– Haihe Asymchem Fund	1,949,716	1.45%	1,949,716	–	[**REDACTED**]%
– Trinity Zhongzhi	878,766	0.65%	878,766	–	[**REDACTED**]%
– Trinity Zhongzhi II	537,055	0.40%	537,055	–	[**REDACTED**]%
– Trinity UCSF	347,418	0.26%	347,418	–	[**REDACTED**]%
– TIF	358,036	0.27%	358,036	–	[**REDACTED**]%

	As of the Latest Practicable Date		Immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)		
			Number of Shares		
Name of Shareholder	Number of Shares	% as to the total issued share capital of our Company	H Shares	Unlisted Shares	% as to the total issued share capital of our Company
CICC Fund	*3,075,370*	*2.29%*	*3,075,370*	–	[REDACTED]%
– CICC Biomedical Fund	2,091,741	1.56%	2,091,741	–	[REDACTED]%
– Ningbo Qirui	983,629	0.73%	983,629	–	[REDACTED]%
CR Venture	2,133,099	1.59%	2,133,099	–	[REDACTED]%
YRD Investment	1,969,908	1.47%	1,969,908	–	[REDACTED]%
Mr. LIU Guoping	1,899,525	1.42%	1,899,525	–	[REDACTED]%
Jiaxing Futong	1,881,880	1.40%	1,881,880	–	[REDACTED]%
Jinan Mingxin	1,864,127	1.39%	1,864,127	–	[REDACTED]%
Zhuhai Qiheng	1,852,159	1.38%	1,852,159	–	[REDACTED]%
Chouqin Investment	*1,657,275*	*1.23%*	*1,657,275*	–	[REDACTED]%
– Wenzhou Chouqin	1,318,973	0.98%	1,318,973	–	[REDACTED]%
– Chouqin Tiancheng	338,302	0.25%	338,302	–	[REDACTED]%
Legend Investment	*1,554,773*	*1.16%*	*1,554,773*	–	[REDACTED]%
– Legend Star	687,302	0.51%	687,302	–	[REDACTED]%
– Wuxi Xingxi	867,471	0.65%	867,471	–	[REDACTED]%
Co-way Investment	*1,412,895*	*1.05%*	*1,412,895*	–	[REDACTED]%
– Co-way Yintian	1,045,869	0.78%	1,045,869	–	[REDACTED]%
– Jiaxing Xiangtian	367,026	0.27%	367,026	–	[REDACTED]%
Daxie Yungong	1,367,837	1.02%	1,367,837	–	[REDACTED]%
Zhulu Consultation	1,181,943	0.88%	1,181,943	–	[REDACTED]%
Qirong Venture	*1,165,617*	*0.87%*	*1,165,617*	–	[REDACTED]%
– Qidi Rongchuang	1,026,853	0.77%	1,026,853	–	[REDACTED]%
– Zhuhai Rongqian	138,764	0.10%	138,764	–	[REDACTED]%
Langma Capital	*1,136,058*	*0.85%*	*1,136,058*	–	[REDACTED]%
– Langma Twenty	197,573	0.15%	197,573	–	[REDACTED]%
– Langma Thirty-Two	136,075	0.10%	136,075	–	[REDACTED]%
– Langma Ninety-Five	561,687	0.42%	561,687	–	[REDACTED]%
– Langma Ninety-Six	240,723	0.18%	240,723	–	[REDACTED]%
Mr. William Wong	895,091	0.67%	895,091	–	[REDACTED]%
Boyuan Huizhi	848,299	0.63%	848,299	–	[REDACTED]%
Rixir	816,246	0.61%	816,246	–	[REDACTED]%
Hongtao Capital	*787,964*	*0.59%*	*787,964*	–	[REDACTED]%
– Hongtao Youxuan	697,248	0.52%	697,248	–	[REDACTED]%
– Hongtao Jiaxin	90,716	0.07%	90,716	–	[REDACTED]%
Mr. Claes Robert Wahlestedt[(3)]	712,500	0.53%	712,500	–	[REDACTED]%
Mr. Joseph Wade Collard[(3)]	712,500	0.53%	712,500	–	[REDACTED]%
Xinsu Ronghe	613,092	0.46%	613,092	–	[REDACTED]%
Blue Ocean Investment	554,287	0.41%	554,287	–	[REDACTED]%
Shuangyu Investment	541,674	0.40%	541,674	–	[REDACTED]%

	As of the Latest Practicable Date		Immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)		
			Number of Shares		
Name of Shareholder	Number of Shares	% as to the total issued share capital of our Company	H Shares	Unlisted Shares	% as to the total issued share capital of our Company
Worldstar Global	501,506	0.37%	501,506	–	[REDACTED]%
Shenzhen Xinchuang	401,205	0.30%	401,205	–	[REDACTED]%
Shanghai Bluestone	389,151	0.29%	389,151	–	[REDACTED]%
Chuangyuanyuan	382,268	0.28%	382,268	–	[REDACTED]%
Muxin Health	300,904	0.22%	300,904	–	[REDACTED]%
Ms. CHEN Chi Nga	268,527	0.20%	268,527	–	[REDACTED]%
Mr. LI Xiaofeng	267,470	0.20%	267,470	–	[REDACTED]%
Mr. MI Zhongye	80,241	0.06%	80,241	–	[REDACTED]%
Investors from the [REDACTED]	**–**	**–**	[REDACTED]	**–**	[REDACTED]%
Total	**134,203,110**	**100.00%**	[REDACTED]	**–**	**100.00%**

Notes:

(1) As of the Latest Practicable Date, Dr. ZHANG, the general partner of Kunshan Ruikong, holding approximately 44.40% partnership interest therein, is responsible for its overall management and is entitled to exercise the voting rights attaching to the Shares held by Kunshan Ruikong. As of the Latest Practicable Date, Kunshan Ruikong had seven limited partners, including Ms. MO Hua and other six other individual investors who are Independent Third Parties and had confidence in our Group's future development and commercialization. None of the limited partners held more than 30% partnership interest in Kunshan Ruikong.

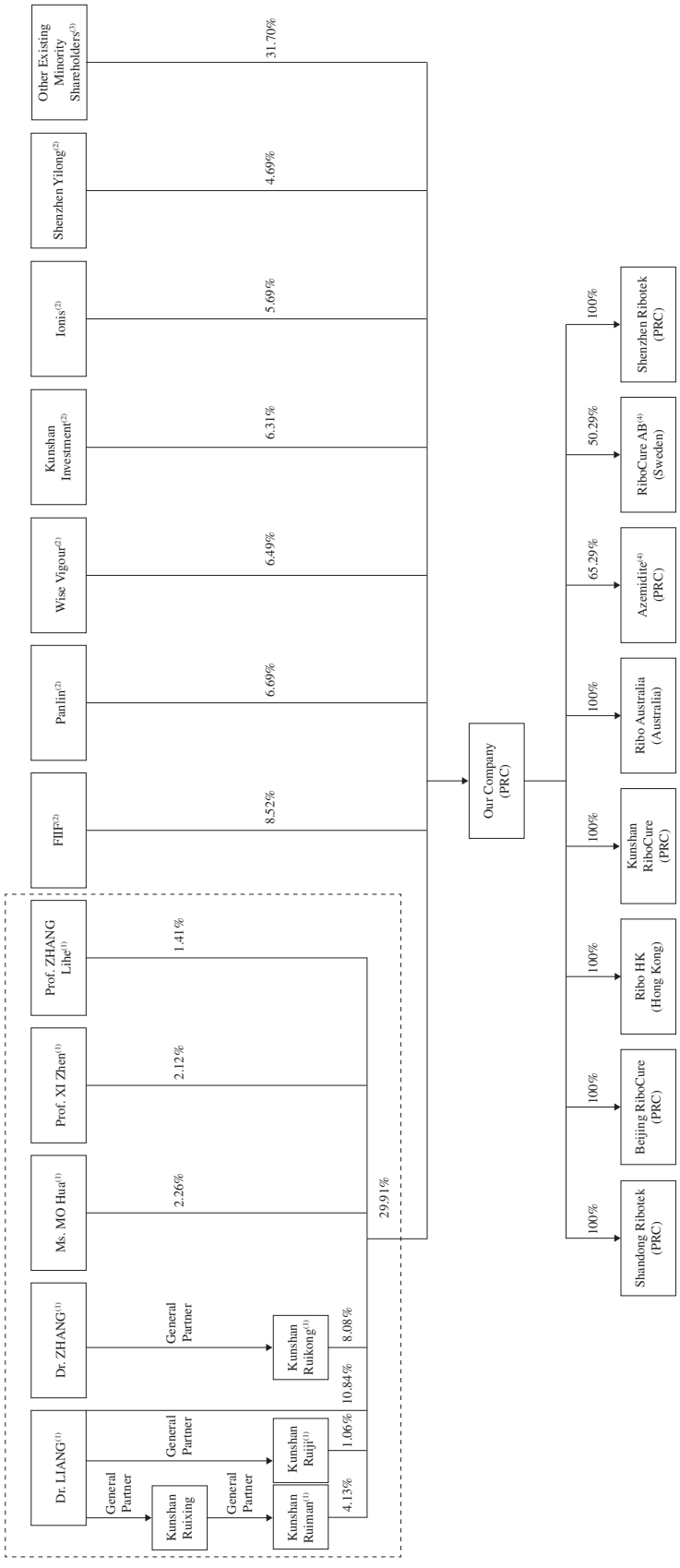
(2) As of the Latest Practicable Date, Dr. LIANG, the general partner of Kunshan Ruiji, holding approximately 38.67% partnership interest therein, is responsible for its overall management and is entitled to exercise the voting rights attaching to the Shares held by Kunshan Ruiji. As of the Latest Practicable Date, Kunshan Ruiji had 16 limited partners, including Dr. GAO Shan, our senior vice president and chief scientific officer and other 13 current or former employees and two individual investors (directly or indirectly through a shareholding entity), being Independent Third Parties who had confidence in our Group's future development and commercialization.

(3) In May 2020, Mr. Claes Robert Wahlestedt transferred RMB237,500 registered capital of our Company held by him to Mr. Joseph Wade Collard at nil consideration to terminate a nominee shareholding arrangement between them and restore Mr. Joseph Wade Collard's actual shareholding in the Company.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Immediately Prior to the [REDACTED]

The following chart sets forth our corporate and shareholding structure immediately prior to the [**REDACTED**]:



Notes:

(1) As of the Latest Practicable Date, the Concert Parties, which constituted our Single Largest Group of Shareholders, collectively held 29.91% shareholding of our Company. For details, see the section headed "Relationship with Our Single Largest Group of Shareholders" of this document.

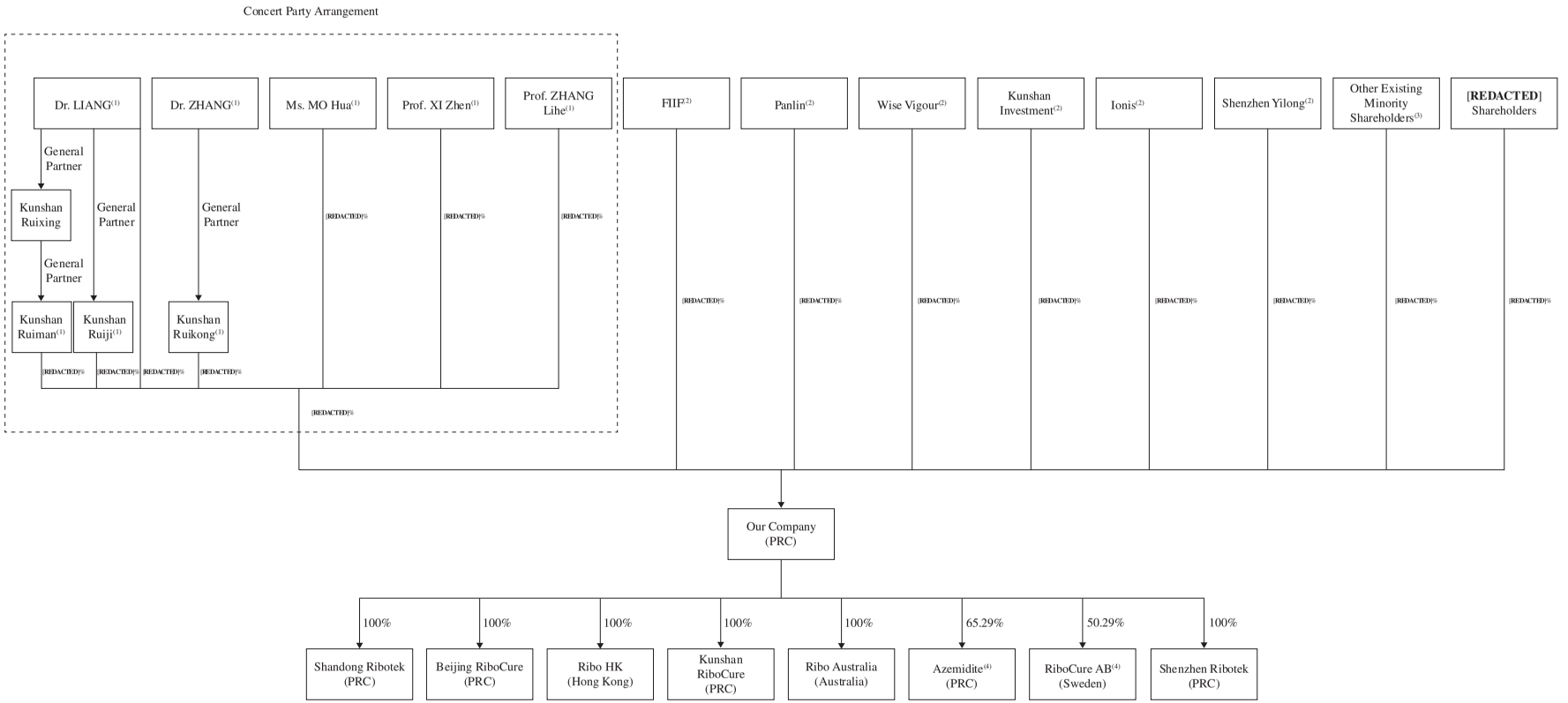
(2) See "— Pre-[**REDACTED**] Investments — Information Relating to Our Major Pre-[**REDACTED**] Investors" for the details of FIIF, Wise Vigour, Panlin, Ionis, Kunshan Investment and Shenzhen Yilong.

(3) Representing 39 existing minority Shareholders and each of them held less than 5.00% shareholding of our Company as of the Latest Practicable Date. For details, see "— Our Capitalization" above.

(4) See "— Our Subsidiaries" for the details for the remaining shareholding details of Azemidite and RiboCure AB.

Immediately Upon Completion of the [REDACTED]

The following chart sets forth our corporate and shareholding structure immediately upon completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme:



Notes:

(1) Immediately following completion of the [**REDACTED**], the Concert Parties, collectively held [**REDACTED**]% shareholding of our Company. For details, see the section headed "Relationship with Our Single Largest Group of Shareholders" of this document.

(2) See "— Pre-[**REDACTED**] Investments — Information Relating to Our Major Pre-[**REDACTED**] Investors" for the details of FIIF, Wise Vigour, Panlin, Ionis, Kunshan Investment and Shenzhen Yilong.

(3) Representing 39 existing minority Shareholders and each of them held less than [**REDACTED**]% shareholding of our Company immediately upon completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme. For details, see "— Our Capitalization" above.

(4) See "— Our Subsidiaries" for the details for the remaining shareholding details of Azemidite and RiboCure AB.

OVERVIEW

Who we are. We are a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics. We began our journey in 2007 as one of the pioneers in this field, with a mission to spearhead the development of these novel therapeutics to revolutionize the treatment of diseases with unmet needs, including cardiovascular, metabolic, renal and liver diseases. Through our dedicated efforts, we aim to redefine patient care and improve the lives of millions affected by these debilitating conditions.

Our market opportunities. The ability to develop therapeutics that effectively interact with disease-causing proteins remains one of the greatest challenges in modern medicine. According to Frost & Sullivan, only approximately 15% of the estimated 20,000 human proteins are considered "druggable" by conventional small-molecule drugs. While antibody drugs have expanded this range to a certain degree, they remain limited to proteins on the cell surface and cannot access intracellular proteins that represent approximately 80% of all proteins in the human body. Currently approved therapeutics specifically address fewer than 700 human proteins. This renders the vast majority of disease-causing proteins unable to be effectively addressed through small molecule drugs and antibody therapeutics, making them essentially "undruggable."

The discovery and advancement of oligonucleotide therapeutics have transformed the way we treat diseases, offering a precise and potent approach, including by targeting inaccessible proteins inside cells and disease pathways that were previously considered undruggable. In particular, by harnessing the power of RNA interference, siRNA therapeutics have demonstrated differentiated advantages, with enhanced specificity, potency and duration of effect, favorable safety profile, as well as increased development speed and success rate due to its enhanced technological modularity. Since the first siRNA drug approval in 2018, waves of technological advancements such as the development and maturity of GalNAc technology for liver targeting have propelled the industry forward at growth rates that outpace many other treatment modalities. In 2024, the global oligonucleotide therapeutics market was valued at US$5.1 billion and is expected to reach US$18.6 billion and US$49.4 billion in 2029 and 2034, respectively, representing a CAGR of 29.5% from 2024 to 2029 and 21.6% from 2029 to 2034. Oligonucleotide therapeutics are now eagerly pursued by global MNCs, highlighted by notable licensing and partnership deals in recent years. As the field progresses, oligonucleotide therapeutics are expanding from rare diseases towards more common chronic conditions. The development of extra-hepatic delivery technology further overcomes the limitations of liver-targeted approaches, making the treatment of more diseases possible and demonstrating the immense value and potential of this groundbreaking treatment modality.

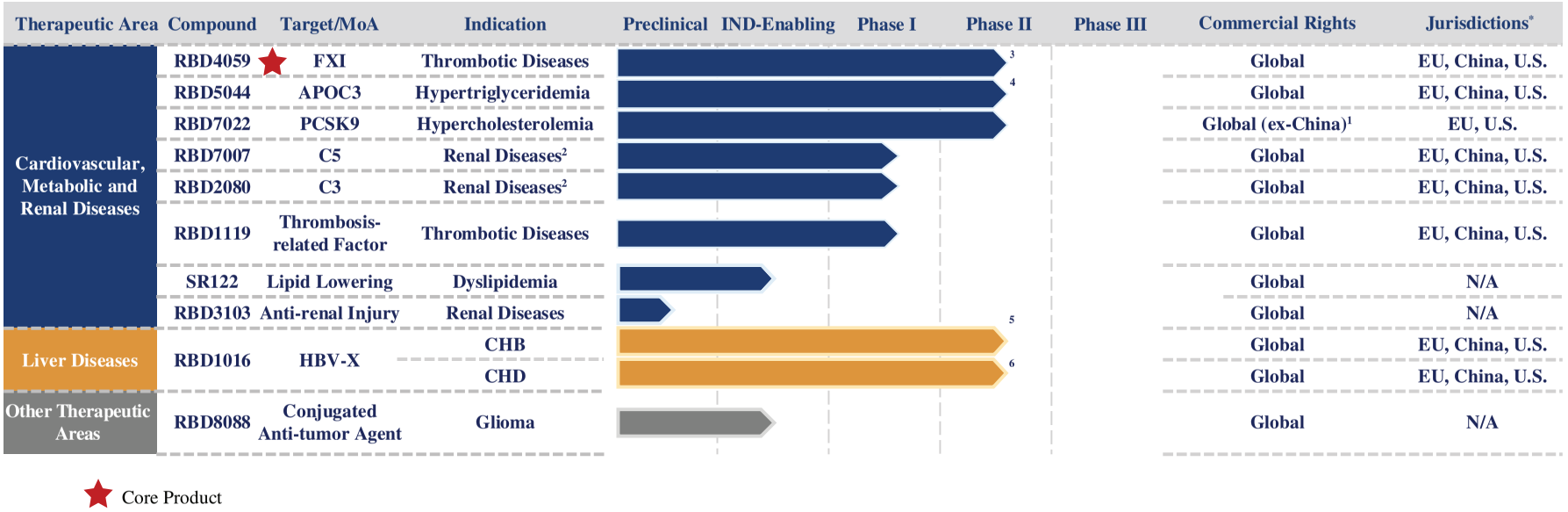
Our technology prowess. Through nearly two decades of dedicated research, we have built integrated proprietary technology platforms tailored to oligonucleotide therapeutics, supported by a robust intellectual property portfolio in RNA interference (RNAi) technology worldwide. These platforms encompass the entire drug development cycle, from drug design, delivery, modification to CMC and manufacturing, serving as a solid foundation for our potential first- and best-in-class oligonucleotide therapeutics.

Notably, we are one of the few players worldwide with proprietary and clinically validated GalNAc delivery technology. This technology, based on the specific delivery of siRNA drugs, has enhanced therapeutic efficacy and improved safety, and is revolutionizing the therapeutic paradigm of innovative drugs. Our liver-targeted RiboGalSTAR™ delivery technology, the cornerstone of numerous pipeline assets, addresses a critical challenge in siRNA therapeutics: efficient and specific delivery. GalNAc-siRNA conjugates derived from the RiboGalSTAR™ platform selectively bind to asialoglycoprotein receptors ("ASGPRs"), which are abundantly expressed on the surfaces of liver cells, providing high liver-targeting specificity.

RiboGalSTAR™ is the first and only China-developed RNAi technology platform out-licensed to a global MNC. Our strategic partnership with Boehringer Ingelheim formed in 2023 speaks not only to the global leadership and recognition of our technologies, but also the potential of our platform technology in continued value creation. In addition to RiboGalSTAR™, we are extending our technologies to other critical organs and tissues such as solid tumors, kidney, CNS, and metabolic tissues such as adipocytes and muscles to broaden our pipeline across multiple disease domains.

Our rich pipeline. We are at the forefront of oligonucleotide drug innovation focused on cardiovascular, metabolic, renal and liver diseases, as well as other therapeutic areas. These key therapeutic areas represent areas of significant global medical burden with limited treatment options, and involve underlying pathogenic mechanisms that are aligned with the targeting capabilities of our technology platforms.

The pipeline chart below summarizes the development status of our clinical-stage drug candidates and selected preclinical assets. All drug candidates listed in this pipeline chart were discovered internally by our research and development team. Leveraging our RiboGalSTAR™ platform equipped with proprietary and clinically validated GalNAc delivery technology, we have consistently advanced siRNA programs in-house from discovery through clinical development across cardiovascular, metabolic, renal and liver diseases. For details, see "— Research and Development."



Notes:

* Key jurisdictions in which the drug candidates are being developed and/or planned to be commercialized. Preclinical assets are not yet assigned specific jurisdictions and are instead marked "N/A" given their early development stage.

1. In December 2023, we granted Qilu Pharmaceutical Co., Ltd. ("Qilu Pharmaceutical") exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. See "— Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical."

   Subject to regulatory communications and emerging clinical data, we plan to initiate clinical trials in the EU to evaluate RBD7022 in combination with our other siRNA drug candidates targeting dyslipidemia.

2. RBD7007 and RBD2080 are also under investigation as a potential treatment for autoimmune diseases.

3. As of the Latest Practicable Date, all patients in RBD4059's phase 2a trial for coronary artery disease in Sweden had completed treatment and were in the safety follow-up period.

4. RBD5044's CTA to the EMA for phase 2 trial was approved in October 2024. This phase 2 trial was initiated in Sweden in January 2025 in patients with mixed dyslipidemia.

5. We have completed RBD1016's phase 2 global MRCT for treating CHB, with the last patient's final visit achieved in October 2025, and are currently finalizing data analysis for this trial. Subject to regulatory communications and emerging clinical data, we plan to advance RBD1016's clinical development in China in collaboration with external partners to actively investigate its therapeutic potential, including in combination regimens with other hepatitis B therapies such as vaccines.

6. RBD1016's phase 2a trial for treating CHD was commenced in Sweden in August 2024 and is expected to be completed by the end of 2026.

We are actively advancing our drug pipeline in each key therapeutic area:

- ***Cardiovascular, metabolic and renal diseases.*** Cardiovascular, metabolic and renal diseases are chronic conditions affecting vast patient populations worldwide. These interconnected diseases involve multiple organs and systems, with the liver serving as a key metabolic hub in their development and progression. Given the liver's central role in regulating many disease pathways, our liver-targeting pipeline, powered by our proprietary RiboGalSTAR™ delivery technology, offers a treatment approach to these widespread conditions.

  We are developing a comprehensive siRNA franchise for the treatment of thrombosis and dyslipidemia, represented by our Core Product RBD4059 and two other pipeline assets, RBD5044 and RBD7022, all currently in phase 2 clinical trials. Leveraging three targets, namely FXI, APOC3 and PCSK9, our drug franchise provides a multi-pronged approach to treating these complex diseases with synergistic potential.

  RBD4059 (FXI-targeting siRNA), our Core Product, is the world's first clinical-stage siRNA drug that targets thrombotic diseases, according to Frost & Sullivan. Thrombotic diseases have emerged as one of the leading causes of death worldwide, claiming over 10 million lives each year. By selectively inhibiting FXI, RBD4059 can potentially reduce the risk of thrombus formation without significantly increasing bleeding risks, a common limitation of traditional anticoagulants, while providing long-lasting effects with infrequent dosing to improve patient compliance. Taken together, RBD4059 represents a therapeutic option to treat and prevent thrombosis associated with atherosclerotic cardiovascular disease ("ASCVD") and other conditions associated with abnormal clot formation, such as atrial fibrillation, cancer-associated thrombosis, and venous thromboembolism.

  We completed RBD4059's phase 1 trial in Australia in healthy subjects in October 2024 and obtained the EMA's CTA approval in May 2024, pursuant to which we initiated RBD4059's phase 2a clinical trial in Sweden in August 2024. All patients in the phase 2a trial have completed treatment and are currently in the safety follow-up period. See "— Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD4059" for details.

  Meanwhile, ***RBD5044*** (APOC3-targeting siRNA) and ***RBD7022*** (PCSK9-targeting siRNA) are two assets designed for the treatment of hypertriglyceridemia ("HTG") and hypercholesterolemia, respectively — two common forms of dyslipidemia that significantly contribute to cardiovascular and metabolic diseases. Strategically, RBD5044 and RBD7022 serve as complementary monotherapies within our broader dyslipidemia portfolio. While each addresses distinct aspects of dyslipidemia independently, their combined use offers the potential for enhanced lipid management by addressing both elevated triglycerides and cholesterol levels.

We have completed RBD5044's phase 1 trial in Australia and submitted a CTA to EMA for RBD5044's phase 2 trial, which was approved in October 2024. This phase 2 trial is currently ongoing in Sweden in patients with mixed dyslipidemia. We obtained an IND approval from the NMPA for RBD7022 in September 2022 and completed the phase 1 trial of RBD7022 in March 2025 in China. See " — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD5044" and "— Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD7022" for details.

Cardiometabolic diseases have a well-established association with renal disorders, wherein inflammation and autoimmunity play pivotal roles. To address these interrelated pathologies, we have established a complement factor pipeline to target various renal and autoimmune diseases. Dysfunctions in the complement system can lead to tissue damage and inflammation, contributing to complement-mediated renal and autoimmune conditions such as IgA nephropathy ("IgAN"). Our GalNAc-conjugated siRNA candidates ***RBD7007*** and ***RBD2080*** are engineered to specifically target complement proteins in liver cells — the primary site of their production. This approach effectively reduces the levels of these complement proteins at their source and in circulation.

We obtained the CTA approval from the EMA in September 2024 to initiate RBD7007's phase 1 clinical trial. For RBD2080, we received the TGA's acknowledgment of our clinical trial notification in February 2025. See " — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD7007 and RBD2080" for details.

- ***Liver diseases.*** Despite medical advances, the treatment of liver diseases remains challenging. The inability of traditional treatments to target intracellular pathways within liver cells, coupled with severe side effects from systemic exposure, has left unmet need in the treatment of liver diseases and their complications, which account for approximately two million deaths annually. Our liver-targeted RiboGalSTAR™ delivery technology is designed to enable siRNA therapies to leverage intracellular pathways which were previously considered undruggable.

  Our liver disease strategy concentrates on two therapeutic areas with medical needs: chronic viral hepatitis, including chronic hepatitis B ("CHB") and chronic hepatitis D ("CHD"), and metabolic dysfunction-associated steatohepatitis ("MASH"), particularly advanced diseases.

  Our liver disease pipeline is led by ***RBD1016***, an siRNA candidate in global clinical development for patients with chronic hepatitis B Virus ("HBV") infection, including those with hepatitis D virus ("HDV") co-infection. Current antiviral therapies, primarily interferons and nucleoside analogs, are limited with no effective functional cure. With our liver-targeted RiboGalSTAR™ delivery technology, RBD1016 represents a therapeutic opportunity for CHB due to its differentiated

intracellular mechanism of action that potentially exerts multiple antiviral effects, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications. RBD1016, with its potent and durable effect on HBsAg, is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD.

For MASH, we focus on advanced disease stages, where our RiboGalSTAR™ delivery technology can potentially address the lack of effective therapeutics for fibrosis and inflammation — conditions where systemic treatments not only lack efficacy but can lead to serious side effects. This approach is exemplified by our strategic collaboration with Boehringer Ingelheim to develop siRNA drugs targeting multiple novel disease pathways for the treatment of MASH.

We have completed RBD1016's phase 2 global MRCT in CHB patients, with the last patient's final visit achieved in October 2025, and are finalizing data analysis for this trial. We received IND approval from the NMPA in October 2024, which enables us to potentially expand RBD1016's clinical trials for CHB into China. We also commenced a phase 2a trial in Sweden in August 2024 to further explore the therapeutic potential of RBD1016 for treating CHD, with trial completion expected by the end of 2026. See "— Our Pipeline — Liver Diseases — RBD1016" for details.

- ***Other therapeutic areas.*** We are also developing drug candidates for hereditary angioedema ("HAE") and inflammatory diseases based on our RiboGalSTAR™ delivery technology. We currently have over 20 other preclinical assets in our pipeline, including multiple siRNA candidates derived from RiboPepSTAR™, our proprietary platform being developed to target extra-hepatic organs and tissues like the kidney, CNS, and metabolic tissues such as adipocytes and muscles. Meanwhile, we have one drug candidate in IND-enabling studies for the treatment of glioma, leveraging RiboOncoSTAR™, our proprietary oncology-focused technology platform. We believe the agility of our technology platforms presents broad clinical potential, with the capability to advance two to four assets into clinical stage each year.

Our global vision and capabilities. We are committed to bringing our oligonucleotide therapeutics to patients worldwide. As such, we have established globally integrated drug development capabilities to do so with quality and efficiency. Led by a core scientific team with over 20 years of experience and insights in the development of oligonucleotide drugs and other therapeutics, we have obtained IND/CTA approvals from regulatory authorities in key global markets, while delivering efficient timelines in advancing candidates from target selection to trial initiation. In 2024 alone, we received five IND/CTA approvals from competent authorities, including four for phase 2 clinical trials. We are advancing multiple clinical trials across the globe, including Europe, China and Australia, leveraging the regulatory pathways of different jurisdictions to accelerate drug development. We have strategically assembled overseas development teams and established a dedicated clinical trial

center in Europe, enabling us to efficiently and rapidly advance our drugs through clinical trials while adhering to the highest international standards. By leveraging our global network, cutting-edge facilities, and unparalleled expertise, we are poised to revolutionize the oligonucleotide therapeutics landscape and bring life-changing treatments to patients worldwide.

Global MNCs have established a strategic footprint in siRNA drugs through partnerships and collaboration with leading biotech companies, with aggregate deal value exceeding US$22.2 billion since 2024. The dynamic investment landscape signifies market confidence in an increasingly mature and validated therapeutic modality, as well as accelerated industry growth going forward. We secured two collaborations with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.0 billion in total deal value: we are collaborating with world-class scientists through a partnership with Boehringer Ingelheim to develop novel siRNA therapies for MASH using our RiboGalSTAR™ technology, and with Qilu Pharmaceutical for RBD7022. These partnerships are recognition of our technology platforms and pipeline and successful representations of our strategy to extend our clinical and commercial reach globally and in China.

OUR COMPETITIVE STRENGTHS

We are a global biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics

We have established a robust pipeline of siRNA drugs, with seven in-house discovered drug assets in clinical trials for seven indications across cardiovascular, metabolic, renal and liver diseases, including one Core Product, RBD4059 (FXI-targeting siRNA) and three other siRNA assets in phase 2 clinical trials. We are also advancing over 20 preclinical assets in these major diseases, as well as cancer, inflammatory diseases and other therapeutic areas.

Oligonucleotide therapeutics are one of the most promising and fastest-growing treatment modalities in the last decade. siRNA drugs, a major class of oligonucleotide therapeutics, is a versatile approach that can be applied to a wide range of diseases and molecular targets. The inherent characteristics of this technology and its trajectory in drug development have shaped the siRNA drug market, endowing it with distinct features and critical success factors. We are confident in our ability to thrive in this industry, given our strategic alignment with the key determinants of success:

- ***We are leading the iteration of siRNA technology***. Targeted delivery and chemical modification technologies are the most crucial technologies in the success of an siRNA drug, as they are key determinants of the targeting specificity, potency and safety of a drug. We are leading the continued iteration of siRNA technology. In particular, our proprietary liver-targeted RiboGalSTAR™ platform is a GalNAc conjugate technology, a current mainstay delivery technology, and is well-validated by multiple drug candidates that have achieved clinical proof-of-concept. Based on our experience in RiboGalSTAR™, we are extending our know-how to build our

proprietary oncology-focused RiboOncoSTAR™ and extra-hepatic focused RiboPepSTAR™ technologies, while leading the upgrade of modification technologies to achieve improved potency and safety. These technologies serve as a solid foundation for continued drug discovery and development as we expand our pipeline within and beyond liver-focused targets and diseases.

- ***Our modular drug development enables de-risked programs and accelerated timelines***. siRNA drug development is highly modular once key proprietary technologies are established, allowing for the rapid design, screening and validation of new siRNA molecules targeting different genes. Armed with a mature and integrated R&D system with deep MNC experience in target assessment and validation, translational science, clinical development and CMC, we have been able to accelerate drug development and increase R&D success at higher rates than many other drug modalities. Our pipeline demonstrates a robust momentum, with all assets that entered into IND-enabling studies advancing to phase 1 trials, and all assets that have completed phase 1 trials to date successfully achieving phase 2 status. We have obtained IND/CTA approvals from regulatory authorities in key global markets, while delivering efficient timelines in advancing candidates from target selection to trial initiation. In 2024 alone, we received five IND/CTA approvals from competent authorities, including four for phase 2 clinical trials.

- ***We broaden the clinical applications of oligonucleotide therapeutics to major chronic diseases***. As with many novel drug modalities, early approved oligonucleotide drugs are primarily indicated for rare diseases and are costly therapies. By exploring siRNA drugs' potential to reach previously undruggable targets in a wide range of diseases, we are driving the development of this modality for a broad range of common chronic diseases such as cardiovascular, metabolic, renal and liver diseases, and inflammatory disorders. We believe we are positioned to accelerate oligonucleotide therapeutics' expansion beyond rare diseases to address major public health challenges, making these treatments accessible to millions of patients worldwide.

- ***We have a robust competitive moat in a complex IP landscape***. As one of the pioneers in this field, we have built a robust intellectual property portfolio in nucleic acid-based technology worldwide. As of the Latest Practical Date, we had a total of 473 patents and patent applications globally, covering major jurisdictions such as China, Europe, the U.S. and Japan, including 255 granted patents and 218 pending application, in relation to siRNA sequence, chemical modifications, delivery, molecular structure, combination therapies and clinical applications, among others, to protect our technologies and drug assets. Our IP moat has solidified our position in the industry and will continue to be a crucial factor to success.

End-to-end oligonucleotide therapeutics development and innovation capabilities

Through nearly two decades of continuous innovation, we have established comprehensive capabilities across all aspects of oligonucleotide drug development, including world-leading technology platforms, global translational science and clinical development infrastructure, and advanced system and expertise in CMC development and manufacturing. This integrated system drives sustained innovation output and accelerates the advancement of our pipeline programs, supporting seven in-house discovered clinical-stage siRNA candidates as well as over 20 preclinical programs, with the capability to advance two to four assets into clinical stage each year.

Proprietary technology platforms spanning the entire drug development process

Our technology platforms encompass all key aspects of oligonucleotide drug development, from drug delivery, chemical modification, multi-target drug design, to model-informed drug development, pharmacology research and manufacturing. Our technology is protected by patents across major jurisdictions including China, Europe, the U.S. and Japan, positioning us among the few companies globally with comprehensive patent protection in this field.

We are among a select group of oligonucleotide drug developers worldwide with proprietary, clinically validated liver-targeting GalNAc delivery technology. Our pioneering, liver-targeting RiboGalSTAR™ platform offers competitive targeting, specificity and efficiency. To date, RiboGalSTAR™ has advanced seven programs into clinical development across cardiovascular, metabolic, renal and liver diseases, marking it as one of the most productive GalNAc platforms globally. It continues to be applied in the development of new targets and indications, including in our strategic partnership with Boehringer Ingelheim to explore multiple novel targets in MASH.

Extra-hepatic delivery represents the next frontier in oligonucleotide therapeutics. Building on RiboGalSTAR™, we are developing a comprehensive suite of delivery technologies targeting organs and tissues beyond the liver, including solid tumors, kidney, CNS, and metabolic tissues such as adipocytes and muscles. We have developed RiboOncoSTAR™, a leading tumor-targeting platform utilizing oligonucleotide-conjugate delivery technology, to support our development of multiple potentially first-in-class cancer treatments. Beyond tumor targeting, we are developing RiboPepSTAR™ to target other critical tissues and organs. RiboPepSTAR™ has generated superior efficacy in kidney and CNS delivery compared to existing therapies across multiple disease models, placing us at the forefront of global oligonucleotide research among leading drug developers.

Our expertise in chemical modification complements our delivery technologies as a core competitive advantage. Chemical modifications are essential for developing effective oligonucleotide therapeutics, protecting nucleic acids from degradation while minimizing off-target effects and immunogenicity. Our proprietary RSC (Ribo Stabilization Chemistry) platform achieves potent, sustained gene suppression with enhanced target specificity,

significantly improving drug safety and developability. The synergy between RSC and our RiboGalSTAR™ delivery technology is demonstrated by the favorable safety profile and sustained efficacy of RBD4059 and other clinical-stage assets. We have continued to iterate this technology, featuring broader sequence compatibility and a unique strategy to reduce off-target effects, and AI-empowered strategies.

Global translational science and clinical development infrastructure

We have established a global R&D system, with a team including over 270 members led by numerous international experts who served as executives at global MNCs, to match optimal therapeutic targets with their most promising disease applications, and to accelerate clinical development to bring innovative oligonucleotide therapeutics to patients worldwide.

Our strong translational science team, led by industry experts with extensive multinational pharmaceutical experience, employs cutting-edge technologies and AI-driven approaches empowered by our strategic partners to identify and validate novel disease targets. In parallel with our clinical trials, we conduct extensive pre-screening and patient characterization studies to refine inclusion/exclusion criteria and enable precise patient selection, accelerate subject enrollment, and optimize our biomarker strategy and endpoint design. This systematic approach strengthens the scientific rigor and efficiency of our clinical development programs and maximizes the chances of success across our pipeline.

Our global R&D is highlighted by a Sweden-based R&D center, Ribocure AB, which integrates research facilities with a specialized Clinical Trial Unit ("CTU"), Ribocure Clinic, that optimizes trial execution while meeting regulatory and ICH standards. We believe that a dedicated CTU provides stronger clinical management and control, and higher operational and cost efficiency, enabling us to conduct reliable and high-volume clinical studies. Currently, Ribocure AB conducts all our ongoing clinical studies in Europe, including two ongoing phase 2 trials run independently by our CTU currently with the capacity to enroll over 100 patients. We also have a distinguished scientific advisory board of seven world-class scientists with extensive experience in our therapeutic areas of focus and oligonucleotide drug development. These experts guide target selection and clinical development strategy of our siRNA pipeline, strengthening our global competitive position.

World-class oligonucleotide CMC development and manufacturing expertise

We are one of the very few oligonucleotide drug developers worldwide with comprehensive in-house CMC capabilities, enabling independent drug development from target identification through clinical development. Our integrated system encompasses advanced process development, chemical analysis, technology transfer, and regulatory filings, significantly reducing dependence on third-party service providers such as CDMOs. Our continuous innovations in CMC technology optimize clinical development processes through enhanced cost efficiency, quality control and accelerated timelines, enabling us to bridge R&D and future commercial-scale manufacturing — ultimately paving the way for oligonucleotide therapeutics to transition from specialty medicines to widely accessible treatment options.

Our manufacturing capabilities are anchored by our EU QP-certified oligonucleotide drug substance manufacturing facility in Kunshan, Jiangsu, featuring GMP-compliant manufacturing line. These facilities can produce 5 kg of drug substance annually, supporting all development phases from early research through phase 3 trials. Meanwhile, we maintain analytical capabilities covering method development, study of quality, and GMP-compliant testing. Furthermore, our global CMC regulatory expertise is demonstrated by the independent preparation of CMC documentation and clinical trial applications across major jurisdictions.

First clinical-stage siRNA drug globally that targets a broad patient population in thrombotic diseases

We have independently developed RBD4059, our Core Product and a siRNA drug candidate for thrombotic diseases, utilizing our proprietary RiboGalSTAR™ liver-targeting platform. Thrombotic diseases have emerged as one of the leading causes of death worldwide, claiming over 10 million lives each year. Current standard-of-care anticoagulants, including warfarin, heparin, and direct oral anticoagulants ("DOACs"), face significant limitation as they expose patients to potentially serious bleeding risks.

RBD4059 addresses this challenge by combining the advantages of FXI targeting with siRNA drug technology, offering significant safety benefits while maintaining strong efficacy. Based on clinical and preclinical evidence, RBD4059 has demonstrated FXI inhibition levels that could meet efficacy thresholds across a broad range of indications, while substantially reducing bleeding risks associated with conventional anticoagulants. Furthermore, the long-acting nature of siRNA therapeutics offers the potential for significantly improved patient compliance, positioning RBD4059 as an optimal treatment option for a broad range of thrombotic disease patients.

RBD4059 is the world's first clinical-stage siRNA drug that targets thrombotic diseases, according to Frost & Sullivan. We completed RBD4059's phase 1 trial in Australia in healthy subjects in October 2024 and obtained the EMA's CTA approval in May 2024, pursuant to which we initiated RBD4059's phase 2a clinical trial in Sweden in August 2024. All patients in this phase 2a trial have completed treatment and are currently in the safety follow-up period.

We believe RBD4059 is differentiated by the following key advantages:

- ***Potential first-in-class siRNA candidate for thrombotic diseases***. RBD4059 is the world's first clinical-stage siRNA drug that targets thrombotic diseases, representing a novel approach to managing thrombotic diseases. RBD4059's siRNA-based approach offers distinct advantages over both small molecules and antibodies for FXI inhibition: unlike small molecule drugs which often require daily dosing, RBD4059 can achieve sustained reduction in FXI protein and activity with extended dosing intervals up to several months, while its unique drug mechanism also eliminates the need for specific antidotes. Compared to protein-based drugs like antibodies, RBD4059's synthetic design and liver-targeted delivery reduce the risk of immune reactions and anti-drug antibodies (ADA). Currently as the most advanced siRNA therapy in terms of clinical development progress for thrombotic diseases globally, RBD4059 showcases the capability of our proprietary RiboGalSTAR™ delivery platform to create first-in-class therapeutics.

- ***Enhanced anticoagulation effects across different clinical settings***. It has been well-established that FXI inhibition levels exceeding 70% effectively reduces thrombosis formation in human venous thrombosis, with efficacy and safety profiles superior to standard-of-care treatment. RBD4059 has demonstrated a broad range of FXI inhibition levels that could meet efficacy thresholds potentially required for various thromboembolic indications. In our phase 1 clinical trial, RBD4059 showed strong therapeutic effects, and the mean maximum percentage change from baseline in FXI activity from the 50 mg, 150 mg, 400 mg, and 600 mg cohorts were 67.5%, 81.0%, 85.8%, and 91.6%, respectively, with a sustained effect observed on day 169.

- ***Reduced bleeding risks compared to standard-of-care***. RBD4059 combines the advantages of FXI targeting with siRNA drug technology, offering significant safety benefits while maintaining strong efficacy. Patients receiving conventional anticoagulant therapies frequently experience various adverse events, including bleeding, drug interactions, hepatic and renal injury, and allergic reactions. In RBD4059's phase 1 clinical trial, no adverse safety signals were identified within the tested dose ranges. All drug-related treatment-emergent adverse events ("TEAEs") reported in the RBD4059 group (16.7%) were injection site reactions. Additionally, no TEAEs of grade 3 or above, or drug-related serious adverse events ("SAEs") were observed, demonstrating RBD4059's favorable safety profile. Notably, no signs of increased bleeding have been identified even at inhibition level exceeding 90%, supporting RBD4059's potential as a novel hemostatis-sparing anti-thrombotic therapy.

- ***Improved patient compliance from long-lasting effects***. RBD4059 shows promise in achieving dosing intervals of up to several months, which significantly enhances patient adherence to the treatment regimen. Poor patient compliance is one of the major challenges faced by patients receiving existing antithrombotic therapies. Compared to current standard-of-care anticoagulants that require dosing every few hours to days, RBD4059, leveraging the sustained efficacy enabled by our RiboGalSTAR™ delivery platform, could offer patients a low-frequency dosing regimen of once every three to six months, potentially leading to better patient compliance in chronic thrombotic disease management.

Differentiated clinical-stage pipeline candidates targeting major diseases worldwide

Besides our Core Product RBD4059, we are advancing other clinical-stage products, including RBD5044 and RBD1016. Each of these clinical-stage products was developed using our proprietary RiboGalSTAR™ liver-targeting delivery platform and represents globally innovative or emerging therapeutic frontiers, with demonstrated compelling profiles combining favorable safety data, extended duration of action, and robust efficacy in clinical studies to date.

The following are the highlights of RBD5044 and RBD1016:

- ***RBD5044: potential best-in-class siRNA candidate for HTG***. RBD5044 is the second siRNA globally to enter clinical development that targets APOC3, a protein that plays a critical role in lipid metabolism. Globally, the prevalence of dyslipidemia in adults is estimated at around 40%, affecting approximately 3.0 billion individuals each year, with HTG (including mixed dyslipidemia) accounting for approximately 25% of all cases, according to Frost & Sullivan. Current treatments for HTG are limited by modest efficacy, daily dosing requirements, and significant side effects such as hepatotoxicity, myopathy, gastrointestinal disturbances and pancreatitis risk. APOC3-targeting therapies have emerged as a breakthrough approach by directly inhibiting a key regulator of lipid metabolism, thereby enhancing the clearance of triglyceride-rich lipoproteins and remnant cholesterol from the bloodstream. This strategy provides more effective and targeted management of triglyceride and remnant cholesterol-related cardiovascular risk compared to LDL cholesterol-focused standard-of-care treatments, as triglyceride rich particles and remnant particles are increasingly recognized as major contributors to atherosclerotic plaque formation and vascular damage. To date, no APOC3-targeting therapeutic has been approved for the treatment of HTG globally.

  RBD5044 is uniquely designed to combine APOC3 inhibition with siRNA's long-lasting effects, potentially transforming treatment in this significant disease area. In preclinical studies, RBD5044 has demonstrated competitive triglyceride-lowering efficacy while achieving superior APOC3 protein suppression, the latter suggesting enhanced and more sustained triglyceride control. RBD5044's mechanistic advantage has translated into clinical benefits. We presented results from RBD5044's phase 1 clinical trial in healthy subjects in Australia at the 2025 European Society of Cardiology ("ESC") Congress, which demonstrated its potential and long-acting efficacy. RBD5044's safety data from its phase 1 trial showed a favorable safety profile.

  Strategically, RBD5044 complements our broader dyslipidemia portfolio, enabling potential combination approaches that could deliver enhanced lipid control. This supports the potential of RBD5044 as both a monotherapy and a backbone for potential combination strategies.

- ***RBD1016: siRNA candidate for CHB and CHD in global clinical development.*** RBD1016, with its potent and durable effect on HBsAg, is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD.

  CHB is the world's most prevalent liver infection with no major treatment breakthroughs in the past 20 years. Current antiviral therapies, primarily interferons and nucleoside analogs, are limited with no effective functional cure. siRNA represents a therapeutic modality and a potential functional cure for CHB due to its differentiated intracellular mechanism that potentially exerts multiple antiviral effects, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications. As of the Latest Practicable Date, there were no siRNA drugs approved for treating CHB globally.

RBD1016's phase 1 results showed sustained HBsAg reduction following single administration, with dose-dependent response and favorable safety and tolerability profile. With CTA approval from the EMA and IND approval from the NMPA received in May 2023 and October 2024, respectively, we are actively exploring RBD1016's potential as a next-generation CHB treatment to achieve functional cure in the disease. Furthermore, RBD1016's design and mechanism position it as a potential treatment for CHD with superior safety and efficacy compared to existing treatments. We commenced a phase 2a trial in Sweden in August 2024 to further explore the therapeutic potential of RBD1016 for treating CHD.

Global partnerships on platform and asset level to drive future growth

We firmly believe in the power of strategic and synergistic partnerships to accelerate our growth and expand the global reach of our groundbreaking therapeutics. As a global biotech company with well-established technology platforms and a robust pipeline driven by our outstanding oligonucleotide drug discovery capabilities, we actively seek partnerships that can broaden the clinical applications of our platforms, expedite the development of high-potential assets in key jurisdictions with collaboration opportunities in development and commercialization, and enhance our expertise and capabilities as we evolve into a world-class global biopharmaceutical company.

Our experienced global business development team strategically drives value creation across our pipeline through a flexible development approach, evaluating and pursuing optimal pathways for each asset. We have secured two collaborations with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.0 billion in total deal value, validating the strength of both our technology platforms and drug candidates. These transactions have become flagship deals in the siRNA industry, showcasing the success and scalability of our partnership strategy. Key features and advantages of our partnership strategy is set forth below:

- ***Validation of our R&D capabilities***. Our out-licensing arrangements are strong validation by global MNCs and leading domestic biopharmaceutical companies of our technologies, assets, and research and development capabilities. Our partnership with Boehringer Ingelheim stands out as the sole platform-level partnership between a China-based biotech company and a global MNC in the RNAi space, and one of only six siRNA out-licensing deals in 2023 that exceeded US$1.0 billion in value.

- ***Empowerment by synergistic and complementary qualities of partners***. As a growing biotech company, we seek to advance our pipeline programs and strengthen our operating capabilities by working closely with partners with complementary skillsets and resources. In our partnership with Boehringer Ingelheim, we will be able to leverage the deep understanding and know-how in liver disease biology of Boehringer Ingelheim, which would not only benefit the targets and assets under development in our partnership, but also fuel our own understanding of these interconnected diseases as we further develop our own pipeline and knowledge base. We partner with Qilu Pharmaceutical to leverage their strong clinical development

and commercialization experience in China, which will be instrumental to the successful commercialization of RBD7022 in a key market. Through this partnership, we expect to gain valuable insights that will benefit the future commercialization of our pipeline.

- ***Financial foundation to reinvest in our future***. The upfront payments, milestone payments, and potential royalties from our partnerships provide us with a strong financial foundation to reinvest in our future growth.By leveraging the financial resources gained through our partnerships, we can accelerate our internal R&D and clinical development efforts, pursue additional strategic collaborations, and invest in the infrastructure necessary to support our long-term growth objectives. This financial stability and flexibility will help us navigate the dynamic and competitive landscape of the global biopharmaceutical industry and strive to deliver novel therapeutics to patients worldwide.

Seasoned management team with proven track record

We have assembled a management team with extensive multinational pharmaceutical experience spanning the entire oligonucleotide therapeutic value chain. Together, they bring decades of proven track record in drug discovery, clinical development, manufacturing, regulatory affairs, business development and commercialization, including substantial experience leading drug development programs at global MNCs. Their combination of scientific expertise, industry experience, and commercial acumen strengthens our competitive position in the global pharmaceutical landscape.

- **Dr. LIANG Zicai, PhD**, our founding Chairman and CEO, is a member of our core strategic group, mainly responsible for our corporate strategy, technological innovation, and fundraising. Dr. Liang has accumulated over 20 years of pioneering research in oligonucleotide technologies and RNA therapeutics, yielding breakthrough advances in siRNA delivery, stabilization, and specificity. A prolific scholar, he has authored nearly 140 scientific publications and achieved an H-index of 58, and was the inventor of multiple patents in these fields. Prior to assuming the role of our full-time CEO in 2017, Dr. Liang held a tenured professorship at Peking University's Institute of Molecular Medicine for over a decade, and served as an associate professor at Karolinska Institutet in Sweden. Notably, Dr. Liang spearheaded China's first major siRNA research project under the State High-Tech Development Plan (國家高技術研究發展計劃), and has contributed to multiple national-level research programs over the past two decades. Dr. Liang also serves on the board of several prominent nucleic acid-focused societies and committees, and his groundbreaking work has been fundamental in advancing China's oligonucleotide therapeutics industry.

- **Dr. GAN Liming, MD, PhD**, our co-CEO, Global R&D President and Chief Medical Officer, is a member of our core strategic group, responsible for our overall R&D strategy and operation, pipeline development and business development activities. Dr. Gan is an internationally acclaimed pharmaceutical expert with over 20 years of expertise in drug discovery, translational science, global clinical development and cross-border collaborations. Prior to joining us, Dr. Gan had led and overseen numerous early-phase and proof-of-concept MRCTs in his role as head and global vice president of clinical development at AstraZeneca in cardiovascular, renal, liver diseases and metabolism. In particular, he is a pioneer in the development of first- and best-in-class oligonucleotide therapeutics and other nucleic acid-based drugs. Notably, he orchestrated the world's first clinical trial with chemically modified mRNA, marking a key advancement in nucleic acid-based therapeutics. Dr. Gan is also the CEO of Ribocure AB, our global R&D center.

- **Dr. ZHANG Hongyan, PhD**, our founding President, is a member of our core strategic group, responsible for our overall corporate operation. Dr. Zhang brings her unique blend of scientific expertise and entrepreneurial acumen to our leadership team. After obtaining her PhD in molecular biology from Uppsala University, Sweden in 1996 and completing her postdoctoral research at Yale University, Dr. Zhang continued her career as a distinguished researcher at the Karolinska Institutet. She successfully founded two oligonucleotide-focused biotechnology companies in Sweden before becoming our founding President in 2007. With over two decades of entrepreneurial experience and extensive expertise in oligonucleotide research and therapeutic development, Dr. Zhang has played a pivotal role in our transformation over the years, leading the establishment of our comprehensive innovation capabilities and rich pipeline of oligonucleotide therapeutics.

- **Dr. John TAYLOR, PhD**, our Vice President and Global Head of Business Development, has over 25 years of experience in the global biopharmaceutical industry and an academic background in DNA-protein recognition and biochemistry. Dr. Taylor worked in Business Development at AstraZeneca leading search and evaluation and executing transactions. He has also worked for Pfizer Global Research and Development conducting innovative R&D and leading projects. Dr. Taylor's accomplished record in forging strategic partnerships and well-established connections across the pharmaceutical, biotechnology, and academic landscapes have been instrumental to our global collaboration initiatives.

- **Dr. TONG Cheng, PhD**, our Executive Vice President, is primarily responsible for leading the implementation of our product development strategies, our preclinical research, CMC development and manufacturing capacities. Dr. Tong has been instrumental in building our highly efficient, integrated global R&D infrastructure and CMC capabilities in oligonucleotide therapeutics. Before joining us in 2016, Dr. Tong spent 15 years at Pfizer Inc., where he held various senior scientific and leadership positions within this global MNC's worldwide R&D organization, including senior director roles in pharmaceutical sciences, and general manager of

Hisun-Pfizer Pharmaceuticals R&D Center. As a recognized industry leader, Dr. Tong served as the chair and board member of the International Society for Pharmaceutical Engineering (ISPE) China and the chair of the APEC Asia-Pacific Council of the ISPE.

- **Dr. GAO Shan, MD, PhD**, our Senior Vice President and Chief Scientific Officer, has co-led the development of our groundbreaking technology such as RNA modification and delivery technology platforms. He is responsible for the preclinical studies of our pipeline candidates, from drug discovery, pharmacological studies to translational science. Dr. Gao's distinguished career includes roles as a senior researcher and associate professor at the Institute of Molecular Biology and Nanoscience Research Center at Aarhus University, Denmark, where he made significant contributions to nucleic acid-based technologies and oncology research. Additionally, he has over a decade of clinical experience at the Hospital of Stomatology, Tianjin Medical University.

- **Dr. Anders GABRIELSEN, MD, DMSc**, our Vice President and Head of Global Clinical Development, is an experienced physician-scientist with over a decade of industry expertise in the cardiovascular, renal, and metabolism therapy area. Trained as a cardiologist and internist at the Karolinska Institutet and Karolinska University Hospital, Sweden, Dr. Gabrielsen specializes in heart failure and has played key roles in core clinical teams across all aspects of cardiology and internal medicine, with a focus on translational cardiovascular science. Dr. Gabrielsen's work spans multiple mechanisms of action, indications, and product launches, with global industry experience from leading MNCs such as Bayer, Novartis, and AstraZeneca. Most recently, at AstraZeneca, he served as executive group director for early clinical development, where he was responsible for overseeing clinical activities in cardiovascular and heart failure projects.

- **Mr. ZHANG Su,** our Chief Financial Officer, brings over two decades of strategic and financial leadership across global investment banks, leading healthcare institutions and listed pharmaceutical companies. His deep expertise spans equity research, corporate finance and capital market operations, with a strong track record in driving value creation and investment decisions. Prior to joining us, Mr. Zhang served as chief financial officer of Wuhan Neurophth Biotechnology and Ascentage Pharma, where he led corporate strategy and financing initiatives. He also held capital market roles at BNP Paribas and Standard Chartered Bank earlier in his career, focusing on healthcare equity research across Greater China.

OUR BUSINESS STRATEGIES

As a globally leading developer of oligonucleotide therapeutics, we are leveraging our pioneering technology and solid expertise to become a global biopharmaceutical company. Our goal is to integrate all key stages of end-to-end oligonucleotide drug development. We aim to develop accessible, potentially first-in-class or best-in-class treatment options that address unmet medical needs for patients worldwide, driving forward our vision of becoming a globally leading pharmaceutical company dedicated to innovative oligonucleotide therapeutics.

To achieve our vision, we plan to rapidly advance the development of our Core Product and other pipeline candidates. We also aim to solidify our technology platforms, expand our IP portfolio, and further enhance our integrated CMC and manufacturing capabilities. Through the dual approaches of collaboration and in-house development, we strive to maximize the commercial value of our drug candidates, while pursuing sustainable growth through global business development and strategic partnerships.

Accelerate the global development and commercialization of lead drug candidates

Leveraging our global clinical development and multi-regional regulatory capabilities, we are rapidly advancing our lead drug candidates toward regulatory approval to achieve early commercialization. We have strategically focused on two key therapeutic areas — cardiovascular, metabolic and renal diseases, and liver diseases, which we plan to advance as elaborated below.

Cardiovascular, metabolic, and renal diseases. We plan to prioritize the development of our siRNA drug candidates for the treatment of cardiovascular, metabolic, and renal diseases, which present substantial market opportunities as a result of unmet medical needs.

- RBD4059. We are rapidly advancing RBD4059 as a potential first-in-class siRNA for thrombotic diseases. In addition to its phase 2a clinical trial for the treatment of coronary artery disease in Sweden, we expect to initiate phase 2b trials for RBD4059 in 2026 to expand further into new indications, with results intended to support advancement to phase 3. We are actively planning the next phase of clinical trials for RBD4059 in targeted patient populations.

- RBD5044. We are advancing RBD5044 as a potential best-in-class APOC3 targeting siRNA for HTG. We initiated a phase 1 clinical trial in Australia in November 2022 and completed this trial in October 2024. We submitted a CTA to EMA for RBD5044's phase 2 trial, which was approved in October 2024, and initiated this clinical trial in Sweden in January 2025 in patients with mixed dyslipidemia.

Liver diseases. Within our liver disease focus, RBD1016 is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD. We have completed RBD1016's phase 2 global MRCT for treating CHB in Sweden and Hong Kong, and are currently finalizing data analysis for this trial. We received IND approval from the NMPA in October 2024, which enables us to potentially expand RBD1016's clinical trials for CHB into China. Subject to clinical progress and regulatory communications, we plan to initiate a global MRCT to evaluate the potential of RBD1016 in combination therapy, which will include clinical sites in China. We are also exploring the therapeutic potential of RBD1016 for treating CHD and commenced a phase 2a trial in Sweden in August 2024, with trial completion expected by the end of 2026.

We have developed a comprehensive clinical development strategy that selects trial jurisdictions based on each candidate's therapeutic and commercial potential, taking into account factors such as regulatory pathway optimization, patient population and enrollment challenges, and cost efficiency. For RBD4059, our Core Product positioned to become the first approved siRNA therapy globally for thrombotic diseases, we prioritize regions with efficient regulatory pathways, starting with Australia and currently focused on Sweden and other European regions. RBD4059 is also our first siRNA candidate with its phase 2 trial run independently at our Sweden-based CTU, Ribocure Clinic, enabling us to leverage our in-house clinical management capability to enhance quality control and operational efficiency. For RBD1016, our product targeting one of the world's most prevalent chronic diseases, we target regions with high hepatitis B prevalence rates and significant need for innovative treatments. We select locations where viral characteristics in patients can be clearly identified, allowing us to better match treatments to specific patient needs. This flexible and tailored approach ensures each program advances through strategically optimized routes while maintaining operational efficiency across our portfolio.

Advance the development of extra-hepatic oligonucleotide drug development and enhance CMC and manufacturing capabilities

The delivery system is a crucial element that has driven the development and iteration of innovative oligonucleotide therapeutics. We have built a cutting-edge model-informed oligonucleotide drug development platform and strong translational science capabilities that have enabled our development of RiboGalSTAR™, validated by seven clinical-stage drug candidates and our partnership with Boehringer Ingelheim. In addition, we have a deep pool of early-stage programs and aim to advance two to four programs into clinical stage each year, broadening our liver-targeted pipeline.

We aim to unlock the value of RNAi technology by developing delivery technologies beyond the liver, targeting other organs and tissues such as solid tumors, kidney, CNS, and metabolic tissues such as adipocytes and muscles. In doing so, we have made significant progress in discovering and designing differentiated extra-hepatic oligonucleotide drug candidates. We will continue to advance our technologies to expand our therapeutic reach beyond the liver, addressing previously inaccessible disease targets.

- RiboOncoSTAR™ is our novel tumor-targeted delivery technology platform, through which we are developing novel targeted therapies for glioma, pancreatic cancer and other solid tumors. These programs are in preclinical research stage.

- RiboPepSTAR™ is our proprietary platform for targeted oligonucleotide delivery to extra-hepatic organs and tissues, enabling precise drug delivery to specific cell types. Our current pipeline includes candidates targeting the kidney and CNS, and are expanding to candidates targeting adipocytes and muscles.

In addition to delivery technologies, we will also focus on R&D breakthroughs in dual-targeting and multi-targeting technologies, as well as advanced chemical modification and synthesis technologies. Our RSC technology platform has evolved through multiple generations to optimize oligonucleotide therapeutics. RSC, protected by patents in major markets including the U.S., Canada, and Australia, enhances bioactivity, duration of effect, and safety while reducing off-target effects and immunogenicity. We have continued to iterate this technology, featuring broader sequence compatibility and a unique strategy to reduce off-target effects, and AI-empowered strategies.

To drive rapid pipeline advancement, we are also enhancing our integrated CMC and manufacturing capabilities. By upgrading our production capacity, we aim to achieve higher cost efficiency to better meet our future development needs.

Expand and solidify our intellectual property portfolio to protect long-term innovation

Our competitive edge is built on our innovative R&D capabilities and translational outcome, which is safeguarded by a robust intellectual property portfolio. Therefore, we will continue to enhance our global intellectual property strategy for liver-targeted and extra-hepatic oligonucleotide therapeutics to support our long-term sustainable development.

We have established a dedicated intellectual property team and developed tailored protection strategies for each project's patents and trade secrets, effectively safeguarding our intellectual property and minimizing R&D and operational risks. Our team will conduct systematic intellectual property protection throughout each project's lifecycle, including early-stage participation in innovation meetings, discussions on technical patentability, and conducting patent searches and analyses to improve R&D efficiency. During the R&D process, we will provide intellectual property training and consulting, assess the patentability of innovations, and mitigate potential risks. As needed, our team will also engage in clinical projects to ensure timely protection of any intellectual property generated.

Currently, we have a global patent portfolio covering key jurisdictions, including China, Europe and the U.S., with a forward-looking coverage of our technology platforms and products. Looking ahead, we will continue to strengthen our intellectual property protection for liver-targeted and extra-hepatic technologies and products. This includes frequent assessments and adjustments to our overall patent strategies, strategically applying for global patent protection for key R&D breakthroughs, upgrading our patent management and application systems, enhancing our IP management team and capabilities and increasing efficiency of our global patent applications and approvals.

Actively seek collaboration opportunities with world-class partners to maximize the clinical and commercial value of our drug assets and platforms

We will continue to expand our presence in both domestic and international markets by developing a comprehensive global commercialization strategy to address unmet medical needs in Europe, the U.S., China and beyond. We believe in the value of win-win partnerships to achieve this goal, and will strengthen our international business development team, enhance our commercialization capabilities, and actively pursue out-licensing partnerships, collaborations and other strategic alliances. We believe these opportunities will enable us to maximize our resources and utilize synergies from our partners to capitalize on market opportunities and increase rate of returns.

For our pipeline products, we will adopt a dual-pronged strategy that combines out-licensing and commercial sales to maximize our presence in Europe, China and the U.S. We will strategically pursue partnerships that complement us and offer synergies, such as global or regional drug licensing, co-development, and transfer of product commercialization rights. For in-house discovered pipeline products, we seek partnerships with global MNCs or leading domestic biopharmaceutical companies to accelerate their development. For example, together with Qilu Pharmaceutical, we will continue to advance the global development plan for RBD7022 as a PCSK9-targeting siRNA for hypercholesterolemia. Anticipating the commercialization of our late-stage drug candidates with large indications, we will actively seek collaboration with strategic partners with proven commercialization capabilities.

For our technology platforms, we will pursue innovative technology collaborations and leverage international cooperation opportunities to further unleash the value of our targeted delivery platforms. In addition to our existing collaboration with research partners to accelerate target identification and validation, we intend to utilize AI platforms to develop customized modification solutions for diverse siRNA sequences. This systematic, AI-driven approach accelerates our platform development while generating and accumulating valuable clinical safety and efficacy data across our modification technologies, continuously enhancing our development capabilities and research success rate in the field of cardiovascular and metabolic diseases. Through these initiatives, we strive to become the preferred partner for oligonucleotide research worldwide, maximize the utilization of our technology platforms and strengthen our competitiveness in the global market.

Cultivate an innovation-driven and inclusive corporate culture to build a globally leading biopharmaceutical company

We are committed to establishing a corporate culture and team that values innovation and global vision to ensure our leading position in the oligonucleotide therapeutics field. We will focus on cultivating a professional, innovative, and international talent team, combining internal training with external recruitment to cultivate and attract individuals with extensive experience in drug research, clinical development, and commercialization, thereby enhancing our overall competitiveness. At the same time, we will enhance cultural exchanges between our domestic and international operations to promote diversity and collaboration. Our multi-cultured management team will actively promote activities to deepen understanding and recognition among teams and enhance our global corporate identity. In 2024, we were named Greater Suzhou Best Employer, in recognition of our efforts in building corporate culture.

We will also continue to recruit top external talents across China, Europe, and the U.S., especially those with extensive experience in oligonucleotide drug discovery, clinical development, CMC, commercialization, and management at leading global MNCs. Guided by our mission to deliver innovative oligonucleotide therapies globally, we continue to strengthen our scientific capability through collaboration with world-renowned experts on our scientific advisory board. Our commitment to excellence, fostered by our innovative culture and international talent base, drives our development of first-in-class and best-in-class oligonucleotide therapeutics. With strong foundations established in China and Europe, we are positioned to emerge as a leading global biopharmaceutical company.

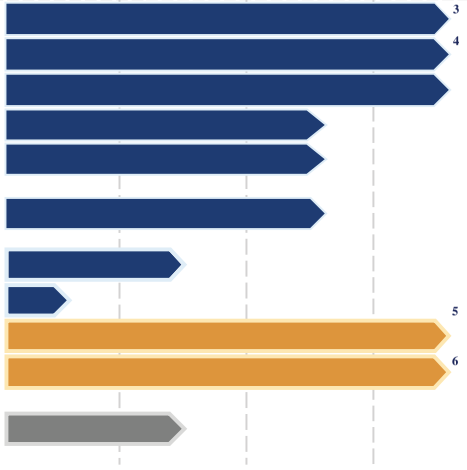
OUR PIPELINE

Overview

We are at the forefront of oligonucleotide drug innovation focused on cardiovascular, metabolic, renal and liver diseases, as well as other therapeutic areas. These key therapeutic areas represent areas of significant global medical burden with limited treatment options, and involve underlying pathogenic mechanisms that are aligned with the targeting capabilities of our technology platforms.

The pipeline chart below summarizes the development status of our clinical-stage drug candidates and selected preclinical assets. All drug candidates listed in this pipeline chart were discovered internally by our research and development team. Leveraging our RiboGalSTAR™ platform equipped with proprietary and clinically validated GalNAc delivery technology, we have consistently advanced siRNA programs in-house from discovery through clinical development across cardiovascular, metabolic, renal and liver diseases. For details, see "— Research and Development."

Therapeutic Area	Compound	Target/MoA	Indication	Commercial Rights	Jurisdictions*
Cardiovascular, Metabolic and Renal Diseases	RBD4059 ★	FXI	Thrombotic Diseases	Global	EU, China, U.S.
	RBD5044	APOC3	Hypertriglyceridemia	Global	EU, China, U.S.
	RBD7022	PCSK9	Hypercholesterolemia	Global (ex-China)[1]	EU, U.S.
	RBD7007	C5	Renal Diseases[2]	Global	EU, China, U.S.
	RBD2080	C3	Renal Diseases[2]	Global	EU, China, U.S.
	RBD1119	Thrombosis-related Factor	Thrombotic Diseases	Global	EU, China, U.S.
	SR122	Lipid Lowering	Dyslipidemia	Global	N/A
	RBD3103	Anti-renal Injury	Renal Diseases	Global	N/A
Liver Diseases	RBD1016	HBV-X	CHB	Global	EU, China, U.S.
			CHD	Global	EU, China, U.S.
Other Therapeutic Areas	RBD8088	Conjugated Anti-tumor Agent	Glioma	Global	N/A



★ Core Product

Notes:

* Key jurisdictions in which the drug candidates are being developed and/or planned to be commercialized. Preclinical assets are not yet assigned specific jurisdictions and are instead marked "N/A" given their early development stage.

1. In December 2023, we granted Qilu Pharmaceutical Co., Ltd. ("Qilu Pharmaceutical") exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. See "— Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical."

   Subject to regulatory communications and emerging clinical data, we plan to initiate clinical trials in the EU to evaluate RBD7022 in combination with our other siRNA drug candidates targeting dyslipidemia.

2. RBD7007 and RBD2080 are also under investigation as a potential treatment for autoimmune diseases.

3. As of the Latest Practicable Date, all patients in RBD4059's phase 2a trial for coronary artery disease in Sweden had completed treatment and were in the safety follow-up period.

4. RBD5044's CTA to the EMA for phase 2 trial was approved in October 2024. This phase 2 trial was initiated in Sweden in January 2025 in patients with mixed dyslipidemia.

5. We have completed RBD1016's phase 2 global MRCT for treating CHB, with the last patient's final visit achieved in October 2025, and are currently finalizing data analysis for this trial. Subject to regulatory communications and emerging clinical data, we plan to advance RBD1016's clinical development in China in collaboration with external partners to actively investigate its therapeutic potential, including in combination regimens with other hepatitis B therapies such as vaccines.

6. RBD1016's phase 2a trial for treating CHD was commenced in Sweden in August 2024 and is expected to be completed by the end of 2026.

To date, we have advanced seven in-house discovered siRNA drug candidates into the clinical stage, positioning us among global leaders in oligonucleotide development. Beyond our clinical pipeline, we maintain over 20 preclinical programs that we aim to advance into clinical development.

Cardiovascular, Metabolic and Renal Diseases

We have developed a comprehensive siRNA franchise with synergistic potential for the treatment of thrombosis and dyslipidemia, represented by our Core Product RBD4059 and two other pipeline assets, RBD5044 and RBD7022, all currently in phase 2 clinical trials. We are also developing siRNA drugs targeting key proteins in the complement pathway, represented by RBD7007 and RBD2080, to treat renal and autoimmune diseases.

RBD4059, First Clinical-stage siRNA Drug Globally that Targets Thrombotic Diseases, Our Core Product

Overview

We have independently developed RBD4059, our Core Product and a siRNA drug candidate for thrombotic diseases, utilizing our proprietary RiboGalSTAR™ liver-targeting platform. Thrombotic diseases have emerged as one of the leading causes of death worldwide, claiming over 10 million lives each year. Current standard-of-care anticoagulants, including warfarin, heparin, and direct oral anticoagulants ("DOACs"), face significant limitation as they expose patients to potentially serious bleeding risks.

RBD4059 addresses this challenge by combining the advantages of FXI targeting with siRNA drug technology, offering significant safety benefits while maintaining strong efficacy. Based on clinical and preclinical evidence, RBD4059 has demonstrated FXI inhibition levels that could meet efficacy thresholds across a broad range of indications, while substantially reducing bleeding risks associated with conventional anticoagulants. Furthermore, the long-acting nature of siRNA therapeutics offers the potential for significantly improved patient compliance, positioning RBD4059 as an optimal treatment option for a broad range of thrombotic disease patients.

RBD4059 is the world's first clinical-stage siRNA drug that targets thrombotic diseases, according to Frost & Sullivan. We completed RBD4059's phase 1 trial in Australia in healthy subjects in October 2024 and obtained the EMA's CTA approval in May 2024, pursuant to which we initiated RBD4059's phase 2a clinical trial in Sweden in August 2024. All patients in this phase 2a trial have completed treatment and are currently in the safety follow-up period.

Mechanism of Action

Blood clotting is initiated via two pathways: the intrinsic pathway, triggered by contact with damaged vessel surfaces and primarily involved in pathological clot formation, and the extrinsic pathway, which rapidly initiates protective clot formation when tissue injury exposes blood to external factors and serves as the body's primary defense against excessive bleeding.

FXI inhibition represents a groundbreaking approach to treating thrombosis, offering potential advantages in both efficacy and safety. By selectively targeting the intrinsic pathway upstream — and avoiding downstream factors shared by both pathways — FXI inhibition reduces pathological thrombus formation while minimizing the impact on essential hemostasis. This approach offers a key advantage over current anticoagulants, such as those targeting downstream factors like thrombin or Factor Xa, which increase bleeding risk due to their impact on both intrinsic and extrinsic pathway functions.

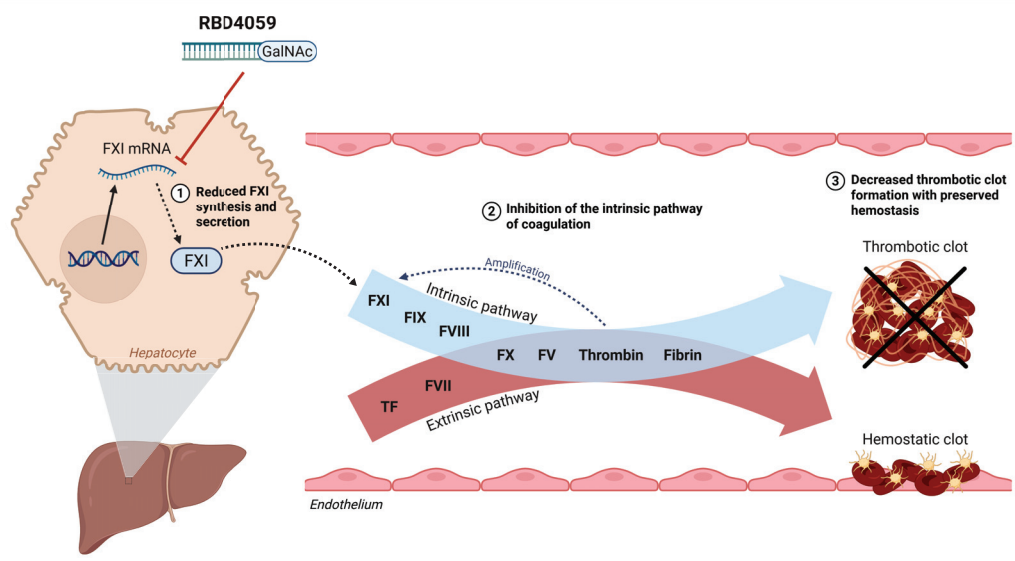
The therapeutic potential of FXI inhibition is strongly supported by human genetic evidence. Individuals with congenital FXI deficiency exhibit notable protection against cardiovascular diseases (such as stroke and venous thromboembolism), while rarely experiencing spontaneous bleeding. Conversely, elevated FXI levels are observed to correlate with increased thrombotic risk, highlighting FXI's role in pathological clotting rather than normal bleeding control. By specifically targeting FXI, novel therapeutics aim to prevent thrombosis while minimizing the bleeding risks associated with traditional anticoagulants, potentially addressing unmet need in cardiovascular medicine.

RBD4059 is a GalNAc-conjugated siRNA, presenting an appealing strategy for thrombosis prevention. This therapeutic approach mimics the natural protection observed in individuals with congenital FXI deficiency, who exhibit resistance to thrombotic events while maintaining adequate hemostasis. By selectively silencing the FXI gene in liver cells, RBD4059 reduces circulating FXI levels, potentially preventing pathological thrombosis without compromising essential clotting functions required for normal bleeding control.

RBD4059's GalNAc conjugation ensures targeted delivery to the liver, where FXI is primarily produced, thereby maximizing the drug's effectiveness while reducing off-target effects. Furthermore, RBD4059 achieves sustained therapeutic effect by loading to RNA-induced silencing complexes ("RISCs") that continuously degrade multiple FXI mRNA transcripts following hepatic uptake, amplifying and prolonging gene silencing. This extended duration of action reduces the frequency of dosing and improves patient compliance, which is a significant improvement over traditional anticoagulants that require daily administration.

The figure below illustrates the mechanism of action of RBD4059.

Figure 1. Mechanism of Action of RBD4059



Source: Company data

At the 2025 ESC Congress, we presented clinical deep-phenotyping study data supporting RBD4059's novel mechanism. Based on the findings in the high-risk coronary artery disease patients undergoing percutaneous coronary intervention, we showed that high FXI levels were associated with endothelial dysfunction following the index event, which is a hallmark of cardiovascular risks. These observational findings suggest that FXI silencing may deliver additional disease modificational cadiovascular benefits beyond its potent antithrombotic effect.

Market Opportunity and Competition

Thrombotic diseases are responsible for one-quarter of deaths globally each year, and drugs targeting FXI present a vast market opportunity. The anticoagulant market presents substantial commercial potential, exemplified by BMS/Pfizer's apixaban, a DOAC, achieving US$20.6 billion in sales in 2024. According to Frost & Sullivan, approximately 38.6 million people were affected by thrombotic diseases in 2024 globally, which is expected to reach 41.6 million in 2034.

Traditional anticoagulants, such as warfarin and heparin, impact the intrinsic, extrinsic, and common downstream pathways of clotting. This extensive action increases the likelihood of bleeding complications, including gastrointestinal bleeding and intracranial hemorrhage. FXI-targeted therapies offer significant advantages in treating thrombotic diseases by specifically inhibiting FXI within the intrinsic clotting pathway. This approach prevents the

formation of harmful blood clots without elevating the risk of bleeding, a prevalent issue associated with conventional anticoagulants. Over the past decade, FXI-targeting small molecule inhibitors, antibodies, and antisense oligonucleotides ("ASOs") have demonstrated considerable potential.

siRNA-based therapies targeting FXI potentially offer further advantages for treating thrombotic diseases. Notably, they provide long-lasting effects with infrequent dosing, often requiring only injections every few months, making them more convenient and improving patient compliance. This precise and durable approach makes siRNA therapies promising to treat and prevent thrombosis associated with ASCVD and other conditions associated with abnormal clot formation, such as atrial fibrillation, cancer-associated thrombosis, and venous thromboembolism.

As of the Latest Practicable Date, no FXI-targeting siRNA drug had been approved globally for the treatment of thrombotic diseases. As of the same date, there were four FXI-targeting siRNA drug candidates under clinical development globally for thrombotic diseases. For more details on the competitive landscape of FXI-targeting siRNA drugs, see "Industry Overview — Cardiovascular, Metabolic and Renal Diseases — Thrombotic Diseases — Competitive Landscape of FXI-targeting siRNA Drugs for Thrombotic Diseases."

Competitive Advantages

- Potential first-in-class siRNA candidate for thrombotic diseases. RBD4059 is the world's first clinical-stage siRNA drug that targets thrombotic diseases, representing a novel approach to managing thrombotic diseases. RBD4059's siRNA-based approach offers distinct advantages over both small molecules and antibodies for FXI inhibition: unlike small molecule drugs which often require daily dosing, RBD4059 can achieve sustained reduction in FXI protein and activity with extended dosing intervals up to several months, while its unique drug mechanism also eliminates the need for specific antidotes. Compared to protein-based drugs like antibodies, RBD4059's synthetic design and liver-targeted delivery reduce the risk of immune reactions and anti-drug antibodies (ADA). Currently as the most advanced siRNA therapy in terms of clinical development progress for thrombotic diseases globally, RBD4059 showcases the capability of our proprietary RiboGalSTAR™ delivery platform to create first-in-class therapeutics.

- Enhanced anticoagulation effects across different clinical settings. In general, it has been well-established that FXI inhibition levels exceeding 70% effectively reduces thrombosis formation in human venous thrombosis, with efficacy and safety profiles superior to standard-of-care treatment. RBD4059 has demonstrated a broad range of FXI inhibition levels that could meet efficacy thresholds potentially required for various thromboembolic indications. In our phase 1 clinical trial, RBD4059 showed strong therapeutic effects, and the mean maximum percentage change from baseline in FXI activity from the 50 mg, 150 mg, 400 mg, and 600 mg cohorts were 67.5%, 81.0%, 85.8%, and 91.6%, respectively, with a sustained effect observed on day 169.

- Reduced bleeding risks compared to standard-of-care. RBD4059 combines the advantages of FXI targeting with siRNA drug technology, offering significant safety benefits while maintaining strong efficacy. Patients receiving conventional anticoagulant therapies frequently experience various adverse events, including bleeding, drug interactions, hepatic and renal injury, and allergic reactions. In RBD4059's phase 1 clinical trial, no adverse safety signals were identified within the tested dose ranges. All drug-related treatment-emergent adverse events ("TEAEs") reported in the RBD4059 group (16.7%) were injection site reactions. Additionally, no TEAEs of grade 3 or above, or drug-related serious adverse events ("SAEs") were observed, demonstrating RBD4059's favorable safety profile. Notably, no signs of increased bleeding have been identified even at inhibition level exceeding 90%, supporting RBD4059's potential as a novel hemostatis-sparing anti-thrombotic therapy. In RBD4059's ongoing phase 2a trial, as of the data cut-off date (August 27, 2025), only two mild bleeding events (one haemorrhoidal bleeding and one subconjunctival haemorrhage) had been reported, neither of which required specific medical intervention. These data indicate that RBD4059 has shown an acceptable safety profile to date, with bleeding events observed being infrequent, mild and manageable.

  Throughout our clinical development, we have implemented rigorous safety monitoring to detect and manage adverse events, including potential bleeding risks. In the event of serious bleeding complications, we apply established clinical guidelines for patients with FXI deficiency, such as supportive care measures including local hemostatic control, and FXI replacement therapy using fresh frozen plasma or FXI concentrate. A key feature of RBD4059's siRNA mechanism is that it acts through gene silencing rather than direct protein inhibition, allowing FXI suppression to be reversed through replacement therapy and enabling rapid restoration of FXI levels when clinically necessary. Based on our clinical experience to date and established adverse event management approaches, bleeding risks associated with RBD4059 can be effectively monitored and managed in clinical practice.

- Improved patient compliance from long-lasting effects. RBD4059 shows promise in achieving dosing intervals of up to several months, which significantly enhances patient adherence to the treatment regimen. Poor patient compliance is one of the major challenges faced by patients receiving existing antithrombotic therapies. Compared to current standard-of-care anticoagulants that require dosing every few hours to days, RBD4059, leveraging the sustained efficacy enabled by our RiboGalSTAR™ liver-targeting delivery platform, could offer patients a low-frequency dosing regimen of once every three to six months, potentially leading to better patient compliance in chronic thrombotic disease management.

Clinical Development Plan

We have completed a phase 1 trial for RBD4059 in healthy subjects and initiated a phase 2a clinical trial for the treatment of coronary artery disease in Sweden in August 2024. All patients in this phase 2a trial have completed treatment and are currently in the safety follow-up period. In addition to this phase 2a trial, we expect to initiate phase 2b trials for RBD4059 in 2026 to expand further into new indications, with results intended to support advancement to phase 3. We are actively planning the next phase of clinical trials for RBD4059 in targeted patient populations.

Data Summary

Preclinical Data

In a series of preclinical studies, RBD4059 showed high potency and long-lasting antithrombotic effects without increased risk of bleeding, observed in both mice and in non-human primates.

The antithrombotic effect of RBD4059 was investigated in ferric chloride ($FeCl_3$)-induced carotid artery and jugular vein thrombosis mouse models. RBD4059 demonstrated encouraging antithrombotic capacity as it prevented reduction in blood flow velocity in both the carotid artery and jugular vein $FeCl_3$-induced thrombosis mouse models, with superior efficacy compared with enoxaparin, the standard-of-care treatment, on artery thrombosis at the higher dose.

Furthermore, in contrast to enoxaparin, RBD4059 showed no prolongation of bleeding time or impairment of hemostasis in a mouse tail bleeding model, demonstrating its favorable safety profile with respect to bleeding risks. GLP toxicology studies also showed good safety profile without signs of increased bleeding.

Phase 1 Clinical Trial in Healthy Subjects in Australia *(NCT05653037)*

This was a randomized, single-blind, placebo-controlled phase 1 study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of single ascending doses ("SAD") of subcutaneously administered RBD4059 in healthy subjects.

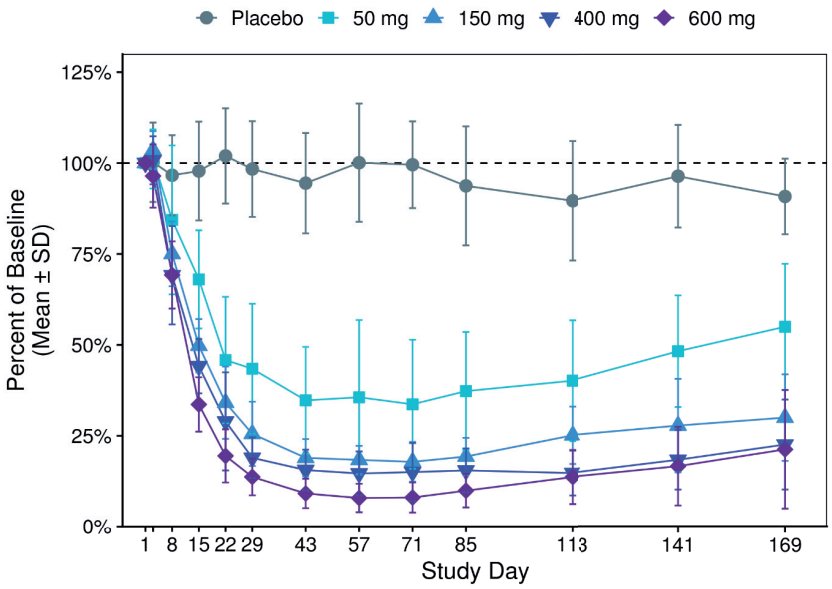
Trial Design. A total of 32 healthy subjects were enrolled in four cohorts of eight and randomized 3:1 to receive escalating doses of RBD4059 (50 mg, 150 mg, 400 mg and 600 mg) or placebo administered subcutaneously. This trial was performed in a SAD design. The decision to escalate to subsequent dose levels was made by the safety review committee ("SRC") based on the review of all available safety information and PK/PD data in each cohort.

Trial Objectives. The primary objective was to investigate the safety and tolerability of RBD4059. The primary endpoint was number of participants with TEAEs as assessed by CTCAE v5.0. The secondary objective was to investigate the PK and PD of RBD4059. The secondary endpoints included PK parameters such as Cmax, Tmax, AUC_{0-t}, AUC_{0-inf}, t1/2, MRT, and PD parameters such as levels of coagulation FXI antigen, FXI activity and APTT.

Trial Progress. This trial was commenced in March 2023 and completed in October 2024, with the primary endpoint reached. We sponsored and conducted this phase 1 trial independently.

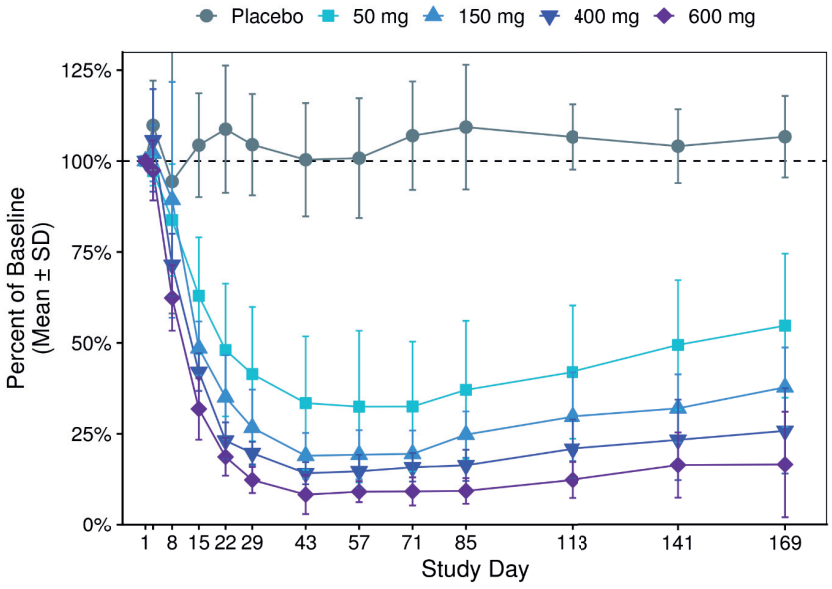
Efficacy Data. A dose dependent and sustained reduction in both FXI antigen and FXI activity were observed. The mean maximum percentage change from baseline in FXI activity from the 50 mg, 150 mg, 400 mg, and 600 mg cohorts were 67.5%, 81.0%, 85.8%, and 91.6%, respectively, with a sustained effect observed on day 169. Single doses at 150 mg and above delivered FXI knock-down in expected therapeutic range.

Figure 2. Mean (±SD) of Percentage Change from Baseline of FXI Antigen



Source: Company data

Figure 3. Mean (±SD) of Percentage Change of FXI Activity



Source: Company data

Safety Data. RBD4059 showed favorable safety profile and tolerability with no identified adverse safety signals across the investigated dose-range. For the total RBD4059 group, 29 TEAEs were reported in 12 out of 24 participants (50.0%), including three participants (50.0%) in 50 mg RBD4059 cohort, four participants (66.7%) in 150 mg RBD4059 cohort, six participants (33.3%) in 400mg RBD4059 cohort, and three (50.0%) in 600 mg RBD4059 cohort, and most TEAEs (18 TEAEs) were reported within 21 days after administration. Four TEAEs were judged by the principal investigator to be related to the RBD4059, including one in the 50mg cohort, one in the 150mg cohort, and two TEAEs in the 600mg cohort. All study drug-related TEAEs occurred within 21 days after administration, and were all injection site reactions.

For the placebo group, 11 TEAEs were reported in five out of eight participants (62.5%), and six TEAEs were reported within 21 days after administration. One TEAE was judged to be related to the placebo, which was an injection site reaction. No TEAEs of grade 3 or above, or SAE, were reported. All study drug-related TEAEs were resolved without any intervening treatment.

In the 150mg RBD4059 group, one participant experienced two grade 3 TEAEs, namely, back pain and cervical radiculopathy (related to heavy lifting), both of which were judged by the principal investigator to be unrelated to the RBD4059. Cervical radiculopathy was reported as an SAE because it required surgical treatment.

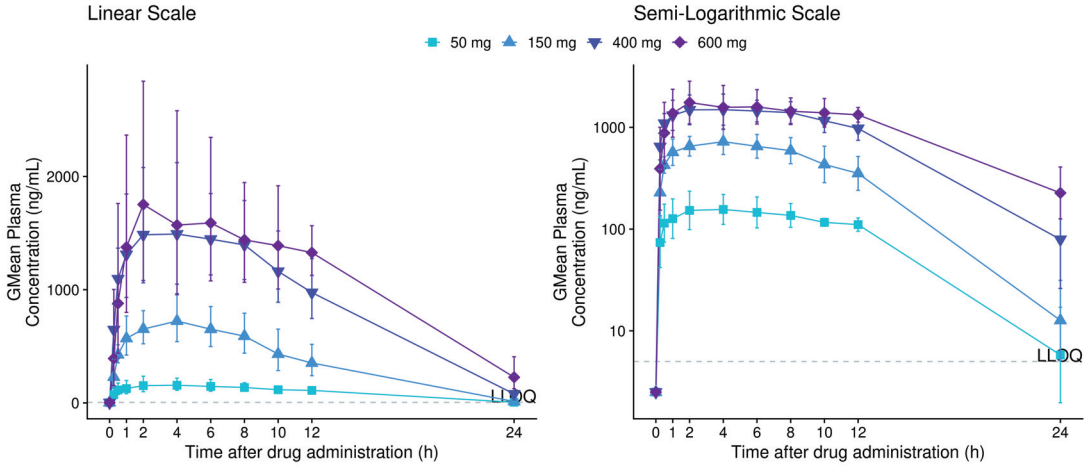
No participant withdrew from the study due to TEAE. The following table sets forth a summary of the TEAEs.

Table 1. Summary of TEAEs during RBD4059's Phase 1 Study

	RBD4059 50 mg N=6		RBD4059 150 mg N=6		RBD4059 400 mg N=6		RBD4059 600 mg N=6		Pooled RBD4059 N=24		Pooled Placebo N=8		Overall N=32	
	Events	n(%)	Events	n(%)	Events	n(%)	Events	n(%)	Events	n(%)	Events	n(%)	Events	n(%)
TEAE	4	3 (50.0)	12	4 (66.7)	6	2 (33.3)	7	3 (50.0)	29	12 (50.0)	11	5 (62.5)	40	17 (53.1)
Study drug-related TEAE	1	1 (16.7)	1	1 (16.7)	0	0	2	2 (33.3)	4	4 (16.7)	1	1 (12.5)	5	5 (15.6)
TEAE with CTCAE≥3	0	0	2	1 (16.7)	0	0	0	0	2	1 (4.2)	0	0	2	1 (3.1)
Study drug related TEAE with CTCAE≥3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Serious TEAE	0	0	1	1 (16.7)	0	0	0	0	1	1 (4.2)	0	0	1	1 (3.1)
Study drug-related Serious TEAE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Injection site reaction AE	1	1 (16.7)	1	1 (16.7)	0	0	2	2 (33.3)	4	4 (16.7)	1	1 (12.5)	5	5 (15.6)

PK Data. RBD4059 treatment resulted in dose-proportional and predictable increase in RBD4059 plasma exposure with similar shape of the plasma concentration *versus* time profile across the dose range 50-600 mg.

Figure 4. RBD4059 Plasma Concentrations Over Time



Source: Company data

Phase 2a Clinical Trial in Patients with Coronary Artery Disease in Sweden *(NCT06717074)*

This is a randomized, double-blind, placebo-controlled phase 2a trial to evaluate the safety, pharmacokinetics, and pharmacodynamics of RBD4059 in participants with stable coronary artery disease.

Trial Design. This phase 2a clinical trial of RBD4059 consists of two parts (part A and part B). Participants are randomized to active RBD4059 treatment or placebo added to standard of care with low-dose aspirin. Part A adopts a lower dose and part B adopts a higher dose.

Trial Objectives. The primary objective is to evaluate the safety of RBD4059 compared to placebo when administered subcutaneously as repeated doses in patients with coronary artery disease. The primary endpoints include frequency, intensity and seriousness of the AEs during the trial as well as clinically significant changes in laboratory parameters, vital signs, physical examinations and 12-lead ECG at each visit from baseline to end of trial. Key secondary objectives are to assess the plasma exposure of RBD4059 in patients with high risk coronary artery disease and to evaluate the pharmacodynamic effect of RBD4059 on FXI activity in patients with coronary artery disease. The secondary endpoints include plasma concentrations of RBD4059, actual and percentage change from baseline in FXI activity and compared to placebo throughout the trial period, proportion of participants with positive immunogenicity, among others.

Trial Progress. This phase 2a clinical trial was commenced in August 2024 and is currently ongoing. All patients have completed treatment and are currently in the safety follow-up period. We sponsor and conduct this phase 2a trial independently.

Material Communications and Next Steps

We submitted clinical trial notification to the TGA in February 2023 to conduct RBD4059's phase 1 clinical trial in healthy subjects in Australia. We completed the phase 1 clinical trial in October 2024 with primary endpoint of this study reached. We submitted a CTA to the EMA in February 2024 for RBD4059's phase 2a clinical trial in Sweden for patients with high-risk coronary artery disease. During the EMA review process, we provided comprehensive clinical data from RBD4059's phase 1 clinical trial in Australia as of the cut-off date of April 16, 2024 for three single ascending dose cohorts ranging from 50 mg to 400 mg. The EMA granted approval in May 2024 for RBD4059's phase 2a clinical trial to proceed, after (i) reviewing the trial design of the phase 2a clinical trial, and (ii) examining and considering the trial design and data from RBD4059's phase 1 clinical trial available as of April 16, 2024.

For the avoidance of doubt, by the time we received EMA approval in May 2024, RBD4059's phase 1 trial in Australia had achieved its primary endpoint based on the complete safety, PK and PD data available at doses of 50mg to 400 mg, which fully covers the dose range for the EMA-approved phase 2a trial (i.e., 100 mg to 300 mg). Although certain follow-up visits remained outstanding as at April 16, 2024, they related solely to the 600 mg dose cohort, which was an exploratory dose cohort that did not affect the data from the lower dose cohorts

that were reviewed and approved by the EMA. Accordingly, the EMA's approval in May 2024, although granted prior to the full completion of RBD4059's phase 1 clinical trial in October 2024, confirmed its acknowledgment and acceptance of the available results from the phase 1 clinical trial in Australia as sufficient to support advancement into the phase 2a trial.

The following table summarizes the key milestones of the clinical development of RBD4059 in chronological order.

Key Milestone	Time
Project initiation	November 2020
Preclinical development (PCC to IND-enabling stage)	August 2021 to September 2022
Clinical trial notification submitted to the TGA	February 2023
Phase 1 clinical trial initiated in Australia	March 2023
Phase 1 clinical trial in Australia completed	October 2024
Phase 2a clinical trial application submitted to the EMA	February 2024
Phase 2a clinical trial approval obtained from EMA	May 2024
Phase 2a clinical trial initiated in Sweden	August 2024

We did not receive any major concerns or objections from the above-mentioned regulatory authorities with respect to the clinical development plans for RBD4059.

All patients in RBD4059's phase 2a trial have completed treatment and are currently in the safety follow-up period. In addition to this phase 2a trial, we expect to initiate phase 2b trials for RBD4059 in 2026 to expand further into new indications, with results intended to support advancement to phase 3. We are actively planning the next phase of clinical trials for RBD4059 in targeted patient populations.

RBD4059 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

RBD5044 — A Potential Best-in-class APOC3-Targeting siRNA for HTG

Overview

RBD5044 is the second siRNA globally to enter clinical development that targets APOC3, a protein that plays a critical role in lipid metabolism. Globally, the prevalence of dyslipidemia in adults is estimated at around 40%, affecting approximately 3.0 billion individuals each year, with HTG (including mixed dyslipidemia) accounting for approximately 25% of all cases, according to Frost & Sullivan. Current treatments for HTG are limited by modest efficacy, daily dosing requirements, and significant side effects such as hepatotoxicity, myopathy, gastrointestinal disturbances and pancreatitis risk. APOC3-targeting therapies have emerged as a breakthrough approach by directly inhibiting a key regulator of lipid metabolism, thereby enhancing the clearance of triglyceride-rich lipoproteins and remnant cholesterol from the

bloodstream. This strategy provides more effective and targeted management of triglyceride and remnant cholesterol-related cardiovascular risk compared to LDL cholesterol-focused standard-of-care treatments, as triglyceride rich particles and remnant particles are increasingly recognized as major contributors to atherosclerotic plaque formation and vascular damage. To date, no APOC3-targeting therapeutic has been approved for the treatment of HTG globally.

RBD5044 is uniquely designed to combine APOC3 inhibition with siRNA's long-lasting effects, potentially transforming treatment in this significant disease area. In preclinical studies, RBD5044 has demonstrated competitive triglyceride-lowering efficacy while achieving superior APOC3 protein suppression, the latter suggesting enhanced and more sustained triglyceride control. RBD5044's mechanistic advantage has translated into clinical benefits. We presented results from RBD5044's phase 1 clinical trial in healthy subjects in Australia at the 2025 ESC Congress, which demonstrated its potential and long-acting efficacy. RBD5044's safety data from its phase 1 trial showed a favorable safety profile.

Strategically, RBD5044 complements our broader dyslipidemia portfolio, enabling potential combination approaches that could deliver enhanced lipid control. This supports the potential of RBD5044 as both a monotherapy and a backbone for combination strategies.

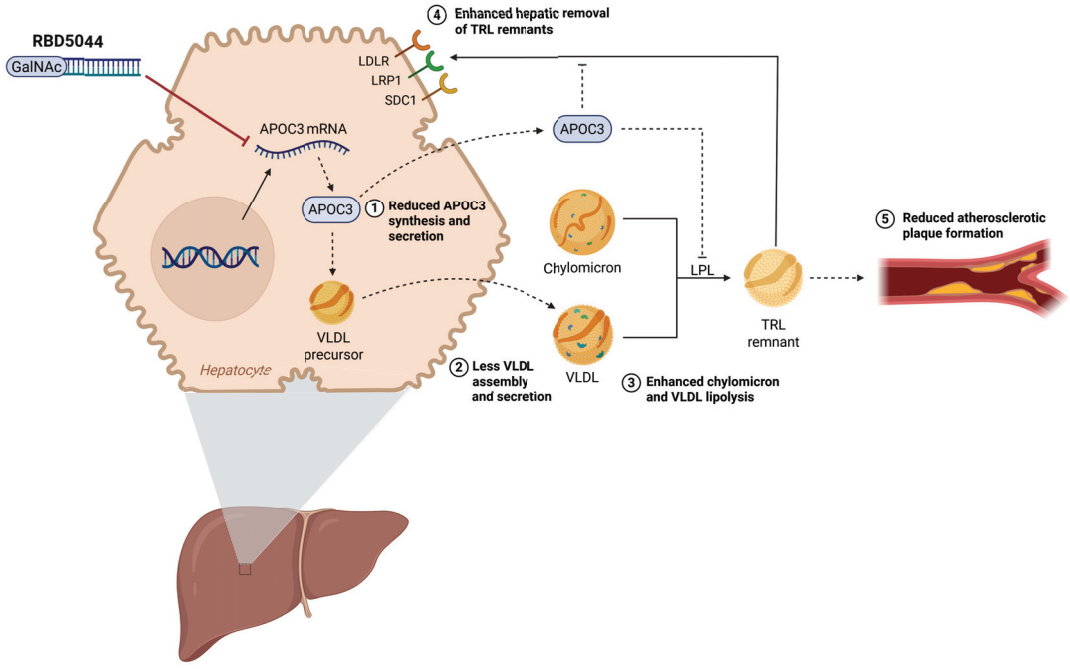
Mechanism of Action

APOC3 is a protein synthesized almost exclusively in the liver that plays a critical role in lipid metabolism by inhibiting lipoprotein lipase, an enzyme essential for the clearance of TG in the bloodstream. Elevated levels of APOC3 are associated with higher triglyceride levels, contributing to the risk of cardiovascular diseases. Inhibition of APOC3 via the RNA interference mechanism potentially reduces plasma triglycerides ("TG") levels with durable and high efficacy.

RBD5044 is designed to target APOC3 mRNA in the liver. As a chemically modified double-stranded, GalNAc-conjugated siRNA, RBD5044 is optimized to efficiently reach liver cells, and is selectively taken up by liver cells. Once inside the cells, RBD5044 activates RNA interference, which leads to the degradation of APOC3 mRNA. By reducing the levels of APOC3, RBD5044 alleviates its inhibitory effects on crucial enzymes involved in lipid metabolism, such as lipoprotein lipase and, to some extent, hepatic lipase, contributing to the effective clearance of lipids from the bloodstream.

This reduction in APOC3 ultimately promotes the breakdown and clearance from the blood of triglycerides and related lipids, such as remnant cholesterol that may cause vascular disease, leading to lower plasma triglyceride levels and improvement of dyslipidemia. Through this targeted mechanism, RBD5044 not only helps decrease blood lipid levels but also addresses the complications associated with HTG, making it a therapeutic option for managing lipid disorders. The figure below illustrates the mechanism of action of RBD5044.

Figure 5. Mechanism of Action of RBD5044



Source: Company data

Market Opportunity and Competition

Globally, the prevalence of dyslipidemia in adults is estimated at around 40%, affecting approximately 3.0 billion individuals each year, with HTG (including mixed dyslipidemia) accounting for approximately 25% of all cases. According to Frost & Sullivan, approximately 845.6 million people were affected by HTG in 2024 globally, which is expected to reach 913.9 million in 2034.

HTG leads to endothelial dysfunction and contributes to the onset and progression of atherosclerosis as well as an increased risk of acute pancreatitis. Existing treatments for HTG, including fibrates, omega-3 fatty acids, and niacin, have limited efficacy in lowering triglyceride levels, and their daily dosing regimens may also negatively impact long-term patient adherence. Additionally, these treatments can be associated with adverse effects, including liver, kidney, and muscle toxicity, which may further limit their use in clinical practice. Given these challenges, there is an urgent clinical need for the development of long-acting, effective, and safe treatment options for HTG.

APOC3-targeting therapies offer significant benefits for treating HTG by directly lowering plasma APOC3 levels and enhancing triglyceride clearance, leading to substantial reductions in triglyceride levels, improved lipid metabolism, and a decreased risk of cardiovascular diseases and acute pancreatitis. This is especially important for patients who do not respond adequately to conventional treatments like fibrates or omega-3 fatty acids. Among APOC3-targeting treatments, siRNA-based therapies are particularly promising, as they provide long-lasting effects with infrequent dosing, improving patient adherence and offering a more convenient treatment option compared to daily medications.

As of the Latest Practicable Date, no APOC3-targeting siRNA drug had been approved globally for the treatment of HTG. As of the same date, there were four APOC3-targeting siRNA drug candidates under clinical development globally for HTG. For more details on the competitive landscape of APOC3-targeting siRNA drugs, see "Industry Overview — Cardiovascular, Metabolic and Renal Diseases — Hyperlipidemia — APOC3-targeting siRNA Drugs for HTG — Competitive Landscape of APOC3-targeting siRNA Drugs for HTG."

Competitive Advantages

- Global first-tier APOC3-targeting siRNA candidate. RBD5044 is the second APOC3-targeting siRNA globally to enter clinical development. RBD5044 is uniquely designed to combine APOC3 inhibition with siRNA's long-lasting effects, potentially transforming treatment in this significant disease area. In preclinical studies, RBD5044 has demonstrated triglyceride-lowering efficacy comparable to other APOC3-targeting siRNA candidates, while achieving superior APOC3 protein suppression, the latter suggesting potentially enhanced and more sustained triglyceride control.

- Potent and long-lasting lipid-lowering effects. RBD5044's mechanistic advantage has translated into clinical benefits. We presented results from RBD5044's phase 1 clinical trial in healthy subjects in Australia at the 2025 ESC Congress, which demonstrated its potential and long-acting efficacy. A single injection of RBD5044 led to a substantial reduction of APOC3 of up to 84% and accompanied by a TG reduction of up to 70%, which remained below 50% of baseline at six-month follow-up. Additionally, participants showed an overall improved lipid profile, including markedly reduced remnant cholesterol (up to 70%) and ApoB (up to 20%), alongside a significant increase in HDL (up to 40%). RBD5044 allows for low-frequency dosing at least every three months, which significantly enhances patient adherence to the treatment regimen.

- Superior safety profile. RBD5044's safety data from its phase 1 trial showed a favorable safety profile. Notably, RBD5044 showed no dose-limiting toxicity up to 150 mg, the highest dosage tested in its phase 1 trial, which potentially supports a wider therapeutic window to achieve enhanced efficacy in the clinic.

Data Summary

Preclinical Data

In preclinical studies, RBD5044 showed high efficacy and long duration in animal models. RBD5044 also showed a good safety profile.

Phase 1 Clinical Trial in Healthy Subjects in Australia *(NCT05539651)*

This was a randomized, double-blind, placebo-controlled phase 1 trial to evaluate the safety, tolerability, PK profiles and PD effect of single and multiple ascending doses ("MAD") of subcutaneously administered RBD5044 in healthy subjects.

Trial Design. A total of 72 healthy subjects were enrolled in this trial. The study was performed in two phases, SAD phase and MAD phase, in healthy subjects. There were six cohorts in the SAD phase and the dose levels were 5 mg, 20 mg, 60 mg, 90 mg, 120 mg and 150 mg. There were three cohorts in the MAD phase and the dose levels were 60 mg, 90 mg and 150 mg.

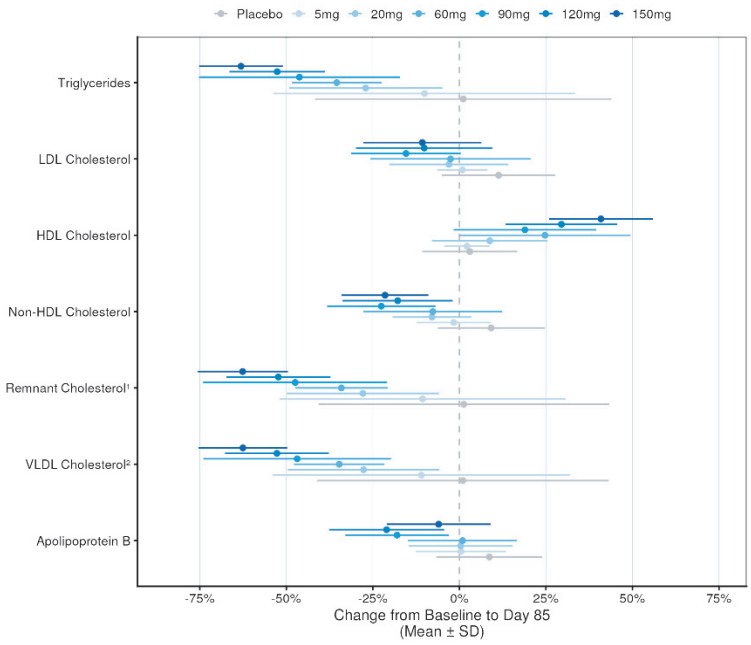
Trial Objectives. The primary objective was to investigate the safety and tolerability of RBD5044. The primary endpoint was number of participants with TEAEs as assessed by CTCAE v5.0. The secondary objective was to investigate the PK and PD of RBD5044. The secondary endpoints included PK parameters such as Cmax, Tmax, $AUC_{0\text{-}t}$, $AUC_{0\text{-}inf}$, t1/2, MRT and PD parameters such as serum levels of APOC3 and TG.

Trial Progress. This trial was commenced in November 2022 and completed in October 2024. We sponsored and conducted this phase 1 trial independently.

Efficacy Data. We presented results from this phase 1 clinical trial at the 2025 ESC Congress. A single injection of RBD5044 led to a substantial reduction of APOC3 of up to 84% and accompanied by a TG reduction of up to 70%, which remained below 50% of baseline at six-month follow-up. Additionally, participants showed an overall improved lipid profile, including markedly reduced remnant cholesterol (up to 70%) and ApoB (up to 20%), alongside a significant increase in HDL (up to 40%).

These interventional data were complemented by a clinical observational study exploring the role of APOC3 in 197 high-risk patients following acute coronary syndrome on top of optimal standard care. As expected, elevated APOC3 was linked to an unfavorable lipid profile. More importantly, APOC3 levels were positively associated with proinflammatory and profibrotic biomarkers. During a 5.5-year follow-up, patients with high APOC3 had a greater than 2-fold increased risk of major adverse cardiovascular events (MACE). Together with the interventional findings, these results support a causal role of APOC3 in triglyceride-rich lipoproteins and at the same time indicate its potential role in systemic inflammation, as well as potential for outcome benefit upon silencing in this population.

Figure 6. Dose-dependent Changes from Baseline Across Lipid Fractions and ApoB



Source: Company data

Safety Data. RBD5044 was safe and well tolerated in the participants during the study, with no dose-dependent adverse events or liver enzyme elevations at the highest dose tested. There were no SAEs, or TEAEs leading to study dose discontinuation, or leading to withdrawal from study. There were no adverse, dose-dependent or any systematic changes in any safety laboratory measurements, ECGs or vital signs observed.

In the phase 1 SAD study, a total of 19 TEAEs were reported in the RBD5044 group (53%), of which two TEAEs (6%) were considered study drug-related. In the placebo group, ten TEAEs (83%) were reported, of which four (33%) were considered study drug-related. Overall, six participants experienced six study drug-related TEAEs, all of which were grade 1 and occurred within 31 days post-administration. In the RBD5044 group, study drug-related TEAEs included chills (1/6, 16.7%) in the 90 mg cohort and injection site swelling (1/6, 16.7%) in the 150 mg cohort. In the placebo group, study drug-related TEAEs included injection site erythema (3/12, 25%) and diarrhea (1/12, 8.3%). All study drug-related TEAEs resolved without any intervening treatment. In the Phase 1 MAD study, 31 TEAEs were reported in 11 out of 18 participants (61.1%) in the RBD5044 group, of which two TEAEs (one in the 90 mg cohort and one in the 150 mg cohort) were considered study drug-related.

In the placebo group, seven TEAEs were reported in three participants (50.0%), among one TEAE (16.7%) in one participant (25%) were considered study drug-related. Overall, four participants experienced four study drug-related TEAEs, all of which were grade 1. Three of these occurred within 60 days post-administration. In the RBD5044 group, study drug-related

TEAEs included injection site pain (1/6, 16.7%) in the 150 mg cohort and increased alanine aminotransferase (2/6, 33.3%) in the 90 mg cohort. In the placebo group, the only study drug-related TEAE was injection site erythema (1/6, 16.7%). All study drug-related TEAEs resolved without any intervening treatment.

PK Data. RBD5044 demonstrated dose-proportional and predictable plasma exposure across the studied dose range (5-150 mg). In the repeated dosing cohorts, no plasma accumulation was observed between the first dose (Day 1) and second dose (Day 29).

Phase 2 Clinical Trial in Patients with Mixed Dyslipidemia in Sweden *(NCT06797401)*

This is a multicenter, randomized, double-blinded, placebo-controlled, parallel-group phase 2 clinical trial to evaluate the efficacy and safety of RBD5044 subcutaneous injections in participants with mixed dyslipidemia.

Trial Design. This phase 2 clinical trial of RBD5044 will consist of three dose level cohorts of RBD5044 or placebo: low dose (n=40), medium dose (n=40), and high dose (n=40). Participants within each dose cohort will be randomly assigned in a 3:1 ratio to receive either the active treatment (RBD5044) or placebo. All trial groups will be dosed in parallel. Participants will be followed up for a total duration of 48 weeks from the first day of administration, with the primary endpoint evaluation scheduled at week 16. The trial is expected to conclude at the end of week 48.

Trial Objectives. The primary objective is to evaluate RBD5044's safety and efficacy in patients with mixed dyslipidemia. The primary endpoints include percent change from baseline in TG levels. The secondary objective is to evaluate RBD5044's safety and tolerability. The secondary endpoints include AE, percent change from baseline in TG levels at different time points, percent change from baseline in APOC3 levels at different time points, plasma concentrations, percent change from baseline in total cholesterol, LDL-C, HDL-C, non-HDL-C, TG-rich lipoprotein cholesterol, apolipoprotein B, apolipoprotein A1, lipoprotein (a) levels at different time points.

Trial Progress. This phase 2 clinical trial was commenced in January 2025 and is currently ongoing. As of the Latest Practicable Date, we were in the process of recruiting subjects. We sponsor and conduct this phase 2 trial independently.

Key Milestones and Next Steps

In November 2022, we submitted the clinical trial notification for the phase 1 clinical trial of RBD5044 to the TGA, pursuant to which we completed RBD5044's phase 1 trial in Australia in October 2024. In August 2024, we submitted a CTA for RBD5044's phase 2 clinical trial to the EMA and obtained the approval in October 2024. The phase 2 CTA was supported by interim blinded safety and PK data in the phase 1 clinical trial in Australia as of June 30, 2024, which demonstrated an acceptable safety profile with no safety concerns identified. As a result, the competent authority approved progression to phase 2 clinical development. This phase 2 trial is currently ongoing in Sweden in patients with mixed dyslipidemia.

RBD5044 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

RBD7022 — A PCSK9 targeting siRNA for Hypercholesterolemia

Overview

RBD7022 is the second PCSK9-targeting siRNA to enter clinical development globally, employing advanced RNA interference technology to precisely regulate cholesterol metabolism. Through specific inhibition of PCSK9 expression in the liver, RBD7022 increases LDL receptor (LDL-R) density on liver cells, enhancing the body's natural ability to clear LDL cholesterol from circulation. Compared to PCSK9-targeting monoclonal antibody inhibitors that need to be injected every 2-4 weeks, the siRNA approach offers extended dosing intervals and improved compliance.

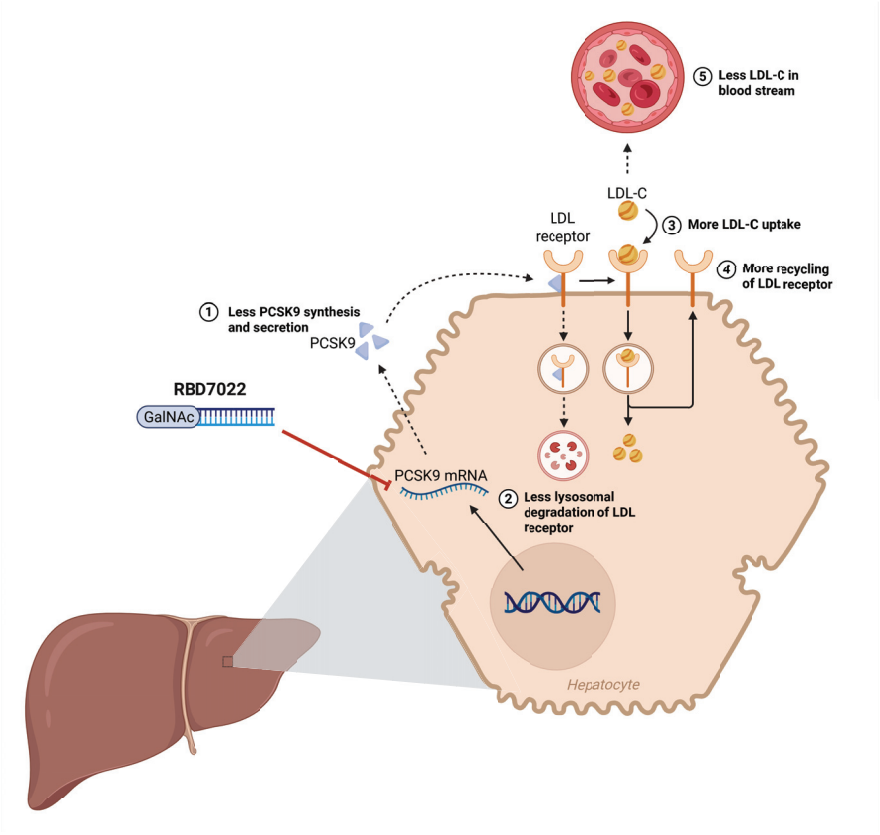
In preclinical studies, RBD7022 achieved similar LDL-C reductions compared to inclisiran, the only PCSK9-targeting siRNA drug approved to date. We presented results from RBD7022's phase 1 clinical trial in China at the 2025 ESC Congress, which further demonstrated RBD7022's robust and long-lasting effects, including LDL-C reduction comparable to inclisiran, with the potential for a dosing frequency of once every six months.

Mechanism of Action

PCSK9 (Proprotein Convertase Subtilisin/Kexin Type 9) is an enzyme that plays a key role in regulating cholesterol levels in the body, particularly low-density lipoprotein (LDL) cholesterol, often referred to as "LDL-C" or "bad cholesterol." PCSK9 binds to LDL receptors on liver cells, leading to their degradation. This reduces the liver's ability to clear "bad cholesterol" from the bloodstream.

RBD7022 is a GalNAc-conjugated siRNA developed to target and suppress the expression of PCSK9. By specifically targeting PCSK9 mRNA in liver cells, RBD7022 effectively reduces the production of PCSK9 protein through the RNA interference mechanism. With lower levels of PCSK9, fewer LDL receptors are broken down, resulting in a significant increase in the number of LDL receptors available on the surface of liver cells. This increase enhances the liver's capacity to remove LDL-C from the blood, thereby lowering LDL and overall cholesterol levels. This mechanism makes RBD7022 a therapeutic option for individuals with hypercholesterolemia, aiming to reduce the risk of cardiovascular disease associated with high cholesterol levels. The figure below illustrates the mechanism of action of RBD7022.

Figure 7. Mechanism of Action of RBD7022



Source: Company data

Market Opportunity and Competition

Hypercholesterolemia ("HC") is the most common type of hyperlipidemia, accounting for approximately 27.4% of global dyslipidemia cases. HC is known as a significant risk factor for cardiovascular diseases and is frequently associated with other metabolic disorders. According to Frost & Sullivan, among patients with premature cardiovascular disease, approximately 33.8% to 44.3% present with HC. According to Frost & Sullivan, approximately 935.0 million people were affected by HC in 2024 globally, which is expected to reach 1,010.0 million in 2034.

Current therapies, such as statins (which lower LDL cholesterol) and ezetimibe (which reduces cholesterol absorption in the intestines), have shown varying degrees of success. However, only about one-third of patients achieve their target LDL-C levels with available treatments. Moreover, poor patient adherence remains a significant challenge, impacting the effectiveness of these therapies.

PCSK9 inhibitors have emerged as a novel agent which potentially offer several advantages over statins and ezetimibe, particularly in their ability to significantly lower LDL cholesterol by 50%-70%, compared to statins (generally 20%-50%) and ezetimibe (15%-20%). Unlike traditional PCSK9 inhibitors, which are monoclonal antibodies that need to be injected every 2-4 weeks, PCSK9-targeting siRNA therapies have a longer duration of action, requiring only twice-yearly injections after an initial dosing regimen, significantly improving patient adherence and convenience. Similar to PCSK9 inhibitors, siRNA therapies provide an effective option for patients who are statin-intolerant or those who need further LDL-C reduction despite being on statins.

As of the Latest Practicable Date, inclisiran was the only PCSK9-targeting siRNA drug approved globally for the treatment of hypercholesterolemia. In 2024, the global sales of inclisiran reached US$754 million. As of the Latest Practicable Date, there were six siRNA drug candidates under clinical development globally for hypercholesterolemia. For more details on the competitive landscape of PCSK9-targeting siRNA drugs, see "Industry Overview — Cardiovascular, Metabolic and Renal Diseases — Hyperlipidemia — PCSK9-targeting siRNA Drugs for Hypercholesterolemia — Competitive Landscape of PCSK9-targeting siRNA Drugs for Hypercholesterolemia."

Competitive Advantages

- Global first-tier PCSK9-targeting siRNA candidate. RBD7022 is the second PCSK9-targeting siRNA to enter clinical development globally, employing advanced RNA interference technology to precisely regulate cholesterol metabolism. Through specific inhibition of PCSK9 expression in the liver, RBD7022 increases LDL receptor (LDL-R) density on liver cells, enhancing the body's natural ability to clear LDL cholesterol from circulation. As of the Latest Practicable Date, there was one PCSK9-targeting siRNA drug, inclisiran, approved globally for the treatment of hypercholesterolemia, with RBD7022 ranked among the most clinically advanced among the siRNA drug candidates under clinical development globally.

- Potent LDL-C reduction effects. In preclinical studies, RBD7022 achieved similar LDL-C reductions compared to inclisiran. We presented results from RBD7022's phase 1 clinical trial in China at the 2025 ESC Congress, which further demonstrated RBD7022's robust and long-lasting effects, including LDL-C reduction comparable to inclisiran, with the potential for a dosing frequency of once every six months. Using PCSK9 levels as a marker of target engagement, RBD7022 demonstrated a maximal reduction of up to 75% in patients with and without statin background therapy, maintaining this level of suppression at six-month follow-up.

- Strategic partnership to maximize global value. In December 2023, we granted Qilu Pharmaceutical exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. See "— Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical." Our strategic partnership with Qilu Pharmaceutical accelerates RBD7022's path to market both in China and globally. By combining our innovative siRNA technology with Qilu Pharmaceutical's clinical development and commercial capabilities, this collaboration enhances our ability to deliver this therapeutic option to patients worldwide.

Data Summary

Preclinical Data

In preclinical studies, RBD7022 demonstrated the capability to significantly lower LDL-C through potent and long-lasting reduction of PCSK9 levels. RBD7022 showed a potent and long-lasting reduction in plasma PCSK9 levels in spontaneously hyperlipidemic monkeys. In addition, RBD7022 also significantly and durably lowered LDL-C in spontaneously hyperlipidemic monkeys and demonstrated comparable efficacy to a competitor drug in rhesus monkeys.

Phase 1 Clinical Trial in Participants with Normal or Elevated LDL-c Cholesterol in China *(NCT05912296)*

This was a randomized, single blind, placebo controlled, single center phase 1 trial to evaluate the safety, tolerability, pharmacokinetics, and preliminary pharmacodynamics of single and multiple ascending doses of subcutaneously administered RBD7022 in participants with normal or elevated LDL-c cholesterol.

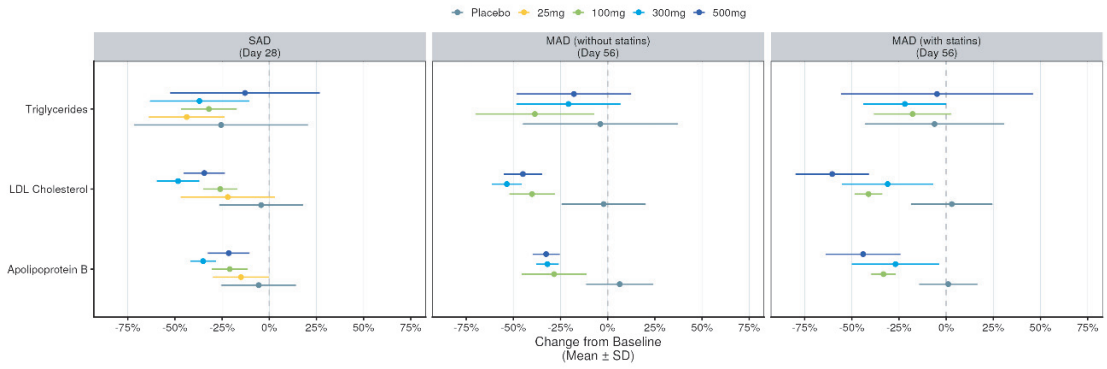
Trial Design. A total of 80 subjects were enrolled in this trial, including both healthy subjects and hypercholesterolemic patients with and without background statin treatment. The study was performed in two phases, SAD phase and MAD phase. There were four cohorts in the SAD phase at dose levels of 25 mg, 100 mg, 300 mg and 500 mg, respectively. There were six cohorts in the MAD phase and the dose levels were 100 mg, 300 mg and 500 mg, with or without statin use. The decision to escalate to subsequent dose levels were made by the SRC based on the review of all available safety information in each cohort.

Trial Objectives. The primary objective was to investigate the safety and tolerability of RBD7022. The primary endpoint was number of participants with TEAEs as assessed by CTCAE v5.0. The secondary objective was to investigate the PK and PD of RBD7022. The secondary endpoints included PK parameters such as Cmax, Tmax, $AUC_{0\text{-}t}$, $AUC_{0\text{-}inf}$ and PD parameters such as serum levels of LDL-C and PCSK9.

Trial Progress. This phase 1 trial was commenced in May 2023 and completed in March 2025, pursuant to an IND application we made to the NMPA in June 2022 and approval received in September 2022. We served as the sponsor and conducted the phase 1 clinical trial of RBD7022 in China pursuant to the collaboration agreement with Qilu Pharmaceutical.

Efficacy Data. RBD7022 has demonstrated strong and long-lasting effects, supporting a dosing frequency of once every six months. We presented results from this phase 1 clinical trial at the 2025 ESC Congress. Using PCSK9 levels as a marker of target engagement, RBD7022 demonstrated a maximal reduction of up to 75% in patients with and without statin background therapy, maintaining this level of suppression at six-month follow-up.

Figure 8. Dose-dependent Changes from Baseline Across Lipid Fractions and ApoB



Source: Company data

Safety Data. RBD7022 showed good safety and tolerability in subjects with slightly elevated LDL and with or without background statin treatment.

Key Milestones and Next Steps

We submitted an IND application to the NMPA for the phase 1 clinical trial of RBD7022 for the treatment of hypercholesterolemia in June 2022 and obtained the approval in September 2022. This phase 1 trial was commenced in May 2023 and completed in March 2025. According to RBD7022 License and Collaboration Agreement, Qilu Pharmaceutical is responsible for conducting the subsequent clinical trials in the PRC, including the ongoing phase 2 clinical trial. See also "— Licensing and Collaboration Arrangements — License and Collaboration Agreement with Qilu Pharmaceutical."

RBD7022 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

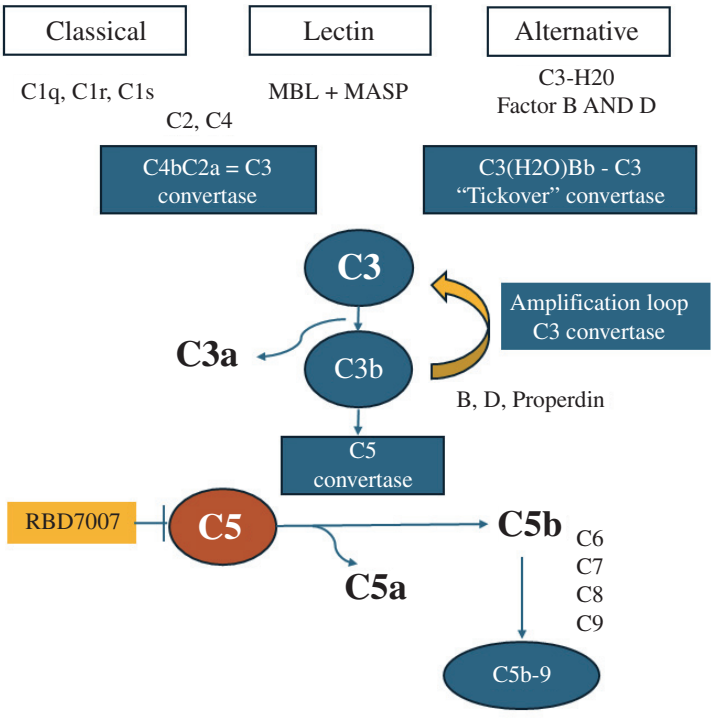
RBD7007 and RBD2080 — Targeting Key Proteins in the Complement Pathway to Treat Renal and Autoimmune Diseases

We are developing siRNA drugs targeting key proteins in the complement pathway to treat renal and autoimmune diseases. The complement system regulates both innate and adaptive immunity. When this system malfunctions, it can cause tissue damage and inflammation, contributing to complement-mediated renal and autoimmune diseases such as IgAN and myasthenia gravis ("MG") as well as other serious innate, antibody or Lectin driven complement activation responses, leading to severe morbidity and disability.

The complement system plays a critical role in mediating inflammation and fibrosis through three distinct activation pathways: the Classical, Lectin, and Alternative pathways. These pathways converge through shared enzymatic amplification mechanisms, ultimately driving downstream signaling. A key regulatory node involves the formation of C3/C5 convertases, which are multiprotein complexes that activate central complement components. For example, in the Alternative pathway, complement Factor B (CFB) and complement Factor D (CFD) play a critical role in the C3 convertase complex formation, which then generates bioactive split products like C3a and C3b. Subsequent interactions between these fragments and additional cascade components fuel further amplification, culminating in C5 cleavage into C5a and C5b. This process ultimately leads to the assembly of the membrane attack complex ("MAC", C5b-9), a structure that promotes inflammation and destroys target cells.

Our GalNAc-conjugated siRNA candidates RBD7007 and RBD2080 are engineered to specifically target complement proteins in liver cells — the primary site of their production. This approach effectively reduces the levels of these complement proteins at their source and in circulation. The figure below illustrates the complement system's activation pathways and the mechanism of RBD7007:

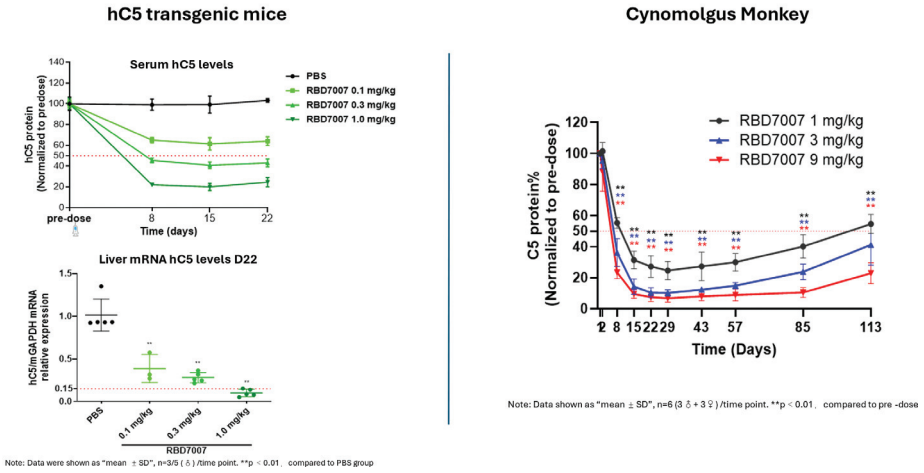
Figure 9. Activation Pathways of Complement System and Mechanisms of Drug Candidates



Source: Company data

Notably, RBD7007 demonstrated encouraging preclinical evidence supporting its clinical development. A single subcutaneous dose of RBD7007 in cynomolgus monkeys and humanized (hC5) mice showed potent and sustained suppression of circulating C5 protein levels and liver C5 mRNA expression, with strong PK/PD correlation.

Figure 10. RBD7007's Dose-Dependent and Durable Reduction of Circulating C5 Protein and Liver C5 mRNA Expression in hC5 Mice and Monkeys



Source: Company data

We obtained the CTA approval from the EMA in September 2024 to initiate RBD7007's phase 1 clinical trial. For RBD2080, we received the TGA's acknowledgment of our clinical trial notification in February 2025.

RBD7007 AND RBD2080 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Liver Diseases

Despite medical advances, the treatment of liver diseases remains challenging. The inability of traditional treatments to target intracellular pathways within liver cells, coupled with severe side effects from systemic exposure, has left unmet need in the treatment of liver diseases and their complications.

Our liver disease strategy concentrates on two therapeutic areas with medical needs: chronic viral hepatitis, including chronic hepatitis B ("CHB") and chronic hepatitis D ("CHD"), and metabolic dysfunction-associated steatohepatitis ("MASH"), particularly advanced diseases. Our liver disease pipeline is led by RBD1016, an siRNA candidate in global clinical development for patients with chronic hepatitis B Virus ("HBV") infection, including those with hepatitis D virus ("HDV") co-infection.

RBD1016 — An siRNA Candidate for CHB and CHD in Global Clinical Development

Overview

RBD1016 is one of the most advanced siRNA drugs in terms of global clinical development progress for patients with chronic HBV infection, including those with HDV co-infection. RBD1016, with its potent and durable effect on HBsAg, is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD.

CHB is the world's most prevalent liver infection with no major treatment breakthroughs in the past 20 years. Current antiviral therapies, primarily interferons and nucleoside analogs, are limited with no effective functional cure. siRNA represents a promising therapeutic modality and a potential functional cure for CHB due to its differentiated intracellular mechanism that potentially exerts multiple antiviral, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications. As of the Latest Practicable Date, there were no siRNA drugs approved for treating CHB globally.

RBD1016's phase 1 results showed sustained HBsAg reduction following single administration, with dose-dependent response and favorable safety and tolerability profile. With CTA approval from the EMA and IND approval from the NMPA received in May 2023 and October 2024, respectively, we are actively exploring RBD1016's potential as a next-generation CHB treatment to achieve functional cure in the disease. In October 2025, the EMA granted Orphan Drug Designation to RBD1016 for the treatment of HDV infection.

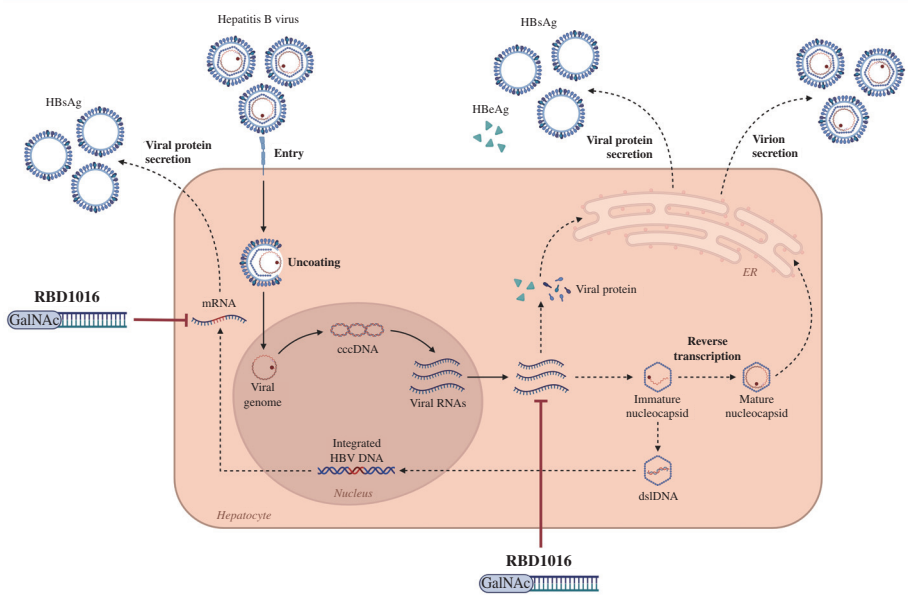
Furthermore, RBD1016's design and mechanism position it as a potential treatment for CHD with superior safety and efficacy compared to existing treatments. We commenced a phase 2a trial in Sweden in August 2024 to further explore the therapeutic potential of RBD1016 for treating CHD, with trial completion expected by the end of 2026.

Mechanism of Action

CHB is caused by the infection of liver cells by Hepatitis B virus (HBV). Once inside the nucleus of liver cells, the HBV genome forms covalently closed circular DNA (cccDNA), which serves as a template to produce four viral mRNAs, with the HBx gene sequence overlapping with other mRNA sequences. These mRNAs encode key viral proteins, including hepatitis B surface antigen (HBsAg), hepatitis B e antigen (HBeAg), and HBV DNA polymerase — all of which play crucial roles in viral replication, transmission, and immune evasion. The HBV X gene encodes the HBx protein, which plays essential roles in viral replication, host-virus interactions, and is potentially involved in the development of liver cancer. HDV is a satellite virus that only affects people with HBV infection, as it depends on HBV's surface protein, HBsAg, to infect liver cells. HDV/HBV co-infection is associated with accelerated progression to cirrhosis and increased risk of liver cancer compared to HBV infection alone.

RBD1016 is designed with the goal of achieving functional cure of CHB and CHD. RBD1016 is an siRNA drug comprised of a unit of siRNA and GalNAc delivery unit, with highly liver-targeting specificity. The GalNAc group specifically binds to ASGPRs on the surface of liver cells and is absorbed into the cell. Inside the cell, the siRNA is released and then loaded into the RISC complex, where it binds to the mRNA, triggering RNA interference (RNAi) degradation of target mRNA through the Ago2 protein. The active siRNA in RBD1016 targets the conserved region of the HBV X gene, allowing it to degrade all four HBV mRNAs via the RNA interference mechanism. This not only blocks HBV DNA replication but also significantly reduces the levels of viral proteins, such as HBsAg, HBeAg, over the long term, leading to a potent and sustained anti-HBV effect. The figure below illustrates the mechanism of action of RBD1016.

Figure 11. Mechanism of Action of RBD1016



Source: Company data

Market Opportunity and Competition

CHB. CHB is the world's most prevalent liver infection with about 278.6 million infected individuals worldwide in 2024, posing a major public health challenge globally. It is estimated that 80%-90% of infants aged one year old and 30%-50% of children aged six years old and younger who are infected with HBV will develop CHB, which can lead to serious and potentially fatal complications, including cirrhosis, liver failure and liver cancer. About 20%-30% of untreated CHB patients are estimated to develop cirrhosis and liver cancer. CHB treatment has seen no major breakthroughs in the past 20 years. Current antiviral therapies, primarily interferons and nucleoside analogs, are limited with no effective functional cure.

siRNA represents a promising therapeutic modality and a potential functional cure for CHB due to its differentiated intracellular mechanism that potentially exerts multiple antiviral effects, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications, either as monotherapy or in combination with existing antiviral therapies.

As of the Latest Practicable Date, there were no siRNA drugs approved for treating CHB globally. As of the same date, there were six siRNA drug candidates in phase 2 clinical development or beyond globally for CHB. For details of the competitive landscape of siRNA drugs for treating CHB, see "Industry Overview — Liver Diseases — Chronic Hepatitis B ("CHB") — siRNA Drugs for CHB — Competitive Landscape of Anti-HBV siRNA Drugs."

CHD. CHD is a severe liver superinfection caused by the HDV affecting 12.3 million people worldwide as of 2024. Known as a satellite virus, HDV exclusively affects individuals with HBV infection. CHD represents the most aggressive form of viral hepatitis, accelerating the progression of liver complications such as fibrosis, cirrhosis, and decompensation, while significantly increasing the risks of liver cancer and mortality compared to HBV infection alone.

There is currently no cure for CHD globally. PegIFN-α is the generally recommended treatment for CHD patients worldwide, which has significant side effects. In the EU, NTCP inhibitor bulevirtide is approved for the indication, but it has limited effect on HBsAg with its mechanism of actions. NAs entecavir (ETV) or tenofovir are recommended for some patients who are ineligible for PegIFN-α treatment, but they are ineffective in reducing HBsAg or HBV RNA levels. These limitations underscore an immense unmet need for safe and effective therapies to achieve HBsAg clearance and sustained HDV virological response. siRNAs that target HBV represent a promising treatment modality for CHD due to its differentiated intracellular mechanism that potentially exerts multiple antiviral effects, particularly the suppression of HBsAg, which is known to cause adverse CHB-associated liver complications.

As of the Latest Practicable Date, there were no siRNA drugs approved for treating CHD globally. As of the same date, there were three siRNA drug candidates under clinical development globally for CHD. For details of the competitive landscape of siRNA drugs for treating CHD, see "Industry Overview — Liver Diseases — Chronic Hepatitis D ("CHD") — siRNA Drugs for CHD — Competitive Landscape of siRNA Drugs for CHD."

Competitive Advantages

- Robust and Durable Anti-HBV Effects and Favorable Safety Profile. RBD1016's phase 1 results showed sustained HBsAg reduction following single administration, with dose-dependent response and favorable safety and tolerability profile. RBD1016 demonstrated a strong safety profile in healthy subjects in a completed phase 1a clinical trial in Australia and in patients with CHB in a completed phase 1b clinical trial in Hong Kong, with most treatment emergent adverse events (TEAEs) being grade 1-2 in severity, no serious adverse events (SAEs) and no adverse events (AEs) that led to participant withdrawal from the study.

- Expanding Therapeutic Potential to Chronic Hepatitis D. RBD1016's design and mechanism position it as a potential treatment for CHD with superior safety and efficacy compared to existing treatments. We commenced a phase 2a trial in Sweden in August 2024 to further explore the therapeutic potential of RBD1016 for treating CHD.

- Potential in Combination Therapy. Standard treatments as a monotherapy cannot achieve functional cure of CHB and/or CHD in most patients, largely due to their inability to reduce HBsAg. Notably, clinical trial data demonstrate RBD1016's consistent ability to reduce HBsAg levels below 100 IU/mL — a clinically significant threshold required for immune system activation. This potent monotherapy activity, combined with RBD1016's unique mechanism of action to reduce the level of HBsAg by targeting its mRNA, positions it as an ideal foundation for combination strategies with other agents that leverage different antiviral mechanisms of actions, such as interferons, potentially creating synergistic effects that could lead to functional cure and hence capturing a significant market opportunity in the treatment of CHB and CHD.

Data Summary

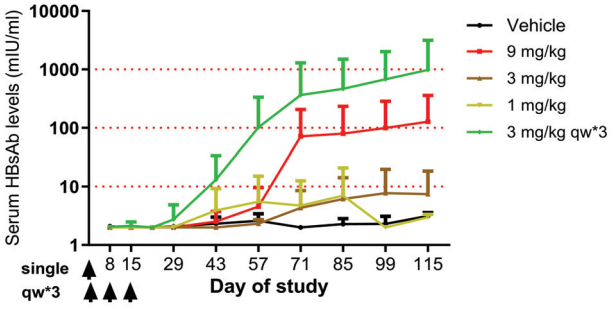
Preclinical Data

We performed extensive *in vitro* and *in vivo* preclinical studies to characterize the safety and efficacy of RBD1016 with key data summarized below:

Safety. The available nonclinical toxicology results of RBD1016 demonstrated good safety profile with sufficient safety margin to support the clinical development at the proposed clinical doses and regimen.

Efficacy. RBD1016 achieved significant, dose-dependent inhibition of HBsAg, HBV DNA and HBeAg that lasted for at least nearly three months following a single dose. The co-administration of RBD1016 and entecavir (ETV, an NA drug) demonstrated enhanced inhibition of serum HBV DNA compared to treatment with either compound alone, highlighting a synergistic anti-HBV effect between RBD1016 and NA drugs.

Figure 12. HBsAg Seroconversion induced in HBV-AAV Model



Source: Company data

Phase 1a Clinical Trial in Healthy Subjects in Australia *(NCT04685564)*

This was a randomized, double-blind, placebo-controlled, single dose-escalation study to observe the safety and PK of RBD1016 in healthy subjects.

Trial Design. The trial was conducted in 32 subjects in one clinical trial site in Australia. This trial consisted of four dose escalation cohorts with four sequential dose levels (single doses of RBD1016 at 0.3, 1, 3 and 6 mg/kg). In each dose level cohort, eight healthy subjects were randomized in a 6:2 ratio to receive RBD1016 or placebo. "Sentinel cohort" design was used in each cohort: each cohort was administered in two batches, the first two subjects received RBD1016 or placebo, respectively, and safety assessment was done on Day 8±1. After safety was confirmed by the trial investigator, the remaining six subjects were randomly assigned to receive RBD1016 or placebo in a ratio of 5:1. Dosing was escalated in a sequential fashion, contingent upon the safety and PK data review of the previous dose by the trial's safety review committee. After a single-dose injection, there was a four-week safety assessment and monitoring period, followed by safety follow-up from Day 29 to Day 85.

Trial Objectives. The primary endpoint was safety as measured by the incidence, nature and severity of AEs and SAEs, electrocardiogram assessment of cardiac electrical properties, vital signs, physical examinations and clinical laboratory examinations of ascending single dose of RBD1016 in healthy subjects. The secondary endpoint was PK as measured by PK parameters such as maximum concentration (C_{max}), area under the concentration-time curve from 0 to the collection time (AUC_{0-t}) and time to maximum concentration (T_{max}).

Trial Progress. This trial was commenced in February 2021 and completed in November 2021. We sponsored and conducted this phase 1a trial independently.

Safety Data. RBD1016 showed an acceptable safety and tolerability profile. Comparable safety profile was observed in each RBD1016 cohort (within the dose range of 0.3-6 mg/kg) and placebo group, with all TEAEs being Grade 1-2 in severity and no deaths and SAEs reported during the study. Most frequent (≥5%) TEAEs occurring in the RBD1016 cohorts were headache (7/24, 29.2%), diarrhea (3/24, 12.5%), fatigue (3/24, 12.5%), dysmenorrhea (2/24, 8.3%), injection site erythema (2/24, 8.3%), injection site pain (2/24, 8.3%) and tonsillitis (2/24, 8.3%). All TEAEs were resolved without treatment.

PK Data. RBD1016 was absorbed rapidly and plasma eliminated rapidly after subcutaneous injection. The exposure increased slightly more than dose-proportionally from 0.3 to 6 mg/kg and only a low to moderate amount of RBD1016 was recovered from the urine.

Phase 1b Clinical Trial in Patients with CHB in Hong Kong *(NCT05017116)*

This was a randomized, double-blind, placebo-controlled, single and repeated dose-escalation study to evaluate the safety, PK and preliminary pharmacodynamics (PD) of RBD1016 in patients with CHB.

Trial Design. This trial enrolled 40 patients in one clinical trial site in Hong Kong. This trial consisted of two parts. Part A was a single dose escalation study where patients with CHB were randomized to receive a single dose of RBD1016 or placebo in a 5:1 ratio. Part B was a repeated dose escalation study where patients with CHB were randomized to receive two doses of RBD1016 or placebo in a 3:1 ratio, and would start after the corresponding doses in Part A had been assessed as safe.

Trial Objectives. The primary objective was to assess safety. The primary endpoint was safety as measured by AEs and SAEs within 28 days after the last administration of RBD1016. The secondary objective was to evaluate PK and preliminary pharmacodynamics. The secondary endpoints were PK parameters, such as Cmax, AUC_{0-t} and Tmax, PD parameters, and efficacy parameters that indicated antiviral activity, as measured by dynamic changes of serum HBV functional biomarkers such as HBsAg, HBV DNA and HBV RNA levels over time from baseline.

Trial Progress. This trial was commenced in August 2021 and completed in October 2023. We sponsored and conducted this phase 1b trial independently.

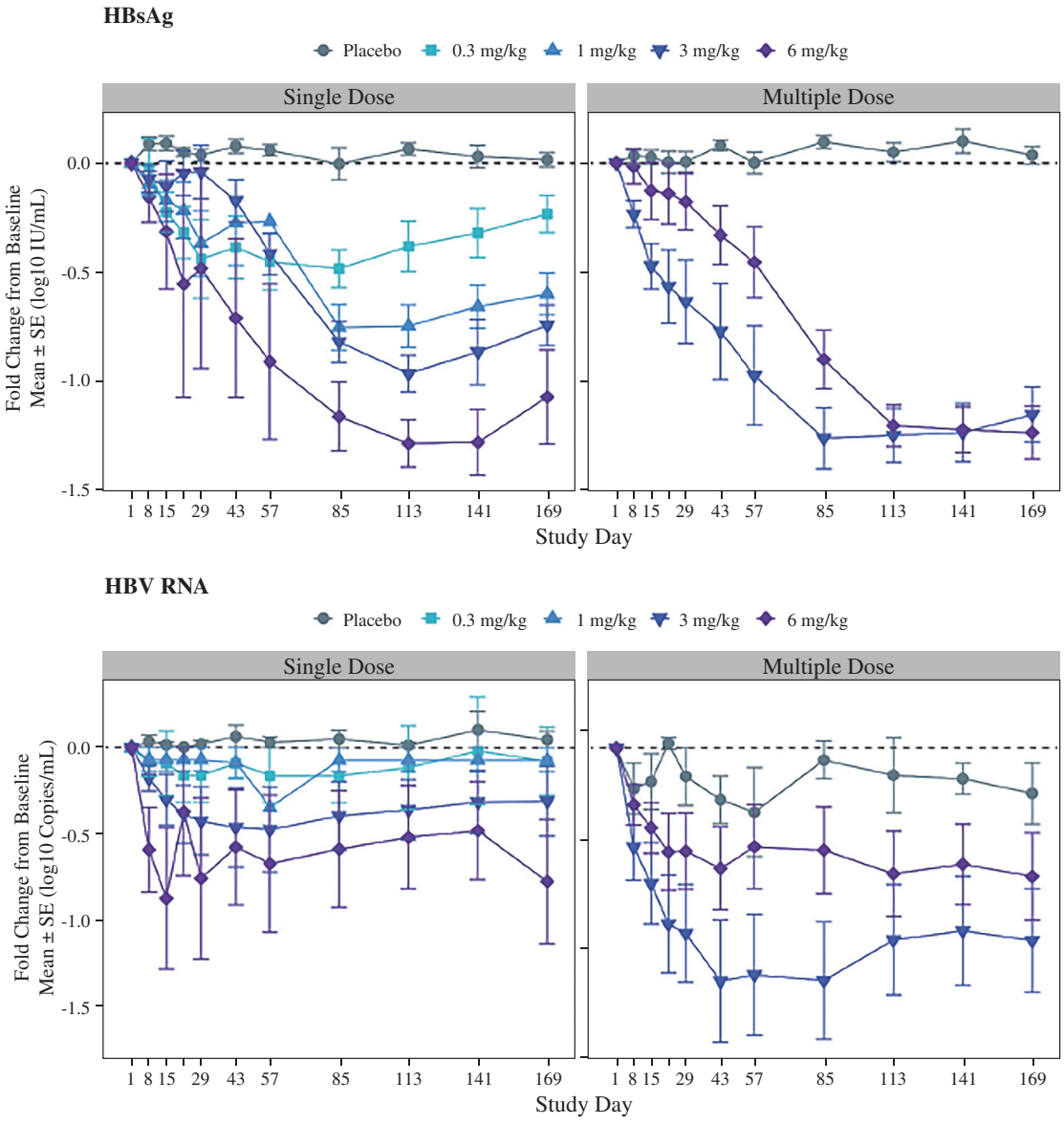
Safety Data. RBD1016 showed an acceptable safety and tolerability profile. 68.8% (22/32) of patients experienced TEAEs, with the most frequent (≥5%) TEAEs being injection site reactions. Most patients (24/32, 75.0%) experienced Grade 1 or 2 AEs, with one patient experienced Grade 4 elevated levels of creatine kinase and Grade 3 aspartate aminotransferase due to excessive exercise, which the investigator determined was unrelated to RBD1016. All other AEs were resolved with appropriate treatment.

Table 2. Summary of safety results in Phase 1b trial in CHB patients

	Single Dose (SD)					Multiple Dose (MD)			Total (N=40)	
Participants n(%)	0.3 mg/kg (N=5)	1 mg/kg (N=5)	3 mg/kg (N=5)	6 mg/kg (N=5)	Placebo (N=4)	3 mg/kg (N=6)	6 mg/kg (N=6)	Placebo (N=4)	RBD1016 (N=32)	Placebo (N=8)
SAEs	0	0	0	0	0	0	0	0	0	0
AESIs	1(20)	0	0	0	0	0	0	0	1(3.1)	0
Discontinuation due to TEAE	0	0	0	0	0	0	0	0	0	0
Any TEAEs	3(60)	4(80)	3(60)	4(80)	1(25)	4(66.7)	4(66.7)	4(100)	22(68.8)	5(62.5)
Grade 1	0	2(40)	3(60)	4(80)	1(25)	3(50)	3(50)	2(50)	15(46.9)	3(37.5)
Grade 2	2(40)	3(60)	0	1(20)	0	1(16.7)	2(33.3)	3(75)	9(28.1)	3(37.5)
Grade 3	1(20)	0	0	0	0	0	1(16.7)	0	2(6.3)	0
Grade 4	1(20)	0	0	0	0	0	0	0	1(3.1)	0
Related TEAEs	0	0	0	0	0	0	0	1(25)	0	1(12.5)

Efficacy Data. RBD1016 demonstrated preliminary anti-HBV effects in patients with CHB. The maximum mean serum HBsAg reductions from baseline in participants receiving single doses of RBD1016 0.3 mg/kg, 1 mg/kg, 3 mg/kg, 6 mg/kg and placebo were 0.48 (at visit D85), 0.75 (at visit D85), 0.97 (at visit D113), 1.29 (at visit D113), and 0.00 log10 IU/ml, respectively. The corresponding data in the repeated dose cohorts 3 mg/kg, 6 mg/kg and placebo were 1.26 (at Visit D85), 1.24 (at Visit D169) and 0.00 log10 IU/ml respectively. The following diagrams illustrate the changes in mean PD indicators in Part A and Part B.

Figure 13. HBsAg and HBV RNA Viral Change from Baseline in Part A (single dose) and Part B (multiple dose) (Log10 IU/ml)



Source: Company data

Phase 2a Clinical Trial in CHD Patients in Sweden *(NCT06649266)*

This is a multi-center, randomized, partially blinded and placebo-controlled phase 2a study to evaluate the safety, efficacy and PK of RBD1016 in patients with CHD.

Trial Design. We plan to enroll 15 patients for this trial. Patients are allocated randomly into two treatment groups — one active group (n=10) and one deferred active group (n=5). In the active group, patients will receive RBD1016. In the deferred active group, patients will receive four doses of placebo followed by deferred treatment doses of RBD1016. Patients in both groups will continue to receive a consistent nucleoside analogue treatment, one of the mostly used therapies for HBV infection. All patients will be blinded to the trial treatment for the 16 weeks after the first dose.

Trial Objectives. The primary objective is to evaluate efficacy. The primary endpoint is mean change (log10 value) *versus* baseline in HDV RNA levels in plasma at the end of this trial (Week 60). The secondary objective is to assess safety, efficacy, PK and immunogenicity. The secondary endpoints are, among others, number and percentage of participants with AEs, SAEs and AEs of interest, proportion of participants with undetectable HDV RNA (i.e., < the limit of detection) or ≥2 log10 decrease in HDV RNA at end of trial (Week 60), mean (maximum) change (log10 value) in HBsAg and HDV RNA levels versus baseline, PK parameters and proportion of participants with positive immunogenicity.

Trial Progress. We initiated this trial in Sweden in August 2024. To date, 14 patients have been enrolled and received randomized treatment. We sponsor and conduct this phase 2a trial independently.

Phase 2 Global MRCT in CHB Patients *(NCT05961098)*

This was a multi-national, multi-center, randomized, double-blind, placebo-controlled phase 2 clinical study to evaluate the long-term safety and efficacy of RBD1016 on background of NAs in the treatment of CHB.

Trial Design. This trial was divided into 3 dose groups, namely 100 mg Q4W, 200 mg Q4W and 200 mg Q12W. Each group enrolled 16 eligible participants, with 12 participants receiving RBD1016 injection and 4 participants receiving placebo.

Trial Objectives. The primary objective was to evaluate safety and efficacy. The primary endpoint of the study was safety and the maximum decline (log value) in HBsAg level from baseline to Week 24 of the follow-up period. The secondary objective was to assess efficacy and PK parameters. Secondary endpoints were the proportion of participants with HBsAg decline≥1 log10 IU/mL from baseline at Week 24 of the follow-up period, and PK characteristics.

Trial Progress. We commenced this trial in Sweden in August 2023 and in Hong Kong in October 2023 and have completed this trial, with the last patient's final visit achieved in October 2025. We are currently finalizing data analysis for this trial.

Key Milestones and Next Steps

In February 2021, we received the TGA's acknowledgment of our clinical trial notification for the phase 1a clinical trial of RBD1016 in Australia. In June 2021, we obtained the first clinical trial certificate to commence RBD1016's phase 1b clinical trial in patients with CHB in Hong Kong. These two phase 1 trials were independent studies conducted under separate protocols, enabling concurrent PK assessment in both healthy subjects and CHB patients. The clinical trial for target indication in Hong Kong did not require or rely on data from the phase 1a study in healthy subjects in Australia, which is consistent with industry norm in antiviral drug development as advised by Frost & Sullivan. In March 2024, we received a CTA approval from EMA, pursuant to which we commenced RBD1016's phase 2a clinical trial in Sweden. For RBD1016's phase 2 global MRCT, we obtained the requisite clinical trial approvals from the EMA and Hong Kong Department of Health in May 2023 and October 2023, respectively.

We have completed RBD1016's phase 2 global MRCT for treating CHB in Sweden and Hong Kong, and are currently finalizing data analysis for this trial. We received IND approval from the NMPA in October 2024, which enables us to potentially expand RBD1016's clinical trials for CHB into China. Subject to clinical progress and regulatory communications, we plan to initiate a global MRCT to evaluate the potential of RBD1016 in combination therapy, which will include clinical sites in China. We are also exploring the therapeutic potential of RBD1016 for treating CHD and commenced a phase 2a trial in Sweden in August 2024, with trial completion expected by the end of 2026. No separate phase 1b trial was required to be conducted in CHD patients prior to the phase 2a trial in Sweden. The progression to phase 2a in CHD patients was supported by the biological rationale that HDV requires HBV co-infection for replication, as HDV uses HBsAg to form its viral envelope. Safety, tolerability and PK data from the phase 1a trial in healthy volunteers and the phase 1b trial in CHB patients demonstrated RBD1016's ability to suppress HBsAg and provided sufficient evidence to support regulatory acceptance for initiating the phase 2a trial in CHD patients.

RBD1016 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Other Therapeutic Areas

We are also developing drug candidates for hereditary angioedema ("HAE") and inflammatory diseases based on our RiboGalSTAR™ delivery technology. We currently have over 20 other preclinical assets in our pipeline, including multiple siRNA candidates derived from RiboPepSTAR™, our proprietary platform being developed to target extra-hepatic organs and tissues like the kidney, CNS, and metabolic tissues such as adipocytes and muscles. Meanwhile, we have one drug candidate in IND-enabling studies for the treatment of glioma, leveraging RiboOncoSTAR™, our proprietary oncology-focused technology platform.

OUR TECHNOLOGY PLATFORMS

We have established proprietary technology platforms that encompass all key aspects of oligonucleotide drug development, from drug delivery, chemical modification, multi-target drug design, to model-informed drug development and manufacturing. This integrated and scalable approach is validated by our pipeline of oligonucleotide drug candidates, and continues to drive innovation and efficiency in our drug development process.

Drug Delivery Technology Platforms

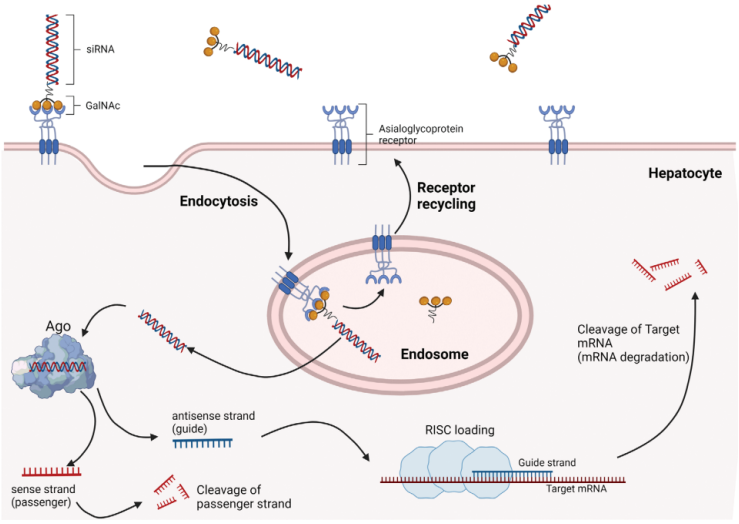
We are among a select group of oligonucleotide drug developers worldwide with proprietary, clinically validated liver-targeted GalNAc delivery technology. Building on this foundation, we are developing a comprehensive suite of delivery technologies targeting additional critical organs and tissues beyond the liver, including solid tumors, kidney, CNS and metabolic tissues such as adipocytes and muscles. This balanced approach broadens our therapeutic reach and solidifies our position in advanced siRNA delivery systems, setting us apart in the rapidly evolving field of siRNA therapeutics.

RiboGalSTAR™

Our pioneering, liver-targeting RiboGalSTAR™ platform offers competitive targeting, specificity and efficiency. To date, RiboGalSTAR™ has advanced seven programs into clinical development across cardiovascular, metabolic, renal and liver diseases, marking it as one of the most productive GalNAc platforms globally. It continues to be applied in the development of new targets and indications, including in our strategic partnership with Boehringer Ingelheim to explore multiple novel targets in MASH.

RiboGalSTAR™ is equipped with a unique delivery technology for delivering siRNA drugs for various targets and indications with origin in the liver. This technology addresses a critical challenge in siRNA therapeutics: efficient and specific delivery. GalNAc-siRNA conjugates derived from the RiboGalSTAR™ platform exploit a highly specific liver-targeting mechanism, selectively binding to ASGPRs, which are abundantly expressed on the surfaces of liver cells. This interaction triggers rapid cellular uptake, efficiently transporting the siRNA cargo into liver cells, and results in a potent, targeted, and sustained accumulation of siRNA within liver cells, as depicted in the illustration below:

Figure 14. Mechanism of Action of GalNAc-conjugated siRNAs in the Liver



Source: Company data

We have developed RiboGalSTAR™ through over a decade of independent research, securing patent rights in key jurisdictions including China, Europe and the U.S. By carrying siRNA drugs directly to liver cells, RiboGalSTAR™ can specifically modulate target genes while minimizing unwanted side effects. As a versatile platform, RiboGalSTAR™ can be paired with different siRNA sequences that address distinct disease pathways and has been instrumental to the development of several siRNA drugs targeting various liver-related conditions, including seven clinical-stage candidates (namely, RBD4059, RBD5044, RBD1016, RBD7022, RBD7007, RBD2080, and RBD1119). We have also assembled a strong pipeline of preclinical assets utilizing the RiboGalSTAR™ platform, with three to four candidates expected to enter clinical stage by the end of 2027.

RiboGalSTAR™, together with our proprietary chemical modification technologies, also serve as the foundation of our collaborations with Qilu Pharmaceutical and Boehringer Ingelheim. For details, see "— Licensing and Collaboration Arrangements."

RiboOncoSTAR™

Extra-hepatic delivery represents the next frontier in oligonucleotide therapeutics. We are developing RiboOncoSTAR™, a leading tumor-targeted platform utilizing oligonucleotide-conjugate delivery technology, to support our development of multiple potentially first-in-class cancer treatments. This platform enables specific targeted delivery to solid tumors. In preclinical studies, RiboOncoSTAR™ has shown superior anti-tumor effects and safety profiles in selected cancer types compared to standard-of-care treatments. These attributes position RiboOncoSTAR™ as a globally leading technology in tumor-targeted oligonucleotide delivery.

Leveraging the RiboOncoSTAR™ platform, we plan to extend our tumor-targeted research beyond glioma to explore therapeutic potential of our drug candidates in other cancer types, such as pancreatic cancer and other solid tumors. This expansion will potentially encompass a variety of treatment and diagnostic modalities, including targeted chemotherapies, targeted radiopharmaceuticals, and other next-generation targeted therapies, demonstrating the adaptability and significant potential of the RiboOncoSTAR™ platform.

RiboPepSTAR™

Beyond tumor targeting, we are delivering our siRNA drug candidates to multiple critical organs and tissues with our RiboPepSTAR™ platform. The platform has generated superior efficacy in kidney and CNS delivery compared to existing therapies across multiple disease models, placing us at the forefront of global oligonucleotide research among leading drug developers.

Chemical Modification Platform for Enhanced Stability

Our expertise in chemical modification complements our delivery technologies as a core competitive advantage. Chemical modifications are essential for developing effective oligonucleotide therapeutics, protecting nucleic acids from degradation while minimizing off-target effects and immunogenicity. Our proprietary RSC (Ribo Stabilization Chemistry) platform systematically optimizes siRNA molecules through iterative design. This platform-based approach can be universally applied to enhance siRNA candidates in four key ways: resisting breakdown in the body, working more efficiently, providing longer-lasting action, and improving safety for patients.

The synergy between RSC and our RiboGalSTAR™ delivery technology is demonstrated by the favorable safety profile and sustained efficacy of RBD4059 and other clinical-stage assets. We have continued to iterate this technology, featuring broader sequence compatibility and a unique strategy to reduce off-target effects, and AI-empowered strategies.

Multi-target Drug Design Platform

While most siRNA drugs are designed with only one target, our multi-target siRNA drug platform enables a single drug molecule to interfere with two or more targets simultaneously, achieving a synergistic therapeutic effect by allowing combinations of two or more targets in varying ratios, offering a technological advantage.

siRNA Sequence Design and Screening Platform

We have developed software dedicated to designing oligonucleotide drug sequences, capable of analyzing predefined parameters such as off-target gene identification, cross-species comparison and homology assessment to quickly select high-quality siRNA sequences with optimal specificity and activity. Additionally, our high-throughput screening platform for oligonucleotide compounds rapidly generates lead candidates.

Model-informed Drug Development (MIDD) Platform

By leveraging modeling and simulation techniques, we quantitatively analyze drug characteristics and disease-related data, gaining a deeper understanding of siRNA mechanisms and improving predictability at each stage of drug development.

Oligonucleotide-tailored CMC Platform

We have developed a scalable CMC system, leveraging over a decade of experience in the synthesis and analysis of various complex oligonucleotide compounds, including siRNA, ASO, long-chain aptamers, and aptamer-conjugates. This platform, focused on drug substance processes and impurity control, is equipped with pilot-scale capabilities that sufficiently support our preclinical research, including GLP toxicology studies, and early-stage clinical development. We have also built a robust GMP quality management system, becoming the first siRNA drug developer in China to pass the qualified person (QP) audits of the EU, striving to ensure compliance with global clinical development standards. Our CMC and quality management system allows us to meet the speed, quality, and cost-effectiveness demands while advancing a deep and expanding pipeline, laying a solid foundation for the development of innovative, affordable drugs for a broad patient population.

RESEARCH AND DEVELOPMENT

We believe research and development is critical to our future growth and our ability to remain competitive in the global biopharmaceutical market. Our in-house R&D capabilities, built on our clinically validated proprietary technology platforms, give us control and visibility over our R&D process, and enable us to ensure the quality and efficiency of our drug development programs. For details regarding our technology platforms, see "— Our Technology Platforms."

We conduct our research and development activities primarily through our in-house R&D team, and engage CROs from time to time to support our preclinical research and clinical trials. In addition, we have established, and will continue to pursue, strategic partnerships to accelerate the development of our pipeline across key global markets, expand our global clinical development capabilities, and fuel our future innovation and long-term growth. See "— Licensing and Collaboration Arrangements" and "— Our Business Strategies" for details.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our research and development expenses were RMB315.8 million, RMB280.4 million, RMB134.8 million and RMB129.1 million, respectively, which accounted for 79.5%, 75.0%, 77.1% and 71.0% of our total operating expenses (which equals the sum of research and development expenses, administrative expenses and selling and distribution expenses), respectively. We expect that our research and development expenses will increase in line with the future growth of our business. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, research and development expenses incurred for our Core Product were RMB60.2 million, RMB34.5 million, RMB16.9 million and RMB33.4 million, respectively, which accounted for (i) 19.1%, 12.3%, 12.5% and 25.9% of our total

research and development expenses, and (ii) 15.2%, 9.2%, 9.7% and 18.4% of our operating expenses (which equals the sum of research and development expenses, administrative expenses and selling and distribution expenses), for the respective years/periods. During the Track Record Period, the aggregate research and development expenses we incurred for the Core Product amounted to RMB128.1 million, representing 17.7% of our total research and development expenses during the same period, which constituted the largest proportion among all our pipeline candidates and demonstrates our primary engagement in R&D for the purpose of developing the Core Product in accordance with Chapter 2.3 of the Guide for New Listing Applicants.

The decrease in research and development expenses incurred for our Core Product in 2024 compared to 2023 reflects natural variability in R&D spending in the clinical development process, especially as RBD4059 transitioned between phase 1 and phase 2a trials. During the second and third quarters of 2024, we focused on completing RBD4059's phase 1 trial (with the last patient enrolled in April 2024) while preparing for the phase 2a trial, including engaging in ongoing communications with the EMA to finalize the phase 2a trial protocol, obtaining regulatory approval, and conducting preparatory work prior to trial commencement. This trial transition led to slower patient enrollment and consequently reduced research and development expenses during the same period. The increase in research and development expenses incurred for our Core Product for the six months ended June 30, 2025 compared to the six months in June 30, 2024 primarily resulted from the accelerated advancement of RBD4059's phase 2a trial, with 15 patients enrolled in the first half of 2025 — almost double the enrollment in the same period of 2024. Research and development expenses for RBD4059 are anticipated to rise and represent a larger share of our total R&D spending in the foreseeable future, as the Core Product progresses into more advanced clinical phases.

In-house R&D Team

As of June 30, 2025, our in-house R&D team consisted of 272 members, primarily located in PRC and Sweden. Approximately 33.1% and 13.6% of these R&D team members held master and doctoral degrees, respectively, mainly in pharmaceutical science, biology, chemistry, and medicine. As of the same date, approximately 75% of our R&D team members had prior working experience in the pharmaceutical industry. We place a strong emphasis on academic qualifications, industry experience, and complementary expertise when building our R&D team, which has allowed us to assemble strong talent that can effectively leverage their accumulated knowledge across all aspects of research and development of oligonucleotide therapeutics.

To support the development of RBD4059, our Core Product, we have established a dedicated core project team of 12 members, comprising lead scientists and key personnel from project management, clinical medicine, CMC, clinical operations, translational science, regulatory affairs, and other critical functions. This core team's work is underpinned by company-wide support. During the Track Record Period, 126 of our R&D team members, including multiple senior management team members, dedicated more than 10% of their working hours to the Core Product, contributing to various aspects of RBD4059's research and development.

Notably, our R&D leadership has extensive prior experience in oligonucleotide therapeutics research and a demonstrated track record contributing to the advancement of this emerging therapeutic modality. The core leadership of our R&D team includes:

- **Dr. LIANG Zicai, PhD**, our founding Chairman and CEO, is a member of our core strategic group, mainly responsible for our corporate strategy, technological innovation, and fundraising. Dr. Liang has accumulated over 20 years of pioneering research in oligonucleotide technologies and RNA therapeutics, yielding breakthrough advances in siRNA delivery, stabilization, and specificity. A prolific scholar, he has authored nearly 140 scientific publications and achieved an H-index of 58, and was the inventor of multiple patents in these fields. Prior to assuming the role of our full-time CEO in 2017, Dr. Liang held a tenured professorship at Peking University's Institute of Molecular Medicine for over a decade, and served as an associate professor at Karolinska Institutet in Sweden. Notably, Dr. Liang spearheaded China's first major siRNA research project under the State High-Tech Development Plan (國家高技術研究發展計劃), and has contributed to multiple national-level research programs over the past two decades. Dr. Liang also serves on the board of several prominent nucleic acid-focused societies and committees, and his groundbreaking work has been fundamental in advancing China's oligonucleotide therapeutics industry.

- **Dr. GAN Liming, MD, PhD**, our co-CEO, Global R&D President and Chief Medical Officer, is a member of our core strategic group, responsible for our overall R&D strategy and operation, pipeline development and business development activities. Dr. Gan is an internationally acclaimed pharmaceutical expert with over 20 years of expertise in drug discovery, translational science, global clinical development and cross-border collaborations. Prior to joining us, Dr. Gan had led and overseen numerous early-phase and proof-of-concept MRCTs in his role as head and global vice president of clinical development at AstraZeneca in cardiovascular, renal, liver diseases and metabolism. In particular, he is a pioneer in the development of first- and best-in-class oligonucleotide therapeutics and other nucleic acid-based drugs. Notably, he orchestrated the world's first clinical trial with chemically modified mRNA, marking a key advancement in nucleic acid-based therapeutics. Dr. Gan is also the CEO of Ribocure AB, our global R&D center.

- **Dr. ZHANG Hongyan, PhD**, our founding President, is a member of our core strategic group, responsible for our overall corporate operation. Dr. Zhang brings her unique blend of scientific expertise and entrepreneurial acumen to our leadership team. After obtaining her PhD in molecular biology from Uppsala University, Sweden in 1996 and completing her postdoctoral research at Yale University, Dr. Zhang continued her career as a distinguished researcher at the Karolinska Institutet. She successfully founded two oligonucleotide-focused biotechnology companies in Sweden before becoming our founding President in 2007. With over two decades of entrepreneurial experience and extensive expertise in oligonucleotide research and therapeutic development, Dr. Zhang has played a pivotal role in our transformation over the years, leading the establishment of our comprehensive innovation capabilities and rich pipeline of oligonucleotide therapeutics.

- **Dr. TONG Cheng, PhD**, our Executive Vice President, is primarily responsible for leading the implementation of our product development strategies, our preclinical research, CMC development and manufacturing activities. Dr. Tong has been instrumental in building our highly efficient, integrated global R&D infrastructure and CMC capabilities in oligonucleotide therapeutics. Before joining us in 2016, Dr. Tong spent 15 years at Pfizer Inc., where he held various senior scientific and leadership positions within this global MNC's worldwide R&D organization, including senior director roles in pharmaceutical sciences, and general manager of Hisun-Pfizer Pharmaceuticals R&D Center. As a recognized industry leader, Dr. Tong served as the chair and board member of the International Society for Pharmaceutical Engineering (ISPE) China and the chair of the APEC Asia-Pacific Council of the ISPE.

- **Dr. GAO Shan, MD, PhD**, our Senior Vice President and Chief Scientific Officer, has co-led the development of our groundbreaking technology such as RNA modification and delivery technology platforms. He is responsible for the preclinical studies of our pipeline candidates, from drug discovery, pharmacological studies to translational science. Dr. Gao's distinguished career includes roles as a senior researcher and associate professor at the Institute of Molecular Biology and Nanoscience Research Center at Aarhus University, Denmark, where he made significant contributions to nucleic acid-based technologies and oncology research. Additionally, he has over a decade of clinical experience at the Hospital of Stomatology, Tianjin Medical University.

- **Dr. Anders GABRIELSEN, MD, DMSc**, our Vice President and Head of Global Clinical Development, is an experienced physician-scientist with over a decade of industry expertise in the cardiovascular, renal, and metabolism therapy area. Trained as a cardiologist and internist at the Karolinska Institutet and Karolinska University Hospital, Sweden, Dr. Gabrielsen specializes in heart failure and has played key roles in core clinical teams across all aspects of cardiology and internal medicine, with a focus on translational cardiovascular science. Dr. Gabrielsen's work spans multiple mechanisms of action, indications, and product launches, with global industry experience from leading MNCs such as Bayer, Novartis, and AstraZeneca. Most recently, at AstraZeneca, he served as executive group director for early clinical development, where he was responsible for overseeing clinical activities in cardiovascular and heart failure projects.

Our in-house R&D team consists of several key functionalities, including drug research, clinical development and CMC. The following table sets forth the composition of our R&D team by function as of June 30, 2025.

R&D Functions	Number of Employees	Percentage of Total
Discovery Research	89	32.7%
Clinical Development	77	28.3%
CMC	106	39.0%
Total	**272**	**100.0%**

The following table sets forth the composition of our R&D team by region as of June 30, 2025.

Region	Number of Employees	Percentage of Total
Mainland China	242	89.0%
Sweden	30	11.0%
Total	**272**	**100.0%**

During the Track Record Period and up to the Latest Practicable Date, substantially all key R&D personnel involved in the research and development of our Core Product, RBD4059, remained employed by us.

Scientific Advisory Board

We have established strong relationships with renowned experts in our focus R&D areas worldwide. Our scientific advisory board comprises of seven world-class experts in the fields of cardiovascular, liver and renal diseases with presence spanning China, the U.S., Sweden, France and the Netherlands. Regular meetings with the scientific advisory board members provide valuable insights that enlighten our research strategy and clinical development plans. The scientific advisory board plays an instrumental role in both our early pipeline development and the advancement of clinical projects and global collaborations.

R&D Process

We have established a robust drug R&D engine that drives deliveries at all stages of our innovation processes, from drug discovery, preclinical, translational science, CMC to clinical development. The following summary highlights the key steps of our in-house R&D process:

- ***Target Selection and Drug Discovery.*** Before initiating a project, we leverage deep insights from our scientists to identify targets with high potential. For each identified target, we conduct a comprehensive analysis to assess feasibility, taking into account factors including compatibility with oligonucleotide therapeutics, market size, patentability, competitive landscape, regulatory strategy, and potential risks, safety concern concluded from published data and from competitors in their clinical trials. Leveraging our RNA sequence design and high-throughput screening platform, we design and synthesize siRNAs and conduct rigorous screening and optimization processes to evaluate their toxicity and bioactivity. We then select lead compounds to proceed into preclinical studies to further examine their preliminary efficacy and safety.

- ***Preclinical Studies.*** During the early preclinical stage prior to PCC (Preclinical Candidate), we further assess pharmacological selectivity/duration, developing biomarkers, pharmacokinetic properties, and safety profile of lead compounds through *in vitro* and *in vivo* studies. Candidate compound should show the desired properties and meet the criteria of PCC. After the PCC is determined, it will enter into IND-enabling studies which mainly include PD, drug metabolism and pharmacokinetics (DMPK), PK/PD studies, safety evaluation, and CMC. All toxicological studies are conducted in compliance with applicable GLP regulations of competent authorities, including the NMPA, FDA and Organisation of Economic Co-operation and Development (OECD). Those workstreams support IND filing for first-in-human clinical trials.

- ***CMC.*** CMC refers to chemistry, manufacturing and controls that develop and implement the stringent standards and procedures designed to ensure the consistent manufacturing of high-quality drug substances and drug products. Given the complexities of oligonucleotide therapeutics, CMC plays a pivotal role throughout the entire oligonucleotide drug development process. This encompasses critical stages from preclinical research to clinical development. Our CMC team has extensive experience in the development of manufacturing process for oligonucleotide drug substance and drug product, analytical development, establishment of control strategy including quality specifications, and technology transfer. They work closely with our CDMOs and suppliers to ensure the delivery of high-quality cGMP-compliant drug substances and drug products and the timely supply of investigational medicinal products for clinical trials. See also "— Quality Management."

- ***Clinical Development***. During clinical trials, we communicate closely with the trial sites and principal investigators to ensure the clinical trial is conducted in a timely manner and in accordance with the study protocol and good clinical practice (GCP) guidelines. In addition to operating our own international CTU, Ribocure Clinic, we collaborate with reputable clinical trial institutions and hospitals to enhance our clinical trial capabilities. The selection of such collaborators is based on their quality, resources, experiences, reputation, and availability of experts and subjects. Moreover, our global regulatory affairs team oversees our regulatory strategy and compliance with the applicable filing processes required by regulatory authorities, maintaining continuous dialogue with regulatory authorities.

Our clinical development strategy reflects established industry practices of conducting trials in jurisdictions that offer efficient regulatory pathways while generating data that is accepted by major health authorities including the EMA, FDA and China's CDE. We have conducted most of our phase 1 trials in Australia because its regulatory framework is highly aligned with these major regulatory authorities, enabling accelerated trial initiation and ensuring the data generated are acceptable for subsequent development in our key target markets. Our decision to conduct phase 2 trials in Sweden was a strategic choice driven by our established network of experienced principal investigators and the clinical expertise within our Sweden-based subsidiary, Ribocure AB, which facilitates high-quality trial execution under EMA jurisdiction. See also "— R&D Facilities." These jurisdictional choices enable us to optimize development timelines and resource allocation while maintaining compliance with internationally recognized scientific and regulatory standards.

R&D Facilities

As of the Latest Practicable Date, our R&D activities were primarily conducted in China and Sweden. In China, we have established two R&D centers in Beijing and Suzhou. Our Beijing R&D center is home to our proprietary technology platforms and research laboratories equipped with advanced equipment to support our drug discovery, preclinical and clinical research needs. Our Suzhou R&D center mainly houses our medical chemistry, CMC development and manufacturing team.

In addition to our China-based R&D centers, we also conduct R&D activities in Sweden through Ribocure AB. To enhance our global clinical execution capabilities, we have set up an international CTU, Ribocure Clinic, in Mölndal, Sweden to specialize in the execution of phase 2 clinical trials across cardiovascular, liver, lung, renal and other disease areas. Ribocure Clinic has obtained the approval from the Swedish Medicines Agency to conduct clinical studies. Currently, Ribocure AB conducts all our ongoing clinical studies in Europe, including two ongoing phase 2 trials run independently by our CTU currently with the capacity to enroll over 100 patients.

The collective efforts of our cross-border research infrastructure and operations are instrumental to the rapid, smooth and efficient execution of our drug development plans in China and globally.

Collaboration with CROs

In addition to our in-house R&D activities, we also collaborate with reputable CROs to manage, conduct, and support our preclinical research and clinical trials. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, we engaged the services of 94, 119 and 94 CROs, respectively, incurring related research and development expenses of RMB95.7 million, RMB66.9 million and RMB25.4 million for the same periods, respectively.

The services provided by our CROs under our supervision generally include site management, patient recruitment and data management for our clinical trials, as well as preclinical and clinical laboratory testing and other specialized tasks aligned with our needs. For our Core Product and other clinical-stage products, for example, we engaged CROs to provide specialized technical services, including (i) to conduct toxicology, pharmacokinetic, pharmacology, other preclinical studies and certain CMC-related studies, and (ii) to support our clinical trials by providing site management, data management, statistical analysis, laboratory testing, and other operational assistance. Our in-house R&D team oversees these CROs while maintaining substantial control over all core functions, including clinical protocol design, quality control, product specification, and strategic decision-making.

We have established standard operating procedures for CRO management, setting out stringent protocols for CRO selection, audits, laboratory management, and process supervision. We select CROs based on various factors, such as professional qualifications, research experience in relevant fields, service quality and efficiency, regulatory inspection history, industry reputation, and pricing. Prior to the engagement of CROs, we conduct thorough evaluations to verify their ability to meet our quality standards and regulatory requirements. Depending on the specific services required, we enter into project-based service agreements with our CROs that outline the detailed scope of work, procedures, deliverables, timelines, and payment terms. We have continually strengthened our ability to exercise oversight and maintain quality control over the work performed by our CROs. During our preclinical studies and clinical trials, we assign qualified personnel to exercise extensive oversight, including rigorous monitoring of project milestones, structured review meetings with CROs to evaluate data and resolve challenges, and implementing systematic in-process and close-out audits to ensure quality and compliance. We closely supervise our CROs to ensure their performance in a manner that complies with our protocols and applicable laws, which in turn protects the integrity and authenticity of the data from our trials and studies. Despite the implementation of quality control and oversight procedures, the use of data and information from third-party CROs may present inherent risks to data quality and integrity. See "Risk Factors — Risks Relating to the Development of Our Drug Candidates — The data and information we rely on in our research and development process could be inaccurate or incomplete, which could harm our study results, regulatory approval process, reputation and prospect" and "Risk Factors — Risks Relating to Dependence on Third Parties — We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the applicable regulatory requirements, procedures or contractual duties in line with agreed protocols, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially affected."

Key terms of our agreements that we typically enter into with our CROs are set forth below.

- ***Services.*** The CRO provides us with ancillary services in the course of our preclinical studies and clinical trials, such as implementing animal studies, providing clinical support, record keeping and report preparation.

- ***Term.*** Our standard CRO service agreement typically has a term of two years, with provisions for extension until the completion of specific project.

- ***Payments.*** We are required to make payments to the CROs in accordance with a payment schedule agreed by the parties.

- ***Intellectual Property Rights.*** We generally own all intellectual property rights arising from the projects conducted by the CROs within the stipulated work scope. CROs are generally required to grant us a license to use their background intellectual property incorporated into deliverables for the purpose of project implementation.

CRO Data Mishandling Identified in RBD1016's First IND Application and Subsequent Remediations

In January 2020, we submitted our IND application to the NMPA to initiate RBD1016's phase 1 clinical trial in China. Following the initial submission and during the review process, the CDE identified certain errors in the materials submitted, and the NMPA's Center for Food and Drug Inspection ("**CFDI**") subsequently conducted on-site inspections ("**2021 On-site Inspection**") in connection with RBD1016's preclinical studies. A Notice of Non-Approval for Clinical Trial (the "**2021 Non-Approval Notice**") was issued in April 2021. The specific data issues ("**Data Issues**") identified in 2021 Non-Approval Notice resulted from the procedural and data mishandling by one CRO engaged by us (the "**Original CRO**," an Independent Third Party) in connection with one of RBD1016's preclinical pharmacology studies (the "**Relevant Pharmacology Study**").

Following this incident, which occurred before the Track Record Period, we have proactively implemented extensive remedial measures to systematically improve our project management and data quality assurance capabilities, particularly to enhance our CRO selection and oversight mechanisms. We submitted a new IND application for RBD1016's phase 2 trial in February 2024, which was approved by the NMPA in October 2024, indicating regulatory acknowledgement of both RBD1016's suitability to advance into the next clinical development phase and our remedial measures.

Circumstances Leading to the Data Issues

When conducting the Relevant Pharmacology Study, the Original CRO improperly collected data from non-enrolled animals without prior notice to or approval from us. These records were included in the dataset delivered to us and subsequently submitted to the NMPA as part of RBD1016's IND application. We did not become aware of the Data Issues until the 2021 On-site Inspection, when the CFDI exercised its regulatory authority to examine the underlying CRO records. The 2021 Non-Approval Notice also identified data discrepancies caused by the Original CRO's inadvertent clerical errors during data export and processing, which led to inaccuracies in our IND application materials.

Although we had not been able to detect the Data Issues before they were revealed in 2021 On-site Inspection, no personal wrongdoing by our relevant personnel was identified in connection with the Data Issues, either during the 2021 On-site Inspection, in the 2021 Non-Approval Notice, or as part of our internal investigation. For clarity, none of our past or current directors and senior management team members had any personal involvement in the Original CRO's data mishandling, and there was no finding of misconduct attributed to our directors, senior management or employees. We have since extensively enhanced our internal procedures to improve our project management and data quality assurance capabilities, as disclosed in further detail in the next section. We have ceased the procurement of all CRO services from the Original CRO since the 2021 On-site Inspection.

Comprehensive statistical and scientific analyses have established that the Data Issues would not have materially altered RBD1016's preclinical findings even if all disputed data points were fully incorporated or excluded. In particular, to verify RBD1016's pharmacological properties, we engaged a globally renowned CRO (the "**New CRO**") to repeat the Relevant Pharmacology Study under the same protocol ("**Additional Preclinical Study**"). This Additional Preclinical Study produced results consistent with the original Relevant Pharmacology Study, demonstrating that the Data Issues identified by the 2021 Non-Approval Notice had no bearing on RBD1016's efficacy and safety profile. This Additional Preclinical Study was incorporated into RBD1016's new IND application to the NMPA in February 2024 and passed the CFDI's follow-up on-site inspection in July 2024. The NMPA expressed no concerns regarding the validity, methodology, or sufficiency of the Additional Preclinical Study or any associated pharmacology data.

For clarity, the 2021 Non-Approval Notice addressed only the Relevant Pharmacology Study. RBD1016's pharmacological properties and therapeutic potential are well-substantiated by: (i) cross-validation through numerous preclinical studies (*in vitro*, *in vivo*, and multi-animal models, including the Additional Preclinical Study) demonstrating consistent results with no other data issues identified by the regulatory authorities, and (ii) clinical evidence from RBD1016's completed and ongoing trials, which confirmed that the isolated data discrepancies from the Relevant Pharmacology Study had no material impact on either RBD1016's pharmacological profile or its clinical outcomes. For details on RBD1016's global clinical development plan, clinical trials and latest progress, see "— Our Pipeline — RBD1016."

Remedial Actions Taken

The 2021 On-site Inspection identified several areas for improvement, primarily including inadequate oversight of the CRO's data processing, testing procedures, record-keeping, and laboratory management practices. Following this incident, we have implemented extensive remedial measures to systematically improve our project management and data quality assurance capabilities, including to address the areas for improvement identified during the 2021 On-site Inspection. In particular, we have established a standard operating procedure ("**SOP**") for CRO management (SOP-GE-003), setting out stringent requirements for CRO selection, audits and process supervision, details of which are summarized below:

- **CRO Screening.** Prior to engaging CROs, we conduct thorough evaluations to verify their ability to meet our quality standards and regulatory requirements. Our business departments screen CRO candidates based on their professional qualifications, research experience in relevant fields, service quality and efficiency, regulatory inspection history, industry reputation, and pricing, among other factors. CRO candidates are then shortlisted and submitted to our quality assurance department for pre-selection audits.

- **CRO Selection.** CRO candidates must undergo a comprehensive initial auditing process before engagement and are rated to receive approval, conditional approval or rejection status. The scope of the audit includes CRO qualification, organizational structure, personnel training, facilities, equipment, quality control systems, project management, data reliability, and specific products or services provided.

- **CRO Oversight.** We closely supervise our CROs in accordance with our protocols, GLP regulations, and other applicable laws and guidance. During key study phases, we conduct in-process audits, following which an audit report is issued. If quality issues potentially affecting data integrity and reliability are identified, we conduct special audits to undertake investigations and, if necessary, suspend the CRO's services pending further assessment.

- **CRO Evaluation.** CRO evaluations are generally conducted bi-annually, where our CROs are assessed based on qualitative and quantitative criteria, with ratings (i) enhanced by strong execution capabilities, technical expertise, competitive pricing, and operational efficiency, and (ii) reduced by adverse findings during audits, among other relevant factors. Our quality assurance department establishes and maintains approved CRO lists and a database containing audit plans and audit records, which serve as a basis for continuous evaluation and selection/removal decisions.

Any material findings identified during audits conducted on CROs must be promptly escalated to our senior management team for review. Under the SOP, our senior management oversees (i) the CRO selection review and approval process and (ii) the bi-annual CRO evaluations to confirm ongoing compliance with our qualification standards.

Furthermore, we have implemented wide-ranging remedial measures to enhance our management over study records, reports, and laboratory practices. For our preclinical research, we strive to strengthen our quality management system across all departments in accordance with the Good Laboratory Practice for Non-clinical Drug Studies (《藥物非臨床研究質量管理規範》) and the Standards for Drug Records and Data Management (《藥品記錄與數據管理規範》). We have enhanced our quality management across all key stages of study execution to ensure that original records and raw data are authentic, accurate, complete, and traceable. These measures encompassed the improvement of management systems and SOPs, personnel training, equipment and facility replacements, and software updates. The quality assurance department is responsible for tracking, supervising, inspecting, and validating the implementation of these remedial measures.

In connection with the [**REDACTED**], we have engaged an independent internal control consultant (the "**Internal Control Consultant**") to conduct a comprehensive assessment of our internal control system. This evaluation encompasses key areas including R&D management, outsourcing and cooperation management, clinical data review and regulatory processes. Specifically, after appropriate and reasonable review and walkthrough testing of relevant policies, procedures and other documentation (including the SOP and other enhanced measures described above), the Internal Control Consultant did not identify any internal control related issues and believes the relevant policies and procedures are effective at the design and operational levels. As confirmed by the Internal Control Consultant, we have sufficient quality control measures over the activities conducted by the third-party service providers engaged in our research and development process.

As confirmed by our Directors and advised by our PRC Legal Advisor, we have not been subject to any administrative penalties imposed by the NMPA or other PRC regulatory authorities in connection with or following the 2021 Non-Approval Notice. Our Directors confirm that (i) the Original CRO did not provide any services for our Core Product (RBD4059) throughout its clinical development, and (ii) save for the 2021 Non-Approval Notice, we have not received any objections or similar notices from the NMPA or other regulatory authorities in connection with the use of data from any preclinical or clinical work conducted by the CROs engaged by us. Based on the due diligence conducted by the Joint Sponsors, the Joint Sponsors concur with the Directors' confirmations above.

Our Directors confirm that the 2021 Non-Approval Notice has no material adverse impact on our operations, R&D capabilities and the clinical development of our drug candidates, based on the following: (i) the incident was an isolated event involving CRO mishandling that took place before the Track Record Period, under our previous CRO management system which has since been significantly enhanced. No similar incidents have occurred with any of our other drug candidates or CRO partners, either before or after the 2021 Non-Approval Notice; (ii) we submitted a new IND application for RBD1016's phase 2 trial in February 2024, which was approved by the NMPA in October 2024, indicating regulatory acknowledgement of both RBD1016's suitability to advance into the next clinical development phase and our remedial measures; (iii) the Data Issues identified by the 2021 Non-Approval Notice had no bearing on RBD1016's efficacy and safety profile, as demonstrated by the Additional Preclinical Study

conducted by the New CRO, cross-validation through numerous other preclinical studies, and clinical evidence from RBD1016's completed and ongoing trials; (iv) competent authorities in the EU, Australia, and Hong Kong have each independently reviewed and approved RBD1016's clinical trial applications in the respective jurisdictions; and (v) the Internal Control Consultant, after comprehensive assessment of our internal control system, confirmed that the relevant policies are effective at the design and operational levels, and that we have sufficient quality control measures over the activities conducted by the third-party service providers engaged in our research and development process. Based on the due diligence conducted by the Joint Sponsors, the Joint Sponsors concur with the Directors' confirmation that the 2021 Non-Approval Notice has no material adverse impact on the Group's operations, R&D capabilities and the clinical development of the Group's pipeline products.

Despite our efforts, the CROs we engage may not always perform to our standards and we may not have complete control over their operations and data systems. If our CROs fail to competently perform their duties, the relevant data generated in our preclinical studies or clinical trials may be deemed unreliable and the regulatory authorities may require us to perform additional preclinical studies or clinical trials before approving our marketing applications. See "Risk Factors — Risks Relating to Dependence on Third Parties — We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the applicable regulatory requirements, procedures or contractual duties, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially affected."

LICENSING AND COLLABORATION ARRANGEMENTS

License and Collaboration Agreement with Qilu Pharmaceutical

On December 15, 2023, we entered into a license and collaboration agreement with Qilu Pharmaceutical Co., Ltd. ("Qilu Pharmaceutical") (as further amended on June 12, 2024, the "RBD7022 License and Collaboration Agreement"). Qilu Pharmaceutical is a leading pharmaceutical company in China dedicated to the R&D, production and distribution of innovative drugs, committed to delivering high-quality and affordable healthcare solutions worldwide. We became acquainted with Qilu Pharmaceutical through business development initiative across multiple channels.

The key terms of the RBD7022 License and Collaboration Agreement are summarized below:

License

We granted Qilu Pharmaceutical

(i) an exclusive, royalty-bearing, sub-licensable, transferable license under certain patents and know-how related to RBD7022 and pharmaceutical products comprising RBD7022 (the "RBD7022 Products") owned or controlled by us to develop, manufacture and commercialize RBD7022 and RBD7022 Products in mainland China, Hong Kong and Macau (the "Territory") for treatment, prevention and diagnosis of all human diseases, and

(ii) a non-exclusive, royalty-bearing, sub-licensable, transferable license under certain patents and know-how of our RiboGalSTAR™ and RSC platform technologies (the "Ribo Platform Technology") to develop, manufacture and commercialize RBD7022 and RBD7022 Products in the Territory for treatment, prevention and diagnosis of all human diseases (together, the "License").

We retain the full rights to develop, manufacture and commercialize RBD7022 and RBD7022 Products outside the Territory.

Decision-making Mechanism

We and Qilu Pharmaceutical have established a joint steering committee ("JSC") comprised of two representatives from each party to oversee the development of RBD7022 and RBD7022 Products in the Territory and facilitate information exchange under this agreement. Each decision of the JSC shall be made upon the consensus of all representatives. If the representatives on the JSC cannot reach an agreement, Qilu Pharmaceutical will have final decision-making power on matters in relation to RBD7022 and RBD7022 Products in the Territory. Unresolved disputes will ultimately be submitted to Shanghai International Arbitration Center for final resolution pursuant to its arbitration rules.

Allocation of Responsibilities

Pursuant to the RBD7022 License and Collaboration Agreement, we and Qilu Pharmaceutical have established a development plan for RBD7022 and RBD7022 Products in the Territory. To ensure the smooth progression of the clinical trial and mitigate potential delays associated with a sponsor change, the parties agree that we would remain as the sponsor and be responsible for conducting the phase 1 clinical trial of RBD7022 in China with certain reimbursements from Qilu Pharmaceutical for the cost of the phase 1 clinical trial incurred after September 15, 2023, and Qilu Pharmaceutical is responsible for conducting any subsequent clinical trials of RBD7022 or RBD7022 Products in the Territory at its own expense.

Intellectual Property

Under the RBD7022 License and Collaboration Agreement, each party shall own new patents generated solely by itself (or its affiliates) as a result of improvements to RBD7022 and RBD7022 Products.

Consideration

In partial consideration of our granting of the License and rights to Qilu Pharmaceutical under the RBD7022 License and Collaboration Agreement, Qilu Pharmaceutical has made three installments of upfront payments totaling RMB40.0 million to us to date. We are also eligible to receive milestone payments upon the achievement of specified development, regulatory and commercial milestones totaling up to RMB740 million, including, among other events: completion of the phase 1, 2 and 3 clinical trials of RBD7022 in mainland China, commercialization of RBD7022 in mainland China, and first achievements of various specified annual net sales thresholds of RBD7022 in the Territory. To date, we have received milestone payments of RMB30.0 million from Qilu Pharmaceutical. Qilu Pharmaceutical further agreed to pay, on a region-by-region basis, tiered royalties between single-digit to double-digit percentage on the annual net sales of RBD7022 and RBD7022 Products in the Territory (subject to certain royalty reduction adjustments) upon commercialization. Such royalties shall be payable until the earliest occurrence of (i) the expiration or invalidation of RBD7022's relevant sequence patents in mainland China, or market entry of competing third-party products following patent challenges or invalidation proceedings; or (ii) the tenth anniversary of the RBD7022 Products' first commercial sale in the relevant region (the "Royalty Term").

Duration and Termination	The RBD7022 License and Collaboration Agreement shall remain in effect until the expiration of the Royalty Term, and may be terminated early under certain agreed circumstances. Upon the expiration of this agreement, the License and any derived sublicenses shall remain in effect, and the License will convert to an irrevocable, exclusive (for RBD7022 and RBD7022 Products) or non-exclusive (for Ribo Platform Technology), sublicensable, perpetual, fully paid, and royalty-free license. We have the right to terminate the RBD7022 License and Collaboration Agreement if Qilu Pharmaceutical suspends the development of RBD7022 and RBD7022 Products for more than nine consecutive months. Qilu Pharmaceutical has the right to terminate this agreement with prior written notice. In general, either party may terminate this agreement in the event of the other party's uncured material breach or insolvency.

Collaboration and License Agreement with Boehringer Ingelheim to Jointly Progress Potential First-in-Class siRNAs Utilizing RiboGalSTAR™ Technology

On December 22, 2023, we entered into a collaboration and license agreement with Boehringer Ingelheim (as may be amended from time to time, the "BI Collaboration Agreement"). Through this collaboration, Boehringer Ingelheim and we aim to utilize our proprietary RiboGalSTAR™ technology to identify compounds ("Compounds") for multiple targets ("Targets"), leveraging our industry-leading expertise in the field of GalNAc-conjugated siRNAs. Boehringer Ingelheim is a globally renowned pharmaceutical company headquartered in Germany, focused on researching, developing and manufacturing innovative medicines for humans and animals. We became acquainted with Boehringer Ingelheim through business development initiative across multiple channels.

The key terms of the BI Collaboration Agreement are summarized below:

License	In connection with the collaboration, we have granted to Boehringer Ingelheim, on a target-by-target basis, an exclusive, royalty-bearing, worldwide, perpetual, transferable, sub-licensable license under certain intellectual property controlled by us or our affiliates ("Licensed Technology"), including intellectual properties relating to our GalNAc platform and siRNA modification platform, to exploit the identified Compounds and pharmaceutical products containing at least one Compound ("Products") worldwide. For clarity, we retain full ownership of the Licensed Technology, and are entitled to use the Licensed Technology for all purposes, without restrictions, outside the scope of the license granted pursuant to the BI Collaboration Agreement, including to develop and exploit any compounds and products as long as they are not Compounds and Products identified by Boehringer Ingelheim under this collaboration.
Decision-Making Mechanism	Boehringer Ingelheim and we have agreed to conduct a mutually agreed research program for the Targets and have thus established a joint steering committee ("JSC") to oversee relevant research activities. The JSC, comprised of up to three representatives from each party, shall endeavor to reach decisions by consensus.
Allocation of Responsibilities	Boehringer Ingelheim will have the exclusive right, obligation and sole responsibility for conducting the development, manufacturing and commercialization of any Compound(s) and/or Product(s) for any Target accepted by Boehringer Ingelheim worldwide. We shall provide reasonable support and assistance in connection with regulatory filings as may be requested from time to time by Boehringer Ingelheim.

Intellectual Property

We shall be the sole owner of any intellectual property and results we generate or develop within the scope of the BI Collaboration Agreement (including improvements to our RiboGalSTAR™ platform and other proprietary technologies), provided that Boehringer Ingelheim shall be the sole owner of all intellectual property and results that (i) exclusively and solely relate to or comprise the Compounds or Products (including patents covering the Compounds' chemical structure, formulation, method of use, dosing regimen and other asset-specific features), or (ii) are made by Boehringer Ingelheim after the research program.

Consideration

In consideration of the access to our Licensed Technology, Boehringer Ingelheim has paid us a one-time, non-refundable and non-deductable upfront payment of €25.0 million. We are also eligible to receive milestone payments totaling up to €2,360 million upon the achievement of specified research, development, regulatory and commercial milestones (including, among other events: in vivo proof of principle and other preclinical milestones for each Target; initiation of clinical trials with the first Product for each Target; the first regulatory approvals of the first Product for each Target in certain jurisdictions; and first achievements of various specified annual net sales thresholds of the first Product for each Target). To date, milestone payments of €10.0 million(1) have been paid under this agreement.

As of the Latest Practicable Date, two projects were being progressed under the BI Collaboration Agreement. Boehringer Ingelheim and we reached the first preclinical milestone less than a year after the initiation of the partnership.

Note:

(1) Milestone payments received from Boehringer Ingelheim during the Track Record Period were recognized as collaboration revenue from provision of R&D services, as they were directly tied to our obligations to perform certain R&D activities under the agreed-upon research programs, primarily related to the discovery and preclinical studies of SR111. For details, see "Financial Information — Description of Selected Components of The Consolidated Statements of Profit or Loss and Other Comprehensive Income — Revenue."

	Boehringer Ingelheim further agreed to pay tiered single-digit royalties on the annual net sales of each Product. Such royalties shall be payable, on a country-by-country and Product-by-Product basis, during the period beginning on the date of the first commercial sale of such Product in such country and continuing until upon the latest to occur of (i) ten years following the first commercial sale of such Product in such country, (ii) the expiration of all valid claims of the patents in such country covering the composition of matter of the Compound per se in such Product, or (iii) the expiration of regulatory exclusivity with respect to such Product in such country ("Royalty Term").
Duration and Termination	The BI Collaboration Agreement shall continue in full force and effect until the expiration of the specified Royalty Term, unless terminated earlier under certain agreed circumstances. Upon expiration of the Royalty Term, the licenses we have granted to Boehringer Ingelheim shall become non-exclusive, perpetual, worldwide, sub-licensable, transferable and fully paid-up. In general, either party may terminate this agreement in whole or in part in the event of the other party's uncured material breach or insolvency. Boehringer Ingelheim may also terminate the agreement without cause, in whole or in part, by giving us prior written notice.

MANUFACTURING

To date, our manufacturing activities are primarily limited to supporting our drug development process. We also engaged industry-recognized CDMOs to supplement our in-house capacity so as to enhance efficiency and reduce operational costs.

Manufacturing Facilities

We have established one cGMP-compliant manufacturing facility in Kunshan, Jiangsu province, China, and adhere to the requirements under the cGMP standards and other applicable regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions in our drug manufacturing process. We commenced production activities in our Kunshan manufacturing facility in July 2015. This manufacturing facility has a total floor area of over 2,100 square meters, including approximately 1,100 square meters equipped with oligonucleotide drug substance manufacturing capabilities. We currently have GMP-compliant

manufacturing line with an annual capacity of around 5 kg of drug substance, which can fully support our current clinical development plan. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, we produced oligonucleotide drug substance of 3.45 kg, 4.25 kg and 3.17 kg, respectively, representing annual utilization rates of 69.0%, 85.0% and 63.4%, respectively. The fluctuation in annual utilization rates primarily reflects variations in the number and stage of pipeline programs under development in each year/period during the Track Record Period, which result in different production batch requirements and quantities of drug substance needed. It is one of the few oligonucleotide drug substance manufacturing facilities in China that have passed the qualified person (QP) audits of the EU.

In addition, our manufacturing facility in Tianjin, China, operated through our subsidiary Azemidite, is responsible for the production of phosphoramidite and nucleoside products, the key components in the synthesis of nucleotide strands. Completed in 2023, this facility has a designed annual production capacity of 10 tons of phosphoramidite and nucleoside products. It has successfully undergone trial production, customer qualification audits, and all requisite regulatory inspection processes, with bulk manufacturing commenced in March 2025. Based on the purchase orders we have secured, we had an utilization rate of 35.0% in the Tianjin facility for the six months ended June 30, 2025. The facility is designed to support our clinical development programs and future marketed products while also generating revenue through external commercial sales. As confirmed by our PRC Legal Advisor, we have satisfied the applicable regulatory requirements and are not required to obtain additional licenses or permits for the commercial distribution of these products.

Over the years, we have demonstrated robust, scalable manufacturing capabilities to support both clinical and commercial-stage production of siRNA drug substances. Utilizing an established solid-phase synthesis platform, we have successfully manufactured kilogram-scale batches to support seven clinical-stage candidates. While conventional phosphoramidite chemistry limits individual batch sizes to under 10 kilograms, we have implemented a comprehensive scale-up strategy involving multiple manufacturing lines and rolling production schemes to achieve required commercial capacity. This strategy ensures capacity meets late-stage clinical and anticipated commercial requirements while maintaining stringent quality standards.

Our manufacturing process begins with automated synthesis of single-stranded oligonucleotides through sequential deblock, coupling, oxidation/thiolation, and capping reactions. Following deprotection and cleavage from the solid support, intermediates undergo purification and ultrafiltration before controlled annealing of complementary strands. The final drug substance is obtained through lyophilization, with all steps executed under cGMP conditions.

Collaboration with CDMOs

We currently outsource certain manufacturing activities, primarily the formulation production, to industry recognized CDMOs in China. We intend to continue to collaborate with CDMOs in the near term, as we believe it is cost-effective and efficient to engage CDMOs for certain manufacturing activities and enables us to focus on, and allocate our resources to, the discovery and clinical development of our candidates.

When selecting CDMOs we consider a number of factors, including manufacturing capacity, qualifications, geographic location, track record, adherence to applicable regulations and standards, as well as compatibility with our R&D priorities. We conduct quality assurance audit programs to ensure monitor and evaluate the services of our CDMOs.

We typically enter into agreements with CDMOs on project-by-project basis. Key terms of such agreements are set forth below.

- ***Services.*** The CDMO provides us with manufacturing services according to the types of deliverables, location, unit price, volume and requested delivery date specified by us.

- ***Quality Assurance and Inspections.*** We are entitled to conduct on-site audits and inspections to ensure compliance of our CDMOs with the relevant cGMP and regulatory requirements.

- ***Payments.*** We make payments to the CDMOs in accordance with the payments schedule set forth in the agreement, which is typically linked to the stages of the manufacturing process and the deliverables we receive.

- ***Intellectual Property Rights.*** We generally own all intellectual property rights arising from the outsourced manufacturing processes.

- ***Remedies for Non-conforming Products.*** We are entitled to remedies for products that fail to conform to our specifications. The CDMOs are required to replace or modify the non-conforming products and compensate us for any direct losses due to the delay.

For risks relating to our relationship with CDMOs, see "Risk Factors — Risks Relating to Dependence on Third Parties — We may rely on third parties to manufacture our drug products for clinical development and commercial sales and to provide a stable and adequate supply of quality materials and products for our drug development and commercialization needs. Our business could be harmed if these third parties suffer substantial disruption to supply chain and production facilities, encounter problems in manufacturing or fail to deliver sufficient quantities of product or at acceptable quality or price levels."

QUALITY MANAGEMENT

We maintain a comprehensive quality management system which is developed and continuously refined to meet the stringent regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions. We closely monitor the evolving cGMP standards and regulatory changes in these key markets, updating our internal procedures accordingly. Upon identifying new regulations and guidelines, we promptly conduct gap analyses between their requirements and our existing operations. When gaps are identified, we will take timely actions to ensure continuous regulatory compliance. Our quality management procedures span all key development stages of the oligonucleotide therapeutics.

We carry out our R&D and manufacturing activities in compliance with detailed quality management procedures to comply with relevant regulatory requirements and our internal standards. We maintain documentation of our R&D and manufacturing activities to ensure proper records are maintained for regulatory submissions and audits. We conduct rigorous qualification and selection of raw material suppliers and ensure raw materials are tested and verified before entering the cGMP manufacturing process. We regularly audit and inspect CDMOs to verify that their processes align with our quality requirements and regulatory standards. Furthermore, we provide trainings for our quality and research and development teams to keep them updated on the latest quality standards and regulatory requirements.

For our preclinical research, we strive to strengthen our quality management system across all departments in accordance with the Good Laboratory Practice for Non-clinical Drug Studies (《藥物非臨床研究質量管理規範》) and the Standards for Drug Records and Data Management (《藥品記錄與數據管理規範》). Over the years, we have enhanced our quality management across all key stages of study execution to ensure that original records and raw data are authentic, accurate, complete, and traceable. These measures encompassed the improvement of management systems and SOPs, personnel training, equipment and facility replacements, and software updates. The quality assurance department is responsible for tracking, supervising, inspecting, and validating the implementation of these remedial measures. All our pharmacology, pharmacokinetics, and toxicology studies operate under a rigorous quality management system to ensure that R&D processes and outcomes consistently meet or exceed relevant quality standards.

As of June 30, 2025, we had 21 members in our quality management team.

BUSINESS DEVELOPMENT

We have a dedicated business development team led by Dr. GAN Liming, our co-CEO, Global R&D President and Chief Medical Officer, who is assisted by Dr. John TAYLOR, our Vice President and Global Head of Business Development, to explore global collaboration opportunities.

Since our inception, we have entered into several licensing and collaboration deals with leading industry players worldwide. In 2023, we entered into collaboration agreements with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.0 billion in total deal value. In particular, our collaboration with Boehringer Ingelheim marks the first out-licensing deal achieved by a China-based pharmaceutical company specialized in oligonucleotide therapeutics development. See also "— Licensing and Collaboration Arrangements."

We will continue to implement our synergistic model of external collaboration and internal development to maximize the clinical and commercial value of our drug assets and platforms. For details, see "— Our Business Strategies — Actively seek collaboration opportunities with world-class partners to maximize the clinical and commercial value of our drug assets and platforms."

COMMERCIALIZATION

Although our drug candidates have yet to be commercialized, we are actively contemplating the establishment of our commercial infrastructure and capabilities. Anticipating commercialization of our clinical-stage assets in the next few years, we plan to adopt a two-pronged approach:

In-House Capabilities. We will incrementally build our own commercialization capabilities to provide flexibility, optimize resource allocation, and better adapt to evolving market dynamics. We plan to gradually establish our in-house sales and marketing teams composed of experienced professionals covering key therapeutic areas. Our in-house sale force will focus on our sales and marketing activities in China. Consistent with China's reimbursement framework for innovative drugs, we anticipate pursuing NRDL inclusion for all of our clinical-stage pipeline candidates through price negotiations following our drug candidates' approval to expand patient access, subject to comprehensive evaluation of multiple factors including long-term commercial sustainability. Our pipeline focuses on chronic conditions including cardiovascular, metabolic, renal and liver diseases, which represent significant disease burdens in China and are priority therapeutic areas for national healthcare policy. Our Directors believe that NRDL inclusion for drugs treating these chronic conditions is generally favored by healthcare authorities in China given the large patient populations requiring long-term treatment and the policy focus on improving access to innovative therapies for chronic disease management.

External Partnerships. We will continue to pursue a flexible collaborative strategy, which we believe will allow us to rapidly deliver our innovative drugs to the patients in need by leveraging the expertise and capabilities of external partners. This approach also enables us to concentrate on our core capabilities to develop next-generation therapies, while efficiently bringing our drug candidates to the global market as they approach commercialization, utilizing our collaborators' extensive networks and expertise worldwide. For our clinical assets, we are strategically pursuing business development opportunities, including potential licensing agreements, co-marketing arrangements, and territory-specific commercial partnerships to optimize market access and value creation. As of the date of this document, we do not have any concrete plans or binding agreements for licensing-out additional drug candidates.

We currently have four siRNA drug candidates in phase 2 clinical trials, which we plan to rapidly advance toward commercialization. Our drug candidates have shown differentiated competitive advantages and commercial potential, with our Core Product demonstrating encouraging efficacy and safety profiles, including in comparison with standard-of-care treatments. For details, see "— Our Competitive Strengths" and "— Our Pipeline." RBD4059, our Core Product, is the first clinical-stage siRNA drug that targets thrombotic disease, showcasing the capability of our proprietary RiboGalSTAR™ delivery platform to create first-in-class therapeutics.

We believe we are uniquely positioned to accelerate oligonucleotide therapeutics' expansion beyond rare diseases to address major public health challenges, making these innovative treatments accessible to millions of patients worldwide.

INTELLECTUAL PROPERTY

We are committed to the development and protection of our intellectual properties. Our future success depends significantly on our ability to obtain and maintain strong patent coverage, as well as our ability to secure other forms of intellectual property and proprietary rights protection, including protection of key technologies, inventions, and trade secrets that are important to our drug pipeline and technology platform. Equally important is our capacity to defend and enforce these patents, preserve the confidentiality of our trade secrets, and ensure our freedom to operate without infringing upon, misappropriating, or otherwise violating the valid and enforceable intellectual property rights held by third parties.

We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned 255 patents, including 62 issued patents in China, 65 issued patents in Europe, 18 issued patents in the U.S., 110 issued patents in other jurisdictions, as well as 218 patent applications, including 76 in China, 17 in Europe, 19 in the U.S., 21 under the Patent Cooperation Treaty (PCT), and 85 in other jurisdictions.

As of the Latest Practicable Date, with respect to our Core Product (RBD4059), we owned nine patents, including one issued patent in China, one issued patent in the U.S. and seven issued patents in other jurisdictions, as well as 14 patent applications, including one in China, one in Europe, one in the U.S., and 11 in other jurisdictions. With respect to RBD5044 and RBD1016, our two other lead clinical-stage products, we owned 26 patents, including two issued patent in China, 10 issued patents in Europe, one issued patent in the U.S., and 13 issued patents in other jurisdictions, as well as 26 patent applications, including two in China, two in Europe, two in the U.S., and 20 in other jurisdictions. These patents and patent applications owned by us cover material aspects of our Core Product and the respective clinical-stage products.

The following table summarizes the details of the material granted patents and patent applications in connection with our Core Product RBD4059, lead clinical-stage products RBD5044 and RBD1016, and technology platforms. For details, see "Appendix VII — Statutory and General Information — B. Further Information About our Business — 2. Intellectual Property Rights — (b) Patents."

Related Product/ Platform	Scope of Patent Protection	Category	Registration No./ Application No.	Jurisdiction	Patent Holders/ Applicants	Expiration Date[1][2]
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	CN113227376B	PRC	Our Company	2040.05.21
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	CN202410323310.0	PRC	Our Company	N/A
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	HK40051484B	Hong Kong	Our Company	2040.05.21
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	HK42024095976.7	Hong Kong	Our Company	N/A
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use	Invention	EP20810327.5	Europe	Our Company	N/A
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use	Invention	AU2020280438B2	Australia	Our Company	2040.05.21

Related Product/ Platform	Scope of Patent Protection	Category	Registration No./ Application No.	Jurisdiction	Patent Holders/ Applicants	Expiration Date[1][2]
RBD4059	Nucleic Acid, Pharmaceutical Composition, Conjugate, Preparation Method, and Use	Invention	AU2025203951	Australia	Our Company	N/A
RBD5044	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	CN117580953B	PRC	Our Company	2042.06.30
RBD5044	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	CN202511150352.X	PRC	Our Company	N/A
RBD5044	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	HK40101485B	Hong Kong	Our Company	2042.06.30
RBD5044	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	EP22841197.1	Europe	Our Company	N/A
RBD5044	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	AU2022309416	Australia	Our Company	N/A
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	CN110945132B	PRC	Our Company	2038.11.29
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	CN202410305806.5	PRC	Our Company	N/A

Related Product/ Platform	Scope of Patent Protection	Category	Registration No./ Application No.	Jurisdiction	Patent Holders/ Applicants	Expiration Date[1][2]
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	HK40019842B	Hong Kong	Our Company	2038.11.29
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	HK42024095455.2	Hong Kong	Our Company	N/A
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	AU2018377716B2	Australia	Our Company	2038.11.29
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	AU2025200653	Australia	Our Company	N/A
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	EP3719125B1	Europe[3]	Our Company	2038.11.29
RBD1016	Nucleic Acid, Composition and Conjugate Containing Same, and Preparation Method and Use	Invention	EP24197689.3	Europe	Our Company	N/A
RiboGalSTAR™. .	Conjugates and preparation and use thereof	Invention	AU2018394875B2	Australia	Our Company	2038.11.29
RiboGalSTAR™. .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	CN110959011B	PRC	Our Company	2038.11.29
RiboGalSTAR™. .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	CN116375774B	PRC	Our Company	2038.11.29
RiboGalSTAR™. .	Conjugates and preparation and use thereof	Invention	EP3732185B1	Europe[4]	Our Company	2038.11.29
RiboGalSTAR™. .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	HK40019836B	Hong Kong	Our Company	2038.11.29

Related Product/ Platform	Scope of Patent Protection	Category	Registration No./ Application No.	Jurisdiction	Patent Holders/ Applicants	Expiration Date[1][2]
RSC	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof	Invention	AU2018374219C1	Australia	Our Company	2038.11.29
RSC	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof (雙鏈寡核苷酸、含雙鏈寡核苷酸的組合物與綴合物及製備方法和用途)	Invention	CN110997919B	PRC	Our Company	2038.11.29
RSC	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof	Invention	EP3719128B1	Europe[4]	Our Company	2038.11.29
RSC	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof (雙鏈寡核苷酸、含雙鏈寡核苷酸的組合物與綴合物及製備方法和用途)	Invention	HK40019841B	Hong Kong	Our Company	2038.11.29

Notes:

(1) Patent expiration does not include any applicable patent term extensions.

(2) There are no expiration dates for patent applications (N/A).

(3) This European Patent (EP) has been validated and is in force in the following countries: United Kingdom, Germany, France, Switzerland, Belgium, Sweden, Netherlands, Croatia, Albania, and Italy.

(4) This European Patent (EP) has been validated and is in force in the following countries: United Kingdom, Germany, France, Switzerland, Ireland, Belgium, Sweden, Netherlands, Denmark, Croatia, Albania, and Italy.

We conduct our business under the brand name of "Ribo" ("瑞博"). As of the Latest Practicable Date, we had 85 registered trademarks in China and 68 registered trademarks in other jurisdictions, and filed four trademark applications globally. We are also the registered owner of 13 domain names.

We have entered into license and collaboration arrangements with our business partners, through which we may grant access to our own intellectual property or gain access to the intellectual property of others. See "— Licensing and Collaboration Arrangements."

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any proceedings in respect of any claims of infringement of any intellectual property rights which may have a material adverse effect on our business, financial condition and results of operations. See also "Risk Factors — Risks Relating to Our Intellectual Property Rights — We may from time to time be involved in legal proceedings and disputes to protect or enforce our intellectual property rights, or defend against infringement and other claims alleged by third parties, which could be expensive, time consuming and unsuccessful."

In November 2024, we engaged IP counsel to conduct certain freedom-to-operate searches and analyses ("FTO Analysis") in China, Australia, and Europe in relation to our RBD4059 (our Core Product), RBD5044 and RBD1016. Our Directors confirm that no substantial risk of infringement had been identified from the FTO Analysis in relation to the siRNA sequences, the chemical modifications and delivery systems of the siRNA sequences, or clinical indications currently under development of our Core Product and the respective clinical-stage products.

SUPPLIERS AND PROCUREMENT

During the Track Record Period, our suppliers primarily consisted of (i) CROs and CDMOs, and (ii) suppliers of raw materials and consumables for our drug development. For details regarding collaboration with CROs and CDMOs, see "— Research and Development — Collaboration with CROs" and "— Manufacturing — Collaboration with CDMOs."

The raw materials procured for our drug candidates primarily include monomers, anhydrous acetonitrile and toluene. We have established stable relationships with qualified suppliers for raw materials, which we believe have sufficient capacity to meet our demands. Nevertheless, we believe that adequate alternative sources for such supplies exist. To monitor the quality of supplies, we implemented a standardized operating system, setting out the procedures and guidelines for the procurement of raw materials, quality control inspection, warehousing, testing, and storage. During the Track Record Period, we did not experience any material shortage or delays in the supply of raw materials.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, our purchases from our five largest suppliers in each year/period amounted to RMB64.6 million, RMB45.4 million and RMB17.2 million, accounting for 52.9%, 45.4% and 42.0% of our total purchases for the same year/period, respectively, and our purchases from our largest supplier for each year/period amounted to RMB35.3 million, RMB20.2 million and RMB4.7 million, accounting for 28.9%, 20.2% and 11.5% of our total purchases for the same year/period, respectively. The following table sets forth details of our five largest suppliers in each year/period during the Track Record Period:

Supplier	Background	Products/ Services Purchased	Commencement of Business Relationship	Credit Terms	Purchase Amount (RMB in thousands)	% of Total Purchase
For the six months ended June 30, 2025						
Supplier A	A large comprehensive hospital located in China, primarily engaged in provision of medical services, clinical research and medical education	Clinical study services	2019	30 days	4,685	11.5%
Supplier B[(1)]	A China-based public company listed on the Shanghai Stock Exchange and the Stock Exchange. The group is primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2015	15 days	4,670	11.4%
Supplier C	A private company located in Singapore, primarily engaged in provision of clinical trial laboratory services	Clinical support services	2021	30 days	3,316	8.1%
Supplier D	A private company located in China, primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2018	20 days	2,830	6.9%
CTC Clinical Trial Consultants AB. .	A private company located in Sweden, primarily engaged in provision of pharmaceutical R&D services	Clinical CRO services	2022	30 days	1,656	4.1%
Total					**17,157**	**42.0%**

Supplier	Background	Products/ Services Purchased	Commencement of Business Relationship	Credit Terms	Purchase Amount (RMB in thousands)	% of Total Purchase
For the year ended December 31, 2024						
Supplier B[(1)]	A China-based public company listed on the Shanghai Stock Exchange and the Stock Exchange. The group is primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2015	15 days	20,239	20.2%
Nucleus Network . .	A private company located in Australia, primarily engaged in provision of pharmaceutical R&D services	Clinical study services	2022	30 days	8,356	8.3%
Supplier E[(1)]	A China-based public company listed on the Shanghai Stock Exchange and the Stock Exchange. The group is primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2016	15 days	7,526	7.5%
CTC Clinical Trial Consultants AB. .	A private company located in Sweden, primarily engaged in provision of pharmaceutical R&D services	Clinical CRO services	2022	30 days	4,886	4.9%
Supplier D	A private company located in China, primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2018	20 days	4,405	4.5%
Total					**45,412**	**45.4%**

Supplier	Background	Products/ Services Purchased	Commencement of Business Relationship	Credit Terms	Purchase Amount (RMB in thousands)	% of Total Purchase
For the year ended December 31, 2023						
Supplier E[(1)]	A China-based public company listed on the Shanghai Stock Exchange and the Stock Exchange. The group is primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2016	15 days	35,288	28.9%
Nucleus Network . .	A private company located in Australia, primarily engaged in provision of pharmaceutical R&D services	Clinical study services	2022	30 days	16,855	13.8%
Supplier B[(1)]	A China-based public company listed on the Shanghai Stock Exchange and the Stock Exchange. The group is primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2015	15 days	5,355	4.4%
Supplier F	A private company located in China, primarily engaged in the research and development and commercialization of innovative drugs, as well as provision of pharmaceutical R&D and manufacturing services	Reagents and consumables	2019	20 days	4,050	3.3%
Supplier D	A private company located in China, primarily engaged in provision of pharmaceutical R&D services	Preclinical study and clinical support services	2018	20 days	3,036	2.5%
Total					**64,584**	**52.9%**

Note:

(1) Suppliers under the ultimate common control have been consolidated and treated as a single supplier group in each year/period of the Track Record Period.

To the best of our knowledge, none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest suppliers in each year/period during the Track Record Period.

CUSTOMERS

During the Track Record Period, our revenue was primarily derived from our license and collaboration agreements with our business partners. For further details, see "Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Revenue."

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, revenue generated from our five largest customers in each year/period amounted to RMB44 thousand, RMB142.5 million and RMB103.3 million, representing approximately 100.0%, 99.9% and 99.5% of our total revenue for the same year/period, respectively. Revenue generated from our largest customer for each year/period amounted to RMB38 thousand, RMB101.0 million and RMB72.9 million, representing approximately 86.4%, 70.8% and 70.2% of our total revenue for the same year/period, respectively. The following table sets forth details of our five largest customers in each year/period during the Track Record Period:

Customer	Background	Products/ Services Provided	Commencement of Business Relationship	Credit Term	Revenue Contribution (RMB in thousands)	% of Total Revenue
For the six months ended June 30, 2025						
Customer A.	A globally renowned pharmaceutical company located in Germany, focused on researching, developing and manufacturing innovative medicines for humans and animals	License and collaboration	2023	30 days	72,933	70.2%
Customer B.	A leading pharmaceutical company located in China, primarily engaged in the R&D, production and distribution of innovative drugs	License and collaboration	2023	30 days	28,826	27.8%

Customer	Background	Products/ Services Provided	Commencement of Business Relationship	Credit Term	Revenue Contribution (RMB in thousands)	% of Total Revenue
Customer C	A private company located in China, primarily engaged in R&D, manufacturing and sales of drug products	Raw materials	2025	45 days	821	0.8%
Customer D	A private company located in China, primarily engaged in R&D, manufacturing and sales of biochemical products	Raw materials	2025	20 days	533	0.5%
Customer E	A private company located in China, primarily engaged in provision of technical services in biopharmaceutical industry	Raw materials	2025	30 days	173	0.2%
Total					**103,286**	**99.5%**
For the year ended December 31, 2024						
Customer A.	A globally renowned pharmaceutical company located in Germany, focused on researching, developing and manufacturing innovative medicines for humans and animals	License and collaboration	2023	30 days	100,953	70.7%
Customer B	A leading pharmaceutical company located in China, primarily engaged in the R&D, production and distribution of innovative drugs	License and collaboration	2023	30 days	41,326	29.0%
Customer F	A private company located in Ireland, primarily engaged in provision of clinical development services	R&D services	2024	30 days	98	0.1%

Customer	Background	Products/ Services Provided	Commencement of Business Relationship	Credit Term	Revenue Contribution (RMB in thousands)	% of Total Revenue
Customer G	A private company located in Denmark, primarily engaged in development, manufacturing and supply of custom oligonucleotides, peptides, and molecular biology reagents	Raw materials	2024	30 days	78	0.1%
Customer H	A private company located in China, primarily engaged in synthetic biology industry	Raw materials	2024	15 days	41	0.0%
Total					**142,496**	**99.9%**
For the year ended December 31, 2023						
Customer I	A private company located in Sweden, primarily engaged in offering synthesizers for production of peptide and oligonucleotide therapeutics	Raw materials	2023	30 days	38	86.4%
Customer J	A private company located in India, primarily engaged in research, development and manufacturing of molecular diagnostic products	Raw materials	2023	30 days	6	13.6%
Total					**44**	**100.0%**

To the best of our knowledge, none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest customers in each year/period during the Track Record Period.

Overlapping of Customers and Suppliers

Customer D and Customer E, two of our five largest customers for the six months ended June 30, 2025, were also our suppliers for the same period. We procured certain raw materials from them primarily for R&D purposes. The total purchase amounts from Customer D and Customer E were RMB10.2 thousand and RMB3.1 thousand, respectively, accounting for *de minimis* percentages of our total purchase for the six months ended June 30, 2025. Negotiations of the terms of our sales to and purchases from these overlapping customers and suppliers were conducted on an individual basis and the sales and purchases were neither inter-connected nor inter-conditional with each other. Our Directors confirmed that all of our sales to and purchases from the overlapping customers and suppliers were conducted in the ordinary course of business under normal commercial terms and on an arm's-length basis.

COMPETITION

The oligonucleotide drug industry is evolving with increasing competition. While we believe the strength of our pipeline, technology platforms and R&D capabilities gives us competitive advantages, we face potential competition from many industry players, including MNCs and leading biotechnology companies, who have commercialized, or are pursuing the development of, oligonucleotide drugs, in particular siRNA drugs, that are similar to ours or target the same indications. Any oligonucleotide drug candidates that we successfully develop and commercialize will compete both with approved drugs and with any new drugs that may become available in the future. Our competitors may have substantially greater financial, technical, and other resources than we do, such as those with larger research and development staff and established marketing and manufacturing infrastructure. Collaborations, mergers and acquisitions in the biopharmaceutical industry may result in even more resources being concentrated in our competitors. As a result, these companies may be able to advance their drug candidates and obtain regulatory approval from the regulatory authorities more rapidly than we do, and become more effective in selling and marketing their products. For further details on market opportunities and competition in respect of our drug candidates, see "— Our Pipeline" and "Industry Overview."

EMPLOYEES

As of June 30, 2025, we had 404 full-time employees, over 90% of whom were based in China. The following table sets forth the number of our employees by function as of June 30, 2025.

Function	Number of Employees	Percentage
Research and development	272	67.3%
Manufacturing	37	9.2%
General and administrative and others	95	23.5%
Total	**404**	**100.0%**

The following table sets forth the number of our employees by region as of June 30, 2025.

Region	Number of Employees	Percentage
Mainland China	369	91.3%
Sweden	35	8.7%
Total	**404**	**100.0%**

We recruit our employees primarily through online recruitment, campus recruitment and headhunter referral. We conduct new employee training, as well as tailored training programs for employees in different positions in accordance with our internal policy and procedures.

We enter into employment agreements with our employees that cover matters such as wages, benefits, intellectual property assignment clause and grounds for termination. The remuneration package of our employees primarily includes salary, bonus and share-based compensation, which are generally determined by their qualifications, performance review, and seniority. We also enter into standard confidentiality and non-competition agreements with our employees.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》), Interim Measures for Social Insurance System Coverage of Foreigners Working within the Territory of China (《在中國境內就業的外國人參加社會保險暫行辦法》) and other applicable PRC regulations, including the New Judicial Interpretation, we are required to participate in the employee social welfare plan administered by local governments.

During the Track Record Period, certain of our foreign employees voluntarily chose to waive our payment of social insurance contributions on their behalf. However, in light of the New Judicial Interpretation, such waivers may be deemed invalid, and these employees retain the right to seek termination of their labor contracts and claim economic compensation from us for our failure to make statutory social insurance contributions. The amount of social insurance contributions that we should have contributed for such foreign employees during the Track Record Period was approximately RMB480,000.

We consider that the risk of litigation or suffering economic losses as a result of social insurance fund contributions to be immaterial and manageable, having regard to the following: (i) we have obtained written confirmation from the competent human resources and social security authority that no penalties were imposed on us during the Track Record Period for any violations of social insurance-related laws, regulations or rules; (ii) the foreign employees have confirmed that we have provided corresponding economic compensation to them with respect to social insurance contributions; and (iii) during the Track Record Period and up to the Latest Practicable Date, no foreign employee had filed any complaint, labor arbitration or lawsuit against us, nor claimed termination of their employment relationship with us or demanded economic compensation based on this issue.

See also "Risk Factors — Risks Relating to Our Operations — We may be subject to additional social insurance fund and housing provident fund contributions and late fees or fines imposed by relevant regulatory authorities."

We have not established a labor union. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material labor disputes or strikes that may had a material and adverse effect on our business, financial condition, or results of operations.

INSURANCE

We maintain insurance policies as required by the applicable laws and regulations as well as based on our assessment of our operational needs and industry practice. We are required to make contributions to the social insurance and housing provident funds in accordance with relevant PRC laws and regulations. During the Track Record Period, we complied with applicable PRC laws and regulations with respect to social insurance and housing provident funds in all material respects. Our insurance policies also cover adverse events in our clinical trials, liability insurance for workplace safety and general insurance for properties and machinery damage. In line with industry practice, we have elected not to maintain certain types of insurances, such as business interruption insurance or key man insurance. We believe that our existing insurance coverage is adequate for our current operations and consistent with the industry practice. See also "Risk Factors — Risks Relating to Our Operations — We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources."

PROPERTIES

Owned Properties

As of the Latest Practicable Date, we owned land use rights to one parcel of land in Tianjin, China, with an aggregate site area of approximately 88,509.5 square meters on which we owned buildings with an aggregate GFA of approximately 16,193.97 square meters, mainly used as our manufacturing facilities.

The property valuation report produced by Asia-Pacific Consulting and Appraisal Limited, an independent property valuer, set out in Appendix IV to this document sets forth details of our owned land use right and constructed buildings thereon as of October 31, 2025. Asia-Pacific Consulting and Appraisal Limited valued these property interests at an amount of approximately RMB157.7 million as of October 31, 2025.

Leased Properties

We are headquartered in Suzhou, Jiangsu province, China. As of the Latest Practicable Date, we leased 43 properties primarily for R&D and office use in China and Sweden, with an aggregate GFA of approximately 16,000 square meters.

AWARDS AND RECOGNITION

The table below sets forth a summary of the major awards and recognition we received as of the Latest Practicable Date.

Year	Award/Recognition	Granting Authority
2025 . . .	China Future Healthcare Rankings 2025 – Top 100 Biomedicine Companies (2025未來醫療100強–中國創新醫藥與生物製品榜TOP100)	vbdata.cn (動脈網)
2024 . . .	Best Employer Greater Suzhou (大蘇州最佳僱主)	Greater Suzhou Best Employer Committee (大蘇州最佳僱主委員會), Suzhou Industrial Park Human Resources Company (蘇州工業園區人力資源公司)
2024 . . .	China Future Healthcare Rankings 2024 – Top 100 Biomedicine Companies (2024未來醫療100強 – 中國創新醫藥與生物製品榜TOP100)	vbdata.cn (動脈網)
2023 . . .	2023 Hurun Future Unicorns in the World (2023年胡潤全球未來獨角獸)	Hurun Research Institute (胡潤研究院)
2022 . . .	2022 China Biopharmaceutical Industry Value List – Top 20 Most Influential Innovative Therapy Companies (中國生物醫藥產業價值榜 – 最具影響力創新療法企業TOP20)	China Biomedical Innovation Cooperation Conference (中國生物醫藥創新合作大會)
2021 . . .	2021 Bio-Innovative Drug Most Growth Annual Award (2021中國生物創新藥最具成長性年度大獎)	Med Club (星耀研究院)
2021 . . .	2021 Top 100 Chinese Pharmaceutical Innovation Enterprises (中國醫藥創新企業100強)	China Pharmaceutical Enterprises Management Association (中國醫藥企業管理協會) et al.
2019 . . .	Top 20 China Medical and Health Industry Best Newcomer Award (醫療健康產業最佳新銳獎TOP20)	China Healthcare Consulting (醫療傳媒)/CITIC Securities Company Limited (中信證券股份有限公司)

SOCIAL, HEALTH, WORK SAFETY AND ENVIRONMENTAL MATTERS

We believe our long-term success rests on our ability to make positive impact on the society. As we continue to bring innovative oligonucleotide therapeutics to patients in China and worldwide, we strive to build a sustainable ecosystem comprised of our employees, business partners, physicians, and patient groups.

We are subject to various health, work safety and environmental laws and regulations and our operations are regularly inspected by local government authorities. During the Track Record Period and up to the Latest Practicable Date, we had been in compliance with health, work safety and environmental laws and regulations applicable to our operations in all material respects in the jurisdictions where we operate, including the PRC, the EU and Australia, and had not been subject to any material claims, fines or other penalties due to non-compliance with health, work safety or environmental regulations that would materially and adversely affect our business, financial condition or results of operations.

Governance on ESG Matters

ESG Policies

We have built a series of policies and procedures to contribute to social, health, work safety and environmental matters. These policies serve as the core structure for managing environmental, social and governance ("**ESG**") matters, aiming to ensure that ESG principles are integrated into our business operations and decision-making processes through a clear structure. Our ESG policies include, among others: (i) an appropriate ESG governance structure and framework; (ii) identifying key stakeholders and the channels for communicating ESG related matters with them; (iii) managing ESG risks and related mitigation measures; and (iv) identifying and monitoring ESG performance indicators. Going forward, it is our objective to proactively identify and assess the actual and potential ESG risks that may impact our business, strategy and financial performance, and integrate considerations of ESG issues into our business, strategic and financial planning, in compliance with the recommendations made by the Environmental, Social and Governance Reporting Guide in Appendix C2 to the Listing Rules.

ESG Governance Organizational Structure

Our Board oversees our compliance with ESG laws and regulations. We have established an Environment, Social and Governance Committee ("**ESG Committee**") with collective responsibility for formulating, adopting and reviewing our ESG policies and setting our ESG objectives. Our ESG Committee works closely with all responsible departments to ensure the day-to-day implementation of ESG-related matters and policies, while continuously evaluating and addressing emerging ESG issues to align our practices with evolving regulatory requirements, stakeholder expectations and industry standards.

The ESG Committee convenes on a semi-annual basis to review ESG performance against established targets and assess emerging risks. ESG performance is monitored through a dashboard of key performance indicators, with any material deviations promptly escalated to responsible departments for timely remediation. Reports on ESG progress are submitted to the Board at least annually. In setting ESG targets, we take into account historical performance baselines, applicable regulatory requirements, industry peer benchmarks, and internationally recognized standards. We may also engage external ESG consultants periodically to provide independent assessments and benchmarking support to ensure continued alignment with best practices.

ESG-related Risk Assessment and Management

We routinely conduct materiality assessment internally to identify potential ESG issues that are applicable to our Group. We also communicate with external stakeholders from time to time, including regulatory agencies, Shareholders, and customers and suppliers. We assess the materiality of ESG issues by considering factors including regulatory frameworks, stakeholder priorities, and the impact of such issues on our business operations, financial performance and development sustainability. The results of the assessment are presented to the Board for review and confirmation. We have identified the following ESG measurements that are applicable to the Group's business.

ESG focus areas	Targets	Key measures	Quantitative metrics
Resource consumption, waste treatment and response to climate change . .	• Enhance energy efficiency in operational activities. • Maintain compliant disposal rates for hazardous and non-hazardous wastes; achieve zero accident rate in hazardous chemical management. • Promote low-carbon initiatives and reduce carbon emissions.	• Enhance electronic systems application to reduce paper consumption • Implement proper disposal protocols for hazardous waste and industrial emissions (e.g., wastewater, exhaust gas, solid waste) • Establish comprehensive hazardous chemical management systems covering procurement, storage, handling and disposal in compliance with regulatory requirements • Promote video conferencing and remote working policy to reduce carbon emissions from business travel	• Total energy (e.g., electricity) consumption (kWh), total water consumption (tons) • Total amount of hazardous waste generated (tons), total amount of exhaust gas (million cubic meters) • Greenhouse emission

ESG focus areas	Targets	Key measures	Quantitative metrics
Animal welfare . . .	To ensure ethical treatment of laboratory animals and uphold animal welfare standards.	• Implement comprehensive animal welfare training programs for research personnel	/
	Adhere to the "3Rs" principle (Replacement, Reduction, Refinement) and ensure ethical treatment of laboratory animals in research.	• Establish independent animal ethics committees and regular welfare audits • Maintain strict compliance with international animal welfare guidelines and standards	
Employee health and safety	Prioritize employee wellbeing to prevent workplace incidents and productivity losses, which ultimately enhances talent retention and potentially leads to increased regulatory scrutiny. Enhance workplace health and safety through occupational health assessments and comprehensive safety protocols for production and laboratory operations.	• Conduct regular workplace safety assessments • Provide mandatory safety training for employees • Implement annual health check programs for all employees, with specialized occupational health check for high-risk positions	Work-related injury rate (incidents per 100,000 working hours); safety training completion rate (%); occupational disease incidence rate (cases per 1,000 employees); lost time injury frequency rate (%)

ESG focus areas	Targets	Key measures	Quantitative metrics
Patient data privacy and protection. . .	Protect sensitive information to prevent devastating data breaches and legal liabilities, which may lead to the risk of losing patient trust and severe regulatory penalties. Maintain compliance with data privacy regulations; implement robust data security measures and privacy protection protocols.	• Implement robust cybersecurity infrastructure and encryption protocols • Conduct regular data security tests • Provide comprehensive data privacy training for all staff handling patient information • Establish strict access controls and data governance frameworks	Number of incidents, frequency of training
Workforce welfare and diversity . . .	Maintain a diverse and inclusive workplace to promote talent retention and innovation capacity, ultimately enhancing our competitive advantages and operational efficiency.	• Implement equal opportunity hiring policies • Conduct diversity and inclusion training • Monitor gender and age balance in workforce	Gender ratio (%), age group distribution (%), average training hours per employee, discrimination complaint cases, employee retention rate (%)

We recognize that ESG risks and stakeholder expectations may evolve over time. We are committed to periodically reviewing and refining our ESG risk assessment framework and materiality evaluation process to ensure their continued relevance and effectiveness in guiding our ESG strategy and practices.

Environmental Protection

We endeavor to reduce negative impacts on the environment through our commitment to energy saving and sustainable development. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, our expenses in relation to environmental compliance matters were RMB826 thousand, RMB745 thousand and RMB323 thousand, respectively.

Resource Consumption

Energy

We actively explore strategies to reduce energy consumption, primarily electricity consumption. For instance, we actively promote energy conservation and consumption reduction in our daily operations. We encourage the purchase and use of energy-efficient electronic equipment in our office premises, including the choice of lighting and other electrical appliances used. Our employees are reminded to ensure that the air conditioning and other power-consuming equipment at our office premises are switched off when they are not in use.

Water resources

We focus on water resources issue and actively shoulder the social responsibility of protecting water resources. Municipal water supply networks are the main incoming source of our water supply, and we have not encountered any major difficulties seeking suitable water sources during the Track Record Period. Our water resources were mainly used for daily use in offices, laboratories, and production facilities to support our in-house research and development activities during the Track Record Period.

The table below presents our resource use during the Track Record Period.

	For the year ended December 31,		For the six months ended June 30,
Resource	**2023**	**2024**	**2025**
Electricity (kWh)	1,862,855.6	1,980,838.9	1,128,543.4
Water (tons)	5,217.0	8,353.0	6,270.4

Emissions

Waste treatment

We have established waste management procedures to ensure compliance with relevant waste disposal regulations and to minimize environmental impact. The waste is categorized into hazardous waste (such as chemical waste and liquid waste) and non-hazardous waste (such as waste from general office operations). The wastewater and solid waste generated in our in-house research and development process are pretreated by us before being processed by qualified third-party medical waste treatment companies. We will continue to appoint qualified third parties to dispose our hazardous waste and ensure that the proper disposal and management of the hazardous waste.

During the selection process for our third-party contractors, including CROs and CDMOs, we assess their procedures for handling hazardous materials and wastes. Our assessment includes evaluating their environmental compliance history and existing hazardous material management systems. We conduct these evaluations through qualification reviews and site visits.

Greenhouse gas emission

We are focused on actively reducing the greenhouse gas emissions generated from our operations. Our greenhouse gas emissions consist of Scope 1 and Scope 2 emissions. Scope 1 direct emissions include the greenhouse gas emissions from manufacturing facilities and other stationary combustion sources. Scope 2 energy indirect emissions primarily include the greenhouse gas emissions from usage of purchased electricity. In response to the national carbon neutrality target, we are committed to actively reducing the greenhouse gas emissions produced in our operations.

The table below presents our emission-related indicators during the Track Record Period.

	For the year ended December 31,		For the six months ended June 30,
	2023	2024	2025
Emission			
Exhaust gas (million cubic meters)	395.4	395.4	19.0
Hazardous waste (tons)	88.2	94.4	37.8

In anticipation of the expansion of our business and the continuous broadening of our product portfolio, we expect an increase in resource consumption and emissions. However, we will continue to adopt a wide range of measures, including to strengthen source control, implements cleaner production, rationally utilize resources, conscientiously and responsibly treat laboratory waste and water discharge, and reduce pollution in the whole process. At the same time, we strive to cultivate a corporate culture of environmental protection and work closely with our business partners to build an environment-friendly ecosystem. We monitor our monthly electricity and water consumption and actively adjust our conservation policies to effectively manage and reduce our environmental impact while promoting operational efficiency and compliance.

Climate-related Risks

The environmental and climate-related risks we are exposed to can be divided into two broad categories: physical and transition risks. We define physical risks as risks related to the physical impacts of climate change, consisting of (i) acute physical risks, such as increased severity of typhoon or floods; and (ii) chronic physical risks that are affected by long-term changes in climate patterns, such as changes in average annual rainfall or temperature. We define transition risks as the transition from dependence on fossil fuels to a low-carbon economy, which may involve changes in policy, laws, technology markets, as well as social culture, such as possible carbon taxes, compliance disclosures, and increased use of new energy sources across businesses and households.

We closely monitor our business operation to reduce the possible impacts of physical and transition risks. We incorporate environmental risk analysis into the risk assessment process and risk preference setting. If risks and opportunities are deemed material, we incorporate them into our strategic and financial planning processes and take appropriate mitigation measures.

Due to the nature of our business, we are not prone to material impacts of chronic physical risks or transition risks. Our business, operations and financial condition had not been materially affected by any climate-related events during the Track Record Period and up to the Latest Practicable Date.

Employee Health and Safety

We emphasize providing a safe working environment for our employees and clinical trial participants. We incorporate work safety guidelines on safe practices, accident prevention and accident reporting as core aspects of our employee training and induction processes, and we ensure that clinical trial participants properly acknowledge their understanding of safety matters at the time of enrollment and on an ongoing basis as necessary. In addition, we have adopted and maintained a series of rules, standard operating procedures and measures to maintain a healthy and safe environment for our employees, including those required under the cGMP standards. We have passed the audit of national safety standardization (Level II). Furthermore, we conduct safety inspections of our laboratories and manufacturing facilities on a regular basis. We have also established an occupational health management and monitoring system for our employees aimed at preventing occupational diseases.

During the Track Record Period and up to the Latest Practicable Date, we did not have any major workplace accident.

Animal Welfare

We use laboratory animals in our R&D activities, and we place a strong emphasis on animal welfare and are committed to providing humane and responsible treatment to laboratory animals across all our operations. We maintain and regularly renew our Laboratory Animal Use License, which was first obtained on September 1, 2019. The management of animal welfare is overseen by our Institutional Animal Care and Use Committee (IACUC), which is further divided into the Animal Use Management Committee and the Animal Ethics Committee. These committees are primarily responsible for establishing management policies for laboratory animals, planning and inspecting facilities, auditing compliance with animal welfare standards in experiments, and regularly reviewing the procedures for humane treatment and management of laboratory animals. Additionally, the committees ensure that relevant staff participate in both internal and external training on laboratory animal management to continuously improve their expertise. We have also implemented a comprehensive set of standard operating procedures to regulate animal welfare management, ensuring that the experimental environment, equipment, and processes comply with all applicable standards and requirements.

Data Privacy Protection

We have established comprehensive procedures and strict internal policies to protect the confidentiality of patients' data throughout the collection, handling, storage, retrieval and access processes. Our information technology infrastructure features multiple protective layers securing databases and servers, with protocols preventing unauthorized network access. For the transfer of scientific data, we implement encryption and secure transfer protocols to maintain data integrity and confidentiality when sharing information between research sites, collaborators, and regulatory authorities. We have established standardized procedures for scientific data transfers that comply with relevant cross-border data transfer regulations and international research standards. For clinical trials, we strictly limit data access to authorized personnel in accordance with GCP regulations, and have appointed dedicated database administrators responsible for maintenance, access control and security protection. We require all personnel and external parties involved in clinical trials to comply with confidentiality requirements designed to ensure that data are used solely for purposes agreed by patients in the informed consent. Employees with access to confidential information are required to enter into confidentiality agreements obligating them to protect such information during employment and after departure. We regularly conduct training on data security policies to ensure compliance with these measures.

During the Track Record Period and up to the Latest Practicable Date, (i) we had not experienced any material data leakage, (ii) as advised by our legal advisors in the key jurisdictions where we operate, we had not been subject to any material fines, administrative penalties or sanction by relevant regulatory authorities in relation to violation of data protection laws and regulations, and (iii) we had compiled with all applicable laws and regulations on data privacy and security in all material respects (including conducting clinical trials and handling patient's personal data, and cross-border transmission of patients' data).

Workforce Welfare and Diversity

Within our organization, we are committed to creating an open and inclusive workplace that promotes equality. We hire employees based on their merits and it is our corporate policy to offer equal opportunities to them regardless of gender, age, race, religion or any other social or personal characteristics. As of June 30, 2025, we had 404 employees, among whom more than 45% were female. Our workforce spans diverse age groups, with 57.7% aged 30-45, 29.5% under 30, and 12.9% over 45, ensuring a balanced mix of experience and background. Our employees boast a diverse range of experiences and professional backgrounds, encompassing areas such as biomedicine, biochemistry, chemistry, pharmaceutical engineering, food quality and engineering, immunology, genetics, financial management, human resources, intellectual property, and international trade, among others. We adhere to a fair and transparent employee management system and strive to enhance gender and age diversity of our workforce. We established human resources management policies that systematically outline the recruitment processes, promotion procedures, dismissal/resignation processes, performance evaluation approaches, retention strategies, salary and benefits procedures, employee trainings. We implement a merit-based hiring approach and strive to ensure that our recruitment is based on the principles of transparency and fairness. All

employees are covered by legally enforceable employment contracts. We prohibit any form of child labour or forced labour. Working hours, rest days, and overtime compensation are managed in accordance with statutory requirements. In addition, we place a strong emphasis on employee well-being by conducting regular internal surveys, team-building activities, and consultations designed to ensure that our employees have an equal opportunity to share their voices.

Anti-corruption and Anti-bribery

To uphold our business reputation and ethical standards, we have incorporated anti-corruption and anti-bribery requirements into our internal policies and systems. These requirements are designed to prevent and prohibit any form of corruption or bribery, ensuring that our employees adhere to high standards of integrity and transparency in all business activities.

We maintain a zero-tolerance approach to corruption and bribery and strictly enforce internal controls to enhance employees' legal awareness and ethical principles. Our relevant internal policies include provisions that strictly prohibit employees from engaging in any form of bribery or corruptive conduct, including giving or receiving bribes, kickbacks, or other improper benefits in connection with government relations and commercial activities. We have established secure and confidential effective reporting channels to encourage employees and business partners to report or file complaints about any suspected corruption or bribery.

Product Use and Pricing

The inappropriate use of pharmaceutical products, such as off-label use, patient misuse, or lack of adequate medical supervision, may result in adverse health outcomes, treatment failure, development of drug resistance, regulatory investigations, and reputational harm. In addition, the pricing of pharmaceutical products may have a significant impact on patients' access to treatment, particularly in underserved or low-income populations. These social risks, if not properly identified and managed, could affect public perception, market acceptance, and long-term sustainability of a pharmaceutical company's products. See also "Risk Factors" for further details.

As of the Latest Practicable Date, all of our drug candidates were in various clinical development stages, and none had been approved for commercial sale. Looking ahead, and in light of increasing global regulatory focus on pharmaceutical safety and accessibility, we expect to establish appropriate governance mechanisms to manage these risks effectively. These may include setting up a dedicated medical affairs team to oversee scientific integrity and appropriate product use, implementing a pharmacovigilance system to monitor and report adverse events, and developing pricing strategies that seek to balance commercial viability with patient access. We also plan to engage with key stakeholders, including healthcare professionals and patients, to better understand and address concerns regarding product use and affordability. We intend to integrate ESG considerations into our product lifecycle planning and to ensure that future commercial activities are aligned with our core mission of developing innovative therapies that are both effective and accessible to patients in need.

LICENSES, PERMITS AND APPROVALS

We are subject to regular inspections, examinations and audits, and are required to maintain or renew the necessary permits, licenses and certifications for our business. During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from the relevant government authorities that are material for our business operations in all jurisdictions where we operate, including the PRC, Sweden, Australia and Hong Kong. The table below sets forth the relevant details of the material licenses and permits we currently hold.

License/Permit	Holder	Issuing Authority	Issue Date	Expiration Date
Laboratory Animal Use License	Beijing RiboCure	Beijing Municipal Science & Technology Commission	August 23, 2024	August 23, 2029
Filing Notice of Beijing Pathogenic Microbiology Laboratory and Laboratory Activities	Beijing RiboCure	Beijing Daxing District Health Commission	April 19, 2021	N/A[(1)]
Filing Certificate of Entities Handling Explosive and Hazardous Chemicals	Our Company	Wusongjiang Branch of Kunshan Public Security Bureau	September 7, 2023	N/A[(1)]
Filing Receipt of Pollution Discharge for Stationary Pollution Source	Our Company	Kunshan Ecological Environment Bureau of Suzhou City	June 17, 2024	June 16, 2029
Permit of Health Care Provider	Ribocure AB	Swedish Health and Social Care Inspectorate (Inspektionen för vård och omsorg)	September 13, 2023	N/A[(1)]
Biobank Permit	Ribocure AB	Swedish Health and Social Care Inspectorate (Inspektionen för vård och omsorg)	May 29, 2023	N/A[(1)]
Workplace Code for Medication Prescription	Ribocure AB	Västra Götalandsregionen	October 10, 2023	N/A[(1)]

Note:

(1) There is no expiration date for such license/permit/certificate once issued.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, none of us or our Directors were involved in any actual or threatened litigation, arbitration or administrative proceedings which could have a material and adverse impact on our business, financial condition or results of operations. During the Track Record Period and up to the Latest Practicable Date, we had complied in all material respects with the applicable laws and regulations relating to our business operations.

However, we may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of our business. Litigation or any other legal or administrative proceeding, regardless of the outcome, could result in substantial costs and diversion of our resources, including our management's time and attention. For a discussion of the potential impact of legal or administrative proceedings on us, see "Risk Factors — Risks Relating to Our Operations — We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business."

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We recognize that risk management is critical to the success of our business operations. The key operational risks we face include, among others, changes in the general market conditions and the regulatory environment of the PRC and global biopharmaceutical markets, our ability to develop, manufacture and commercialize our drug candidates, and our ability to compete with other biopharmaceutical companies. See "Risk Factors" for a discussion of the key risks and uncertainties we may face. We also encounter diverse market risks. In particular, we are exposed to interest rate, foreign currency, credit and liquidity risks that arise in the normal course of our business. See "Financial Information — Quantitative and Qualitative Disclosure about Market Risk" for a discussion of these market risks.

To address these challenges, we have implemented a comprehensive set of risk management policies that establish a framework to identify, assess, evaluate, and continuously monitor the key risks associated with our strategic objectives. Risks identified by our management will be analyzed based on likelihood and impact, and will then be properly followed up, mitigated, and rectified by our Group after reported to our Board of Directors. Our Directors oversee the implementation of these risk management policies.

To monitor the ongoing implementation of risk management policies and corporate governance measures after the [**REDACTED**], we have adopted, or will continue to adopt, among other things, the following risk management measures.

- Our Board will continue to oversee and manage the overall risks associated with our business operations, including (i) reviewing and approving our risk management policy to ensure that it is consistent with our corporate objectives; (ii) reviewing and approving annual working plan and annual report of our corporate risk management; (iii) monitoring the most significant risks associated with our business operation and evaluating our management's handling of such risks; (iv) assessing our corporate risk in the light of our corporate risk tolerance; and (v) ascertaining the appropriate application of our risk management framework across our Group.

- Our finance, legal, human resources and other relevant departments will be responsible for (i) developing our risk management policy and reviewing major risk management issues within our Company; (ii) creating the annual risk management plan and report; (iii) offering guidance on our risk management approach to relevant departments and supervising the implementation of our risk management policy; (iv) reviewing reports on key risks from relevant departments and providing feedback; and (v) conducting education and training related to risk management.

- Our finance, legal, human resources and other relevant departments will be responsible for implementing our risk management policy and carrying out our day-to-day risk management practice. To standardize risk management across our Group and establish a common level of transparency and performance, these departments will (i) gather information about risks related to their operations or functions; (ii) conduct risk assessments, which include identifying, prioritizing, measuring, and categorizing all key risks that could potentially impact their objectives; (iii) continuously monitor key risks related to their operations or functions; (iv) implement appropriate risk responses as needed; (v) develop and maintain mechanisms to facilitate the application of our risk management framework; and (vi) promptly report any material risks to relevant departments.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an independent internal control consultant, or the Internal Control Consultant, to perform certain agreed-upon procedures, or the Internal Control Review, in connection with the internal control of our Company and our major operating subsidiaries and to report factual findings on our Group's entity-level and process-level controls, including financial reporting and disclosure controls, human resources and payroll management, general controls of IT system, taxation management, procurement management, CRO management, and other procedures of our operations. The Internal Control Consultant performed reviews on the internal control systems of our Group and in September 2024. As of the Latest Practicable Date, there were no material outstanding issues relating to our Group's internal control.

During the Track Record Period, we regularly reviewed and enhanced our internal control system. Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement.

- We have implemented a range of measures and procedures covering various aspects of our business operations, including related party transactions, risk management, intellectual property protection, environmental protection, and occupational health and safety. For more information, see "— Intellectual Property" and "— Social, Health, Work Safety and Environmental Matters." As part of our employee training program, we regularly provide training on these measures and procedures to our staff.

- Our Directors, who are responsible for overseeing the corporate governance of our Group, will, with assistance from our legal advisers, will periodically review our compliance status with all relevant laws and regulations following the [**REDACTED**].

- We have established an audit committee which (i) makes recommendations to our Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect of financial reporting as well as oversees internal control procedures of our Group.

- We have engaged Soochow Securities International Capital Limited as our compliance adviser to provide advice to our Directors and management team until the end of the first fiscal year after the [**REDACTED**] regarding matters relating to the Listing Rules. Our compliance adviser is expected to ensure our use of funding complies with the section headed "Future Plans and Use of [**REDACTED**]" in this document after the [**REDACTED**], as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion.

OVERVIEW

As of the Latest Practicable Date, our Company was owned by: (i) Dr. LIANG as to 10.84%, (ii) Kunshan Ruikong as to 8.08%, (iii) Kunshan Ruiman as to 4.13%, (iv) Ms. MO Hua as to 2.26%, (v) Prof. XI Zhen as to 2.12%, (vi) Prof. ZHANG Lihe as to 1.41% and (vii) Kunshan Ruiji as to 1.06%, respectively. Dr. LIANG indirectly controlled Kunshan Ruiman and Kunshan Ruiji by acting as the general partner of each of: (i) Kunshan Ruixing, the general partner of Kunshan Ruiman, and (ii) Kunshan Ruiji. Kunshan Ruikong was controlled by Dr. ZHANG, its general partner.

On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties (as defined below) other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements (the "**Concert Party Arrangement**"). Pursuant to the Concert Party Arrangement, Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe and Kunshan Ruiji (together with Kunshan Ruixing, the "**Concert Parties**" and each a "**Concert Party**") have been acting in concert since March 8, 2017 and will continue to act in concert until the third anniversary from the [**REDACTED**], subject to further extension. In addition, given that, as of the Latest Practicable Date, Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. Liang was the general partner of Kunshan Ruixing, Kunshan Ruixing shall be deemed to be a Concert Party under the Concert Party Arrangement, even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties. For details, see "History and Corporate Structure — Acting-in-Concert".

As such, the Concert Parties were collectively entitled to exercise voting rights attaching to approximately 29.91% of the total issued Shares of our Company as of the Latest Practicable Date and will be entitled to exercise voting rights attaching to approximately [**REDACTED**]% of the total issued Shares of our Company immediately after the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme). Based on the above, upon [**REDACTED**], the Concert Parties will be our Single Largest Group of Shareholders.

INDEPENDENCE OF OUR BUSINESS

We believe that we are capable of carrying out our business independently from our Single Largest Group of Shareholders and/or their close associates upon [**REDACTED**] for the following principal reasons:

Management Independence

Upon the [**REDACTED**], our Board will consist of nine Directors, comprising three executive Directors, three non-executive Directors and three independent non-executive Directors. Save for Dr. LIANG (who is the Chairman of the Board, an executive Director and the chief executive officer of our Company) and Dr. ZHANG (who is an executive Director and the president of our Company), none of our Directors or members of senior management is a member of our Single Largest Group of Shareholders. Our other Directors have relevant experience to ensure the proper functioning of the Board.

We believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Single Largest Group of Shareholders and/or their close associates for the following reasons:

(i) our Directors are aware of their fiduciary duties as a director, which require, among other things, that they act for our Company's benefit and best interests and they must not allow any conflict between their duties as a Director and their personal interests;

(ii) our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our senior management team, see "Directors, Supervisors and Senior Management";

(iii) our independent non-executive Directors have extensive experience in different areas. We believe that they will be able to exercise their independent judgment and will be able to provide impartial opinions in the decision-making process of our Board to protect the interests of our Shareholders;

(iv) In the event of a conflict of interest arising out of any transactions to be entered into by our Group, all Directors with conflicting interest shall abstain from voting in respect of such transactions and shall not be counted in forming a quorum at the relevant Board meetings; and

(v) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders and/or their close associates which would support our independent management. For details, see "— Corporate Governance Measures" in this section.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from our Single Largest Group of Shareholders and/or their close associates after the [**REDACTED**].

Operational Independence

Our operations remain independent from our Single Largest Group of Shareholders and/or their close associates for the following reasons:

(i) our Group possesses sufficient facilities, equipment, technology and human resources to operate its business independently from our Single Largest Group of Shareholders and/or their close associates, and holds licenses and qualifications that are necessary for our business independently from our Single Largest Group of Shareholders and/or their close associates;

(ii) our Group has an established and complete organizational structure, comprising various separate departments each charged with specific responsibilities independently without interference or intervention from our Single Largest Group of Shareholders and/or their close associates;

(iii) our Group has independent access to, among others, customers, suppliers, experts and other resources required for our business. We can exercise rights to make and implement our operational decisions independently; and

(iv) we have adopted a set of corporate governance measures pursuant to the Listing Rules and other applicable laws and regulations. For details, please refer to the paragraph headed "— Corporate Governance Measures" in this section.

Based on the above, our Directors believe that we are operationally independent from our Single Largest Group of Shareholders and/or their close associates.

Financial Independence

We have an independent financial system and finance team responsible for our own treasury functions and we have made, and will continue to make, financial decisions based on our own business needs. We are financially independent of our Single Largest Group of Shareholders and/or their close associates. We have sufficient capital and banking facilities to operate our business independently, and have adequate resources to support our daily operations. We have an independent internal control and accounting system and make financial decisions according to our business needs. Our source of funding is independent from our Single Largest Group of Shareholders and/or their close associates.

As of the Latest Practicable Date, there were no loans, advances and balances due to and from and guarantees provided by our Single Largest Group of Shareholders and/or their close associates. Further, there is no security over assets and guarantees provided by our Single Largest Group of Shareholders and/or their close associates in relation to loans made by our Group. As of the Latest Practicable Date, our Group did not intend to obtain any borrowing, guarantees, pledges and mortgages from our Single Largest Group of Shareholders and/or their close associates. We are capable of obtaining financing from third parties, if necessary, without reliance on our Single Largest Group of Shareholders and/or their close associates.

Based on the above, our Directors believe that we are able to maintain financial independence from our Single Largest Group of Shareholders and/or their close associates.

Corporate Governance Measures

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests after the [**REDACTED**]. We have adopted or will adopt the following measures upon [**REDACTED**] to safeguard good corporate governance standards and to avoid potential conflict of interest between our Group and our Single Largest Group of Shareholders and/or their close associates:

(i) our Company has established internal control mechanisms to identify connected transactions. Upon [**REDACTED**], if our Company enters into connected transactions with the Single Largest Group of Shareholders and/or their close associates, our Company will comply with the applicable Listing Rules as required by the Listing Rules;

(ii) where a Shareholders' meeting is to be held for considering proposed transactions in which the Single Largest Group of Shareholders and/or their close associates may have a material interest, they will not vote on the resolutions and shall not be counted in the quorum present at the meeting;

(iii) our independent non-executive Directors will (i) review any connected transactions annually and disclose in our annual report or by way of announcements that, such connected transactions have been entered into in our ordinary and usual course of business, are either on normal commercial terms or on terms no less favorable to us than those available to or from Independent Third Parties and on terms that are fair and reasonable and in the interests of our Shareholders as a whole; and (ii) provide impartial and professional advice to protect the interests of our minority Shareholders;

(iv) we have appointed Soochow Securities International Capital Limited as our compliance adviser pursuant to the Rule 3A.19 of the Listing Rules to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance;

(v) we have established our Audit Committee, Remuneration Committee and Nomination Committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code in Appendix C1 to the Listing Rules. The majority of the members of our Audit Committee, including its chairman, are independent non-executive Directors. In addition, we will comply with relevant Listing Rules and the Corporate Governance Code in Appendix C1 to the Listing Rules to ensure effective function and supervision by these committees; and

(vi) The decision-making mechanism of the Board as set out in our Articles of Association includes provisions to avoid conflicts of interest by providing, among other things and subject to certain exceptions, that Directors whose close associates such as an entity controlled by them are involved in the matters to be resolved at the Board meeting shall declare their interest and shall not vote on such resolution. In this context, our Directors shall abstain from voting on any Board resolutions approving any contract or arrangement or any other proposal in which such Director or any of their close associates such as an entity controlled by them has any material interest.

OVERVIEW

Immediately Before the [REDACTED]

As of the Latest Practicable Date, our registered share capital was RMB134,203,110, comprising 134,203,110 Unlisted Shares with a nominal value of RMB1.00 each.

The Shareholders of our Company [have applied] to the CSRC, the Stock Exchange and other relevant regulatory authorities to convert Unlisted Shares into H Shares.

Upon the Completion of the [REDACTED]

Immediately following the completion of the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, the share capital of our Company will be as follows:

Assuming the* [REDACTED] *is not exercised and no Shares are issued under the Pre-*[REDACTED] *Share Option Scheme:

Description of Shares[(1)]	Number of Shares	% of the total issued share capital
Unlisted Shares in issue	–	–
H Shares to be converted from Unlisted Shares[(2)]	134,203,110	[**REDACTED**]%
H Shares to be issued pursuant to the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	**100.0%**

Assuming the* [REDACTED] *is exercised in full and no Shares are issued under the Pre-*[REDACTED] *Share Option Scheme:

Description of Shares[(1)]	Number of Shares	% of the total issued share capital
Unlisted Shares in issue	–	–
H Shares to be converted from Unlisted Shares[(2)]	134,203,110	[**REDACTED**]%
H Shares to be issued pursuant to the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	**100.0%**

Notes:

(1) For the avoidance of doubt, both Unlisted Shares (comprising Domestic Shares and Unlisted Foreign Shares) and H Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares.

(2) Following the completion of the [**REDACTED**], [**REDACTED**] Unlisted Shares held by our existing Shareholders will be converted into H Shares on a one-for-one basis and [**REDACTED**] on the Stock Exchange for [**REDACTED**], respectively. Filing of such conversion of the Unlisted Shares into H shares has been completed with the CSRC on October 24, 2025.

SHARES OF OUR COMPANY

Upon completion of the [**REDACTED**], depending on whether Shares are [**REDACTED**] on the Stock Exchange, our Company will consist of H Shares and Unlisted Shares, both of which are ordinary Shares in the share capital of our Company and are considered as one class of Shares. However, the H Shares generally may not be [**REDACTED**] for by, or traded between, legal or natural persons of the PRC, apart from certain qualified domestic institutional [**REDACTED**] in the PRC, the qualified PRC [**REDACTED**] under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold the H Shares pursuant to relevant PRC laws and regulations or upon approval by any competent authorities.

RANKING

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi. In addition to cash, dividends may be distributed in the form of Shares or a combination of cash and shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

All our Unlisted Shares are not [**REDACTED**] or [**REDACTED**] on any stock exchange. According to the regulations issued by the securities regulatory authorities of the State Council and our Articles of Association, the Unlisted Shares may be converted into H Shares, and such converted Shares may be [**REDACTED**] and [**REDACTED**] on an overseas stock exchange provided that the conversion, [**REDACTED**] and [**REDACTED**] of such converted Shares have been filed with the CSRC. Additionally, such conversion, [**REDACTED**] and [**REDACTED**] shall meet any requirement of internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Upon completion of the [**REDACTED**] and pursuant to the approval of the CSRC dated October 24, 2025, [**REDACTED**] Unlisted Shares will be converted to H Shares on a one-for-one basis and be [**REDACTED**] for [**REDACTED**] on the Stock Exchange as set out below.

Listing Review and Filing with the CSRC

In accordance with the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請「全流通」業務指引》) announced by the CSRC, H-share listed companies which apply for the conversion of shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC according to the administrative licensing procedures necessary for

the "examination and approval of public issuance and listing (including additional issuance) of overseas shares by a joint stock company". An H-share listed company may apply for a "Full Circulation" separately or when applying for refinancing overseas. An unlisted domestic joint stock company may apply for "full circulation" when applying for an overseas [**REDACTED**].

Our Company has applied for a "full circulation" filing when applying for an overseas [**REDACTED**] filing with the CSRC on April 28, 2025, and submitted the filing reports, authorization documents of the shareholders of unlisted shares for which an H-share "full circulation" filing was applied, undertaking about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

Our Company has received the filing notice from the CSRC dated October 24, 2025 in relation to the filing of the overseas [**REDACTED**] and "Full Circulation," pursuant to which:

(i) the Company was approved to issue no more than [**REDACTED**] H Shares with a nominal value of RMB1.0 each, which are all ordinary Shares, and upon this issuance our Company may be [**REDACTED**] on the Main Board of the Stock Exchange;

(ii) a total of 134,203,110 unlisted shares (with a nominal value of RMB1.00 each) held by certain Shareholders of the Company (the "**Full Circulation Participating Shareholders**") were approved to be converted into H Shares, and the relevant Shares may be [**REDACTED**] on the Stock Exchange upon completion of the conversion.

Where the [**REDACTED**] cannot be completed within one year upon receipt of the filing notice, and our Company will continue to conduct overseas [**REDACTED**] and [**REDACTED**] after that, it shall update the filing materials, and the CSRC will update the public filing information accordingly.

[REDACTED] Approval by the Stock Exchange

We [have applied] to the Listing Committee of the Stock Exchange for the granting of [**REDACTED**] of, and permission to [**REDACTED**], our H Shares to be issued pursuant to the [**REDACTED**] (including (i) any H Shares which may be issued pursuant to the exercise of the [**REDACTED**]; (ii) the H Share which may be issued pursuant to the Pre-[**REDACTED**] Share Option Scheme; and (iii) the H Shares to be converted from [**REDACTED**] Unlisted Shares) on the Stock Exchange.

We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (i) giving instructions to our [**REDACTED**] regarding relevant share certificates of the converted H Shares; and (ii) enabling the converted H Shares to be accepted as eligible securities by [**REDACTED**] for deposit, clearance and settlement in the [**REDACTED**]. The Full Circulation Participating Shareholders may only [**REDACTED**] the Shares upon completion of following domestic

procedures. Any application for [**REDACTED**] of the converted Shares on the Stock Exchange after our initial [**REDACTED**] is subject to prior notification by way of announcement to inform the Shareholders and the public of any proposed conversion.

Domestic Procedures

The Full Circulation Participating Shareholders may only [**REDACTED**] the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and [**REDACTED**]:

(i) We will appoint China Securities Depository and Clearing Corporation Limited ("**CSDC**") as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at [**REDACTED**] in its own name. CSDC, as the nominal holder of the Full Circulation Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-border settlement and corporate actions, etc. relating to the converted H Shares for the Full Circulation Participating Shareholders;

(ii) We will engage a domestic securities company (the "**Domestic Securities Company**") to provide services such as sending orders for [**REDACTED**] of the converted H Shares and receipt of transaction returns. The Domestic Securities Company will engage a Hong Kong securities company (the "**Hong Kong Securities Company**") for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by Shenzhen Stock Exchange;

(iii) The Shenzhen Stock Exchange shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of [**REDACTED**] orders and transaction returns in respect of the converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;

(iv) According to the Notice of SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the Full Circulation Participating Shareholders shall complete the overseas shareholding registration with the local foreign exchange administration bureau before the Shares are sold, and after the overseas shareholding registration, open a specified bank account for the holding of overseas shares by domestic [**REDACTED**] at a domestic bank with relevant qualifications and open a fund account for the H Share "Full Circulation" at the Domestic Securities Company. The Domestic Securities Company shall open a securities [**REDACTED**] account for the H Share "Full Circulation" at the Hong Kong Securities Company; and

(v) The Full Circulation Participating Shareholders shall submit [**REDACTED**] orders of the converted H Shares through the Domestic Securities Company. [**REDACTED**] orders of the Full Circulation Participating Shareholders for the relevant Shares will be submitted to the Stock Exchange through the securities [**REDACTED**] account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Full Circulation Participating Shareholders, will all be conducted separately.

As a result of the conversion, the shareholding of the relevant Full Circulation Participating Shareholders in our Unlisted Shares shall be reduced by the number of the Unlisted Shares converted and the number of H Shares shall be increased by the number of converted H Shares.

A Shareholder holding Unlisted Shares can work with our Company according to the Articles of Association and follow the procedures set out in this document to convert the Unlisted Shares into H Shares after the [**REDACTED**] if they wish, provided that such conversion of Unlisted Shares into and [**REDACTED**] and [**REDACTED**] of H Shares will be subject to the completion of the filing procedures with the relevant PRC regulatory authorities, including the CSRC, the approval of the Stock Exchange and the satisfaction of the [**REDACTED**] requirement under the Listing Rules.

RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

Pursuant to the PRC Company Law, our Shares issued prior to the [**REDACTED**] shall not be transferred within one year from the [**REDACTED**]. Accordingly, Shares issued by our Company prior to the [**REDACTED**] shall be subject to this statutory restriction and shall not be transferred for a period of one year from the [**REDACTED**].

Pursuant to the PRC Company Law, transferred by our Directors, Supervisors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in the Company. The Shares that the aforementioned persons held in the Company cannot be transferred within one year from the date on which the shares are [**REDACTED**] and [**REDACTED**], nor within half a year after they leave their positions in the Company. The Articles of Association may contain other restrictions on the transfer of our Shares held by our Directors, Supervisors and members of senior management, a summary of which is set out in "Appendix VI — Summary of Articles of Association."

GENERAL MANDATE TO ISSUE SHARES, SELL AND/OR TRANSFER TREASURY SHARES

Subject to the completion of the [**REDACTED**], pursuant to the Shareholders resolutions of the Company, our Board [has been granted] general unconditional mandates to issue our H Shares and sell and/or transfer our H Shares out of treasury that are held as treasury shares. See "Appendix VII — Statutory and General Information — A. Further Information about Our Company and Our Subsidiaries — 4. Shareholders' Resolutions" for further details.

REGISTRATION OF SHARES NOT [REDACTED] ON AN OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (《關於境外上市公司非境外上市股份集中登記存管有關事宜的通知》) issued by the CSRC, the Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the CSDC within 15 business days after the [**REDACTED**] and provide a written report to the CSRC regarding the centralized registration and deposit of our Shares that are not [**REDACTED**] on the overseas stock exchange as well as the [**REDACTED**] and [**REDACTED**] of our H Shares.

PRE-[REDACTED] SHARE OPTION SCHEME

We have adopted the Pre-[**REDACTED**] Share Option Scheme. For the details of the Pre-[**REDACTED**] Share Option Scheme, see "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 2. Pre-[**REDACTED**] Share Option Scheme".

CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

For details of circumstances under which our general Shareholders' meetings are required, see "Appendix V — Summary of Principal Laws and Regulations" and "Appendix VI — Summary of Articles of Association."

So far as our Directors are aware, immediately following the completion of the [**REDACTED**] and conversion of our Unlisted Shares into H Shares (assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), the following persons are expected to have or be deemed or taken to have an interest and/or a short position in the Shares or underlying shares of our Company, which would be required to be disclosed to us and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other members of the Group:

LONG POSITIONS IN THE SHARES OF OUR COMPANY

		As of the Latest Practicable Date			Immediately following the completion of the [REDACTED] and the Conversion of Unlisted Shares into H Shares		
Name	Nature of Interest	Description of Shares	Number	% of shareholding in the total issued share capital	Number	% of shareholding in the Unlisted Shares/H Shares (as applicable)[1]	% of shareholding in the total issued share capital[1]
Dr. LIANG[2][3][4][5]	Beneficial owner; Interest of spouse; interest held jointly with other persons; interest in controlled corporations	Unlisted Shares	40,194,267	29.95%	–	–	–
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Kunshan Ruiman[4][5]	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Kunshan Ruixing[4][5]	Interest in controlled corporations; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Kunshan Ruiji[4][5]	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Dr. ZHANG[2][5][6][7]	Beneficial owner; Interest of spouse; interest held jointly with other persons; interest in controlled corporations	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Kunshan Ruikong[4][5][6]	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Ms. MO Hua[4][5][8]	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
	Interest of spouse	Unlisted Shares	382,268	0.28%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	382,268	[REDACTED]%	[REDACTED]%
Prof. XI Zhen[4][5]	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%

		As of the Latest Practicable Date			Immediately following the completion of the [REDACTED] and the Conversion of Unlisted Shares into H Shares		
Name	Nature of Interest	Description of Shares	Number	% of shareholding in the total issued share capital	Number	% of shareholding in the Unlisted Shares/H Shares (as applicable)(1)	% of shareholding in the total issued share capital(1)
Prof. ZHANG Lihe(4)(5)	Beneficial owner; interest held jointly with other persons	Unlisted Shares	40,194,267	29.95%	–	–	–
		H Shares	–	–	40,194,267	[REDACTED]%	[REDACTED]%
Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥)) ("**FIIF**")(9)	Beneficial owner	Unlisted Shares	11,430,002	8.52%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	11,430,002	[REDACTED]%	[REDACTED]%
Wise Vigour Limited ("**Wise Vigour**")(10)	Beneficial owner	Unlisted Shares	8,714,881	6.49%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	8,714,881	[REDACTED]%	[REDACTED]%
Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司) ("**Shanghai Panlin**")(11)	Interest in controlled corporations	Unlisted Shares	8,978,569	6.69%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	8,978,569	[REDACTED]%	[REDACTED]%
Mr. LI Yuhui (李宇輝)(11)	Interest in controlled corporations	Unlisted Shares	8,978,569	6.69%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	8,978,569	[REDACTED]%	[REDACTED]%
Stated-owned Assets Supervision and Administration Commission of Kunshan (昆山市國有資產監督管理辦公室) ("**Kunshan SASAC**")(12)	Interest in controlled corporations	Unlisted Shares	8,472,535	6.31%	–	[REDACTED]	[REDACTED]
		H Shares	–	–	8,472,535	[REDACTED]%	[REDACTED]%

Notes:

(1) Calculated based on the aggregate number of [**REDACTED**] H Shares in issue upon [**REDACTED**] comprising (i) an aggregate of 134,203,110 Share to be converted from the Unlisted Shares and (ii) [**REDACTED**] Share to be issued pursuant to the [**REDACTED**] (without taking into account the H Shares which may be issued upon the exercise of the [**REDACTED**] and H Shares may be issued under the Pre-[**REDACTED**] Share Option Scheme).

(2) Dr. LIANG and Dr. ZHANG are the spouse of each other and is deemed to be interested in the Shares beneficially owned by each other under the SFO.

(3) As of the Latest Practicable Date, Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. LIANG was the general partner of Kunshan Ruixing. Therefore, each of Dr. LIANG and Kunshan Ruixing is deemed to be interested in the Shares held by Kunshan Ruiman under the SFO. The general partner of Kunshan Ruiji is Dr. LIANG and therefore, Dr. LIANG is deemed to be interested in the Shares held by Kunshan Ruiji under the SFO.

(4) As of the Latest Practicable Date, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong directly held 14,546,306 Shares, 3,037,458 Shares, 2,847,150 Shares, 1,898,100 Shares, 5,539,551 Shares, 1,428,498 Shares, and 10,842,204 Shares, respectively.

(5) On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties (as defined below) other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements (the "**Concert Party Arrangement**"). Even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties, it shall be deemed to be a Concert Party under the Concert Party Arrangement, as Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. Liang was the general partner of Kunshan Ruixing. Pursuant to the Concert Party Arrangement, Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiji and Kunshan Ruixing (collectively, the "**Concert Parties**") have been acting in concert.

For details of the concert party arrangement, please see the section headed "History and Corporate Structure — Acting-in-Concert". By virtue of the SFO, each of the Concert Parties are deemed to be interested in the Shares held by each other.

(6) As of the Latest Practicable Date, Kunshan Ruikong, a limited partnership established in the PRC, was held as to 44.4% by Dr. ZHANG, being its general partner. Therefore, Dr. ZHANG is deemed to be interested in the Shares held by Kunshan Ruikong under the SFO.

(7) On February 8, 2025, Dr. ZHANG was granted options by our Company to subscribe for 55,000 H Shares.

(8) As of the Latest Practicable Date, Shanghai Chuang Yuan Yuan Investment Management Co. Ltd. (上海創源垣投資管理有限公司) ("**Shanghai Chuangyuanyuan**"), was ultimately controlled by the spouse of Ms. MO Hua. Therefore, Ms. MO Hua is deemed to be interested in the Shares held by Shanghai Chuangyuanyuan under the SFO.

(9) FIIF, a limited partnership established in the PRC, is managed by its general partner, SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) ("**SDICFUND**"). SDICFUND is 40% owned by China State Investment High-Tech Industrial Investment Co., Ltd. (中國國投高新產業投資有限公司), which in turn is controlled by State Development and Investment Corporation (國家開發投資集團有限公司), a state-owned enterprise. As such, under the SFO, each of State Development and Investment Corporation, China State Investment High-Tech Industrial Investment Co., Ltd. and SDICFUND is deemed to be interested in Shares held by FIIF.

(10) As of the Latest Practicable Date, Wise Vigour, a company incorporated in Hong Kong, was held by LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P., each an Independent Third Party, as to 92.6% and 7.4%, respectively. The general partner of each of LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P. is wholly owned by LC Fund GP Limited, an Independent Third Party, which is in turn wholly owned by Union Season Holdings Limited ("**Union Season**"). Union Season is wholly owned by Legend Capital Co., Ltd. (君聯資本管理股份有限公司), which is ultimately controlled by Zhu Linan (朱立南), Chen Hao (陳浩), Wang Nengguang (王能光), and Li Jiaqing (李家慶), each an Independent Third Party. Therefore, each of LC Healthcare Continued Fund I, L.P., LC Fund GP Limited, Union Season and Legend Capital Co., Ltd. is deemed to be interested in the Shares held by Wise Vigour under the SFO.

(11) Shanghai Panlong Venture Investment Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥)) ("**Panlong Investment**") is a limited partnership established in the PRC, whose general partner is Shanghai Panlin Management Consulting Co., Ltd. (上海磐霖管理諮詢有限公司) ("**Panlin Consulting**"). Panlin Consulting is a wholly owned by Shanghai Panlin. Shanghai Panlin is the general manager of each of Ningbo Panlin Qianyuan Venture Capital Partnership (Limited Partnership) (寧波磐霖仟源創業投資合夥企業(有限合夥)) ("**Panlin Qianyuan**"), Hangzhou Panlin Xukang Venture Capital Partnership (Limited Partnership) (杭州磐霖旭康創業投資合夥企業(有限合夥)) ("**Panlin Xukang**"), Jiaxing Panlin Guangci Venture Capital Partnership (Limited Partnership) (嘉興磐霖廣慈創業投資合夥企業(有限合夥)) ("**Panlin Guangci**"), Jiaxing Panlin Yuesheng Venture Capital Partnership (Limited Partnership) (嘉興磐霖悅生創業投資合夥企業(有限合夥)) ("**Panlin Yuesheng**") and Qingdao Panlin Hongyu Venture Capital Partnership (Limited Partnership) (青島磐霖鴻裕創業投資企業(有限合夥)) ("**Panlin Hongyu**") (collectively and together with Shanghai Panlong, "**Panlin**"). As of the Latest Practicable Date, Panlong Investment, Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng and Panlin Hongyu held 817,455 Shares, 4,380,906 Shares, 1,175,724 Shares, 1,004,334 Shares, 817,455 Shares and 782,695 Shares, and Shanghai Panlin was held as to 46.00% by Mr. LI Yuhui. Therefore, each of Mr. LI Yuhui and Shanghai Panlin is deemed to be interested in the Shares held by Panlin under the SFO.

(12) Kunshan Industrial Technology Research Institute of Small Nucleic Acid Biotechnology Research Institute Co. Ltd. (昆山市工業技術研究院小核酸生物技術研究所有限責任公司) ("**Small Nucleic Acid Research Institute**") is a limited liability company incorporated under the laws of PRC on October 29, 2008, and is wholly owned by Kunshan Industrial Technology Research Institute Co. Ltd. (昆山市工業技術研究院有限責任公司), which is wholly owned by Kunshan Hi-tech Group Co., Ltd. (昆山高新集團有限公司) ("**Kunshan Hi-tech**"). Kunshan Hi-tech is wholly owned by the Stated-owned Assets Supervision and Administration Commission of Kunshan ("**Kunshan SASAC**"), an Independent Third Party. Kunshan Hi-tech Venture Investment Co., Ltd. (昆山高新創業投資有限公司) ("**Kunshan Hi-tech Venture**") is a limited liability company incorporated under the laws of PRC on May 24, 2012, which is wholly owned by Kunshan Hi-tech and ultimately controlled by Kunshan SASAC. Kunshan Guoke Venture Capital Co., Ltd. (昆山市國科創業投資有限公司) ("**Kunshan Guoke**") is a limited liability company incorporated under the laws of PRC on August 31, 2001 and is held as to 98.76% by Kunshan Venture Holding Group Co., Ltd. (昆山創業控股集團有限公司) which is wholly owned by Kunshan SASAC. Kunshan Gongyan Venture Investment Co. Ltd. (昆山市工研創業投資有限公司) ("**Kunshan Gongyan**") is a limited liability company incorporated under the laws of PRC on July 2, 2012, which is wholly owned by Kunshan Technology Investment Co., Ltd. (昆山科技招商投資有限公司). Kunshan Technology Investment Co., Ltd. is wholly owned by Kunshan Industrial Technology Research Institute Co., Ltd. (昆山市工業技術研究院有限責任公司), which is wholly owned by Kunshan Hi-tech and thus ultimately wholly owned by Kunshan SASAC. As of the Latest Practicable Date, Small Nucleic Acid Research Institute, Kunshan Hi-tech Venture, Kunshan Guoke and Kunshan Gongyan held 3,224,973 Shares, 2,553,454 Shares, 1,877,862 Shares and 816,246 Shares. Therefore, Kunshan SASAC is deemed to be interested in Kunshan Hi-tech Venture, Kunshan Guoke and Kunshan Gongyan under the SFO.

Save as otherwise disclosed herein, our Directors are not aware of any persons who will, immediately following the [**REDACTED**] and the Conversion of our Unlisted Shares into H Shares (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), have any interests and/or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company.

BOARD OF DIRECTORS

Upon the [**REDACTED**], our Board will comprise nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. Our Directors serve a term of three years subject to re-election.

The following table sets forth the key information about our Directors upon [**REDACTED**].

Name	Age	Positions	Roles and responsibilities	Date of joining our Group	Date of appointment as a Director	Relationship with the other Directors, Supervisors or senior management
Dr. LIANG Zicai (梁子才)	60	Chairman of the Board, executive Director and chief executive officer	Responsible for the corporate strategy, technological innovation and fundraising of our Group	January 18, 2007	January 18, 2007	Spouse of Dr. ZHANG Hongyan
Dr. GAN Liming (甘黎明)	56	Executive Director, co-chief executive officer, global R&D president and chief medical officer	Responsible for the overall R&D strategy, R&D operation, pipeline development and overseeing business development activities of our Group	January 1, 2022	July 14, 2023	N/A
Dr. ZHANG Hongyan (張鴻雁)	59	Executive Director and president	Responsible for the overall corporate operation of our Group	January 18, 2007	April 1, 2007	Spouse of Dr. LIANG Zicai
Dr. QI Fei (戚飛)	43	Non-executive Director	Responsible for providing guidance and advice on the corporate and business strategies of our Group	July 20, 2021	July 20, 2021	N/A

Name	Age	Positions	Roles and responsibilities	Date of joining our Group	Date of appointment as a Director	Relationship with the other Directors, Supervisors or senior management
Mr. LI Dongfang (李東方)	38	Non-executive Director	Responsible for providing guidance and advice on the corporate and business strategies of our Group	October 18, 2018	October 18, 2018	N/A
Mr. LI Yuhui (李宇輝)	55	Non-executive Director	Responsible for providing guidance and advice on the corporate and business strategies of our Group	November 8, 2019	November 8, 2019	N/A
Dr. YU Xuefeng (宇學峰)	62	Independent non-executive Director	Responsible for providing independent advice and judgment to our Board	July 16, 2020	July 16, 2020	N/A
Mr. MA Chaosong (馬朝松)	53	Independent non-executive Director	Responsible for providing independent advice and judgment to our Board	July 16, 2020	July 16, 2020	N/A
Mr. WANG Ruiping (王瑞平)	63	Independent non-executive Director	Responsible for providing independent advice to our Board	May 15, 2025	May 15, 2025	N/A

Executive Directors

Dr. LIANG Zicai (梁子才), aged 60, is our founder, chairman of the Board, executive Director, and chief executive officer. Dr. LIANG has served as the chairman of the Board since the establishment of our Company on January 18, 2007, and has been the chief executive officer since September 1, 2017. He was redesignated as an executive Director on March 18, 2025. Dr. LIANG has held key positions in six subsidiaries within our Group, including (i) the chairman of the board of directors at Kunshan RiboCure since 2012, (ii) the sole director at Ribo HK since 2013, (iii) a director at Beijing RiboCure since 2016, (iv) a director at Ribo Australia since 2021, (v) a director at Ribocure AB since 2022, and (vi) the chairman of the board of directors of Azemidite since 2023. Dr. LIANG is mainly responsible for the corporate strategy, technological innovation and fundraising of our Group.

Dr. LIANG has accumulated over 35 years of robust experience in biological science, management and R&D of the biotechnology and pharmaceutical industries. Dr. LIANG worked at the Institute of Molecular Medicine of Peking University (北京大學分子醫學研究所) from January 2006 to August 2017, holding positions including a director of research lab, professor, doctoral supervisor and tenured professor, successively, and during the same period, he also concurrently served as a director of the education committee and a deputy director of the academic committee of the same institute and a member of the degree committee of life science of Peking University. From 2017 to 2020, he took a long-term leave of absence to pursue entrepreneurial activities.

Dr. LIANG held several part-time positions across biotechnology companies, educational institutions and research organizations, including, (i) a director of Lepton Pharmaceuticals Inc. in Israel from June 2021 to March 2023; (ii) a guest professor at School of Pharmaceutical Sciences of Peking University (北京大學藥學院) from November 2019 to November 2021; (iii) an independent director of Berry Genomics Co., Ltd. (成都市貝瑞和康基因技術股份有限公司, previously known as 成都天興儀表股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000710), from August 2017 to July 2020; (iv) a director of Suzhou Wenqu Biological Microsystem Co., Ltd. (蘇州文曲生物微系統有限公司) from January 2013 to April 2019; (v) a director of Kunshan Wenqu Biological Microsystem Co., Ltd. (昆山文曲生物微系統有限公司) from March 2011 to March 2017; (vi) a deputy director at Nucleic Acid Society of the Chinese Society of Biochemistry and Molecular Biology (中國生物化學與分子生物學學會核糖核酸專業委員會) from November 2012 to October 2020; (vii) a director of Kunshan Institute of Industrial Technology Small Nucleic Acid Biotechnology Research Institute Co., Ltd. (昆山市工業技術研究院小核酸生物技術研究所有限責任公司) from July 2009 to September 2017; (viii) a committee member of Technology Committee of Jiangsu (Kunshan) Institute of Industrial Technology (江蘇省(昆山)工業技術研究院) from November 2010 to November 2015; and (ix) a professor at Chinese National Human Genome Center, Beijing (國家人類基因組北方研究中心) from October 2002 to December 2005.

Currently, Dr. LIANG has also held positions outside out Group, including (i) a director at Etta Biotech Co., Ltd. (蘇州壹達生物科技有限公司) since November 2014, a company specialized in the development of cytology application solutions and hardware, and (ii) the chairman of the Jiangsu Innovation Alliance of the siRNA Industry (江蘇省小核酸產業創新聯盟) since January 2010.

Dr. LIANG received his bachelor's degree in zoology and his master's degree in entomology from Nankai University (南開大學) in the PRC in July 1985 and June 1988, respectively. He further obtained his doctor's degree in physiological mycology from Uppsala University in Sweden in October 1995. After that, he served as a research fellow at the Department of Molecular Biophysics and Biochemistry at Yale University in the United States until November 1998. Dr. LIANG garnered a multitude of prestigious awards and recognitions throughout the years, such as the "Leading Talent of the Double Innovation Team in Jiangsu Province" (江蘇省雙創團隊領軍人才) by the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳) in September 2010.

Dr. GAN Liming (甘黎明), aged 56, is our executive Director, co-chief executive officer, global R&D president and chief medical officer. He joined our Group on January 1, 2022 and served as the global R&D president and chief medical officer of the Company from January 2022 to July 2023. He has been a Director and the co-chief executive officer of our Company since July 14, 2023 and was redesignated as an executive Director on March 18, 2025. He has been an executive director and chief executive officer of Ribocure AB since February 2022. Dr. GAN is mainly responsible for the overall R&D strategy, R&D operation, pipeline development and oversees business development activities of our Group.

Dr. GAN has more than 20 years of pharmaceutical experience in AstraZeneca AB in Sweden, a subsidiary of AstraZeneca Plc, a company listed on the London Stock Exchange (ticker symbol: AZN) and NASDAQ Global Market (ticker symbol: AZN) and held various positions including (i) the vice president of global R&D from April 2019 to December 2021, (ii) the executive head of the department of biomedical sciences for heart failure from January 2019 to April 2019, (iii) a global chief scientist from June 2018 to April 2019, (iv) a senior director physician from August 2013 to April 2019, (v) a translational science director from September 2011 to July 2013, (vi) the head of disease area pipeline from October 2007 to February 2011 and (vii) a principal scientist in the vascular biology team from March 2001 to September 2007.

Dr. GAN obtained his bachelor's degree in medicine from University of Gothenburg in Sweden in June 1997, and his Ph.D. in cardiovascular research and clinical physiology from University of Gothenburg in Sweden in September 2000. He obtained his medical license from Sahlgrenska University Hospital in September 2000. Since 2008, he has held an adjunct professorship in translational science and drug development at University of Gothenburg in Sweden.

Dr. ZHANG Hongyan (張鴻雁), aged 59, is our executive Director and president. Dr. ZHANG joined our Group on January 18, 2007. She has served as a Director since April 2007 and served as a president from April 2007 to July 2020. She was then appointed as an executive deputy president from July 2020 to June 2021. Since June 2021, she has served as a president of our Company. Dr. ZHANG was redesignated as an executive Director on March 18, 2025. Dr. ZHANG has also held positions in seven subsidiaries within our Group, including (i) a president at Kunshan RiboCure since October 2012, (ii) a director and president at Beijing RiboCure since August 2015, (iii) a director at Azemidite from August 2017 to February 2021 (reappointed as a director at Azemidite in June 2021 and has been holding the position since then), and the chairman of the board of directors at Azemidite from June 2021 to July 2023, (iv) a director at Ribo Australia since June 2021, (v) a director at Ribocure AB since February 2022, (vi) a director of Shandong Ribotek since July 2025 and (vii) a director of Shenzhen Ribotek since May 2025. Dr. ZHANG is mainly responsible for the overall corporate operation of our Group.

Dr. ZHANG had extensive experience in the area of biotechnology and life sciences, including serving as (i) a director at Tianjin PharmaTide Co. Ltd. (天津法爾瑪製藥有限公司) from April 2021 to July 2023 and (ii) a researcher at the Karolinska Institutet in Sweden since 1999.

Dr. ZHANG received her bachelor's degree in zoology from Nankai University in the PRC in July 1988. She then achieved her doctor's degree in animal physiology from Uppsala University in Sweden in June 1996. Following that, she served as a research fellow at the Department of Molecular Biophysics and Biochemistry at Yale University in the United States until November 1998. Dr. ZHANG received the title of a core member of "Double Innovation Team in Jiangsu Province" (江蘇省雙創團隊核心成員) from the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳) in 2010 and the Skapa Diploma from the Swedish foundation Stiftelsen Skapa in 2003.

Non-executive Directors

Dr. QI Fei (戚飛), aged 43, is a non-executive Director. He was appointed as a Director on July 20, 2021 and was redesignated as a non-executive Director on March 18, 2025. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

From October 2007 to March 2010, Dr. QI served as a research assistant at University of California, Los Angeles. He worked as a senior researcher at COFCO Nutrition and Health Research Institute Co., Ltd. (中糧營養健康研究院有限公司) from February 2011 to September 2014. From June 2018 to July 2022, he served as a supervisor of Qingdao BAHEAL Pharmaceutical Co., Ltd. (青島百洋醫藥股份有限公司), a company listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 301015). From March 2019 to December 2021, he served as a director of Hangzhou Oriomics Biotechnology Co., Ltd. (杭州翱鋭生物科技有限公司). He also served as a general manager and executive director at Suzhou Hangzheng Biotechnology Co., Ltd. (蘇州航正生物技術有限公司) from July 2021 to September 2023. He worked as a director at Baiyang Intelligent Technology Group Co., Ltd. (百洋智能科技集團股份有限公司) from December 2021 to November 2023. From February 2022 to November 2023, he served as a director at Qingdao Yifuzhen Network Technology Co., Ltd. (青島易複診網絡科技有限公司).

Currently, he holds several positions outside our Group, including (i) an executive director at Legend Capital Management Co., Ltd. (君聯資本管理股份有限公司), a company focused on investment and asset management, since April 2021, where he served as a director, vice president, and investment manager from December 2014 to April 2021, (ii) a director at Shanghai Fuai Management Consulting Co., Ltd. (上海芙艾管理諮詢有限公司), a company focused on medical aesthetics investment, since November 2018, (iii) a director at Beijing Genskey Technology Co., Ltd. (北京金匙基因科技有限公司), a company specialized in gene technology diagnostic and therapeutic services for infectious diseases, since April 2019, (iv) a director at Suzhou Liangyihui Network Technology Co., Ltd. (蘇州良醫匯網絡科技有限公司), a company specialized in biopharmaceutical information consulting, since June 2019, (v) a director at Sophmind Technology (Beijing) Co., Ltd. (同心智醫科技(北京)有限公司 (previously known as Tongxin Medical Union (Beijing) Technology Co., Ltd. (同心醫聯(北京)科技有限公司)), a company focused on health consulting, since June 2019, (vi) a director at Beijing JoeKai Biotechnology Co., Ltd. (北京卓凱生物技術有限公司), a company focused on the research and development of drugs for mental disorders, since January 2021, (vii) a director at Beijing Egg Yolk Technology Co., Ltd. (北京蛋黃科技有限公司), a company specialized in science and technology promotion services, since June 2021, (viii) a director at Shanghai Leapstack Data Technology Co., Ltd. (上海棧略數據技術有限公司), a company focused on insurance technology services, since January 2022, (ix) a director at Chengdu Ling Tai Ke Biotechnology Co., Ltd. (成都凌泰氪生物技術有限公司) , a company specialized in biological genetic technology, since August 2023, (x) a director at Chengdu Zhenyu Biomedicine Technology Co., Ltd. (成都臻愈生物醫藥科技有限公司), a company specialized in biological genetic technology, since September 2023, (xi) a director at Nuwacell Biotechnology Co., Ltd. (安徽中盛溯源生物科技有限公司), a company specialized in cell therapy, since August 13, 2025 and (xii) a director at Nantong Fengxun Biotechnology Co., Ltd. (南通鋒尋生物科技有限公司), a company specialized in biological genetic technology, since September 2025.

Dr. QI obtained his bachelor's degree in biotechnology and his Ph.D. in molecular cell biology at Peking University (北京大學) in the PRC in June 2004 and December 2010, respectively.

Mr. LI Dongfang (李東方), aged 38, is a non-executive Director. Mr. LI was appointed as a Director on October 18, 2018 and was redesignated as a non-executive Director on March 18, 2025. He has also served as a director at Beijing RiboCure since January 2019. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

Mr. LI's professional journey commenced at Goldman Sachs (Asia) L.L.C. (高盛(亞洲)有限責任公司) where he served as an equity analyst in the global investment research division from August 2011 to February 2015.

Currently, Mr. LI also holds positions at various companies, including:

Period of service	Employer	Position
Since August 2015	SDICFUND Management Co., Ltd. (國投創新投資管理有限公司), a company focused on investment and asset management	Executive director, investment team
Since June 2019	EpimAb Biotherapeutics, Inc. (岸邁生物有限公司), a company focused on the research and development of bispecific antibody technology and products	Non-executive director
Since May 2022	Zylox-Tonbridge Medical Technology Co., Ltd. (歸創通橋醫療科技股份有限公司), a company specialized in the manufacturing of medical devices such as neurointerventional and peripheral interventional devices, and listed on the Stock Exchange (stock code: 2190)	Non-executive director
Since January 2023	Hipro Biotechnology Co., Ltd. (石家莊禾柏生物技術股份有限公司) , a company focused on the manufacturing of in vitro diagnostic device reagent	Non-executive director
Since May 2023	Beijing Shuimu Dongfang Medical Technology Co., Ltd. (北京水木東方醫用機器人技術創新中心有限公司), a company focused on the development and manufacturing of medical device	Non-executive director
Since July 2024	Hainan Simcere Zaiming Pharmaceutical Co., Ltd. (海南先聲再明醫藥股份有限公司), a company specialized in the development and commercialization of anti-tumor innovative drugs	Non-executive director

Period of service	Employer	Position
Since October 2025	Tinavi Medical Technologies Co., Ltd. (北京天智航醫療科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688277) and specialized in medical robot	Director

In addition, from February 2022 to June 2025, Mr. Li served as a non-executive director of Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (四川科倫博泰生物醫藥股份有限公司), a company specialized in R&D, manufacturing and commercialization of novel drugs and listed on the Stock Exchange (stock code: 6990).

Mr. LI obtained his bachelor's degree in electronic commerce and master's degree in finance from University of International Business and Economics (對外經濟貿易大學) in the PRC in July 2009 and July 2011, respectively. In July 2024, he obtained another master's degree in public health from Tsinghua University in the PRC. He has been a Chartered Financial Analyst (註冊金融分析師) since August 2015.

Mr. LI Yuhui (李宇輝), aged 55, is a non-executive Director. Mr. LI was appointed as a Director on November 8, 2019 and was redesignated as a non-executive Director on March 18, 2025. He has also served as a director at Beijing RiboCure since December 2019. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

Mr. LI has over 25 years of extensive professional investment banking management experience and investment experience, encompassing roles across various companies. From 1997 to 2000, he served at J&A Securities Co., Ltd. (君安證券有限責任公司) before serving at Guotai Junan Securities Co., Ltd. (國泰君安証券股份有限公司), a company dually listed on the Stock Exchange (stock code: 2611) and the Shanghai Stock Exchange (stock code: 601211).

Currently, Mr. LI has held several positions in multiple companies, including (i) a founding managing partner and the chairman of the board of directors at Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司), a company focused on investment and asset management, since February 2010, (ii) a director at Zhixinhaozheng (Shanghai) Life Science Co., Ltd. (智新浩正(上海)醫藥科技有限公司), a company focused on the in vitro regeneration of human tissues and organs, since January 2023, (iii) a director at Hangzhou DNano MetaBio Technology Co., LTD. (杭州迪納元昇生物科技有限公司), a company specialized in the field of nucleic acid nanocarrier design, since October 2023, (iv) a director at Ruiyun (Shenzhen) Cold Chain Logistics Technology Co., Ltd. (瑞雲(深圳)冷鏈物流科技有限公司), a cold chain technology logistics platform company, since July 2020, and (v) a director at Easy-Logic Technology Holding Cayman Limited, a company focused on the semiconductor design software, since November 2023. From June 2020 to May 2025, he served as a director at ZiYun (Shanghai) Internet of Things Technology Co., Ltd. (錙雲(上海)物聯網科技有限公司), a company focused on the digital solutions for discrete manufacturing.

Mr. LI obtained his bachelor's degree in mechanical engineering from Huazhong University of Science and Technology (華中科技大學) in the PRC in July 1991. He further obtained his master's degree in finance from Southwestern University of Finance and Economics (西南財經大學) in the PRC in July 1997. In July 2016, Mr. LI obtained his executive master of business administration degree at Tsinghua University in the PRC. He has been pursuing his doctor degree in applied finance at University of Geneva in Switzerland since September 2018. Mr. LI was awarded the "TOP100 Forbes China Best Venture Capitalists" (福布斯中國最佳創投人TOP100) by Forbes China from 2017 to 2024 consecutively, the "Prominent Technology Investor" (傑出科技投資人) by China Business News (第一財經) in 2024, and "Annual Healthcare Excellence Investor" (年度醫療健康卓越投資家) by VCBeat (動脈網) in 2024.

Independent Non-executive Directors

Dr. YU Xuefeng (宇學峰), aged 62, is our independent non-executive Director. Dr. YU joined our Company as an independent Director on July 16, 2020 and was redesignated as an independent non-executive Director on March 18, 2025. He is mainly responsible for providing independent advice and judgment to our Board.

Prior to joining our Group, Dr YU's career spun various roles in the field of microbiology and biotechnology. From July 1988 to June 1991, he served as a lecturer at the Microbiology Department of Nankai University (南開大學) in the PRC. From October 1996 to May 1998, he worked as a scientist at IBEX Technologies Inc, a company listed on the Toronto Stock Exchange Venture Exchange (ticker symbol: IBT). Subsequently, from May 1998 to April 2010, he held several positions successively at Sanofi Pasteur Limited, including a product development scientist, director of the Canadian division of bacterial vaccine development and global director of bacterial vaccine development. Since January 2009, he has served as the chairman of the board of directors, chief executive officer, and general manager of CanSino Biologics Inc. (康希諾生物股份公司), a company focused on the development, manufacturing and commercialization of vaccines and listed on the Shanghai Stock Exchange (stock code: 688185), the Stock Exchange (stock code: 06185) and the OTC Pink Open Market (ticker symbol: CASBF).

Dr. YU obtained his bachelor's degree in biology and master's degree in microbiology from Nankai University in the PRC in July 1985 and June 1988, respectively. He obtained his Ph.D. in microbiology from McGill University in Canada in June 1998. He has been honored with multiple awards and recognitions, including (i) a scientific and technological innovation and entrepreneurship talent in the Innovative Talents Promotion Program (創新人才推進計劃科技創新創業人才) of the Ministry of Science and Technology of the PRC (中華人民共和國科學技術部) in April 2013 and (ii) the "Specially-invited Experts" in Tianjin City (天津市特聘專家) by the Tianjin Talent Work Leading Group (天津市人才工作領導小組) in February 2010.

Mr. MA Chaosong (馬朝松), aged 53, is an independent non-executive Director. Mr. MA joined our Company as an independent Director on July 16, 2020 and was redesignated as an independent non-executive Director on March 18, 2025. He is mainly responsible for providing independent advice and judgment to our Board.

Mr. MA has accumulated more than 25 years of professional experience, encompassing a diverse range of positions in various organizations. He served as a partner at Zhongchengxin Certified Public Accountants Co., Ltd. (中誠信會計師事務所有限責任公司) from October 1999 to October 2015. He also worked as a project manager at Zhong Ce Accounting Firm (中測會計師事務所) from September 1997 to September 1999. From January 2009 to April 2009, he served as a general manager at Beijing Zhiyuxing Management Consulting Co., Ltd. (北京知與行管理諮詢有限公司). From January 2014 to August 2018, he worked as a director at Xidi International Group Limited. (曦地國際集團有限公司) (previously known as Beijing Zhongjian International Development Co., Ltd. (中建國際發展股份有限公司) before January 2014 and Xidi International Group Co., Ltd. (曦地國際集團股份有限公司) from January 2014 to August 2018). Mr. MA also held the position of independent director in several companies, including (i) China National Complete Plant Import & Export Group Corporation Limited. (中成進出口股份有限公司) from May 2011 to April 2017, a company listed on the Shenzhen Stock Exchange (stock code: 000151), (ii) Beijing WKW Automotive Parts Co., Ltd. (北京威卡威汽車零部件股份有限公司) from January 2014 to June 2020, a company listed on the Shenzhen Stock Exchange (stock code: 002662), (iii) Client-Service International Inc. (北京科藍軟件系統股份有限公司) from December 2013 to October 2021, a company listed on the ChiNext Market of Shenzhen Stock Exchange (stock code: 300663), (iv) Beijing Navigation Control Technology Co., Ltd. (北京理工導航控制科技股份有限公司) from May 2020 to October 2020, a company listed on the Shanghai Stock Exchange STAR Market (stock code: 688282), (v) China Nuclear Industry Construction Corporation Limited (中國核工業建設股份有限公司) from November 2018 to December 2024, a company listed on the Shanghai Stock Exchange (stock code: 601611) and (vi) Lingyun Industrial Corporation Limited (淩雲工業股份有限公司) from May 2020 to May 2025, a company focused on manufacturing of automotive parts and components and listed on the Shanghai Stock Exchange (stock code: 600480).

Currently, he holds diverse roles across multiple companies. Since September 2000, he has served as the chairman of the board of directors at Beijing Xin Li Heng Tax Agency Co., Ltd., (北京信利恒税務師事務所有限責任公司). Additionally, since November 2015, Mr. MA has served as a partner at Jonten Certified Public Accountants LLP (中天運會計師事務所(特殊普通合夥)). Since October 2021, he has served as a supervisor at Beijing Aimedeye Information Consulting Co., Ltd. (北京艾美地耶信息諮詢有限公司). Mr. MA also holds the position of independent director in several companies, including (i) Zonkin Technology Co., Ltd. (中勍科技股份有限公司) since June 2022, a company focused on software development and information technology, (ii) Huibaichuan Fund Management Co., Ltd. (匯百川基金管理有限公司) since March 2023, and (iii) Unigroup Guoxin Microelectronics Co., Ltd. (紫光國芯微電子股份有限公司) since August 2023, a company listed on the Shenzhen Stock Exchange (stock code: 002049).

In July 1994, Mr. MA obtained his bachelor's degree in accounting from Renmin University of China (中國人民大學) in the PRC. Subsequently, in July 1997, he obtained his master's degree in accounting at the Research Institute of Fiscal Science, Ministry of Finance of the PRC (中國財政部財政科學研究所). He has been a Certified Public Accountant of China (中國註冊會計師) since September 1999, a Certified Public Valuer in China (中國註冊資產評估師) since May 2000, a Senior Accountant (高級會計師) since January 2006 and a Registered Tax Agent (中國註冊税務師) since May 2012.

For further information regarding Mr. MA, see "— Other Information in Relation to Our Directors, Supervisors and Senior Management — Further Information about Mr. MA Chaosong."

Mr. WANG Ruiping (王瑞平), aged 63, is an independent non-executive Director. Mr. WANG was appointed as an independent non-executive Director on March 18, 2025 with effect from May 15, 2025. He is mainly responsible for providing independent advice to our Board.

Currently, Mr. WANG is the founder and has served as a co-chairman of DABANC HOLDING LIMITED, a company specialized in high-tech and renewal energy investment since April 2019. He has also served as a founder managing partner of TDR Capital International Ltd. since January 2006.

Mr. WANG obtained his bachelor's degree and his master's degree in economics at Nankai University (南開大學) in the PRC in June 1983 and June 1986, respectively. From 2017 to 2018, he served as a professional fellow in technology innovation and entrepreneurship in Columbia University in the United States.

For further information regarding Mr. WANG, see "— Other Information in Relation to Our Directors, Supervisors and Senior Management — Further information about Mr. WANG Ruiping."

SUPERVISORY COMMITTEE

Our Supervisory Committee comprises three Supervisors. The following table sets forth the key information about our Supervisors.

Name	Age	Positions	Roles and responsibilities	Date of joining our Group	Date of appointment as a Supervisor	Relationship with the other Directors, Supervisors or senior management
Ms. WANG Fan (王番)	42	Chairperson of the Supervisory Committee and deputy director of administration	Responsible for supervising our Board and senior management	April 4, 2007	October 27, 2020	N/A
Mr. WANG Lijie (王立傑)	43	Supervisor	Responsible for supervising our Board and senior managements	July 16, 2020	July 16, 2020	N/A
Mr. ZHANG Ning (張寧)	36	Supervisor and senior financial manager	Responsible for supervising our Board and senior management	June 16, 2014	July 16, 2020	N/A

Ms. WANG Fan (王番), aged 42, is our chairperson of the Supervisory Committee and deputy director of administration. Ms. WANG joined our Group on April 4, 2007, initially serving as an office assistant from April 2007 to May 2010. Subsequently, from June 2010 to December 2015, she worked as a human resources and administration manager in our Company, and from January 2016 to March 2018, she served as an administration manager in our Company. From April 2018 to May 2023, she was promoted as a senior administration manager, and then she has served as a deputy director of administration since May 2023 in our Group. She has served as our chairperson of the Supervisory Committee since October 27, 2020. She is mainly responsible for supervising our Board and senior management.

Ms. WANG served as a researcher at the pharmaceutical factory of Harbin Pharmaceutical Group Co., Ltd. (哈藥集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600664), from July 2006 to March 2007.

Ms. WANG obtained her bachelor's degree in pharmaceutical engineering from Sichuan University (四川大學) in the PRC in July 2006.

Mr. WANG Lijie (王立傑), aged 43, was appointed as a Supervisor since July 16, 2020. He is mainly responsible for supervising our Board and senior managements.

Mr. WANG possessed a varied professional background encompassing the legal field. He worked as a lawyer at Shanghai Allbright Law Offices (上海市錦天城律師事務所) from April 2014 to March 2015. Prior to that, he served as a legal assistant at the Shanghai office of Beijing Dentons Law Offices, LLP (北京大成律師事務所上海分所) from June 2010 to April 2014.

Since March 2015, he has served as a director of innovation business at Shanghai Chuangyuan (InnoSpring) Tech Development Inc. (上海創源科技發展有限公司), where he has also served as a vice president and a director since January 2018 and July 2024, respectively. Currently, Mr. WANG holds supervisory roles and directorships across various companies as follows.

Period of service	Employer	Position(s)
Since May 2015	Kunshan Chuangyuan Technology Park Management Co., Ltd. (昆山創源科技園管理有限公司)	Supervisor
Since November 2021 . . .	Beijing Liying Digital Intelligent Technology Co., Ltd. (北京力贏數字智能科技有限公司)	Director
Since November 2021 . . .	Shanghai Yunhu Intelligent Technology Co., Ltd. (上海雲壺智能科技有限公司)	Director

Period of service	Employer	Position(s)
Since February 2022	Chuangyuan Advanced (Beijing) Manufacturing Technology Development Co., Ltd. (創源先進(北京)製造科技發展有限公司)	Director and manager
Since March 2023	Nantong Yuanfu Entrepreneurship Service Co., Ltd. (南通源賦創業服務有限公司)	Supervisor
Since January 2024	Nantong Chuangyuan Technology Park Development Co., Ltd. (南通創源科技園發展有限公司)	Supervisor
Since February 2024	Shanghai Chuangyuanyuan Investment Management Co., Ltd. (上海創源垣投資管理有限公司)	Legal representative and executive director
From September 2024 to November 2025	Shanghai Tsingding Technology Co., Ltd. (深圳市青鼎裝備有限公司)	Director
Since November 2025 . . .		Supervisor

Mr. WANG obtained his bachelor's degree and master's degree in law from Tsinghua University (清華大學) in July 2004 and July 2007, respectively. He obtained the Legal Professional Qualification Certificate of the PRC in March 2012.

Mr. ZHANG Ning (張寧), aged 36, was appointed as a Supervisor since July 16, 2020. He successively served as a cashier and administrative staff, accountant supervisor and financial manager at our Company since joining our Company in June 2014. He was promoted to a senior financial manager of our Company since April 2024. He is mainly responsible for supervising our Board and senior management.

Mr. ZHANG started his career at BrightGene Bio-Medical Technology Co., Ltd. (博瑞生物醫藥(蘇州)股份有限公司), a company listed on the Shanghai Stock Exchange STAR Market (stock code: 688166) from July 2012 to September 2012. He worked at Yageo Electron Component (Suzhou) Co., Ltd. (國巨電子(蘇州)有限公司) from October 2012 to June 2013. Following this, from June 2013 to April 2014, he served at Whole Easy Internet Technology Co., Ltd. (眾應互聯科技股份有限公司) (previously known as Kunshan Jinli Surface Material Application Technology Co., (昆山金利表面材料科技股份有限公司)), a company formerly listed on the Shenzhen Stock Exchange (stock code: 002464) and delisted on June 28, 2022.

In June 2012, he obtained his bachelor's degree in applied chemistry at Yancheng Institute of Technology (鹽城工學院) in the PRC. In January 2023, Mr. ZHANG obtained his master of business administration degree from Shanghai University of Finance and Economics (上海財經大學) in the PRC. In March 2019, he obtained the Certified Public Accountant (註冊會計師) Certificate in the PRC.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Positions	Roles and responsibilities	Date of joining our Group	Date of appointment as a senior management	Relationship with the other Directors, Supervisors or senior management
Dr. LIANG Zicai (梁子才)	60	Chairman of the Board, executive Director and chief executive officer	Responsible for the corporate strategy, technological innovation and fundraising of our Group	January 18, 2007	January 18, 2007	Spouse of Dr. ZHANG Hongyan
Dr. GAN Liming (甘黎明)	56	Executive Director, co-chief executive officer, global R&D president and chief medical officer	Responsible for the overall R&D strategy, R&D operation, pipeline development and overseeing business development activities of our Group	January 1, 2022	January 1, 2022	N/A
Dr. ZHANG Hongyan (張鴻雁)	59	Executive Director and president	Responsible for the overall corporate operation of our Group	January 18, 2007	April 1, 2007	Spouse of Dr. LIANG Zicai
Dr. TONG Cheng (童成)	60	Executive vice president	Responsible for ensuring the implementation of R&D strategy and goal achievement including CMC management of our Group	April 25, 2016	April 25, 2016	N/A

Name	Age	Positions	Roles and responsibilities	Date of joining our Group	Date of appointment as a senior management	Relationship with the other Directors, Supervisors or senior management
Dr. GAO Shan (高山)	60	Senior vice president and chief scientific officer	Responsible for the technology innovation, discovery pharmacology and translation science of our Group	January 1, 2013	January 1, 2013	N/A
Mr. ZHANG Su (張甦)	48	Chief financial officer, secretary of the Board and joint company secretary	Responsible for the overall financial management and Board affairs of our Group	December 1, 2024	December 1, 2024	N/A

Dr. LIANG Zicai (梁子才), aged 60, is our Founder, chairman of the Board, executive Director, and chief executive officer. For his biography, see "— Board of Directors — Executive Directors" in this section.

Dr. GAN Liming (甘黎明), aged 56, is an executive Director, co-chief executive officer, global R&D president and chief medical officer of our Company. For his biography, see "— Board of Directors — Executive Directors" in this section.

Dr. ZHANG Hongyan (張鴻雁), aged 59, is the executive Director and president of our Company. For her biography, see "— Board of Directors — Executive Directors" in this section.

Dr. TONG Cheng (童成), aged 60, is the executive vice president of our Company. He joined our Group on April 25, 2016. From April 2016 to March 2022, he worked as a senior vice president in our Company. He has served as an executive vice president of our Company since March 2022. He has also served as a director of Beijing RiboCure since December 2019. Dr. TONG is mainly responsible for ensuring the implementation of R&D strategy and goal achievement including CMC management of our Group.

From June 1988 to September 1992, Dr. TONG served as a teaching staff at Lanzhou University (蘭州大學). From September 1992 to September 1997, he studied in chemistry graduate program and obtained a Ph.D. degree at Georgia Institute of Technology. From October 1997 to March 2000, he served as a senior scientist at CytRx Corporation, a company listed on Nasdaq (ticker symbol: CYTR). From April 2000 to July 2001, he served as a research scientist at Solvay Pharmaceuticals, Inc. From August 2001 to April 2016, he worked at Pfizer Inc., a company listed on NYSE (ticker symbol: PFE), with his last position as a senior director.

Dr. TONG also held several positions in pharmaceutical industry organization. From January 2015 to December 2015, he served as the chairman of the APEC Asia-Pacific Council of the International Society for Pharmaceutical Engineering (ISPE) 國際製藥工程學會 and prior to that, he served as the chairman and board member of the China branch of the same organization from January 2013 to December 2014.

Dr. TONG obtained his bachelor's degree in petrochemistry from Lanzhou University (蘭州大學) in the PRC in July 1985, followed by his master's degree in analytical chemistry from the same institution in June 1988. Subsequently, he obtained his Ph.D. in chemistry at the Georgia Institute of Technology in the United States in September 1997.

Dr. GAO Shan (高山), aged 60, is a senior vice president and the chief scientific officer of our Company. He joined our Company on January 1, 2013 and served as a vice president from January 2013 to April 2020. He has worked as a senior vice president and chief scientific officer of our Company since April 2020 and April 2022, respectively. He is mainly responsible for the technology innovation, discovery pharmacology and translation science of our Group.

From July 1990 to August 1993, he served as a resident physician at Tianjin Medical University Stomatological Hospital (天津醫科大學口腔醫院) and worked as an attending physician in the same institution from October 1994 to August 1998, with his last position being an associate chief physician, associate professor, and deputy director of the center laboratory from September 1998 to November 2001. From November 2000 to November 2001, he served as a visiting scholar at the Dental School of the University of Copenhagen in Denmark. From January 2004 to December 2009, he served as a postdoctoral researcher and an assistant professor at the Institute of Molecular Biology and Nanoscience Research Center (分子生物學研究所和納米研究中心) of Aarhus University in Denmark and served as a senior researcher and associate professor in the same institution from January 2010 to December 2012. Dr. GAO worked as a visiting professor at Central South University (中南大學) in the PRC from October 2009 to September 2014. He has also worked as an associate editor of Journal of Oral Pathology & Medicine since October 2015. Since September 2018, he has served as a visiting professor in Hebei Medical University (河北醫科大學).

Dr. GAO obtained his bachelor's degree in stomatology at Hebei Medical University (河北醫科大學) (previously known as Hebei Medical College (河北醫學院)) in the PRC in July 1987. He obtained his master's degree in stomatology at Xiangya School of Medicine, Central South University (中南大學湘雅醫學院), formerly known as Hunan Medical University (湖南醫科大學) in the PRC in July 1990. He obtained his doctor's degree in health sciences at the University of Copenhagen in Denmark in May 2004.

Mr. ZHANG Su (張甦), aged 48, is our chief financial officer, secretary of the Board and joint company secretary. He joined our Company on December 1, 2024 and has been secretary of the Board and chief financial officer since February 2025 and April 2025, respectively. He was also appointed as one of the joint company secretaries of our Company with effect from December 17, 2025. He is mainly responsible for the overall financial management and Board affairs of our Group.

Mr. ZHANG has more than 20 years of experiences in the finance industry. Mr. ZHANG started his career as an associate at PricewaterhouseCoopers, Shanghai in July 2000 and later served as a senior associate until November 2004. He served as a credit analyst at Standard Chartered Bank, Shanghai from December 2004 to July 2005. In December 2006, he joined Exane BNP Paribas UK as an equity analyst. Mr. ZHANG then joined Standard Chartered Bank Hong Kong in June 2013 and served as an equity analyst covering emerging healthcare companies until February 2015. From April 2015 to December 2016, he was a research analyst of healthcare equities at BNP Paribas, Hong Kong. Mr. ZHANG then served as a director of the equity research department covering healthcare sector at China Merchant Securities (Hong Kong) Co., Ltd until August 2019. From August 2019 to November 2021, he served as the chief financial officer at Ascentage Pharma Group International (亞盛醫藥), a company listed on the Stock Exchange (stock code: 6855). From November 2021 to November 2024, he worked as the chief financial officer at Wuhan Neurophth Biotechnology Limited Company (武漢紐福斯生物科技有限公司).

Mr. ZHANG obtained a bachelor's degree in economics in international business from Fudan University in July 2000. He also received a master's degree in business administration from HEC School of Management in September 2007 and a master's degree of science in accounting and finance from the London School of Economics and Political Science in July 2007.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Further Information about Mr. MA Chaosong

During an on-site inspection of Dalian Huashi Education Consulting Co., Ltd. (大連華實教育諮詢股份有限公司) ("**Huashi Company**"), the Dalian Bureau of the CSRC identified certain deficiencies in the audit procedures conducted by Jonten Certified Public Accountants LLP (中天運會計師事務所(特殊普通合夥)) ("**Jonten**") for Huashi Company's 2018 financial statements and capital verification related to its 2018 stock issuance and fundraising. On June 28, 2020, the Dalian Bureau issued a warning letter to Jonten and Mr. MA as well as another partner at Jonten, both of whom served as the certified public accountants for the above-mentioned audit engagements (the "**Incident**"). The letter also emphasized the need for improved audit practices through effective measures. As confirmed by Mr. MA, as of the Latest Practicable Date, no relevant professional bodies (including the Chinese Institute of Certified Public Accountants) imposed any professional censure or penalties on Mr. MA after the Incident.

Notwithstanding the above, our Directors consider that Mr. MA is competent and able to fulfil his duties of care, skill and diligence based on the following reasons:

(i) as advised by our PRC Legal Advisors, the issuance of the warning letter is purely a regulatory measure, serving as cautionary administrative notice, which is different from an administrative penalty;

(ii) as further advised by our PRC Legal Advisors, such regulatory measure did not disqualify Mr. MA from acting as a director or senior management of any PRC company under the PRC Company Law;

(iii) the Incident did not raise any concern over the issue of integrity or character of Mr. MA with no evidence of dishonesty, fraud or deliberate wrongdoing, which would affect his suitability to act as an independent non-executive Director, as the warning was cautionary in nature and related solely to insufficiency of audit evidence or procedure;

(iv) no regulatory authority or stock exchange disqualified Mr. MA from acting as an independent director of any public company as a consequence of the Incident and he is currently serving as or served as an independent director for several A-share listed companies in the PRC, including (a) China Nuclear Industry Construction Corporation Limited (中國核工業建設股份有限公司) ("**China Nuclear Construction**") from November 2018 to December 2024, a company listed on the Shanghai Stock Exchange (stock code: 601611); (b) Lingyun Industrial Corporation Limited (淩雲工業股份有限公司) ("**Lingyun Industrial**") from May 2020 to May 2025, a company listed on the Shanghai Stock Exchange (stock code: 600480); and (c) Unigroup Guoxin Microelectronics Co., Ltd. (紫光國芯微電子股份有限公司) ("**Unigroup Guoxin**") since August 2023. Specially, Mr. MA serves as the chairman of the audit committee of each of Lingyun Industrial and Unigroup Guoxin, qualified as an accounting professional (會計專業人士) defined under the *Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》)* issued by the CSRC. His continuing terms of office or appointment demonstrated strong endorsement to Mr. MA's professional competence and suitability as an independent non-executive Director. Further, Mr. MA has been a Certified Public Accountant of China (中國註冊會計師) since September 1999 and has not been disqualified from membership or disciplined by the Chinese Institute of Certified Public Accountants (中國註冊會計師協會). This Incident did not negate Mr. MA's professional qualifications under Rule 3.10(2) of the Listing Rules; and

(v) there were no civil actions or administrative or criminal punishments taken by any regulatory authority or stock exchange against Mr. MA in respect of the Incident. The Incident pertains to an isolated historical engagement.

Based on the due diligence conducted by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors in relation to the Incident that would reasonably cause the Joint Sponsors to cast doubt on Mr. MA's suitability to serve as a Director under Rules 3.08 and 3.09 of the Listing Rules.

Further information about Mr. WANG Ruiping

Mr. WANG was a director appointed by an investor of Shenzhen TYPMAR Wind Energy Co. Ltd. (深圳市泰瑪風光能源科技有限公司) ("**Shenzhen TYPMAR**"), a limited liability company established in the PRC on December 17, 2009 and primarily focused on R&D, manufacturing, sales, engineering and services relating to magnetic levitation wind turbine generator systems. Shenzhen TYPMAR was ordered to cease operation after its business registration expired in December 2019, as it was insolvent and unable to continue operating after the founder of Shenzhen TYPMAR passed away, based on Mr. WANG's confirmation. Mr. WANG was also the chairman of the board of TDR Capital (Tianjin) Fund Management Co. Ltd. (大正元(天津)基金管理有限公司) ("**TDR Fund**") with a non-executive role, a limited liability company established in the PRC on September 12, 2007 which did not have any substantive business operation since its establishment. Its business license was revoked in November 2012 as a result of failure to conduct annual inspection as required under the relevant PRC laws and regulations which was assigned to certain specified staff who were responsible for the relevant company secretarial matters and inadvertently overlooked the annual inspection of TDR Fund. Mr. WANG confirmed that (i) TDR Fund was solvent immediately prior to the revocation of business license; (ii) he was not involved in the daily operation of Shenzhen TYPMAR and TDR Fund; (iii) there was no dishonest, fraudulent or wrongful act on his part leading to the cessation of operation of Shenzhen TYPMAR or the revocation of business license of TDR Fund; (iv) he has not received any notice or sanction by any relevant government authorities against him imposing any penalty or order for rectification or alleging that he is personally liable for the cessation of operation of Shenzhen TYPMAR or the revocation of business license of TDR Fund; (v) he is not aware of any actual or potential claims which have been or could potentially be made against him as a result of the cessation of operation of Shenzhen TYPMAR or the revocation of business license of TDR Fund; (vi) no misconduct or misfeasance had been involved on his part in the cessation of operation of Shenzhen TYPMAR or the revocation of business license of TDR Fund; and (vii) he has not received any notice of disqualification by relevant authorities requiring him to cease to act as director of any PRC companies. Based on the due diligence conducted by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors in relation to the incidents relating to Shenzhen TYPMAR and TDR Fund that would reasonably cause the Joint Sponsors to cast doubt on Mr. WANG's suitability to serve as a Director under Rules 3.08 and 3.09 of the Listing Rules.

Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no material matters relating to their appointment as a Director or Supervisor that need to be brought to the attention of our Shareholders and there is no other information in relation to his or her appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date.

Save as disclosed above, none of the Directors, Supervisors and senior management held any other directorships in any other company listed in Hong Kong or overseas during the three years immediately preceding the date of this document.

Dr. LIANG is the spouse of Dr. ZHANG. Save as disclosed above, none of our Directors, Supervisors and senior management is related to other Directors, Supervisors and senior management.

JOINT COMPANY SECRETARIES

Mr. ZHANG Su (張甦) was appointed as one of the joint company secretaries of our Company with effect from December 17, 2025. For details of his biography, see "— Senior Management" above.

Mr. CHUNG Ming Fai (鍾明輝) was appointed as one of our joint company secretaries with effect from December 17, 2025.

Mr. CHUNG Ming Fai is a senior vice president of SWCS Corporate Services Group (Hong Kong) Limited and has over 20 years of experience in corporate secretary, mergers and acquisitions, financial reporting and auditing. Mr. CHUNG is currently a fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

Mr. CHUNG obtained his bachelor's degree in commerce from the Australian National University in Australia.

BOARD COMMITTEES

Our Company has established four committees under the Board in accordance with the relevant laws and regulations in mainland China, the Articles and the code of corporate governance practices under the Listing Rules, including the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee.

Audit Committee

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of our Group, review and approve connected transactions and to advise the Board. The Audit Committee comprises three independent non-executive Directors, namely, Mr. MA Chaosong, Mr. WANG Ruiping and Dr. YU Xuefeng. Mr. MA Chaosong is the chairperson of the Audit Committee. He holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration and Appraisal Committee comprises one executive Directors and two independent non-executive Director, namely, Mr. WANG Ruiping, Dr. LIANG and Dr. YU Xuefeng. Mr. WANG Ruiping is the chairperson of the Remuneration and Appraisal Committee.

Nomination Committee

We have established a Nomination Committee in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board regarding the appointment of Directors and Board succession. The Nomination Committee comprises one executive Directors and two independent non-executive Directors, namely, Dr. YU Xuefeng, Dr. ZHANG and Mr. MA Chaosong. Dr. YU Xuefeng is the chairperson of the Nomination Committee.

Strategy Committee

We have established the Strategy Committee in compliance with the Article of Association. The primary duties of the Strategy Committee are to make recommendations to our Board on the long-term development strategy and major investments and projects of our Company. The Strategy Committee comprises two executive Director, three non-executive Directors and one independent non-executive Director, namely Dr. LIANG, Dr. GAN Liming, Mr. WANG Ruiping, Mr. LI Dongfang, Dr. QI Fei and Mr. LI Yuhui. Dr. LIANG is the chairperson of the Strategy Committee.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability. Our Company intends to comply with all code provisions in the Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after the [**REDACTED**] except for code provision C.2.1 of Part 2 of the Corporate Governance Code, which provides that the roles of chairman of the board and chief executive should be separate and should not be performed by the same individual.

The roles of chairman and chief executive officer of our Company are currently performed by Dr. LIANG. In view of Dr. LIANG's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Dr. LIANG acting as both our chairman and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Dr. LIANG continues to act as both our chairman and chief executive officer after the [**REDACTED**], and therefore currently do not propose to separate the functions of chairman and chief executive officer. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Dr. LIANG and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman and chief executive officer is necessary.

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy (the "**Board Diversity Policy**") which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will select potential Board candidates based on merit and their potential contribution to our Board while taking into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board has a balanced mix of knowledge, skills and experience. They completed studies in various majors including but without limitation to: (i) zoology, animal physiology, entomology, biology, microbiology, physiological mycology, molecular cell biology, medicine, clinical physiology, cardiovascular research and public health, all falling under the field of medical and life sciences; (ii) finance, applied finance, accounting, electronic commerce, and

business administration, all falling under the field of finance and business; and (iii) economics. We have three independent non-executive Directors who have different industry backgrounds. Furthermore, our Directors are of a wide range of age, from 37 to 62 years old. Taking into account our business model and specific needs as well as the presence of one female Director out of a total of nine Board members, we consider that the composition of our Board satisfies our Board Diversity Policy.

We recognize the particular importance of gender diversity on our Board. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. Our Board Diversity Policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim of increasing the proportion of female members over time after [**REDACTED**]. In particular, taking into account the business needs of our Group and changing circumstances that may affect our business plans, we will actively identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be periodically reviewed by our Nomination Committee in order to develop a pipeline of potential successors to our Board and promote gender diversity. Additionally, female representatives of our investors are also considered as potential candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at the mid- to senior- levels so that we have a pipeline of female senior management and potential successors to our Board going forward. We plan to offer well-rounded trainings to female employees whom we consider have the requisite experience, skills and knowledge of our operation and business, on topics including but not limited to business operation, management, accounting and finance, and legal compliance. We are of the view that such strategies will provide our Board with ample opportunities to identify capable female employees to be nominated as Directors in the future, fulfilling our aim to develop a pipeline of female candidates to achieve greater gender diversity in our Board in the long run. We believe that such a merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders' expectations and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After [**REDACTED**], our Nomination Committee will review our Board Diversity Policy and its implementation annually to monitor its continued effectiveness and we will disclose the implementation of our Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives, in our corporate governance report on an annual basis.

COMPLIANCE ADVISOR

We have appointed Soochow Securities International Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in certain circumstances including:

(i) before the publication of any regulatory announcement, circular, or financial report;

(ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(iii) where we propose to use the [**REDACTED**] of the [**REDACTED**] in a manner different from that detailed in this document or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this document; and

(iv) where the Stock Exchange makes an inquiry to our Company in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of appointment of our Compliance Advisor shall commence on the [**REDACTED**] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [**REDACTED**].

KEY TERMS OF EMPLOYMENT CONTRACTS

We normally enter into employment contracts, non-competition agreements and confidentiality agreements with our senior management members and other key personnel. Below sets forth the key terms of these contracts we enter into with our senior management and other key personnel.

Non-competition

Within two years from the date of the employee's departure (the "**Non-competing Period**") and during the course of employment by our Group, he/she shall not, among others, directly or indirectly engage in any business that competes with the Group. In addition, the employee shall not work for any other entities that may compete with our Group (the

"**Competitors**") nor provide any financial assistance or advice that may potentially confer competitive benefits or advantages to the Competitors during the Non-competing Period (the "**Non-competing Requirement"**). We will notify the employee in written if the Non-competing Requirement is applicable to him/her. If applicable, we will pay monthly compensation to the relevant employee during the Non-competing Period.

Confidentiality

The employee shall keep in confidence and shall not disclose our trade secrets, including but not limited to our technical information, operational information in confidence, other information that is deemed as confidential by our Group or our business partners and should be kept in confidence by our Group, and other information, that is disclosed to or obtained by the employee directly or indirectly from our Company or other members of our Group until the date when the information is declared non-confidential or until the business secret is effectively disclosed to the public.

Service Invention

The intellectual property rights in any invention, work or non-patent technical result that is (i) resulted from performing employee duties or (ii) developed mainly using our material, technologies and information or connected in any way with research, development, clinical or other business activities of the Group shall belong to us.

REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors, Supervisors and senior management members who receive remuneration from the Company are paid in forms of fees, salaries, bonuses, allowances, benefits in kind, pension scheme contributions and share-based payments. When reviewing and determining the specific remuneration packages for our Directors, Supervisors and members of the senior management of our Company, the Shareholders' meetings and the Board of Directors take into account factors such as salaries paid by comparable companies, time commitment, level of responsibilities, employment elsewhere in our Group and desirability of performance-based remuneration. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, the total amount of remuneration (including fees, salaries, bonuses, allowances, pension scheme contributions and share-based payment expenses) and other benefits in kind (if applicable) paid to our Directors were RMB20.4 million, RMB15.8 million and RMB7.8 million, respectively.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, the total amount of remuneration (including fees, salaries, bonuses, allowances, pension scheme contributions and share-based payment expenses) and other benefits in kind (if applicable) paid to our Supervisors were RMB1.5 million, RMB1.2 million and RMB0.5 million, respectively.

According to existing effective arrangements, we estimate the total remuneration before taxation to be accrued to our Directors and Supervisors in kind for their service for the year ending December 31, 2025 to be approximately RMB18.6 million. The actual remuneration of our Directors and Supervisors in 2025 may be different from the expected remuneration.

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, there were two Directors among the five highest paid individuals each year. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, the total emoluments paid to the five highest paid individuals (excluding Directors) by us amounted to RMB14.1 million, RMB8.1 million and RMB6.1 million, respectively.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors, Supervisors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors or Supervisors waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors, Supervisors or the five highest paid individuals.

EMPLOYEE INCENTIVE SCHEMES

Please see "Appendix VII — Statutory and General Information — D. Share Incentive Schemes" for details.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business and requires disclosure under Rule 8.10 of the Listing Rules.

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader healthcare and biopharmaceutical industries. However, as these non-executive Directors are not members of our executive management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which these non-executive Directors may hold directorships from time to time.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on March 12, 2025, and (ii) understands his or her obligations as a director of a [**REDACTED**] issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he or she have no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his or her independence at the time of his/her appointments.

*You should read the following discussion and analysis in conjunction with our consolidated financial information, including the notes thereto, included in the Accountant's Report set out in Appendix I to this document. Our consolidated financial information has been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which may differ in material aspects from generally accepted accounting principles in other jurisdictions.*

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical events, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual performance may differ materially from those anticipated in these forward-looking statements, as a result of various risks and uncertainties over which we do not have full control. For details, see "Risk Factors" and "Forward-Looking Statements" in this document.

OVERVIEW

We are a biopharmaceutical company engaged in oligonucleotide research and development, with a focus on siRNA therapeutics. We have one Core Product, RBD4059 (FXI-targeting siRNA), targeting thrombotic diseases, among a pipeline of seven in-house discovered drug assets in clinical trials for seven indications across cardiovascular, metabolic, renal and liver diseases, including four in phase 2 clinical trials. Beyond our clinical pipeline, we maintain over 20 preclinical programs that we aim to advance into clinical development. We have secured two collaborations with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.0 billion in total deal value: we are collaborating with world-class scientists through a partnership with Boehringer Ingelheim to develop novel siRNA therapies for MASH using our RiboGalSTAR™ technology, and with Qilu Pharmaceutical for RBD7022.

We had not generated any revenue from the sales of commercialized products as of the Latest Practicable Date, and we continue to incur significant research and development expenses and other expenses related to our ongoing operations. As a result, we have incurred significant net losses since our inception. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our net losses were RMB437.3 million, RMB281.5 million, RMB141.6 million and RMB97.8 million, respectively. We anticipate incurring substantial expenses over the next several years as we advance our preclinical research and clinical development plans. Following the [**REDACTED**], our financial performance may fluctuate from period to period due to, among other factors, the development status of our drug candidates, and regulatory approval timeline.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRSs effective for the accounting period commencing from January 1, 2024, together with the relevant transitional provisions, have been early adopted by us in the preparation of our historical financial information throughout the Track Record Period. Our historical financial information has been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the most significant factors affecting our results of operations and financial condition include the following:

Our Ability to Successfully Develop and Commercialize Our Drug Candidates

The success of our business and results of operation depends on our ability to advance our drug development programs, demonstrate satisfactory safety and efficacy in clinical trials, obtain the necessary regulatory approvals, and launch our products in our target markets as planned. To date, we have established a robust pipelines of siRNA drugs, with seven in-house discovered drug assets in clinical trials for seven indications across cardiovascular, metabolic, renal and liver diseases, including one Core Product, RBD4059 (FXI-targeting siRNA) and three other siRNA assets in phase 2 clinical trials. See "Business — Our Pipeline" for more details. After one or more of our drug candidates are commercialized, our business and results of operations will depend on the market acceptance and sales of our commercialized drugs. See "Risk Factors — Risks Relating to the Development of Our Drug Candidates — Our business and prospects depend substantially on the success of our drug candidates, most of which (including our Core Product) have not yet advanced to late-stage clinical trials and whose efficacy and potential side effects have not been fully evaluated. If we are unable to successfully complete clinical development, obtain regulatory approvals or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing any of the foregoing, our business and prospects could be materially and adversely affected" for details.

Our Existing and Future Collaboration Arrangements

Our results of operations have been, and may continue to be, affected by our collaboration arrangements with business partners. During the Track Record Period, we entered into several license and collaboration agreements, including those with Boehringer Ingelheim and Qilu Pharmaceutical. These collaborations enable us to maximize the global value of our drug candidates and technology platforms while providing financial capital support to advance our other pipeline assets and foster sustainable long-term growth. See "Business — Licensing and Collaboration Arrangements" for details.

For the year ended December 31, 2024 and the six months ended June 30, 2024 and 2025, we generated revenue of RMB142.6 million, RMB66.3 million and RMB103.8 million, respectively, a substantial portion of which was attributable to our license and collaboration agreements. Subject to terms and conditions of these agreements, we are entitled to receive additional payments upon achieving certain development, regulatory, and commercial milestones. Upon our drug candidates' commercialization, we may also become eligible to receive royalties on net sales of the relevant products. The timing and amounts of milestone payments and royalties vary across agreements and are contingent upon the achievement of specific milestones and conditions. Moreover, building on the success of our existing licensing and collaboration partnerships, we may pursue new partnerships and collaborations aligned with our development strategies. These factors will influence, and may result in fluctuations in, our revenue, profit and results of operations from period to period.

Our Cost Structure

Our results of operations are significantly affected by our cost structure, which primarily consisted of research and development expenses and administrative expenses during the Track Record Period.

Research and development expenses have been the largest component in our cost structure. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our research and development expenses were RMB315.8 million, RMB280.4 million, RMB134.8 million and RMB129.1 million, respectively, which accounted for 79.5%, 75.0%, 77.1% and 71.0% of our total operating expenses (which equals the sum of research and development expenses, administrative expenses and selling and distribution expenses), respectively. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, research and development expenses incurred for our Core Product were RMB60.2 million, RMB34.5 million, RMB16.9 million and RMB33.4 million, respectively, which accounted for (i) 19.1%, 12.3%, 12.5% and 25.9% of our total research and development expenses, and (ii) 15.2%, 9.2%, 9.7% and 18.4% of our operating expenses (which equals the sum of research and development expenses, administrative expenses and selling and distribution expenses), for the respective years/periods. During the Track Record Period, the aggregate research and development expenses we incurred for the Core Product amounted to RMB128.1 million, representing 17.7% of our total research and development expenses during the same period, which constituted the largest proportion among all our pipeline candidates and demonstrates our primary engagement in R&D for the purpose of developing the Core Product in accordance with Chapter 2.3 of the Guide for New Listing Applicants.

The decrease in research and development expenses incurred for our Core Product in 2024 compared to 2023 reflects natural variability in R&D spending in the clinical development process, especially as RBD4059 transitioned between phase 1 and phase 2a trials. During the second and third quarters of 2024, we focused on completing RBD4059's phase 1 trial (with the last patient enrolled in April 2024) while preparing for the phase 2a trial, including engaging in ongoing communications with the EMA to finalize the phase 2a trial protocol, obtaining regulatory approval, and conducting preparatory work prior to trial commencement. This trial transition led to slower patient enrollment and consequently reduced research and development expenses during the same period. The increase in research and development

expenses incurred for our Core Product for the six months ended June 30, 2025 compared to the six months in June 30, 2024 primarily resulted from the accelerated advancement of RBD4059's phase 2a trial, with 15 patients enrolled in the first half of 2025 — almost double the enrollment in the same period of 2024. Research and development expenses for RBD4059 are anticipated to rise and represent a larger share of our total R&D spending in the foreseeable future, as the Core Product progresses into more advanced clinical phases. Going forward, we expect to continue to incur significant research and development expenses as we advance our candidates towards commercialization or into the clinical stage.

Our administrative expenses, which primarily consisted of staff costs and professional services expenses, amounted to RMB81.1 million and RMB92.5 million, RMB39.5 million and RMB52.1 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, respectively.

Going forward, our cost structure is expected to evolve as we continue to advance the development of our drug candidates. As these drug candidates progress through studies, clinical trials, and move closer to commercialization, we anticipate incurring additional expenses related to research and development, sales and marketing, and regulatory affairs, among other activities. Furthermore, we may also face increased expenses for legal, compliance, accounting, insurance, and investor and public relations activities associated with being a publicly [**REDACTED**] company in Hong Kong.

Funding for Our Operations

During the Track Record Period, we funded our operations primarily through equity and debt financing, as well as revenue from our licensing and collaboration arrangements. We expect to continue to require significant funding for our R&D activities and daily operations going forward. We plan to fund our business operation and capital expenditure with our existing cash and bank balances, income from our license and collaboration agreements, net [**REDACTED**] from the [**REDACTED**], and bank borrowings. We may also further require funding from equity or debt financing or other resources. Changes in our ability to fund our operations may affect our cash flow and results of operations. See also "Risk Factors — Risks Relating to Our Financial Position and Need for Additional Capital — We may need to obtain substantial additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates."

MATERIAL ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of our historical financial information requires our management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Such judgments, estimates and assumptions are continually evaluated and are based on historical experience and various other factors, including expectations of future events, that are believed to be reasonable under the circumstances, from which our actual results may differ.

Set out below are material accounting policies, judgements and estimates which we believe are most important for understanding our results of operations and financial condition. See notes 2.3 and 3 to the Accountants' Report set out in Appendix I to this document for a detailed description of our material accounting policies, judgments and estimates.

Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which we will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Collaboration Revenue

In determining the appropriate amount of revenue to be recognized as we fulfill our obligations under each of the collaboration agreements, our management perform the five-step model under IFRS 15. The collaboration arrangements may contain more than one unit of account, or performance obligation, including grants of licenses to intellectual property rights (the "Licenses"), agreements to provide research and development services and other deliverables. As part of the accounting for these arrangements, we must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. The collaborative arrangements typically do not include a right of return for any deliverable. In general, the consideration allocated to each performance obligation is recognized when the obligation is satisfied either by delivering a good or rendering a service, limited to the consideration that is not constrained. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as contract liabilities.

Product Revenue

Revenue from products is recognized when control of products is transferred, being when the products are delivered to the customers, and the customers have accepted the products in accordance with the sales contracts, or we have objective evidence that all criteria for acceptance have been satisfied.

Research and Development Services

The portion of the transaction price allocated to research and development service performance obligations is deferred and recognized as collaboration revenue at the point in time when the research and development services are completed and confirmed by customers.

Licensing-out of Intellectual Property

Upfront non-refundable payments for licensing our intellectual property is evaluated to determine if they are distinct from the other performance obligations identified in the arrangements. For the licenses determined to be distinct, we recognize revenues from non-refundable up-front fees allocated to the licenses at a point in time, when the licenses are transferred to the licensee and the licensee is able to use and benefit from the licenses.

Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales and the licenses that are deemed to be the predominant items to which the royalties relate, we recognize revenue at the later of (i) when the related sales occur, and (ii) when the performance obligation to which some or all of the royalties have been allocated is satisfied (or partially satisfied).

Other Income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract Liabilities

A contract liability is recognized when a payment is received, or a payment is due (whichever is earlier) from a customer before we transfer the related goods or services. Contract liabilities are recognized as revenue when we perform under the contract (i.e., transfers control of the related goods or services to the customer).

Research and Development Expenses and Costs

All research and development expenses are charged to profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalized and deferred only when we can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, our intention to complete and our ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Intangible Assets (Patents and Know-how)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Government Grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Share-based Payments

We operate an award interests arrangement for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Our employees (including directors) receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees for share grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model or based on the transaction prices observed in third-party transactions during the nearest period. Further details are given in note 29 to the Accountants' Report set out in Appendix I to this document.

The cost of equity-settled transactions with employees is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each year/period of the Track Record Period until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of our best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognized. Where grants include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

DESCRIPTION OF SELECTED COMPONENTS OF THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)* *(unaudited)*	*(RMB'000)*
Revenues	44	142,627	66,305	103,813
Cost of sales	(24)	(11,903)	(2,110)	(6,591)
Gross Profit	20	130,724	64,195	97,222
Other income and gains	31,066	21,686	3,548	7,209
Research and development expenses	(315,763)	(280,370)	(134,775)	(129,142)
Selling and distribution expenses	(339)	(979)	(555)	(565)
Administrative expenses	(81,113)	(92,506)	(39,510)	(52,058)
Impairment losses on credit, net	(284)	(82)	136	141
Other expenses	(51,521)	(15,122)	(4,263)	(6,431)
Finance costs	(19,190)	(20,398)	(10,185)	(10,243)
Share of losses of a joint venture	(24)	–	–	–
Loss before tax	(437,148)	(257,047)	(121,409)	(93,867)
Income tax expenses	(148)	(24,445)	(20,162)	(3,898)
Loss for the year/period	(437,296)	(281,492)	(141,571)	(97,765)

	For the year ended December 31,		For the six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Other comprehensive income:				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences arising on translation of foreign operations	2,734	(3,546)	(1,826)	2,259
Other comprehensive income for the year/period, net of tax	2,734	(3,546)	(1,826)	2,259
Total comprehensive income for the year/period	(434,562)	(285,038)	(143,397)	(95,506)
Attributable to:				
Owners of the parent	(425,897)	(273,175)	(139,060)	(86,741)
Non-controlling interests	(8,665)	(11,863)	(4,337)	(8,765)

Revenue

During the Track Record Period, our revenue was primarily from our licensing and collaboration arrangements. See "Business — Licensing and Collaboration Arrangements" for details. The following table sets forth a breakdown of our revenue in absolute amounts and as percentages of the total revenue for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000) (unaudited)*	*%*	*(RMB'000)*	*%*
Collaboration revenue[(1)]	–	–	134,069	94.0	63,522	95.8	101,326	97.6
– IP licensing[(2)]	–	–	95,598	67.0	63,522	95.8	60,449	58.2
Upfront payments	–	–	95,598	67.0	63,522	95.8	32,147	31.0
Milestone payments	–	–	–	–	–	–	28,302	27.2
– Provision of R&D services[(3)]	–	–	38,471	27.0	–	–	40,877	39.4
Others[(4)]	44	100.0	8,558	6.0	2,783	4.2	2,487	2.4
Total	**44**	**100.0**	**142,627**	**100.0**	**66,305**	**100.0**	**103,813**	**100.0**

Notes:

(1) During the Track Record Period, all our collaboration revenue was primarily derived from the upfront and milestone payments we received pursuant to our license and collaboration agreements with Boehringer Ingelheim and Qilu Pharmaceutical.

(2) IP licensing revenue refers to income derived from granting collaborators the rights to develop, manufacture and commercialize a specific pipeline product in a defined territory. During the Track Record Period, our IP licensing revenue consisted of income from upfront payments and milestone payments.

(3) Revenue from the provision of R&D services refers to arrangements under which we perform R&D activities for a collaborator in accordance with the terms of the relevant agreement. During the Track Record Period, our revenue from the provision of R&D services was primarily derived from SR111, one of the candidate compounds developed under our collaboration with Boehringer Ingelheim.

(4) Primarily representing revenue generated from (i) the supply of drug molecules to Qilu Pharmaceutical for R&D use in connection with the development of RBD7022, including toxicology batch active pharmaceutical ingredient ("API") samples, reference standards, clinical batch formulated products and ADA antibody samples to support toxicology studies and phase 2 clinical trials, as well as small quantities of intermediates to support process transfer and small-scale API production. Since these supplies were not provided as part of the RBD7022 License and Collaboration Agreement, the revenue generated from them was not recognized as collaboration revenue; and (ii) sales of our in-house produced phosphoramidite and nucleoside products, the key components in the synthesis of nucleotide strands. Customers for our phosphoramidite and nucleoside products were primarily PRC-based enterprises, including CDMO service providers engaged in innovative drug R&D, oligonucleotide drug developers and manufacturers, and other bio pharmaceutical companies.

Cost of Sales

During the Track Record Period, our cost of sales was primarily related to the R&D activities we conducted in accordance with our out-license and collaboration agreements pursuant to which we provide R&D support to collaboration partners. The following table sets forth a breakdown of our cost of sales for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Cost of sales related to collaboration	–	–	6,471	54.4	–	–	4,825	73.2
– IP licensing	–	–	–	–	–	–	–	–
– Provision of R&D services	–	–	6,471	54.4	–	–	4,825	73.2
Others	24	100.0	5,432	45.6	2,110	100.0	1,766	26.8
Total	**24**	**100.0**	**11,903**	**100.0**	**2,110**	**100.0**	**6,591**	**100.0**

Gross Profit and Gross Profit Margin

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our gross profit was RMB20.0 thousand, RMB130.7 million, RMB64.2 million and RMB97.2 million, respectively. For the same periods, our gross profit margin was 45.5%, 91.7%, 96.8% and 93.7%, respectively. The following table sets forth a breakdown of our gross profit and gross profit margin for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000) (unaudited)*	*%*	*(RMB'000)*	*%*
Gross profit from collaboration	–	–	127,598	95.2	63,522	100.0	96,501	95.2
– IP licensing	–	–	95,598	100.0	63,522	100.0	60,449	100.0
– Provision of R&D services	–	–	32,000	83.2	–	–	36,052	88.2
Others	20	45.5	3,126	36.5	673	24.2	721	29.0
Total	**20**	**45.5**	**130,724**	**91.7**	**64,195**	**96.8**	**97,222**	**93.7**

Other Income and Gains

During the Track Record Period, our other income and gains primarily consisted of (i) government grants, primarily representing subsidies received from the local governments for the purpose of compensating expenses incurred on research and development activities and construction of manufacturing facilities, and (ii) bank interest income. The following table sets forth a breakdown of our other income and gains in absolute amounts and as percentages of the total other income and gains for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000) (unaudited)*	*%*	*(RMB'000)*	*%*
Other income								
Government grants	25,522	82.1	16,800	77.4	1,747	49.2	6,872	95.3
Bank interest income	4,911	15.8	2,516	11.6	1,163	32.8	337	4.7
Others	210	0.7	17	0.1	1	0.0	–	–
Subtotal	30,643	98.6	19,333	89.1	2,911	82.0	7,209	100.0
Gains								
Foreign exchange differences, net	181	0.6	2,353	10.9	637	18.0	–	–
Gains on disposal of a joint venture	242	0.8	–	–	–	–	–	–
Subtotal	423	1.4	2,353	10.9	637	18.0	–	–
Total	**31,066**	**100.0**	**21,686**	**100.0**	**3,548**	**100.0**	**7,209**	**100.0**

Research and Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) staff costs, including wages, bonus, social insurance and other welfare, (ii) clinical trial and technical service expenses, primarily representing CRO and CDMO service fees, (iii) depreciation and amortization, and (iv) reagents and consumables. The following table sets forth a breakdown of our research and development expenses in absolute amounts and as percentages of the total research and development expenses for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Staff costs	120,047	38.0	128,060	45.7	64,964	48.2	65,701	50.9
Clinical trial and technical service expenses	95,656	30.3	66,882	23.9	25,941	19.2	26,942	20.9
Depreciation and amortization	38,789	12.3	34,325	12.2	17,387	12.9	16,672	12.9
Reagents and consumables	29,901	9.5	26,932	9.6	10,593	7.9	8,837	6.8
Share-based compensation	16,108	5.1	7,910	2.8	7,910	5.9	5,690	4.4
Patent advisory fee	2,517	0.8	6,239	2.2	4,047	3.0	1,672	1.3
Others	12,745	4.0	10,022	3.6	3,933	2.9	3,628	2.8
Total	**315,763**	**100.0**	**280,370**	**100.0**	**134,775**	**100.0**	**129,142**	**100.0**

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, we incurred research and development expenses of RMB60.2 million, RMB34.5 million, RMB16.9 million and RMB33.4 million in relation to our Core Product, respectively. We incurred research and development expenses of RMB110.8 million, RMB73.4 million, RMB32.4 million and RMB34.5 million in relation to our two clinical-stage products RBD5044 and RBD1016 in the respective years/periods.

Selling and Distribution Expenses

During the Track Record Period, our selling and distribution expenses primarily consisted of staff costs. The following table sets forth a breakdown of our selling and distribution expenses in absolute amounts and as percentages of the total selling and distribution expenses for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Staff costs	247	72.9	543	55.5	273	49.2	274	48.5
Others[(1)]	92	27.1	436	44.5	282	50.8	291	51.5
Total	**339**	**100.0**	**979**	**100.0**	**555**	**100.0**	**565**	**100.0**

Note:

(1) Primarily including expenses for participation in exhibitions.

Administrative Expenses

During the Track Record Period, our administrative expenses primarily consisted of (i) staff costs, including wages, bonus, social insurance and other welfare, (ii) professional services expenses, primarily in relation to our equity financing and business collaboration activities, (iii) [**REDACTED**] expenses, (iv) office expenses, travel expenses and other administrative costs, including IT expenses, property management fees, conference and hospitality expenses, and business taxes and surcharges, and (v) depreciation and amortization. The following table sets forth a breakdown of our administrative expenses in absolute amounts and as percentages of the total administrative expenses for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Staff costs	39,194	48.3	40,560	43.8	20,008	50.6	20,716	39.8
Professional services expenses	9,338	11.5	9,068	9.8	3,300	8.4	6,179	11.9
[**REDACTED**] expenses	–	0.0	12,483	13.5	–	–	8,879	17.1
Office expenses, travel expenses and other administrative costs	10,965	13.5	12,255	13.2	5,227	13.2	5,041	9.6
Depreciation and amortization	7,219	8.9	7,831	8.5	3,825	9.7	4,306	8.3
Share-based compensation	9,387	11.6	4,515	4.9	4,515	11.4	3,471	6.7
Others	5,010	6.2	5,794	6.3	2,635	6.7	3,466	6.6
Total	**81,113**	**100.0**	**92,506**	**100.0**	**39,510**	**100.0**	**52,058**	**100.0**

Impairment Losses on Credit, Net

During the Track Record Period, our net impairment losses on credit represented expected credit losses on trade and other receivables. In 2023 and 2024, we recorded net impairment losses on credit of RMB284.0 thousand and RMB82.0 thousand, respectively. For the six months ended June 30, 2024 and 2025, we recorded a net reversal of impairment losses on credit of RMB136.0 thousand and RMB141.0 thousand, respectively.

Other Expenses

During the Track Record Period, our other expenses primarily consisted of (i) impairment of inventories, mainly because we discontinued the development of one oligonucleotide drug due to strategic realignment of our pipeline and subsequently recognized an impairment of the related inventory, and (ii) impairment of intangible assets, resulting from the discontinuation of the development of this oligonucleotide drug. The following table sets forth a breakdown of our other expenses in absolute amounts and as percentages of the total other expenses for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2023		2024		2024		2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Impairment of inventories	25,002	48.5	15,072	99.7	4,214	98.9	5,153	80.1
Impairment of intangible assets	26,507	51.5	–	–	–	–	–	–
Others	12	0.0	50	0.3	49	1.1	1,278	19.9
Total	**51,521**	**100.0**	**15,122**	**100.0**	**4,263**	**100.0**	**6,431**	**100.0**

Finance Costs

During the Track Record Period, our finance costs primarily represented interest on bank and other borrowings. For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, our finance costs amounted to RMB19.2 million, RMB20.4 million, RMB10.2 million and RMB10.2 million, respectively.

Share of Losses of a Joint Venture

In 2023, we recognized RMB24.0 thousand in share of losses of a joint venture. We initially invested in this joint venture, a China-based API supplier, to strengthen our domestic supply chain. We discontinued our investment in this joint venture in 2024 as nucleic acid drug development in China progressed, leading to an improvement in domestic supply capacity and the availability of reliable commercial suppliers.

Income Tax Expense

Our income tax expenses amounted to RMB148.0 thousand, RMB24.4 million, RMB20.2 million and RMB3.9 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, respectively. Our income tax expenses during the Track Record Period were mainly in relation to withholding tax from our overseas income.

PRC Corporate Income Tax

Under the EIT Law and its implementation regulations, the EIT rate of our PRC subsidiaries is 25%.

Hong Kong Profits Tax

The statutory rate of Hong Kong profits tax was 16.5% on the estimated assessable profits arising in Hong Kong during the Track Record Period. No provision for Hong Kong profits tax was made as we had no assessable profits arising in Hong Kong during the Track Record Period.

Australia Income Tax

The statutory rate of income tax of the subsidiary in Australia is 25% during the Track Record Period.

Sweden Income Tax

The statutory rate of income tax of the subsidiary in Sweden is 20.6% during the Track Record Period.

Withholding Tax

In accordance with the Germany-China double taxation treaty, royalties and similar remunerations payable by German companies to PRC resident enterprises are subject to a withholding tax of 10%.

Loss for the Year/Period

As a result of the foregoing, we incurred losses of RMB437.3 million, RMB281.5 million, RMB141.6 million and RMB97.8 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, respectively.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

Revenue

Our revenue increased from RMB66.3 million for the six months ended June 30, 2024 to RMB103.8 million for the six months ended June 30, 2025, primarily attributable to the achievement of a development milestone under our collaboration with Boehringer Ingelheim in 2025.

Cost of Sales

Our cost of sales increased from RMB2.1 million for the six months ended June 30, 2024 to RMB6.6 million for the six months ended June 30, 2025, which was in relation to the R&D activities we conducted pursuant to our licensing and collaboration arrangements.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased from RMB64.2 million for the six months ended June 30, 2024 to RMB97.2 million for the six months ended June 30, 2025.

Our overall gross profit margin remained stable at 96.8% for the six months ended June 30, 2024 compared to 93.7% for the six months ended June 30, 2025.

Other Income and Gains

Our other income and gains increased from RMB3.5 million for the six months ended June 30, 2024 to RMB7.2 million for the six months ended June 30, 2025, primarily due to an increase in the government grants we received in the first half of 2025.

Research and Development Expenses

Our research and development expenses remained stable at RMB134.8 million for the six months ended June 30, 2024 and RMB129.1 million for the six months ended June 30, 2025.

Selling and Distribution Expenses

Our selling and distribution expenses remained stable at RMB565.0 thousand for the six months ended June 30, 2025 compared to RMB555.0 thousand for the same period in 2024.

Administrative Expenses

Our administrative expenses increased from RMB39.5 million for the six months ended June 30, 2024 to RMB52.1 million for the six months ended June 30, 2025, primarily due to [**REDACTED**] expenses incurred in the first half of 2025.

Impairment Losses on Credit, Net

Our net reversal of impairment losses on credit remained stable at RMB136.0 thousand for the six months ended June 30, 2024 compared to RMB141.0 thousand for the six months ended June 30, 2025.

Other Expenses

Our other expenses increased from RMB4.3 million for the six months ended June 30, 2024 to RMB6.4 million for the six months ended June 30, 2025, primarily attributable to increased inventory impairment expenses as our inventory levels grew, and foreign exchange losses recorded in the first half of 2025 primarily reflecting the depreciation of the U.S. dollar against the SEK.

Finance Costs

Our finance costs remained stable for the six months ended June 30, 2024 and 2025 at RMB10.2 million and RMB10.2 million, respectively.

Income Tax Expenses

We incurred income tax expenses of RMB20.2 million for the six months ended June 30, 2024 and RMB3.9 million for the six months ended June 30, 2025. The decrease in income tax expense was primarily because we incurred higher withholding tax expenses from our licensing and collaboration income in 2024.

Loss for the Period

For the reasons discussed above, our loss for the period decreased from RMB141.6 million for the six months ended June 30, 2024 to RMB97.8 million for the six months ended June 30, 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased from RMB44.0 thousand in 2023 to RMB142.6 million in 2024, primarily because we began to recognize revenue from our licensing and collaboration arrangements in 2024. See "Business — Licensing and Collaboration Arrangements" for details.

Cost of Sales

Our cost of sales increased from RMB24.0 thousand in 2023 and to RMB11.9 million in 2024, which was in relation to the R&D activities we conducted pursuant to our licensing and collaboration arrangements.

Gross Profit and Gross Profit Margin

Our gross profit increased from RMB20.0 thousand in 2023 and to RMB130.7 million in 2024. Our overall gross profit margin increased from 45.5% in 2023 to 91.7% in 2024. The increase in gross profit and gross profit margin was primarily because our revenue in 2024 was primarily derived from upfront payments in connection with our licensing and collaboration arrangements, which had higher gross profit margin.

Other Income and Gains

Our other income and gains decreased from RMB31.1 million in 2023 to RMB21.7 million in 2024. Government grants are generally one-time, non-recurring awards given at the regulatory authority's discretion and may therefore vary from period to period.

Research and Development Expenses

Our research and development expenses decreased from RMB315.8 million in 2023 to RMB280.4 million in 2024, primarily due to a decrease in our clinical trial and technical service expenses as (i) some of our clinical trials transitioned between phases, reflecting the natural variability in R&D spending even as projects advance toward later stages, and (ii) Qilu Pharmaceutical assumed certain R&D costs for RBD7022's phase 1 clinical trial pursuant to our license and collaboration agreement executed in December 2023, with these costs no longer recognized on our financial statements but instead recorded on Qilu Pharmaceutical's accounts.

Selling and Distribution Expenses

Our selling and distribution expenses increased from RMB339.0 thousand in 2023 to RMB979.0 thousand in 2024, primarily due to increased staff costs and promotional expenses in connection with the sales of our in-house produced phosphoramidite and nucleoside products.

Administrative Expenses

Our administrative expenses increased from RMB81.1 million in 2023 to RMB92.5 million in 2024, primarily due to [**REDACTED**] expenses incurred in 2024 which amounted to RMB12.5 million.

Impairment Losses on Credit, Net

Our net impairment losses on credit decreased from RMB284.0 thousand in 2023 to RMB82.0 thousand in 2024, primarily due to shifts in the composition and aging profile of trade receivables and other receivables.

Other Expenses

Our other expenses decreased from RMB51.5 million in 2023 to RMB15.1 million in 2024, primarily because we had an impairment of intangible assets in 2023 resulting from the discontinuation of the development of one oligonucleotide drug due to strategic realignment of our pipeline.

Finance Costs

Our finance costs remained stable at RMB19.2 million in 2023 and RMB20.4 million in 2024.

Income Tax Expense

We incurred income tax expenses of RMB148.0 thousand and RMB24.4 million in 2023 and 2024, respectively. The increase in income tax expense was primarily because we had incurred withholding tax expenses from our licensing and collaboration income in 2024.

Loss for the Year

For the reasons discussed above, our loss for the year decreased from RMB437.3 million in 2023 to RMB281.5 million in 2024.

DESCRIPTION OF SELECTED ITEMS FROM THE CONSOLIDATED FINANCIAL POSITION

The following table sets forth a summary of our consolidated financial position as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
NON-CURRENT ASSETS			
Property, plant and equipment	219,166	203,168	193,225
Right-of-use assets	77,621	72,934	70,229
Intangible assets	108,417	92,474	84,649
Other non-current assets	723	12,195	–
Cash and bank balances	846	794	916
Total non-current assets	**406,773**	**381,565**	**349,019**

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
CURRENT ASSETS			
Inventories	45,604	42,723	49,676
Trade receivables	6	3,467	2,337
Prepayments, other receivables and other assets	51,512	39,479	51,814
Cash and bank balances	212,353	183,624	547,735
Total current assets	**309,475**	**269,293**	**651,562**
Total assets	**716,248**	**650,858**	**1,000,581**
CURRENT LIABILITIES			
Trade payables	23,265	24,225	20,860
Other payables and accruals	79,215	87,482	220,672
Contract liabilities	–	67,124	67,124
Interest-bearing bank and other borrowings	217,284	226,612	336,116
Lease liabilities	8,087	7,626	9,473
Tax Payable	–	1,237	1,875
Total current liabilities	**327,851**	**414,306**	**656,120**
NET CURRENT LIABILITIES	**(18,376)**	**(145,013)**	**(4,558)**
TOTAL ASSETS LESS CURRENT LIABILITIES	**388,397**	**236,552**	**344,461**
NON-CURRENT LIABILITIES			
Contract liabilities	–	64,294	32,147
Interest-bearing bank and other borrowings	163,708	172,281	137,356
Lease liabilities	25,660	22,363	19,611
Deferred income	24,145	25,402	30,886
Other payables and accruals	59,161	63,279	65,444
Total non-current liabilities	**272,674**	**347,619**	**285,444**
Total liabilities	**600,525**	**761,925**	**941,564**
Net assets/(liabilities)	**115,723**	**(111,067)**	**59,017**
EQUITY			
Share capital	128,386	129,610	130,145
Reserves	(23,284)	(239,970)	(188,575)
Equity/(deficits) attributable to owners of the parent	**105,102**	**(110,360)**	**(58,430)**
Non-controlling interests	10,621	(707)	117,447
Total equity/(deficits)	**115,723**	**(111,067)**	**59,017**

Property, Plant and Equipment

During the Track Record Period, our property, plant and equipment primarily consisted of buildings for offices and manufacturing facility, R&D equipment, leasehold improvements as well as office equipment. Our property, plant and equipment decreased from RMB219.2 million as of December 31, 2023 to RMB203.2 million as of December 31, 2024, and further decreased to RMB193.2 million as of June 30, 2025, primarily due to depreciation of property, plant and equipment.

Right-of-use Assets

During the Track Record Period, our right-of-use assets represented leases of offices and laboratories. Our right-of-use assets decreased from RMB77.6 million as of December 31, 2023 to RMB72.9 million as of December 31, 2024, and further decreased to RMB70.2 million as of June 30, 2025, primarily due to depreciation of right-of-use assets.

Intangible Assets

During the Track Record Period, our intangible assets primarily consisted of (i) patents and know-how, primarily in relation to pipeline programs we acquired through asset acquisition and subsequently recorded as intangible assets, and (ii) software. The following table sets forth the details of our intangible assets as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Patents and know-how	104,618	89,492	81,930
Software	3,799	2,982	2,719
Total	**108,417**	**92,474**	**84,649**

Our intangible assets decreased from RMB108.4 million as of December 31, 2023 to RMB92.5 million as of December 31, 2024, and further decreased to RMB84.6 million as of June 30, 2025, primarily due to amortization.

Intangible assets are tested for impairment based on the recoverable amount of the cash-generating unit ("CGU") to which the intangible asset is related. The appropriate CGU is at the product level. The impairment test was performed for each pipeline product by engaging an independent appraiser to estimate fair value less cost to sell as the recoverable amount of each pipeline product. The fair value was based on the multi-period excess earnings method and we estimated the forecast of profit for our pipeline products based on the timing of clinical development and regulatory approval, commercial ramp up to reach expected peak revenue potential, and potential license-out upfront fee and the length of exclusivity for each pipeline product.

Other Non-current Assets

During the Track Record Period, our other non-current assets consisted of prepayment for purchase of property, plant and equipment and non-current portion of recoverable withholding tax. Our other non-current assets increased from RMB723.0 thousand as of December 31, 2023 to RMB12.2 million as of December 31, 2024 primarily because we had recoverable withholding tax in 2024. Our other non-current assets were reduced to nil as of June 30, 2025, following the reclassification of the non-current portion of our recoverable withholding tax to current assets, as it became receivable within 12 months.

Inventories

During the Track Record Period, our inventories primarily consisted of raw materials, work-in-progress, and finished goods related to our drug candidates. Our inventories remained stable at RMB45.6 million as of December 31, 2023 and RMB42.7 million as of December 31, 2024, and increased to RMB49.7 million as of June 30, 2025. In 2023, 2024 and the six months ended June 30, 2025, our inventory turnover days were 658 days, 498 days and 789 days, respectively. As of October 31, 2025, RMB26.6 million, or 35.6%, of our inventories as of June 30, 2025 had been subsequently utilized or sold. The following table sets forth the details of our inventories by type as of the dates indicated.

As of June 30, 2025	within 3 months	3 to 6 months	6 to 12 months	over one year	TOTAL
Raw materials	1,994	1,560	3,060	17,579	24,193
Work in process	5,783	2,245	4,129	2,845	15,002
Finished goods	835	1,682	1,475	3,263	7,255
Costs to fulfil a contract	983	–	2,243	–	3,226

As of December 31, 2024	within 3 months	3 to 6 months	6 to 12 months	over one year	TOTAL
Raw materials	7,074	1,722	974	14,987	24,757
Work in process	5,175	2,736	560	1,353	9,824
Finished goods	2,272	110	1,444	2,073	5,899
Costs to fulfil a contract	2,243	–	–	–	2,243

As of December 31, 2023	within 3 months	3 to 6 months	6 to 12 months	over one year	TOTAL
Raw materials	2,811	607	2,007	14,371	19,796
Work in process	9,140	4	–	10,893	20,037
Finished goods	4,147	1,205	306	113	5,771

We consider that there is no material recoverability issue in respect of our inventories, including those aged over one year. Our inventories aged over one year mainly comprise research-use- only pharmaceuticals, which are intended to support ongoing and planned R&D activities and remain suitable for such purposes. Their longer aging profile is a result of the extended timelines typical of pharmaceutical R&D processes, and does not indicate obsolescence or impairment. The modest consumption of such inventories after the Track Record Period and up to October 31, 2025 mainly reflects our extended R&D timelines, and a four-month subsequent-settlement assessment is not a meaningful indicator of inventory recoverability. We maintain a consistent and prudent inventory assessment policy, under which we regularly review inventories for potential impairment. As of October 31, 2025, no material impairment indicators had been identified, and we have not recorded any significant inventory write-downs. We confirm that we have made sufficient provision in accordance with our inventory assessment policy and applicable accounting standards.

Trade Receivables

During the Track Record Period, our trade receivables consisted of receivables from our collaboration partners under licensing and collaboration arrangements. Our trade receivables increased from RMB6.0 thousand as of December 31, 2023 to RMB3.5 million as of December 31, 2024, in line with our engagement in licensing and collaboration arrangements. Our trade receivables decreased from RMB3.5 million as of December 31, 2024 to RMB2.3 million as of June 30, 2025, primarily because we received payments from our collaboration partners in the first half of 2025, partially offset by the increase in trade receivables recorded by Azemidite in line with its sales growth. As of October 31, 2025, RMB2.2 million, or 90.2%, of our trade receivables as of June 30, 2025 had been subsequently settled. There had been no material recoverability issue for our trade receivable balance during the Track Record Period and up to the Latest Practicable Date.

Prepayments, Other Receivables and Other Assets

During the Track Record Period, our prepayments, other receivables and other assets primarily consisted of (i) value-added tax recoverable in relation to our domestic input value-added tax credit refund, (ii) recoverable withholding tax representing the portion of income tax withheld in excess of the applicable treaty rate that can be refunded later, (iii) prepayments to suppliers in our R&D activities, (iv) export tax refund, and (v) other receivables. The following table sets forth the details of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Value-added tax recoverable	28,389	15,731	19,028
Recoverable withholding tax	–	–	14,704
Export tax refund	–	2,321	–
Prepayments	10,016	5,254	8,324
Deposits	2,915	1,539	1,536
[**REDACTED**] expense	–	1,408	4,058
Other receivables	11,130	14,175	4,996
Impairment allowance	(938)	(949)	(832)
Total	**51,512**	**39,479**	**51,814**

Our prepayments, other receivables and other assets decreased from RMB51.5 million as of December 31, 2023 to RMB39.5 million as of December 31, 2024, primarily due to a decrease of RMB12.7 million in value-added tax recoverable as we received certain domestic input value-added tax credit refund in 2024. Our prepayments, other receivables and other assets increased from RMB39.5 million as of December 31, 2024 to RMB51.8 million as of June 30, 2025, primarily due to recoverable withholding tax arising from tax refund entitlements under the Germany-China taxation treaty.

As of October 31, 2025, RMB16.7 million, or 32.3%, of our prepayments, other receivables and other assets as of June 30, 2025 had been subsequently settled.

Cash and Bank Balances

During the Track Record Period, our cash and bank balances primarily consisted of cash at bank and in hand, denominated in Renminbi, U.S. dollar, Euro, Australian Dollar and Swedish Krona. The following table sets forth the details of our cash and bank balances as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Current			
Cash and cash equivalents	210,273	167,867	358,535
Short-term bank deposits	–	–	189,200
Restricted cash	–	15,000[(1)]	–
Interest receivable on bank deposits	2,080	757	–
Subtotal	212,353	183,624	547,735

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Non-current			
Restricted cash	846	794	916
Total	**213,199**	**184,418**	**548,651**

Note:

(1) Represents advance from an investor for our series E2 financing, which had been converted to equity in February 2025.

Our cash and bank balances decreased from RMB213.2 million as of December 31, 2023 to RMB184.4 million as of December 31, 2024, primarily due to our ongoing investment in research and development activities. Our cash and bank balances increased from RMB184.4 million as of December 31, 2024 to RMB548.7 million as of June 30, 2025, primarily due to the [**REDACTED**] we received from our series E3 financing and Ribocure's equity financing.

Trade Payables

During the Track Record Period, our trade payables primarily consisted of payables in relation to our research and development activities and business operation. The following table sets forth an aging analysis of our trade payables presented based on the invoice date as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Within 1 months	15,992	16,142	16,565
1 to 2 months	1,249	4,728	2,367
2 to 3 months	623	1,168	565
Over 3 months	5,401	2,187	1,363
Total trade payables	**23,265**	**24,225**	**20,860**

In 2023, 2024 and the six months ended June 30, 2025, our trade payable turnover days were 75 days, 87 days and 100 days, respectively. As of October 31, 2025, RMB17.9 million, or 85.7%, of our trade payables as of June 30, 2025 had been subsequently settled.

Our Directors confirm that there has not been any material default on our part in the payment of trade payables during the Track Record Period and up to the Latest Practicable Date.

Other Payables and Accruals

During the Track Record Period, our other payables and accruals primarily consisted of (i) non-current portion of other payables, primarily representing redemption liabilities, which is the financial obligation arising from the non-controlling shareholder of Azemidite having the right, as stipulated in the shareholders' agreement, to demand us to redeem its share capital at the original investment cost plus an agreed-upon interest rate, see "History and Corporate Structure — Our Subsidiaries" for details, (ii) payables for purchase of property, plant and equipment, (iii) staff salaries, bonuses and welfare payables, (iv) advance from investors in connection with our series E2 and series E3 financing, (v) government grants payable, primarily representing government grants received that are recognized as liabilities until the attached conditions are fulfilled, and (vi) other tax payable, representing tax payable other than corporate income tax. The following table sets forth the details of our other payables and accruals as of the dates indicated.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Current			
Payables for purchase of property, plant and equipment	34,371	18,803	17,898
Staff salaries, bonuses and welfare payables	19,967	18,233	18,010
Advance from an investor	–	15,000	151,720
Government grants payable	14,492	13,892	14,692
Other tax payable	5,365	6,082	3,731
Other payables	3,424	11,917	11,553
Amount due to related parties	419	1,743	1,998
Accrued expenses	1,177	1,812	1,070
Total	**79,215**	**87,482**	**220,672**
Non-current			
Other payables	59,161	63,279	65,444

Our other payables and accruals increased from RMB138.4 million as of December 31, 2023 to RMB150.8 million as of December 31, 2024, primarily driven by (i) an increase in advance from an investor of RMB15.0 million, representing the [**REDACTED**] we received from an investor for our series E2 financing which had not been recognized as share capital pending shareholder approval and internal procedures as of December 31, 2024, and (ii) an increase in other payables of RMB8.5 million, mainly resulting from an increase in service fee payables in connection with professional services and an increase in subsidies payables, including amounts temporarily collected and remitted by the Company on behalf of employees in respect of government subsidies offered to qualified R&D talents. Such increases were partially offset by a decrease of RMB15.6 million in payables for purchase of property, plant and equipment, primarily due to the partial settlement of such payables.

Our other payables and accruals further increased to RMB286.1 million as of June 30, 2025, primarily due to advance from an investor of RMB151.7 million, representing the [**REDACTED**] we received from investors for our series E3 financing which had not been recognized as share capital pending shareholder approval and internal procedures as of June 30, 2025.

As of October 31, 2025, RMB187.5 million, or 65.5%, of our other payables as of June 30, 2025 had been subsequently settled.

Contract Liabilities

During the Track Record Period, our contract liabilities primarily represented amounts paid by our collaboration partners, Boehringer Ingelheim and Qilu Pharmaceutical, under licensing and collaboration arrangements before we fulfilled corresponding performance obligations. The excess of our cumulative billings to customers over the cumulative revenue recognized in profit or loss is recognized as contract liabilities. We did not record contract liabilities as of December 31, 2023. Our contract liabilities decreased from RMB131.4 million as of December 31, 2024 to RMB99.3 million as of June 30, 2025 as a portion of our contract liabilities was recognized as revenue. As of October 31, 2025, RMB24.3 million, or 24.4%, of our contract liabilities as of June 30, 2025 had been recognized as revenue.

Interest-bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings were RMB381.0 million, RMB398.9 million and RMB473.5 million as of December 31, 2023 and 2024 and June 30, 2025, respectively. See "— Indebtedness" for details.

Lease Liabilities

During the Track Record Period, our lease liabilities primarily consisted of leases of offices and laboratory. Our lease liabilities decreased from RMB33.7 million as of December 31, 2023 to RMB30.0 million as of December 31, 2024, primarily due to regular rental payments, partially offset by an increase in lease liabilities due to lease modifications and new lease agreements. Our lease liabilities remained stable at RMB29.1 million as of June 30, 2025 compared to December 31, 2024.

Tax Payables

During the Track Record Period, our tax payables primarily consisted of corporate income tax payable. We did not record tax payables as of December 31, 2023. Our tax payables increased from RMB1.2 million as of December 31, 2024 to RMB1.9 million as of June 30, 2025, primarily due to the fluctuation of foreign exchange rate.

Deferred Income

During the Track Record Period, our deferred income comprised government grants for which the conditions had been fulfilled. However, the relevant income was deferred and recognized over future periods, recorded as a liability to be gradually amortized into income. Our deferred income amounted to RMB24.1 million, RMB25.4 million and RMB30.9 million as of December 31, 2023 and 2024 and June 30, 2025, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash during the Track Record Period were to fund our research and development activities. We recorded net cash used in operating activities of RMB287.5 million, RMB60.7 million and RMB96.5 million for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, respectively. During the Track Record Period, we primarily financed our operations through equity and debt financing, as well as revenue from our licensing and collaboration arrangements. As of October 31, 2025, the latest practicable date for determining our indebtedness, we had cash and bank balances of RMB446.2 million. As of October 31, 2025, we had RMB1,021.1 million of committed unutilized banking facilities.

Current Assets and Liabilities

	As of December 31,		As of June 30,	As of October 31,
	2023	2024	2025	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000) (Unaudited)*
Current assets				
Inventories	45,604	42,723	49,676	56,944
Trade receivables	6	3,467	2,337	3,012
Prepayments, other receivables and other assets	51,512	39,479	51,814	41,329
Financial assets at fair value through other comprehensive income ("**FVTOCI**")	–	–	–	2,143
Cash and bank balances	212,353	183,624	547,735	446,233
Total current assets	**309,475**	**269,293**	**651,562**	**549,661**
Current liabilities				
Trade payables	23,265	24,225	20,860	18,727
Other payables and accruals	79,215	87,482	220,672	127,547
Contract liabilities	–	67,124	67,124	64,294
Interest-bearing bank and other borrowings	217,284	226,612	336,116	364,853
Lease liabilities	8,087	7,626	9,473	9,958
Tax Payable	–	1,237	1,875	1,512
Total current liabilities	**327,851**	**414,306**	**656,120**	**586,891**
Net current liabilities	**18,376**	**145,013**	**4,558**	**37,230**

We recorded net current liabilities as of December 31, 2023 and 2024, and June 30 and October 31, 2025, primarily because we invested significant capital into the research and development of our drug pipeline, and building up our technology platforms and other capabilities to complement and support our business. These cash-intensive investments were financed partially through interest-bearing bank and other borrowings and contributed to our net current liability position historically. Our contract liabilities as of December 31, 2024 and June 30, 2025, which primarily represented amounts paid by our collaboration partners under licensing and collaboration arrangements before we fulfilled corresponding performance obligation, also contributed to our net current liabilities position as of the respective dates.

We expect to continue to incur significant expenses for the foreseeable future as we advance our drug candidates, which will be funded by a combination of our cash on hand, cash flow from our license and collaboration arrangements, bank borrowings, and [**REDACTED**] from the [**REDACTED**].

Working Capital Sufficiency

Going forward, we will closely monitor our liquidity position and maintain an adequate level of cash and bank balances to finance our operations and mitigate the impact of cash flow fluctuations. Although we recorded net current liabilities during the Track Record Period, our Directors are of the view that we have sufficient working capital to cover at least 125% of our costs, including research and development expenses and administrative expenses (including any production costs), for at least the next 12 months from the date of this document. We plan to enhance our working capital position through the following measures:

- **Cash on hand and cash generated from our operations.** We had cash and bank balances amounting to RMB548.7 million as of June 30, 2025. We expect to receive additional milestone payments from our out-license and collaboration agreements in the future, and intend to utilize them to fund our operations, subject to the achievement of certain milestones and other terms of these agreements. We anticipate generating approximately RMB160 million in 2026 from payments under existing licensing agreements, which will be received in stages throughout the year. Additionally, we continue to explore potential licensing opportunities and collaborations, which may result in new strategic partnerships that could deliver upfront and milestone payments. See "Business — Licensing and Collaboration Arrangements" for details. Furthermore, upon the successful commercialization of one or more of our candidates, we expect to fund our operations in part with income generated from sales of our commercialized drugs.

- **Committed unutilized banking facilities.** As of October 31, 2025, we had RMB1,021.1 million of committed unutilized banking facilities. These facilities provide us with additional financial flexibility to address our funding needs. We have maintained stable relationships with our principal banks, which we believe will support our ability to access future financing on reasonable terms.

- **Ability to roll over or refinance existing bank borrowings.** As of October 31, 2025, our current interest-bearing bank and other borrowings was RMB364.9 million and our non-current interest-bearing bank and other borrowings was RMB118.9 million. We have historically been able to roll over or refinance over borrowings based on our capital requirements. We believe that, going forward, we will be able to roll over or refinance our existing bank borrowings, especially current loans, when necessary.

- **Equity Financing.** We conducted our series E3 financing in June 2025, pursuant to which we received proceeds of approximately RMB151.7 million. Our Sweden-based subsidiary, Ribocure AB, successfully completed equity financing of US$33 million in June 2025. Funding from our equity financing will be allocated to support our clinical trials and preclinical studies.

- [**REDACTED**] **from the** [**REDACTED**]**.** We expect to receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] [**REDACTED**] based on the low end of the [**REDACTED**] range set out in this document. See "Future Plans and Use of [**REDACTED**]" for details.

Going forward, we will continue to concentrate our resources on the development of the Core Product while exercising disciplined control over other expenses to manage operating cash outflows.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment and payment for intangible assets. We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low-end of the indicative [**REDACTED**] range stated in this document. We estimate that our cash on hand as of [**REDACTED**] will be able to maintain our financial viability for over [**REDACTED**] months from [**REDACTED**], without taking into account the estimated net [**REDACTED**] from the [**REDACTED**]; or, we estimate we will be able to maintain our financial viability for over [**REDACTED**] months, if we take into account [**REDACTED**]% of the estimated net [**REDACTED**] from the [**REDACTED**] (namely, the portion allocated for our working capital and other general corporate purposes).

Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the period indicated:

	For the year ended December 31,		For the six months ended June 30	
	2023	2024	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Loss before tax	(437,148)	(257,047)	(121,409)	(93,867)
Adjustment for cash flows from operating activities before movement in working capital	141,505	90,212	48,591	48,672
Changes in working capital	1,268	125,485	136,996	(49,112)
Income tax paid	(148)	(23,208)	(19,129)	(3,260)
Interest received	6,987	3,839	1,976	1,094
Net cash (used in)/generated from operating activities	(287,536)	(60,719)	47,025	(96,473)
Net cash used in investing activities	(24,455)	(20,664)	(10,608)	(184,316)
Net cash (used in)/generated from financing activities	(4,774)	39,456	21,006	471,731
Net (decrease)/increase in cash and cash equivalents	(316,765)	(41,927)	57,423	190,942
Cash and cash equivalents at beginning of year/period	524,390	210,273	210,273	167,867
Effect of foreign exchange rate changes	2,648	(479)	(702)	(274)
Cash and cash equivalents at the end of year/period	210,273	167,867	266,994	358,535

Net Cash (Used in)/Generated from Operating Activities

For the six months ended June 30, 2025, we had net cash used in operating activities of RMB96.5 million, which was primarily attributable to our loss before taxation of RMB93.9 million adjusted by certain non-cash and working capital items, including (i) positive adjustments, which primarily included decrease in non-current assets of RMB12.2 million, depreciation of property, plant and equipment of RMB11.5 million, finance costs of RMB10.2 million, and equity-settled share-based payment expenses of RMB9.2 million, and (ii) negative adjustments, which primarily included a decrease in contract liabilities of RMB32.1 million, an increase in inventories of RMB12.1 million and an increase in prepayments, other receivables and other assets of RMB12.2 million.

For the year ended December 31, 2024, we had net cash used in operating activities of RMB60.7 million, which was primarily attributable to our loss before taxation of RMB257.0 million adjusted by certain non-cash and working capital items, including (i) positive adjustments, which primarily included increase in contract liabilities of RMB134.2 million, depreciation of property, plant and equipment of RMB23.7 million and finance costs of RMB20.4 million, and (ii) negative adjustments, which primarily included an increase of RMB12.2 million in inventories and an increase of RMB12.2 million in non-current assets.

For the year ended December 31, 2023, we had net cash used in operating activities of RMB287.5 million, which was primarily attributable to our loss before taxation of RMB437.1 million adjusted by certain non-cash and working capital items, including (i) positive adjustments, which primarily included impairment of intangible assets of RMB26.5 million, equity-settled share-based payment expenses of RMB25.5 million, impairment of inventories of RMB25.0 million and amortization of intangible assets of RMB22.4 million, and (ii) negative adjustments, which primarily included an increase of RMB8.4 million in inventories and an increase of RMB4.8 million in prepayments, other receivables and other assets.

The net operating cash outflows we experienced during the Track Record Period primarily resulted from expenditures on cash-intensive R&D activities and expenses incurred for our day-to-day operations. Going forward, we plan to improve our operating cash flow position through a combination of measures. In particular, (i) we intend to maintain and potentially enhance the momentum of revenue generation from our licensing and collaboration arrangements by continuing to meet development milestones and seeking to expand such arrangements where commercially reasonable; (ii) we will continue to advance our drug candidates towards commercialization, which, upon successful approval and launch, is expected to generate recurring product sales and thereby improve operating cash inflows; and (iii) we will continue to enhance cost efficiency and manage operating expenses, including by prioritizing R&D projects with clearer commercial potential, optimizing clinical trial design and site selection to reduce per-patient cost, and exercising disciplined control over headcount growth and other administrative expenses.

Net Cash Used in Investing Activities

For the six months ended June 30, 2025, we had net cash used in investing activities of RMB184.3 million, primarily attributable to increase in bank deposits with original maturity of more than three months when acquired of RMB189.2 million, partially offset by receipt of government grants for property, plant and equipment of RMB6.3 million.

For the year ended December 31, 2024, we had net cash used in investing activities of RMB20.7 million, primarily attributable to purchase of items of property, plant and equipment of RMB23.3 million, partially offset by receipt of government grants for property, plant and equipment of RMB2.6 million.

For the year ended December 31, 2023, we had net cash used in investing activities of RMB24.5 million, primarily attributable to purchase of items of property, plant and equipment of RMB40.0 million, partially offset by receipt of government grants for property, plant and equipment of RMB15.0 million.

Net Cash (Used in)/from Financing Activities

For the six months ended June 30, 2025, we had net cash from financing activities of RMB471.7 million, primarily attributable to (i) new interest-bearing bank loans of RMB238.0 million, (ii) capital contribution from a non-controlling shareholder of RMB236.4 million, and (iii) advance from an investor of RMB151.7 million, partially offset by repayments of interest-bearing bank loans and other borrowings of RMB162.8 million.

For the year ended December 31, 2024, we had net cash from financing activities of RMB39.5 million, primarily attributable to (i) new interest-bearing bank loans of RMB224.5 million, and (ii) proceeds from issue of shares of RMB45.8 million, partially offset by repayments of interest-bearing bank loan and other borrowings of RMB206.3 million.

For the year ended December 31, 2023, we had net cash used in financing activities of RMB4.8 million, primarily attributable to (i) repayments of interest-bearing bank loan and other borrowings of RMB270.0 million, (ii) interest paid for interest-bearing bank and other borrowing of RMB14.5 million, and (iii) repayment of lease liabilities of RMB8.4 million, partially offset by new interest-bearing bank loans of RMB288.1 million.

CASH OPERATING COSTS

The following table sets forth our cash operating costs for the periods indicated:

	For the year ended December 31,		For the six months ended June 30,
	2023	**2024**	**2025**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Costs relating to research and development of our Core Product			
Staff cost	17,795	17,093	16,336
Clinical trials and studies	22,955	11,816	7,405
Raw materials and others	4,950	910	1,850
Others	2,674	895	808
Subtotal	48,374	30,714	26,399

	For the year ended December 31,		For the six months ended June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Costs relating to research and development of our other drug candidates			
Staff cost	88,451	107,983	49,750
Clinical trials and studies	51,988	50,890	28,318
Raw materials and others	24,950	26,022	6,987
Others	11,812	14,654	4,134
Subtotal	177,201	199,549	89,189
Total	**225,575**	**230,263**	**115,588**

INDEBTEDNESS

As of December 31, 2023 and 2024, June 30, 2025 and October 31, 2025, being the most recent practicable date for determining our indebtedness, except as disclosed in the table below, we did not have any material indebtedness.

	As of December 31,		As of June 30,	As of October 31,
	2023	2024	2025	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)* *(Unaudited)*
Current				
Interest-bearing bank and other borrowings	217,284	226,612	336,116	364,853
Lease liabilities	8,087	7,626	9,473	9,958
Amount due to related parties*	419	1,743	1,998	32
Subtotal	225,790	235,981	347,587	374,843
Non-current				
Interest-bearing bank and other borrowings	163,708	172,281	137,356	118,881
Lease liabilities	25,660	22,363	19,611	17,452
Subtotal	189,368	194,644	156,967	136,333
Total	**415,158**	**430,625**	**504,554**	**511,176**

* Amount due to related parties are non-trade in nature and will be settled prior to the [**REDACTED**].

After October 31, 2025 and up until the Latest Practicable Date, we obtained RMB61.6 million of new bank borrowings and repaid RMB40.5 million of bank borrowings. Except as discussed above, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of the Latest Practicable Date. Our Directors further confirm that our Group did not experience any material difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Our Directors confirm that there have been no material changes in our indebtedness since October 31, 2025, being the latest practicable date for determining our indebtedness, up to the date of this document.

Interest-bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings amounted to RMB381.0 million, RMB398.9 million and RMB473.5 million as of December 31, 2023 and 2024 and June 30, 2025, respectively.

	As of December 31,						As of June 30,		
	2023			2024			2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current									
Bank loans – unsecured	3.00-4.50	2024	193,221	3.00-4.50	2025	186,258	2.80-4.50	2025-2026	270,805
Bank loans – secured[(1)]	3.20-4.30	2024	11,960	3.60-4.20	2025	27,924	3.00-3.60	2025-2026	52,881
Other borrowings – unsecured	5.55	2024	12,103	5.55	on demand	12,430	5.55	on demand	12,430
Subtotal			217,284			226,612			336,116
Non-current									
Bank loans – unsecured	3.50-4.50	2025-2027	53,000	3.45-4.50	2026-2027	61,500	3.50-4.50	2026-2027	38,000
Bank loans – secured[(1)]	4.20-4.30	2025-2030	110,708	3.85-4.20	2026-2030	110,781	3.60-4.20	2026-2030	99,356
Subtotal			163,708			172,281			137,356
Total			380,992			398,893			473,472

Note:

(1) Primarily secured by our certain property, plant and equipment and right-of use assets. For details, see note 24 of the Accountant's Report set out in Appendix I to this document.

	As of December 31,		As of June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Analyzed into:			
Bank loans and other borrowings repayables:			
Within one year or on demand	217,284	226,612	336,116
In the second year	21,993	73,345	55,839
In the third to fifth years, inclusive	108,515	86,517	81,517
Beyond five years	33,200	12,419	–
Total	**380,992**	**398,893**	**473,472**

CAPITAL EXPENDITURES

For the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, we incurred capital expenditures of RMB73.6 million, RMB8.5 million and RMB0.5 million, respectively, primarily in connection with property, plant and equipment and intangible assets for our R&D and business operation. The following table sets forth the details of our capital expenditure for the periods indicated.

	For the year ended December 31,		For the six months ended June 30,
	2023	2024	2025
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Property, plant and equipment	72,933	8,471	511
Intangible assets	641	58	–
Total	**73,574**	**8,529**	**511**

We plan to finance our future capital expenditures primarily with our existing cash, income from our license and collaboration agreements, net [**REDACTED**] from the [**REDACTED**], and bank borrowings. See the section "Future Plans and Use of [**REDACTED**]" in the document for more details. We may reallocate the funds to be utilized on capital expenditures based on our ongoing business needs.

CONTRACTUAL COMMITMENTS

Capital Commitments

As of December 31, 2023 and 2024 and June 30, 2025, our capital expenditure contracted for but not yet incurred is related to plant and machinery, amounting to RMB5.9 million and RMB0.4 million and RMB0.7 million, respectively.

CONTINGENT LIABILITIES

As of December 31, 2023 and 2024 and June 30, 2025, we did not have any material contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities since June 30, 2025 to the date of this document.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We did not have, during the periods presented, and we do not currently have, any off-balance sheet arrangements such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our balance sheets.

KEY FINANCIAL RATIOS

The following table set forth our key financial ratios as of the dates indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
Current ratio[(1)]	0.9	0.6	1.0

Note:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

Our current ratio decreased from 0.9 as of December 31, 2023 to 0.6 as of December 31, 2024, mainly due to a decrease in cash and bank balances as we spent cash in our R&D and repaid certain bank and other borrowings.

Our current ratio increased from 0.6 as of December 31, 2024 to 1.0 as of June 30, 2025, primarily due to an increase in cash and bank balances as a result of the proceeds received from our series E3 financing and Ribocure's equity financing.

MATERIAL RELATED PARTY TRANSACTIONS

We did not have any material related party transactions during the Track Record Period. See note 34 in the Accountant's Report set out in Appendix I of this document for details on our transactions with related parties during the Track Record Period.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Our principal financial instruments comprise cash and bank balances and bank loans. The main purpose of these financial instruments is to raise finance for our operations. We have various other financial assets and liabilities such as other receivables and other payables, which arise directly from our operations.

The main risks arising from our financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Our Board of Directors reviews and agrees policies for managing each of these risks and they are summarized below.

Interest Rate Risk

Our exposure to the risk of changes in market interest rates relates primarily to our long-term debt obligations with a floating interest rate. For further details, see note 37 of the Accountant's Report set out in Appendix I to this document.

Foreign Currency Risk

Our major businesses are carried out in Mainland China and Europe, and most of the transactions are conducted in Renminbi and Euro. Most of our assets and liabilities are denominated in Renminbi. We do not have material foreign currency risk during the Track Record Period.

Credit Risk

We trade only with recognized and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant. For further details, see note 37 of the Accountant's Report set out in Appendix I to this document.

Liquidity Risk

We monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance the operations and mitigate the effects of fluctuations in cash flows. For further details, see note 37 of the Accountant's Report set out in Appendix I to this document.

Capital Management

The primary objectives of our capital management are to safeguard our ability to continue as a going concern and to maintain healthy capital ratios in order to support our business and maximize shareholders' value. For further details, see note 37 of the Accountant's Report set out in Appendix I to this document.

DIVIDENDS

The declaration and payment of any dividends in the future will be determined by our Shareholders and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. As confirmed by our PRC Legal Advisor, any future net profit that we generate will be applied to account for our accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our accumulated losses have been accounted for; and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above. In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay a dividend out of our profits in the foreseeable future. In addition, any future determination to pay dividends will be made by our Board at their discretion and subject to Shareholders' approval, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and contractual restrictions, and other factors that our Board deems to be appropriate. Apart from the general principles for profit distribution set out in our Articles of Association, we have not adopted any specific dividend policy. As of the Latest Practicable Date, we had not established a specified dividend pay-out ratio.

PROPERTIES AND VALUATION

As of the Latest Practicable Date, we owned land use rights to one parcel of land in Tianjin, China, with an aggregate site area of approximately 88,509.5 square meters, on which we owned buildings with an aggregate GFA of approximately 16,194.0 square meters, mainly used as our manufacturing facilities.

In accordance with the requirement of Rule 5.07 of the Listing Rules, Asia-Pacific Consulting and Appraisal Limited, an independent property valuer, has valued the relevant property interests as of October 31, 2025. Particulars of our property interests are set out in "Appendix IV — Valuation Report" to this document.

The table below sets out the reconciliation between the net book value of our property as of June 30, 2025 in the Accountants' Report set out in Appendix I to this document and the market value of our property as of October 31, 2025, in the Property Valuation Report set out in Appendix IV to this document.

	(RMB'000)
Net book value of our property as of June 30, 2025	156,042
Capital expenditures	–
Depreciation adjustments	(583)
Net book value as of October 31, 2025	147,302
Valuation surplus as of October 31, 2025	10,411
Valuation as of October 31, 2025 as set out in "Appendix IV — Valuation Report" to this document	157,713

[**REDACTED**] EXPENSES

[**REDACTED**] expenses to be borne by us are estimated to be approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), representing approximately [**REDACTED**]% of the estimate gross [**REDACTED**] from the [**REDACTED**] assuming no Shares are issued pursuant to the [**REDACTED**] and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme. The [**REDACTED**] expenses consist of (i) [**REDACTED**] expenses, including [**REDACTED**] commission, of approximately HK$[**REDACTED**], and (ii) [**REDACTED**] expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. During the Track Record Period, [**REDACTED**] expenses of RMB[**REDACTED**] (HK$[**REDACTED**]) was charged to our consolidated statements of profit or loss and RMB[**REDACTED**] (HK$[**REDACTED**]) is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. After the Track Record Period, approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE ASSETS

The following unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of our Group has been prepared in accordance with Rule 4.29 of the Listing Rules and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the [**REDACTED**] on the consolidated net tangible assets of our Group attributable to owners of our Company as of June 30, 2025 as if the [**REDACTED**] had taken place on June 30, 2025.

The unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of our Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not provide a true picture of the consolidated net tangible assets of our Group attributable to owners of our Company had the [**REDACTED**] been completed as of June 30, 2025 or any future dates.

[**REDACTED**]

[**REDACTED**]

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since June 30, 2025, which is the end date of the periods reported on in the Accountants' Report included in Appendix I to this document, and there is no event since June 30, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND PROSPECTS

See "Business — Our Business Strategies" for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**] commissions, fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document, and that the [**REDACTED**] is not exercised. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the high end of the indicative [**REDACTED**] range, the net [**REDACTED**] from the [**REDACTED**] will increase by approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range, the net [**REDACTED**] from the [**REDACTED**] will decrease by approximately HK$[**REDACTED**].

Assuming an [**REDACTED**] at the mid-point of the indicative [**REDACTED**] range, and that the [**REDACTED**] is not exercised, we currently intend to apply these net [**REDACTED**] for the following purposes:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of our Core Product, RBD4059, of which:

  – approximately [**REDACTED**]%, or HK$[**REDACTED**] (including RMB[**REDACTED**] of clinical trial and testing expenses and RMB[**REDACTED**] of staff costs), will be used for the ongoing and planned clinical trials of RBD4059, including its ongoing phase 2a trial in Sweden for patients with high-risk coronary artery disease, planned phase 2b trials and global phase 3 trial, among others; and

  – approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the CMC and process development activities of RBD4059.

  For details of RBD4059's clinical development plan, see "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD4059 — Clinical Development Plan."

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of RBD5044, of which:

  – approximately [**REDACTED**]%, or HK$[**REDACTED**] (including RMB[**REDACTED**] of clinical trial and testing expenses and RMB[**REDACTED**] of staff costs), will be used for the ongoing and planned clinical trials of RBD5044, including its ongoing phase 2 trial in Sweden for patients with mixed dyslipidemia and global phase 3 trial, among others; and

  – approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the CMC and process development activities of RBD5044.

  For details of RBD5044's clinical development plan, see "Business — Our Pipeline — Cardiovascular, Metabolic and Renal Diseases — RBD5044 — Key Milestones and Next Steps."

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of RBD1016, of which:

  – approximately [**REDACTED**]%, or HK$[**REDACTED**] (including RMB[**REDACTED**] of clinical trial and testing expenses and RMB[**REDACTED**] of staff costs), will be used for the ongoing and planned clinical trials of RBD1016 for the treatment of CHB, including its phase 2 global MRCT in Sweden and Hong Kong and global phase 3 trial, among others;

  – approximately [**REDACTED**]%, or HK$[**REDACTED**] (including RMB[**REDACTED**] of clinical trial and testing expenses and RMB[**REDACTED**] of staff costs), will be used for the ongoing and planned clinical trials of RBD1016 for the treatment of CHD, including the ongoing phase 2a trial in Sweden and global phase 3 trial, among others; and

  – approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the CMC and process development activities of RBD1016.

  For details of RBD1016's clinical development plan, see "Business — Our Pipeline — Liver Diseases — RBD1016 — Key Milestones and Next Steps."

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the research and development of our IND-enabling pipeline assets, including (i) SR122, a dual-target, lipid-lowering siRNA candidate for dyslipidemia; and (ii) RBD8088, a conjugated anti-tumor agent for glioma.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated to advance our preclinical assets which have not yet entered the IND-enabling stage and enhance our technology platforms.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and other general corporate purposes.

The above allocation of the net [**REDACTED**] from the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the mid-point of the indicative [**REDACTED**] range stated in this document.

If the [**REDACTED**] is exercised in full, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**] range). In the event that the [**REDACTED**] is exercised in full, we intend to apply the additional net [**REDACTED**] to the above purposes in the proportions stated above.

To the extent that the net [**REDACTED**] from the [**REDACTED**] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions).

We will issue an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**].

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SUZHOU RIBO LIFE SCIENCE CO., LTD. CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND CITIGROUP GLOBAL MARKETS ASIA LIMITED

Introduction

We report on the historical financial information of Suzhou Ribo Life Science Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-[●] to I-[●], which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023 and 2024 and 30 June 2025 and material accounting policies information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-[●] to I-[●] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the "Document") in connection with the initial [**REDACTED**] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' Responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order

to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023 and 2024 and 30 June 2025 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of Interim Comparative Financial Information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended 30 June 2024 and other explanatory information (the "Interim Comparative Financial Information"). The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on Matters Under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[●] have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

[●]
Certified Public Accountants
Hong Kong
[●]

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
REVENUE	*5*	44	142,627	66,305	103,813
Cost of sales		(24)	(11,903)	(2,110)	(6,591)
Gross profit		20	130,724	64,195	97,222
Other income and gains	*5*	31,066	21,686	3,548	7,209
Research and development (R&D) expenses		(315,763)	(280,370)	(134,775)	(129,142)
Selling and distribution expenses		(339)	(979)	(555)	(565)
Administrative expenses		(81,113)	(92,506)	(39,510)	(52,058)
(Impairment losses)/reversal of impairment losses on financial assets, net		(284)	(82)	136	141
Other expenses		(51,521)	(15,122)	(4,263)	(6,431)
Finance costs	*7*	(19,190)	(20,398)	(10,185)	(10,243)
Share of loss of a joint venture		(24)	–	–	–
LOSS BEFORE TAX	*6*	(437,148)	(257,047)	(121,409)	(93,867)
Income tax expenses	*10*	(148)	(24,445)	(20,162)	(3,898)
LOSS FOR THE YEAR/PERIOD		(437,296)	(281,492)	(141,571)	(97,765)
Attributable to:					
Owners of the parent		(428,349)	(270,151)	(137,538)	(88,118)
Non-controlling interests		(8,947)	(11,341)	(4,033)	(9,647)
		(437,296)	(281,492)	(141,571)	(97,765)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT					
Basic and diluted loss for the year/period (RMB)	*12*	(3.34)	(2.10)	(1.07)	(0.68)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
LOSS FOR THE YEAR/PERIOD	(437,296)	(281,492)	(141,571)	(97,765)
OTHER COMPREHENSIVE INCOME				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences arising on translation of foreign operations	2,734	(3,546)	(1,826)	2,259
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX	2,734	(3,546)	(1,826)	2,259
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	(434,562)	(285,038)	(143,397)	(95,506)
Attributable to:				
Owners of the parent	(425,897)	(273,175)	(139,060)	(86,741)
Non-controlling interests	(8,665)	(11,863)	(4,337)	(8,765)
	(434,562)	(285,038)	(143,397)	(95,506)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		As at 30 June
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	219,166	203,168	193,225
Right-of-use assets	*14*	77,621	72,934	70,229
Intangible assets	*15*	108,417	92,474	84,649
Other non-current assets	*16*	723	12,195	–
Cash and bank balances	*20*	846	794	916
Total non-current assets		406,773	381,565	349,019
CURRENT ASSETS				
Inventories	*17*	45,604	42,723	49,676
Trade receivables	*18*	6	3,467	2,337
Prepayments, other receivables and other assets	*19*	51,512	39,479	51,814
Cash and bank balances	*20*	212,353	183,624	547,735
Total current assets		309,475	269,293	651,562
CURRENT LIABILITIES				
Trade payables	*21*	23,265	24,225	20,860
Other payables and accruals	*22*	79,215	87,482	220,672
Contract liabilities	*23*	–	67,124	67,124
Interest-bearing bank and other borrowings	*24*	217,284	226,612	336,116
Lease liabilities	*14*	8,087	7,626	9,473
Tax payable		–	1,237	1,875
Total current liabilities		327,851	414,306	656,120
NET CURRENT LIABILITIES		(18,376)	(145,013)	(4,558)
TOTAL ASSETS LESS CURRENT LIABILITIES		388,397	236,552	344,461
NON-CURRENT LIABILITIES				
Contract liabilities	*23*	–	64,294	32,147
Interest-bearing bank and other borrowings	*24*	163,708	172,281	137,356
Lease liabilities	*14*	25,660	22,363	19,611
Deferred income	*25*	24,145	25,402	30,886
Other payables and accruals	*22*	59,161	63,279	65,444
Total non-current liabilities		272,674	347,619	285,444
Net assets/(liabilities)		115,723	(111,067)	59,017
EQUITY				
Share capital	*27*	128,386	129,610	130,145
Reserves	*28*	(23,284)	(239,970)	(188,575)
Equity/(deficits) attributable to owners of the parent		105,102	(110,360)	(58,430)
Non-controlling interests		10,621	(707)	117,447
Total equity/(deficits)		115,723	(111,067)	59,017

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent							
	Share capital	Share premium and other reserve*	Share-based payments*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity
	RMB'000 (note 27)	*RMB'000 (note 28)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	128,386	1,050,916	154,705	(311)	(823,338)	510,358	14,309	524,667
Loss for the year	–	–	–	–	(428,349)	(428,349)	(8,947)	(437,296)
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	–	–	–	2,452	–	2,452	282	2,734
Total comprehensive income for the year	–	–	–	2,452	(428,349)	(425,897)	(8,665)	(434,562)
Share-based payments *(note 29)*	–	–	25,495	–	–	25,495	–	25,495
Capital contribution from the controlling shareholder	–	(4,993)	–	–	–	(4,993)	4,993	–
Capital contribution from a non-controlling shareholder	–	139	–	–	–	139	(16)	123
As at 31 December 2023	128,386	1,046,062	180,200	2,141	(1,251,687)	105,102	10,621	115,723

Year ended 31 December 2024

	Attributable to owners of the parent							
	Share capital	Share premium and other reserve*	Share-based payments*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity/ (deficits)
	RMB'000 (note 27)	*RMB'000 (note 28)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	128,386	1,046,062	180,200	2,141	(1,251,687)	105,102	10,621	115,723
Loss for the year	–	–	–	–	(270,151)	(270,151)	(11,341)	(281,492)
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	–	–	–	(3,024)	–	(3,024)	(522)	(3,546)
Total comprehensive income for the year	–	–	–	(3,024)	(270,151)	(273,175)	(11,863)	(285,038)
Issue of shares	1,224	44,555	–	–	–	45,779	–	45,779
Share-based payments *(note 29)*	–	–	12,425	–	–	12,425	–	12,425
Capital contribution from a non-controlling shareholder	–	(491)	–	–	–	(491)	535	44
Transfer of vested shares under restricted share incentive plan	–	192,625	(192,625)	–	–	–	–	–
As at 31 December 2024	129,610	1,282,751	–	(883)	(1,521,838)	(110,360)	(707)	(111,067)

Six months ended 30 June 2024

	Attributable to owners of the parent							
	Share capital	Share premium and other reserve	Share-based payments	Exchange fluctuation reserve	Accumulated losses	Total	Non-controlling interests	Total equity/ (deficits)
	RMB'000 (note 27)	*RMB'000 (note 28)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	128,386	1,046,062	180,200	2,141	(1,251,687)	105,102	10,621	115,723
Loss for the period (unaudited)	–	–	–	–	(137,538)	(137,538)	(4,033)	(141,571)
Other comprehensive income for the period:								
Exchange differences on translation of foreign operations (unaudited)	–	–	–	(1,522)	–	(1,522)	(304)	(1,826)
Total comprehensive income for the period (unaudited)	–	–	–	(1,522)	(137,538)	(139,060)	(4,337)	(143,397)
Share-based payments (unaudited) *(note 29)*	–	–	12,425	–	–	12,425	–	12,425
Transfer of vested shares under restricted share incentive plan (unaudited)	–	192,625	(192,625)	–	–	–	–	–
As at 30 June 2024 (unaudited)	128,386	1,238,687	–	619	(1,389,225)	(21,533)	6,284	(15,249)

Six months ended 30 June 2025

	Attributable to owners of the parent							
	Share capital	Share premium and other reserve*	Share-based payments*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity/ (deficits)
	RMB'000 (note 27)	*RMB'000 (note 28)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	129,610	1,282,751	–	(883)	(1,521,838)	(110,360)	(707)	(111,067)
Loss for the period	–	–	–	–	(88,118)	(88,118)	(9,647)	(97,765)
Other comprehensive income for the period:								
Exchange differences on translation of foreign operations	–	–	–	1,377	–	1,377	882	2,259
Total comprehensive income for the period	–	–	–	1,377	(88,118)	(86,741)	(8,765)	(95,506)
Issue of shares	535	19,465	–	–	–	20,000	–	20,000
Share-based payments *(note 29)*	–	–	9,160	–	–	9,160	–	9,160
Capital contribution from non-controlling shareholders	–	109,511	–	–	–	109,511	126,919	236,430
Transfer of vested shares under restricted share incentive plan	–	1,361	(1,361)	–	–	–	–	–
As at 30 June 2025	130,145	1,413,088	7,799	494	(1,609,956)	(58,430)	117,447	59,017

* These reserve accounts comprise the consolidated negative reserves of RMB23,284,000, RMB239,970,000 and RMB188,575,000 in the consolidated statements of financial position as at 31 December 2023 and 2024 and 30 June 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		(437,148)	(257,047)	(121,409)	(93,867)
Adjustments for:					
Depreciation of property, plant and equipment	*6*	21,444	23,715	12,066	11,536
Depreciation of right-of-use assets	*6*	7,360	8,893	4,345	4,772
Amortisation of other intangible assets	*6*	22,376	15,833	7,939	7,825
Impairment of intangible assets	*6*	26,507	–	–	–
Loss on disposal of items of property, plant and equipment	*6*	12	–	–	10
Impairment loss/(reversal of impairment losses) on financial assets, net		284	82	(136)	(141)
Interest income	*5*	(4,911)	(2,516)	(1,163)	(337)
Impairment of inventories	*6*	25,002	15,072	4,214	5,153
Share of losses of a joint venture		24	–	–	–
Deferred income recognised in profit or loss	*5*	(855)	(1,337)	(647)	(816)
Finance costs	*7*	19,190	20,398	10,185	10,243
Gain on disposal of a joint venture	*5*	(242)	–	–	–
Equity-settled share-based payment expenses	*29*	25,495	12,425	12,425	9,160
Foreign exchange (gain)/loss, net	*5*	(181)	(2,353)	(637)	1,267
Decrease in restricted cash		6,726	–	–	–
Increase in inventories		(8,358)	(12,191)	(13,082)	(12,106)
(Increase)/decrease in trade receivables		(6)	(3,532)	(1,794)	1,154

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
(Increase)/decrease in prepayments, other receivables and other assets		(4,764)	13,430	19,540	(12,218)
(Decrease)/increase in trade payables		(3,627)	960	(6,653)	(3,365)
Increase/(decrease) in other payables and accruals		11,297	7,595	(10,259)	(2,625)
(Increase)/decrease in non-current assets		–	(12,195)	(11,491)	12,195
Increase/(decrease) in contract liabilities		–	131,418	160,735	(32,147)
Cash (used in)/generated from operations		(294,375)	(41,350)	64,178	(94,307)
Interest received		6,987	3,839	1,976	1,094
Income tax paid		(148)	(23,208)	(19,129)	(3,260)
Net cash flows (used in)/generated from operating activities		(287,536)	(60,719)	47,025	(96,473)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of items of property, plant and equipment		(39,998)	(23,316)	(11,848)	(1,416)
Proceeds from disposal of items of property, plant and equipment		17	116	95	–
Purchases of intangible assets		(641)	(58)	(58)	–
Receipt of government grants for property, plant and equipment		15,000	2,594	1,203	6,300
Placement of bank deposits with original maturity of more than three months when acquired		–	–	–	(189,200)
Proceeds from disposal of a joint venture		1,167	–	–	–
Net cash flows used in investing activities		(24,455)	(20,664)	(10,608)	(184,316)

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
CASH FLOWS FROM FINANCING ACTIVITIES					
New interest-bearing bank loans		288,080	224,547	147,135	238,001
Repayments of interest-bearing bank loans and other borrowings		(269,961)	(206,318)	(114,275)	(162,820)
Capital contribution from non-controlling shareholders		123	44	–	236,430
Repayment of lease liabilities	*14(b)*	(8,402)	(9,495)	(4,830)	(3,629)
Proceeds from issue of shares		–	45,779	–	5,000
Advance from investors		–	15,000	–	151,720
Interest paid for interest-bearing bank and other borrowings		(14,546)	(15,088)	(7,024)	(7,971)
(Increase)/decrease in restricted cash		–	(15,000)	–	15,000
Increase in restricted lease deposit		(68)	(13)	–	–
Net cash flows (used in)/generated from financing activities		(4,774)	39,456	21,006	471,731
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(316,765)	(41,927)	57,423	190,942
Cash and cash equivalents at beginning of year/period		524,390	210,273	210,273	167,867
Effect of foreign exchange rate changes, net		2,648	(479)	(702)	(274)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		210,273	167,867	266,994	358,535

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS					
Cash and bank balances	*20*	213,199	184,418	269,063	548,651
Less: Restricted cash		846	15,794	802	916
Interest receivable on bank deposits		2,080	757	1,267	–
Bank deposits with original maturity of more than three months		–	–	–	189,200
Cash and cash equivalents as stated in the statement of cash flows		210,273	167,867	266,994	358,535

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December		As at 30 June
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	53,765	47,716	42,573
Right-of-use assets	*14*	8,583	6,096	5,192
Intangible assets	*15*	3,790	2,977	2,715
Investments in subsidiaries	*1*	246,403	253,540	254,040
Other non-current assets	*16*	209	12,195	–
Total non-current assets		312,750	322,524	304,520
CURRENT ASSETS				
Inventories	*17*	33,150	26,563	25,889
Amounts due from subsidiaries	*34*	17,608	28,431	25,883
Loan from a subsidiary	*34*	20,301	31,069	43,000
Trade receivables	*18*	–	3,190	360
Prepayments, other receivables and other assets	*19*	28,975	30,678	44,554
Cash and bank balances	*20*	174,042	147,944	247,965
Total current assets		274,076	267,875	387,651
CURRENT LIABILITIES				
Trade payables	*21*	14,836	18,354	13,831
Other payables and accruals	*22*	22,164	41,679	176,230
Amounts due to subsidiaries	*34*	25,463	42,516	20,001
Contract liabilities	*23*	–	67,124	67,124
Interest-bearing bank and other borrowings	*24*	205,324	198,689	283,765
Lease liabilities	*14*	2,757	2,147	3,404
Total current liabilities		270,544	370,509	564,355
NET CURRENT ASSETS/(LIABILITIES)		3,532	(102,634)	(176,704)
TOTAL ASSETS LESS CURRENT LIABILITIES		316,282	219,890	127,816
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings	*24*	53,000	61,500	38,000
Lease liabilities	*14*	5,965	4,094	3,045
Contract liabilities	*23*	–	64,294	32,147
Total non-current liabilities		58,965	129,888	73,192
Net assets		257,317	90,002	54,624
EQUITY				
Share capital	*27*	128,386	129,610	130,145
Reserves	*28*	128,931	(39,608)	(75,521)
Total equity		257,317	90,002	54,624

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Suzhou Ribo Life Science Co., Ltd. (the "Company") was registered in the People's Republic of China (the "PRC") on 18 January 2007 as a limited liability company. The registered office of the Company is located at No. 168 Yuanfeng Road, Kunshan, Jiangsu, the PRC.

During the Relevant Periods, the Company and its subsidiaries (the "Group") were dedicated to the discovery, research and development of RNAi technologies and innovative oligonucleotide therapeutics, with a main focus on siRNA drugs for the treatment of liver diseases, cardiovascular diseases, metabolic diseases, and cancer.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are set out below:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Azemidite Biopharm Co., Ltd.* 天津興博潤生物製藥有限公司 *(a), (b)*	PRC/Mainland China 23 August 2017	RMB22,100,000	70.59%	–	Pharmaceutical R&D and production
Ribo (HongKong) Life Science Limited 瑞博(香港)生物技術有限公司 *(c)*	Hong Kong 22 July 2013	USD1	100.00%	–	No substantial operation
Ribocure Pharmaceuticals AB *(d)*	Sweden 18 February 2022	SEK1,889,139	50.29%	–	Pharmaceutical R&D services
Beijing RiboCure Pharmaceutical Co., Ltd.* 北京瑞博開拓醫藥科技有限公司 *(e)*	PRC/Mainland China 6 August 2015	RMB30,000,000	100.00%	–	Pharmaceutical R&D services
Shenzhen Ribo Kangnuo Biological Pharmaceutical Co., Ltd.* 深圳瑞博康諾生物製藥有限公司 *(e)*	PRC/Mainland China 30 November 2021	RMB40,000,000	100.00%	–	Pharmaceutical R&D services
Ribo (Australia) Life Science Pty Ltd. *(e)*	Australia 28 June 2021	AUD7,864,174	100.00%	–	Pharmaceutical R&D services
Kunshan RiboCure Pharmaceutical Science and Technology Co., Ltd.* 昆山瑞博居爾醫藥科技有限公司 *(e)*	PRC/Mainland China 16 October 2012	RMB7,572,935	100.00%	–	Pharmaceutical R&D services
Ribo Biopharmaceutical (Shenzhen) Co., Ltd.* 瑞博生物製藥(深圳)有限公司 *(f)*	PRC/Mainland China 29 May 2025	RMB15,000,000	100.00%	–	Pharmaceutical R&D services

* These companies are limited liability companies established in the PRC. The English names of the PRC companies above represent management's best efforts in translating the Chinese names of these companies as no English names have been registered.

Notes:

(a) The statutory financial statements of this company for the year ended 31 December 2023 prepared in accordance with the PRC Generally Accepted Accounting Principles ("PRC GAAP") were audited by Ernst & Young Hua Ming, LLP.

(b) The statutory financial statements of this company for the year ended 31 December 2024 prepared in accordance with the PRC GAAP were audited by Tianjin Guojia Longhong Certified Public Accountants, GP (天津國嘉龍弘會計師事務所(普通合夥)).

(c) The statutory financial statements of this company for the years ended 31 December 2023 and 2024 prepared in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") were audited by Chinaweal CPA & Co. Certified Public Accountants (Practising) (中望會計師行).

(d) The statutory financial statements of this company for the years ended 31 December 2023 and 2024 prepared in accordance with BFNAR 2012:1 Arsredovisning och koncernredovisning (K3) were audited by Ernst & Young Aktiebolag.

(e) No statutory financial statements of these entities have been prepared for the years ended 31 December 2023 and 2024.

(f) Shenzhen Ribo Kangnuo Biological Pharmaceutical Co., Ltd. has been deregistered on 30 March 2023.

The Company

The carrying amounts of the Company's investments in subsidiaries:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investments, at cost	273,608	280,763	281,280
Impairment	(27,205)	(27,223)	(27,240)
	246,403	253,540	254,040

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2024, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention.

The Group incurred losses continually during the Relevant Periods due to the pre-revenue stage of its new drug research and development business. Despite having recorded net current liabilities of RMB4,558,000 as at 30 June 2025 and incurred recurring losses from operations, the financial information has been prepared on a going concern basis. The directors of the Company further assessed whether the Group has sufficient working capital to meet its present obligations, taking into account the financial resources available to the Group, including cash and cash equivalents on hand and the estimated net proceeds from the financing activities. The Company has prudently prepared (i) a full-speed budget based for pivotal Phase I/Phase II clinical trials of its core products and other early-stage pipelines for 2025 assuming the Company is able to raise [**REDACTED**] from the [**REDACTED**] and (ii) a backbone budget plan to advance all necessary research and development activities for its core products assuming the Company is unable to raise [**REDACTED**] from the [**REDACTED**]. Based on the rigorous review of the budget under either full-speed or backbone scenario and considering the available unutilised bank loan facilities amounting to an aggregate amount of approximately RMB1,203,000,000, the directors of the Company are satisfied that the Group would have sufficient working capital to meet its present obligations, taking into account the financial resources available to the Group for the next twelve months from 30 June 2025.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the Historical Financial Information on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Issued But Not Yet Effective IFRS Accounting Standards

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in the Financial Statements*[2]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosure of management-defined performance measures in a note and introduces new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that these new and amended IFRS Accounting Standards are unlikely to have a material impact on the Group's results of operations and financial position.

2.3 Material Accounting Policies

Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint ventures is included as part of the Group's investments in joint ventures.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Fair value measurement

The Group measures certain financial instruments at fair value at the end of each of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

  (iii) the entity and the Group are joint ventures of the same third party;

  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

  (vi) the entity is controlled or jointly controlled by a person identified in (a);

  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Office equipment	18.00%-31.67%
Motor vehicles	22.50%-23.75%
Buildings	5.00%
R&D Equipment	9.00%-31.67%
Leasehold improvements	Over the shorter of the lease terms and 33.33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each of the reporting period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Purchased software is stated at cost less any impairment losses is are amortised on the straight-line basis over its estimated useful life of 5 to 10 years.

Patents and know-how

Patents and know-how are initially recorded at cost and are amortised on a straight-line basis over their useful lives of 10 years. The estimated useful life and amortisation method are reviewed at the end of each of the reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Research and development costs

All research and development expenses are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office premises and buildings	2 to 5 years
Leasehold land	50 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., a change to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of any machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date during the reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group/Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals, lease liabilities and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Redemption liabilities

For the redeemable ordinary shares issued by the subsidiary of the Company as detailed in note 22, financial liabilities are recognised based on the net present value of the redemption amount and debited in equity. Changes of the net present value during the reporting period were recognised in profit or loss. When the redemption rights related to the redeemable ordinary shares are terminated, the redemption liabilities on ordinary shares are extinguished and credited to equity.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Collaboration revenue

In determining the appropriate amount of revenue to be recognised as the Group fulfils its obligations under each of the collaboration agreements, the management of the Company perform the five-step model under IFRS 15. The collaboration arrangements may contain more than one unit of account, or performance obligation, including grants of licences to intellectual property rights (the "Licences"), agreements to provide research and development services and other deliverables. As part of the accounting for these arrangements, the Company must develop assumptions that require judgement to determine the stand-alone selling price for each performance obligation identified in the contract. The collaborative arrangements typically do not include a right of return for any deliverable. In general, the consideration allocated to each performance obligation is recognised when the obligation is satisfied either by delivering a good or rendering a service, limited to the consideration that is not constrained. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as contract liabilities.

(b) Products revenue

Revenue from products is recognised when control of the products is transferred, being when the products are delivered to the customers, and the customers have accepted the products in accordance with the sales contracts, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(c) Research and development services

The portion of the transaction price allocated to research and development service performance obligations is deferred and recognised as collaboration revenue at the point in time when the research and development services are completed and confirmed by customers.

(d) Licensing-out of intellectual property

Upfront non-refundable payments for licensing the Company's intellectual property are evaluated to determine if they are distinct from the other performance obligations identified in the arrangements. For the licences determined to be distinct, the Group recognises revenues from non-refundable up-front fees allocated to the licences at the point in time, when the licences are transferred to the licensee and the licensee is able to use and benefit from the licences.

(e) Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales and the Licenses that are deemed to be the predominant items to which the royalties relate, the Group recognises revenue at the later of (i) when the related sales occur, and (ii) when the performance obligation to which some or all of the royalties have been allocated is satisfied (or partially satisfied).

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates an award interests arrangement ("Award Interests Arrangement") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for share grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model or based on the transaction prices observed in third-party transactions during the nearest period, further details are given in note 29 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where grants include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Other employee benefits

Pension scheme

The Group participates in the national pension scheme as defined by the laws of the countries in which it operates. In particular, the employees of the Group in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The subsidiary of the Group located in Sweden makes defined contributions to the public pension system and occupational pension scheme in Sweden. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme and the public pension system and occupational pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of subsidiaries operating outside Mainland China are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries operating outside Mainland China which arise throughout the year are translated into RMB at the average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(a) Identifying performance obligation under contracts

A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer; and (b) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

In assessing whether a license is distinct from the other promises, the Group considers factors such as the research, development, manufacturing and commercialisation capabilities of the customer and the availability of the associated expertise in the general marketplace. In addition, the Group considers whether the customer can benefit from a licence for its intended purpose without the receipt of the remaining promises by considering whether the value of the licence is dependent on the unsatisfied promises, whether there are other vendors that could provide the remaining promises, and whether it is separately identifiable from the remaining promises.

(b) Determining the timing of satisfaction of the collaboration services

The revenue is recognised over time if the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re-perform the services that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The revenue is recognised at the point of time if the customers cannot control the service or consume the benefit and have no enforceable obligation to pay for the service provided to date.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Variable consideration

For licensing contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which better predicts the amount of consideration to which the Group will be entitled. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each of the reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows.

4. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China during the Relevant Periods, no geographical segment information in accordance with IFRS 8 Operating Segments is presented.

Information about major customers

Revenue for the year ended 31 December 2024, amounting to approximately RMB100,953,000 and RMB41,326,000, respectively, was derived from two single customers.

Revenue for the six months ended 30 June 2024, amounting to approximately RMB35,721,000 and RMB30,503,000 (unaudited), respectively, was derived from two single customers.

Revenue for the six months ended 30 June 2025, amounting to approximately RMB72,933,000 and RMB28,826,000, respectively, was derived from two single customers.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue from contracts with customers	44	142,627	66,305	103,813

(a) Disaggregated revenue information

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Types of revenue				
Collaboration revenue	–	134,069	63,522	101,326
Others	44	8,558	2,783	2,487
Total	44	142,627	66,305	103,813

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Geographical markets				
Overseas	–	101,050	30,503	73,198
Mainland China	44	41,577	35,802	30,615
Total	44	142,627	66,305	103,813
Timing of revenue recognition				
Products transferred at a point in time	44	8,558	2,783	2,487
Services transferred at a point in time	–	71,490	33,019	69,179
Services transferred over time	–	62,579	30,503	32,147
Total	44	142,627	66,305	103,813

The following table shows the amounts of revenue recognised in the Relevant Periods and the six months ended 30 June 2024 that were included in the contract liabilities at the beginning of each of the Relevant Periods and the six months ended 30 June 2024:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the year/period:				
Rights to access intellectual property	–	–	–	32,147

(b) Performance obligations

Rights to access intellectual property during the research term

The performance obligation is satisfied over time as the rights to use the intellectual property services are rendered.

Research and development services

The performance obligation of research and development services is satisfied at the point when the control of the research and development services is transferred to the customer and the customer is able to consume and benefit from the services. The payment is generally settled within 30 days after the issue of invoice to the customer.

Technology transfer

The performance obligation is satisfied upon completion of delivery and acceptance by the customer.

Licensing-out of intellectual property

The performance obligation is satisfied upon the know-how is transferred to the licensee and the licensee is able to use and benefit from the licences.

Products revenue

The performance obligation is satisfied upon delivery of the products and payment is generally due within 15 to 30 days from delivery, except for new customers, where payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2023 and 2024 and 30 June 2024 and 2025 are as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Amounts expected to be recognised as revenue:				
Within one year	–	67,124	64,294	67,124
After one year	–	64,294	96,441	32,147
Total	–	131,418	160,735	99,271

The amounts of transaction prices allocated to the remaining performance obligations are related to rights to access intellectual property, of which the performance obligation is estimated to be satisfied within three years. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains is as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Other income				
Government grants*				
– income	24,667	15,463	1,100	6,056
– asset	855	1,337	647	816
Bank interest income	4,911	2,516	1,163	337
Others	210	17	1	–
Total other income	30,643	19,333	2,911	7,209
Gains				
Foreign exchange differences, net	181	2,353	637	–
Gains on disposal of a joint venture	242	–	–	–
Total gains	423	2,353	637	–
Total other income and gains	31,066	21,686	3,548	7,209

* The government grants mainly represent subsidies received from the local governments for the purpose of compensation of expenses spent on research and development activities and construction of assets of the Group.

There was no unfulfilled condition or contingency relating to the government grants.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December		Six months ended 30 June	
		2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of inventories sold*		24	5,432	2,110	1,766
Cost of services provided*		–	6,471	–	4,825
Depreciation of items of property, plant and equipment	13	21,444	23,715	12,066	11,536
Depreciation of right-of-use assets	14(a)	7,360	8,893	4,345	4,772
Amortisation of other intangible assets	15	22,376	15,833	7,939	7,825
Research and development expenses**		315,763	280,370	134,775	129,142
[**REDACTED**] expenses		–	12,483	–	8,879
Loss on disposal of items of property, plant and equipment****		12	–	–	10
Lease payments not included in the measurement of lease liabilities	14(c)	2,290	1,979	1,425	1,410
Employee benefit expense*** (including directors' and chief executive's remuneration *(note 8)*):					
Wages and salaries		138,846	148,365	75,996	77,852
Pension scheme contributions		21,925	22,935	12,174	13,150
Staff welfare expenses		4,503	6,156	2,142	2,278
Share-based payments		25,495	12,425	12,425	9,160
Total		190,769	189,881	102,737	102,440
Foreign exchange differences, net	5	(181)	(2,353)	(637)	1,267
Write-down of inventories to net realisable value****		25,002	15,072	4,214	5,153
Impairment of intangible assets****	15	26,507	–	–	–
Impairment of trade receivables	18	–	71	36	(24)
Impairment of financial assets included in prepayments, other receivables and other assets	19	284	11	(172)	(117)
Interest on other payables	7	3,850	4,118	2,024	2,165

* Cost of sales in the consolidated statement of profit or loss include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** Research and development expenses include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

**** Loss on disposal of items of property, plant and equipment and impairment of inventories and intangible assets are included in other expenses.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Interest on bank and other borrowings	15,117	14,760	7,384	7,369
Interest on lease liabilities *(note 14)*	941	1,520	777	709
Interest on other payables *(note 22)*	3,850	4,118	2,024	2,165
Subtotal	19,908	20,398	10,185	10,243
Less: Interest capitalised	(718)	–	–	–
Total	19,190	20,398	10,185	10,243

8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration of each of the Company's directors and supervisors is set out below:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Fees	360	360	180	175
Other emoluments:				
Salaries, bonuses, allowances, and benefits in kind	12,593	10,978	5,934	5,045
Pension scheme contributions	804	794	402	409
Share-based payment expenses	8,142	4,920	4,920	2,691
Subtotal	21,539	16,692	11,256	8,145
Total	21,899	17,052	11,436	8,320

Year ended 31 December 2023	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payments*	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chief executive:					
Dr. Liang Zicai *(a)*	–	2,801	–	1,299	4,100
Executive directors:					
Dr. Zhang Hongyan *(b)*	–	2,755	–	–	2,755
Dr. Gan LiMing *(c)*	–	6,096	712	6,358	13,166
Subtotal	–	8,851	712	6,358	15,921
Non-executive directors:					
Dr. Qi Fei *(d)*	–	–	–	–	–
Mr. Li Dongfang *(e)*	–	–	–	–	–
Mr. Li Yuhui *(f)*	–	–	–	–	–
Prof. Xi Zhen *(g)*	–	–	–	–	–
Subtotal	–	–	–	–	–
Independent non-executive directors:					
Dr. Meng Kun *(h)*	120	–	–	–	120
Dr. Yu Xuefeng *(i)*	120	–	–	–	120
Mr. Ma Chaosong *(i)*	120	–	–	–	120
Subtotal	360	–	–	–	360
Supervisors:					
Ms. Wang Fan *(j)*	–	519	46	303	868
Mr. Zhang Ning *(k)*	–	422	46	182	650
Mr. Wang Lijie *(k)*	–	–	–	–	–
Subtotal	–	941	92	485	1,518
Total	360	12,593	804	8,142	21,899

Year ended 31 December 2024	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payments*	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chief executive:					
Dr. Liang Zicai *(a)*	–	2,389	–	1,047	3,436
Executive directors:					
Dr. Zhang Hongyan *(b)*	–	2,335	–	–	2,335
Dr. Gan LiMing *(c)*	–	5,302	702	3,711	9,715
Subtotal	–	7,637	702	3,711	12,050
Non-executive directors:					
Dr. Qi Fei *(d)*	–	–	–	–	–
Mr. Li Dongfang *(e)*	–	–	–	–	–
Mr. Li Yuhui *(f)*	–	–	–	–	–
Subtotal	–	–	–	–	–

Year ended 31 December 2024	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payments*	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Independent non-executive directors:					
Dr. Meng Kun *(h)*	120	–	–	–	120
Dr. Yu Xuefeng *(i)*	120	–	–	–	120
Mr. Ma Chaosong *(i)*	120	–	–	–	120
Subtotal	360	–	–	–	360
Supervisors:					
Ms. Wang Fan *(j)*	–	507	46	101	654
Mr. Zhang Ning *(k)*	–	445	46	61	552
Mr. Wang Lijie *(k)*	–	–	–	–	–
Subtotal	–	952	92	162	1,206
Total	360	10,978	794	4,920	17,052

Six months ended 30 June 2024 (unaudited)	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payments*	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chief executive:					
Dr. Liang Zicai *(a)*	–	1,405	–	1,047	2,452
Executive directors:					
Dr. Zhang Hongyan *(b)*	–	1,370	–	–	1,370
Dr. Gan LiMing *(c)*	–	2,692	356	3,711	6,759
Subtotal	–	4,062	356	3,711	8,129
Non-executive directors:					
Dr. Qi Fei *(d)*	–	–	–	–	–
Mr. Li Dongfang *(e)*	–	–	–	–	–
Mr. Li Yuhui *(f)*	–	–	–	–	–
Subtotal	–	–	–	–	–
Independent non-executive directors:					
Dr. Meng Kun *(h)*	60	–	–	–	60
Dr. Yu Xuefeng *(i)*	60	–	–	–	60
Mr. Ma Chaosong *(i)*	60	–	–	–	60
Subtotal	180	–	–	–	180
Supervisors:					
Ms. Wang Fan *(j)*	–	251	23	101	375
Mr. Zhang Ning *(k)*	–	216	23	61	300
Mr. Wang Lijie *(k)*	–	–	–	–	–
Subtotal	–	467	46	162	675
Total	180	5,934	402	4,920	11,436

Six months ended 30 June 2025	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payments*	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chief executive:					
Dr. Liang Zicai *(a)*	–	1,167	–	–	1,167
Executive directors:					
Dr. Zhang Hongyan *(b)*	–	1,138	–	218	1,356
Dr. Gan LiMing *(c)*	–	2,282	363	2,473	5,118
Subtotal	–	3,420	363	2,691	6,474
Non-executive directors:					
Dr. Qi Fei *(d)*	–	–	–	–	–
Mr. Li Dongfang *(e)*	–	–	–	–	–
Mr. Li Yuhui *(f)*	–	–	–	–	–
Subtotal	–	–	–	–	–
Independent non-executive directors:					
Dr. Meng Kun *(h)*	39	–	–	–	39
Dr. Yu Xuefeng *(i)*	60	–	–	–	60
Mr. Ma Chaosong *(i)*	60	–	–	–	60
Mr. Wang Ruiping *(l)*	16	–	–	–	16
Subtotal	175	–	–	–	175
Supervisors:					
Ms. Wang Fan *(j)*	–	244	23	–	267
Mr. Zhang Ning *(k)*	–	214	23	–	237
Mr. Wang Lijie *(k)*	–	–	–	–	–
Subtotal	–	458	46	–	504
Total	175	5,045	409	2,691	8,320

* The share-based payments recognised at the end of each of the Relevant periods were attributable to the restricted stocks award, which would be vested upon the fulfillment of the specified service conditions.

There was no arrangement under which a director, a supervisor or the chief executive waived or agreed to waive any remuneration during the Relavent Periods.

(a) Dr. Liang Zicai was appointed as a director in January 2007 and as the chairman of the board in January 2017.

(b) Dr. Zhang Hongyan was appointed as an executive director in April 2007.

(c) Dr. Gan LiMing was appointed as an executive director in January 2022.

(d) Dr. Qi Fei was appointed as a non-executive director in July 2021.

(e) Mr. Li Dongfang was appointed as a non-executive director in October 2018.

(f) Mr. Li Yuhui was appointed as a non-executive director in November 2019.

(g) Prof. Xi Zhen was appointed as a non-executive director in July 2020 and ceased his directorship in July 2023 as a result of the Company's board re-election.

(h) Dr. Meng Kun was appointed as an independent non-executive director in August 2022 and resigned in April 2025.

(i) Mr. Ma Chaosong and Dr. Yu Xuefeng were appointed as independent non-executive directors in July 2020.

(j) Ms. Wang Fan was appointed as a supervisor in October 2020.

(k) Mr. Zhang Ning and Mr. Wang Lijie was appointed as supervisors in July 2020.

(l) Mr. Wang Ruiping was appointed as an independent non-executive director in May 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during each of the Relevant Periods and the six months ended 30 June 2024 included two directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three highest paid employees during each of the Relevant Periods and the six months ended 30 June 2024, who are neither a director nor chief executive of the Company, are as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, bonuses, allowances, and benefits in kind	6,214	5,215	3,081	2,999
Pension scheme contributions	166	117	58	23
Share-based payment expense	7,680	2,761	2,761	3,065
Total	14,060	8,093	5,900	6,087

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Number of employees			
	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
			(Unaudited)	
Nil to HK$2,500,000	–	–	3	2
HK$2,500,001 to HK$3,000,000	–	2	–	1
HK$3,000,001 to HK$3,500,000	–	1	–	–
HK$3,500,001 to HK$4,000,000	–	–	–	–
HK$4,000,001 to HK$4,500,000	1	–	–	–
HK$4,500,001 to HK$5,000,000	–	–	–	–
HK$5,000,001 to HK$5,500,000	1	–	–	–
HK$5,500,001 to HK$6,000,000	–	–	–	–
HK$6,000,001 to HK$6,500,000	1	–	–	–
Total	3	3	3	3

During the Relevant Periods and the six months ended 30 June 2024, restricted shares and share options were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 29 to the Historical Financial Information. The fair value of such restricted shares and share options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods and the six months ended 30 June 2024 is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Current				
Charge for the year/period	148	24,445	20,162	3,898
Deferred	–	–	–	–
Tax charge at the Group's effective rate	148	24,445	20,162	3,898

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

PRC corporate income tax

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25%.

Hong Kong profits tax

The statutory rate of Hong Kong profits tax was 16.5% for the Relevant Periods on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the Relevant Periods.

Australia income tax

The statutory rate of income tax for the subsidiary in Australia was 25% for the Relevant Periods.

Sweden income tax

The statutory rate of income tax for the subsidiary in Sweden was 20.6% for the Relevant Periods.

Withholding tax

In accordance with the Germany-China double taxation treaty, royalties and similar remunerations payable by German companies to PRC resident enterprises are subject to a withholding tax of 10%.

A reconciliation of the tax expense applicable to loss before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Loss before tax	(437,148)	(257,047)	(121,409)	(93,867)
Tax at the statutory tax rate (25%)	(109,287)	(64,262)	(30,352)	(23,467)
Overseas tax differences	(18)	(274)	(186)	888
Expenses not deductible for tax	380	215	174	53
Additional deductible allowance for qualified research and development expenses	(58,160)	(33,484)	(18,399)	(14,478)
Tax losses and deductible temporary differences not recognised	167,233	99,093	49,637	37,004
Effect of withholding tax on the revenue from an overseas customer	–	23,157	19,288	3,898
Tax charge at the Group's effective rate	148	24,445	20,162	3,898

11. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods.

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares of 128,385,641, 128,629,769 and 129,973,628 outstanding during the Relevant Periods, respectively.

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Loss:				
Loss attributable to owners of the parent	(428,349)	(270,151)	(137,538)	(88,118)

	Number of shares			
	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
			(Unaudited)	
Shares:				
Weighted average number of ordinary shares used in the basic loss per share calculation	128,385,641	128,629,769	128,385,641	129,973,628

	Number of shares			
	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
			(Unaudited)	
Basic and diluted loss per share (RMB)	(3.34)	(2.10)	(1.07)	(0.68)

No adjustment has been made to the basic loss per share amounts presented during the Relavent Periods and the six months ended 30 June 2024 for a dilution as the Group had no potentially dilutive ordinary shares outstanding during the Relavent Periods and the six months ended 30 June 2024.

13. PROPERTY, PLANT AND EQUIPMENT

Group

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Buildings	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023							
At 1 January 2023:							
Cost	108,035	490	3,260	4,277	–	104,541	220,603
Accumulated depreciation	(50,646)	(405)	(2,692)	(143)	–	–	(53,886)

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Buildings	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Net carrying amount	57,389	85	568	4,134	–	104,541	166,717
At 1 January 2023, net of accumulated depreciation	57,389	85	568	4,134	–	104,541	166,717
Additions	20,930	–	2,644	–	–	49,359	72,933
Depreciation provided during the year	(15,044)	(27)	(444)	(855)	(5,074)	–	(21,444)
Interest capitalised	–	–	–	–	–	718	718
Transfers	26,445	–	–	–	128,173	(154,618)	–
Disposals	(10)	(19)	–	–	–	–	(29)
Exchange realignment	209	–	62	–	–	–	271
At 31 December 2023, net of accumulated depreciation	89,919	39	2,830	3,279	123,099	–	219,166
At 31 December 2023:							
Cost	155,563	434	5,973	4,277	128,173	–	294,420
Accumulated depreciation	(65,644)	(395)	(3,143)	(998)	(5,074)	–	(75,254)
Net carrying amount	89,919	39	2,830	3,279	123,099	–	219,166

Group

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Buildings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	155,563	434	5,973	4,277	128,173	294,420
Accumulated depreciation	(65,644)	(395)	(3,143)	(998)	(5,074)	(75,254)
Net carrying amount	89,919	39	2,830	3,279	123,099	219,166
At 1 January 2024, net of accumulated depreciation	89,919	39	2,830	3,279	123,099	219,166
Additions	7,737	–	734	–	–	8,471
Depreciation provided during the year	(15,922)	(17)	(833)	(855)	(6,088)	(23,715)
Disposals	(116)	–	–	–	–	(116)
Exchange realignment	(499)	–	(139)	–	–	(638)
At 31 December 2024, net of accumulated depreciation	81,119	22	2,592	2,424	117,011	203,168

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Buildings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 31 December 2024:						
Cost	162,500	434	6,532	4,277	128,173	301,916
Accumulated depreciation	(81,381)	(412)	(3,940)	(1,853)	(11,162)	(98,748)
Net carrying amount	81,119	22	2,592	2,424	117,011	203,168
30 June 2025						
At 1 January 2025:						
Cost	162,500	434	6,532	4,277	128,173	301,916
Accumulated depreciation	(81,381)	(412)	(3,940)	(1,853)	(11,162)	(98,748)
Net carrying amount	81,119	22	2,592	2,424	117,011	203,168
At 1 January 2025, net of accumulated depreciation	81,119	22	2,592	2,424	117,011	203,168
Additions	237	–	274	–	–	511
Depreciation provided during the period	(7,605)	–	(459)	(428)	(3,044)	(11,536)
Disposals	(4)	–	(6)	–	–	(10)
Exchange realignment	880	–	212	–	–	1,092
At 30 June 2025, net of accumulated depreciation	74,627	22	2,613	1,996	113,967	193,225
At 30 June 2025:						
Cost	163,934	434	7,002	4,277	128,173	303,820
Accumulated depreciation	(89,307)	(412)	(4,389)	(2,281)	(14,206)	(110,595)
Net carrying amount	74,627	22	2,613	1,996	113,967	193,225

As at 31 December 2023 and 2024 and 30 June 2025, certain of the Group's buildings with aggregate net carrying amounts of approximately RMB123,099,000, RMB117,011,000 and RMB113,967,000 were pledged to secure bank borrowings granted to the Group, respectively (note 24). As of 31 December 2023 and 2024 and 30 June 2025, all the property, plant and equipment were in good condition and normal use, and no obsolescence or physical damage had taken place during the Relevant Periods.

Company

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023					
At 1 January 2023:					
Cost	104,648	397	3,210	4,277	112,532
Accumulated depreciation	(49,579)	(357)	(2,655)	(143)	(52,734)
Net carrying amount	55,069	40	555	4,134	59,798
At 1 January 2023, net of accumulated depreciation	55,069	40	555	4,134	59,798
Additions	6,577	–	88	–	6,665
Depreciation provided during the year	(11,533)	(4)	(170)	(855)	(12,562)
Disposals	(117)	(19)	–	–	(136)
At 31 December 2023, net of accumulated depreciation	49,996	17	473	3,279	53,765
At 31 December 2023:					
Cost	110,647	341	3,296	4,277	118,561
Accumulated depreciation	(60,651)	(324)	(2,823)	(998)	(64,796)
Net carrying amount	49,996	17	473	3,279	53,765
31 December 2024					
At 1 January 2024:					
Cost	110,647	341	3,296	4,277	118,561
Accumulated depreciation	(60,651)	(324)	(2,823)	(998)	(64,796)
Net carrying amount	49,996	17	473	3,279	53,765
At 1 January 2024, net of accumulated depreciation	49,996	17	473	3,279	53,765
Additions	5,064	–	657	–	5,721
Depreciation provided during the year	(10,618)	–	(297)	(855)	(11,770)
At 31 December 2024, net of accumulated depreciation	44,442	17	833	2,424	47,716
At 31 December 2024:					
Cost	115,698	341	3,953	4,277	124,269
Accumulated depreciation	(71,256)	(324)	(3,120)	(1,853)	(76,553)
Net carrying amount	44,442	17	833	2,424	47,716

	R&D equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 June 2025					
At 1 January 2025:					
Cost	115,698	341	3,953	4,277	124,269
Accumulated depreciation	(71,256)	(324)	(3,120)	(1,853)	(76,553)
Net carrying amount	44,442	17	833	2,424	47,716
At 1 January 2025, net of accumulated depreciation	44,442	17	833	2,424	47,716
Additions	32	–	268	–	300
Depreciation provided during the period	(4,826)	–	(179)	(428)	(5,433)
Disposals	(4)	–	(6)	–	(10)
At 30 June 2025, net of accumulated depreciation	39,644	17	916	1,996	42,573
At 30 June 2025:					
Cost	115,675	341	4,092	4,277	124,385
Accumulated depreciation	(76,031)	(324)	(3,176)	(2,281)	(81,812)
Net carrying amount	39,644	17	916	1,996	42,573

14. LEASES

The Group as a lessee

The group has leasing contracts for office premises and buildings used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of office premises and buildings generally have lease terms between 2 and 5 years.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

Group

	Leasehold land	Office premises and buildings	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	44,358	2,314	46,672
Additions	–	38,007	38,007
Depreciation charge	(913)	(6,447)	(7,360)
Exchange realignment	–	302	302
As at 31 December 2023 and 1 January 2024	43,445	34,176	77,621
Additions	–	4,140	4,140
Depreciation charge	(913)	(7,980)	(8,893)
Exchange realignment	–	(770)	(770)
Lease modification	–	836	836
As at 31 December 2024 and 1 January 2025	42,532	30,402	72,934
Additions	–	108	108
Depreciation charge	(457)	(4,315)	(4,772)
Exchange realignment	–	1,673	1,673
Lease modification	–	286	286
As at 30 June 2025	42,075	28,154	70,229

As at 31 December 2023 and 2024 and 30 June 2025, certain of the Group's leasehold land with aggregate net carrying amounts of approximately RMB43,445,000, RMB42,532,000 and RMB42,075,000 was pledged to secure bank borrowings granted to the Group, respectively (note 24). The Group's right-of-use assets included the land use right obtained from the PRC local government authorities with a limited term and offices leased from third parties. As of 31 December 2023 and 2024 and 30 June 2025, all the right-of-use assets were in good condition and normal use, and no obsolescence or physical damage of these right-of-use assets had taken place during the Relevant Periods.

Company

	Office premises and buildings
	RMB'000
As at 1 January 2023	451
Additions	10,716
Depreciation charge	(2,584)
As at 31 December 2023 and 1 January 2024	8,583
Additions	977
Depreciation charge	(2,482)
Lease modification	(982)
As at 31 December 2024 and 1 January 2025	6,096
Additions	108
Depreciation charge	(1,298)
Lease modification	286
As at 30 June 2025	5,192

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year/period	2,895	33,747	29,989
New leases	38,007	4,140	108
Accretion of interest recognised during the year/period	941	1,520	709
Lease modification	–	836	286
Payments	(8,402)	(9,495)	(3,629)
Exchange realignment	306	(759)	1,621
Carrying amount at the end of the year/period	33,747	29,989	29,084
Analysed into:			
Current portion	8,087	7,626	9,473
Non-current portion	25,660	22,363	19,611

The maturity analysis of lease liabilities is disclosed in note 37 to the historical financial information.

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year/period	504	8,722	6,241
New leases	10,716	977	108
Accretion of interest recognised during the year/period	462	359	149
Lease modification	–	(982)	286
Payments	(2,960)	(2,835)	(335)
Carrying amount at the end of the year/period	8,722	6,241	6,449
Analysed into:			
Current portion	2,757	2,147	3,404
Non-current portion	5,965	4,094	3,045

(c) The amounts recognised in profit or loss in relation to leases are as follows:

Group

	As at 31 December		As at 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Interest on lease liabilities	941	1,520	777	709
Depreciation charge of right-of-use assets	7,360	8,893	4,346	4,772
Expense relating to short-term leases (included in administrative expenses)	2,290	1,979	1,425	1,410
Total amount recognised in profit or loss	10,591	12,392	6,548	6,891

The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in note 31(c) to the Historical Financial Information.

15. INTANGIBLE ASSETS

Group

	Patents and know-how	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023:			
Cost	265,287	10,921	276,208
Accumulated amortisation and impairment	(112,545)	(7,004)	(119,549)
Net carrying amount	152,742	3,917	156,659
Cost at 1 January 2023, net of accumulated amortisation	152,742	3,917	156,659
Additions	–	641	641
Amortisation provided during the year	(21,617)	(759)	(22,376)
Impairment during the year	(26,507)	–	(26,507)
At 31 December 2023	104,618	3,799	108,417
At 31 December 2023:			
Cost	265,287	11,561	276,848
Accumulated amortisation and impairment	(160,669)	(7,762)	(168,431)
Net carrying amount	104,618	3,799	108,417
31 December 2024			
At 1 January 2024:			
Cost	265,287	11,561	276,848
Accumulated amortisation and impairment	(160,669)	(7,762)	(168,431)
Net carrying amount	104,618	3,799	108,417
Cost at 1 January 2024, net of accumulated amortisation and impairment	104,618	3,799	108,417
Additions	–	58	58
Amortisation provided during the year	(15,126)	(707)	(15,833)
Disposals	–	(168)	(168)
At 31 December 2024	89,492	2,982	92,474
At 31 December 2024:			
Cost	265,287	10,780	276,067
Accumulated amortisation and impairment	(175,795)	(7,798)	(183,593)
Net carrying amount	89,492	2,982	92,474
30 June 2025			
At 1 January 2025:			
Cost	265,287	10,780	276,067
Accumulated amortisation and impairment	(175,795)	(7,798)	(183,593)
Net carrying amount	89,492	2,982	92,474
Cost at 1 January 2025, net of accumulated amortisation and impairment	89,492	2,982	92,474
Amortisation provided during the period	(7,562)	(263)	(7,825)
At 30 June 2025	81,930	2,719	84,649
At 30 June 2025:			
Cost	265,287	10,780	276,067
Accumulated amortisation and impairment	(183,357)	(8,061)	(191,418)
Net carrying amount	81,930	2,719	84,649

The Company acquired two pipelines through an asset acquisition, which were subsequently recorded as part of the Group's patents and know-how.

Intangible assets are tested for impairment based on the recoverable amount of the cash-generating unit ("CGU") to which the intangible asset is related. The appropriate CGU is at the product level. The impairment test was performed for each pipeline product by engaging an independent appraiser to estimate fair value less cost to sell as the recoverable amount of each pipeline product. The fair value was based on the multi-period excess earnings method and the Group estimated the forecast of profit for its pipeline products based on the timing of clinical development and regulatory approval, commercial ramp-up to reach expected peak revenue potential, and potential licensing out upfront fee and the length of exclusivity for each pipeline product.

In April 2017, Ionis Pharmaceuticals, Inc. invested in the Group with the patent "SR062", which is the first small nucleic acid drug for the treatment of type-2 diabetes mellitus (T2DM) in China. The Group capitalised it into an intangible asset.

As of 31 December 2023, the carrying amount of this asset was RMB26,507,000. Considering the suspension and future uncertainty of this pipeline, the management of the Group concluded that there were indications for impairment. Consequently, an impairment of RMB26,507,000 was recognised in other expenses for this patent since it was not anticipated to generate economic benefits for the Group in the future.

Company

	Patents and know-how	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023:			
Cost	114,032	10,921	124,953
Accumulated amortisation and impairment	(81,033)	(7,004)	(88,037)
Net carrying amount	32,999	3,917	36,916
Cost at 1 January 2023, net of accumulated amortisation	32,999	3,917	36,916
Additions	–	628	628
Amortisation provided during the year	(6,492)	(755)	(7,247)
Impairment during the year	(26,507)	–	(26,507)
At 31 December 2023	–	3,790	3,790
At 31 December 2023:			
Cost	114,032	11,548	125,580
Accumulated amortisation and impairment	(114,032)	(7,758)	(121,790)
Net carrying amount	–	3,790	3,790
31 December 2024			
At 1 January 2024:			
Cost	114,032	11,548	125,580
Accumulated amortisation and impairment	(114,032)	(7,758)	(121,790)
Net carrying amount	–	3,790	3,790
Cost at 1 January 2024, net of accumulated amortisation	–	3,790	3,790
Additions	–	58	58
Amortisation provided during the year	–	(703)	(703)
Disposal	–	(168)	(168)
At 31 December 2024	–	2,977	2,977
At 31 December 2024:			
Cost	114,032	10,767	124,799
Accumulated amortisation and impairment	(114,032)	(7,790)	(121,822)
Net carrying amount	–	2,977	2,977

	Patents and know-how	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
30 June 2025			
At 1 January 2025:			
Cost	114,032	10,767	124,799
Accumulated amortisation and impairment	(114,032)	(7,790)	(121,822)
Net carrying amount	–	2,977	2,977
Cost at 1 January 2025, net of accumulated amortisation	–	2,977	2,977
Amortisation provided during the period	–	(262)	(262)
At 30 June 2025	–	2,715	2,715
At 30 June 2025:			
Cost	114,032	10,767	124,799
Accumulated amortisation and impairment	(114,032)	(8,052)	(122,084)
Net carrying amount	–	2,715	2,715

16. OTHER NON-CURRENT ASSETS

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayment for purchase of property, plant and equipment	723	–	–
Recoverable withholding tax	–	12,195	–
Total	723	12,195	–

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayment for purchase of property, plant and equipment	209	–	–
Recoverable withholding tax	–	12,195	–
Total	209	12,195	–

17. INVENTORIES

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	58,381	45,433	30,317
Work in process	23,320	17,980	25,289
Finished goods	8,727	14,174	15,801
Costs to fulfil a contract	–	2,243	3,226
Provision for impairment of inventories	(44,824)	(37,107)	(24,957)
Total	45,604	42,723	49,676

For the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025, the impairment of inventories recognised in profit or loss amounted to RMB25,002,000, RMB15,072,000 and RMB5,153,000, respectively.

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	57,733	44,415	28,629
Work in process	14,002	581	3
Finished goods	–	–	21
Costs to fulfil a contract	–	2,243	3,226
Provision for impairment of inventories	(38,585)	(20,676)	(5,990)
Total	33,150	26,563	25,889

18. TRADE RECEIVABLES

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	6	3,538	2,384
Impairment	–	(71)	(47)
Net carrying amount	6	3,467	2,337

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	–	3,255	367
Impairment	–	(65)	(7)
Net carrying amount	–	3,190	360

The Group's trading terms with its customers are mainly on credit, and the credit period is generally 15 to 30 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 month	6	3,375	1,558
1 to 3 months	–	41	664
Over 3 months	–	51	115
Total	6	3,467	2,337

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 month	–	3,190	66
1 to 3 months	–	–	294
Total	–	3,190	360

The movements in the loss allowance for impairment of trade receivables are as follows:

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year/period	–	–	71
Impairment losses, net	–	71	(24)
At end of year/period	–	71	47

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year/period	–	–	65
Impairment losses, net	–	65	(58)
At end of year/period	–	65	7

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

Group

As at 31 December 2023

	Within 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	–	–	–	–
Gross carrying amount (RMB'000)	6	–	–	6
Expected credit losses (RMB'000)	–	–	–	–

As at 31 December 2024

	Within 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	2%	2%	2%	2%
Gross carrying amount (RMB'000)	3,444	42	52	3,538
Expected credit losses (RMB'000)	69	1	1	71

As at 30 June 2025

	Within 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	2%	2%	2%	2%
Gross carrying amount (RMB'000)	1,590	677	117	2,384
Expected credit losses (RMB'000)	32	13	2	47

Company

As at 31 December 2024

	Within 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	2%	–	–	2%
Gross carrying amount (RMB'000)	3,255	–	–	3,255
Expected credit losses (RMB'000)	65	–	–	65

As at 30 June 2025

	Within 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	2%	2%	–	2%
Gross carrying amount (RMB'000)	67	300	–	367
Expected credit losses (RMB'000)	1	6	–	7

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	10,016	5,254	8,324
Export tax refund	–	2,321	–
Recoverable withholding tax	–	–	14,704
Deposits	2,915	1,539	1,536
Value-added tax recoverable	28,389	15,731	19,028
[**REDACTED**] expense	–	1,408	4,058
Other receivables	11,130	14,175	4,996
	52,450	40,428	52,646
Impairment allowance	(938)	(949)	(832)
Total	51,512	39,479	51,814

In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. As at 31 December 2023 and 2024 and 30 June 2025, the loss allowance amounted to approximately RMB938,000, RMB949,000 and RMB832,000 respectively.

The movements in provision for impairment of other receivables are as follows:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year/period	749	938	949
Impairment losses, net	284	11	(117)
Amount written off as uncollectible	(95)	–	–
At end of year/period	938	949	832

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	6,622	3,505	6,394
Export tax refund	–	2,321	–
Recoverable withholding tax	–	–	14,704
Deposits	2,201	818	813
Value-added tax recoverable	9,931	9,493	14,579
[**REDACTED**] expense	–	1,408	4,058
Other receivables	11,110	13,915	4,662
	29,864	31,460	45,210
Less: Impairment allowance	(889)	(782)	(656)
Total	28,975	30,678	44,554

The movements in provision for impairment of other receivables are as follows:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year/period	647	889	782
Impairment losses, net	337	(107)	(126)
Amount written off as uncollectible	(95)	–	–
At end of year/period	889	782	656

20. CASH AND BANK BALANCES

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current			
Cash and cash equivalents	210,273	167,867	358,535
Short-term bank deposits	–	–	189,200
Restricted cash	–	15,000	–
Interest receivable on bank deposits	2,080	757	–
Subtotal	212,353	183,624	547,735
Non-current			
Restricted cash	846	794	916
Total	213,199	184,418	548,651
Denominated in:			
RMB	193,813	153,678	297,814
USD	9,757	1,359	5,589
EUR	1	1	1,958
AUD	4,541	7,330	4,409
SEK	5,087	22,050	238,881
Total	213,199	184,418	548,651

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current			
Cash and cash equivalents	171,962	132,187	247,965
Restricted cash	–	15,000	–
Interest receivable on bank deposits	2,080	757	–
Total	174,042	147,944	247,965
Denominated in:			
RMB	173,463	146,594	247,246
USD	578	1,349	718
EUR	1	1	1
Total	174,042	147,944	247,965

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

Restricted cash amounting to RMB15,000,000 classified as current as at 31 December 2024 included advance receipts from investors, which was subject to certain usage restrictions as agreed under the investment arrangement.

The Group deposited of RMB846,000, RMB794,000 and RMB916,000 as rental deposits as at 31 December 2023 and 2024 and 30 June 2025, respectively.

21. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the Relevant Periods, based on the invoice date, is as follows:

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 month	15,992	16,142	16,565
1 to 2 months	1,249	4,728	2,367
2 to 3 months	623	1,168	565
Over 3 months	5,401	2,187	1,363
Total	23,265	24,225	20,860

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 month	9,833	11,265	10,937
1 to 2 months	1,095	4,408	1,501
2 to 3 months	476	938	374
Over 3 months	3,432	1,743	1,019
Total	14,836	18,354	13,831

The trade payables are non-interest-bearing and are normally settled within 60 days.

22. OTHER PAYABLES AND ACCRUALS

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current			
Payables for purchase of property, plant and equipment	34,371	18,803	17,898
Staff salaries, bonuses and welfare payables	19,967	18,233	18,010
Advance from investors	–	15,000	151,720
Government grants payable*	14,492	13,892	14,692
Other tax payable	5,365	6,082	3,731
Other payables	3,424	11,917	11,553
Amounts due to related parties *(note 34)*	419	1,743	1,998
Accrued expenses	1,177	1,812	1,070
Total	79,215	87,482	220,672
Non-current			
Other payables**	59,161	63,279	65,444

Company

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current			
Payables for purchase of property, plant and equipment	2,361	1,381	560
Staff salaries, bonuses and welfare payables	8,261	5,277	5,070
Advance from investors	–	15,000	151,720
Government grants payable*	5,492	3,892	4,692
Other tax payable	2,992	3,016	1,524
Other payable	2,774	10,752	10,486
Amounts due to related parties *(note 34)*	201	1,726	1,978
Accrued expenses	83	635	200
Total	22,164	41,679	176,230

* Government grants payable will not be recognised in profit or loss until the criteria attached to the grants have been met.

** The non-controlling shareholder of Azemidite Biopharm Co., Ltd. ("Azemidite") has possessed since July 2026 the right to demand that the Group effectuates a redemption of its share capital. This redemption is to be calculated based on the original cost of the investment, inclusive of an agreed-upon interest rate. The implementation of this option is subject to the stipulations detailed in the shareholders' agreement.

Other payables classified as current are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of each of the Relevant Periods approximated to their fair values due to their short-term maturities.

23. CONTRACT LIABILITIES

Group

	1 January	31 December	31 December	30 June
	2023	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Advances received from customers				
Collaboration revenue	–	–	67,124	67,124
Non-current				
Advances received from customers				
Collaboration revenue	–	–	64,294	32,147

Company

	1 January	31 December	31 December	30 June
	2023	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Advances received from customers				
Collaboration revenue	–	–	67,124	67,124
Non-current				
Advances received from customers				
Collaboration revenue	–	–	64,294	32,147

During the Relevant Periods, contract liabilities represented the obligations to provide services to customers from which the Group has received consideration. The increase in contract liabilities as of 31 December 2024 was mainly due to long-term advances received from a customer in relation to the provision of the right to access intellectual property. The decrease in contract liabilities as of 30 June 2025 was mainly due to the recognition of revenue from services provided to the customer.

24. INTEREST-BEARING BANK AND OTHER BORROWINGS

Group

	As at 31 December						As at 30 June		
	2023			2024			2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current									
Bank loans – unsecured	3.00-4.50	2024	193,221	3.00-4.50	2025	186,258	2.80-4.50	2025-2026	270,805
Bank loans – secured	3.20-4.30	2024	11,960	3.60-4.20	2025	27,924	3.00-3.60	2025-2026	52,881
Other borrowings – unsecured	5.55	2024	12,103	5.55	on demand	12,430	5.55	on demand	12,430
Subtotal			217,284			226,612			336,116
Non-current									
Bank loans – unsecured	3.50-4.50	2025-2027	53,000	3.45-4.50	2026-2027	61,500	3.50-4.50	2026-2027	38,000
Bank loans – secured	4.20-4.30	2025-2030	110,708	3.85-4.20	2026-2030	110,781	3.60-4.20	2026-2030	99,356
Subtotal			163,708			172,281			137,356
Total			380,992			398,893			473,472

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed into:			
Bank loans and other borrowings repayable:			
Within one year or on demand	217,284	226,612	336,116
In the second year	21,993	73,345	55,839
In the third to fifth years, inclusive	108,515	86,517	81,517
Beyond five years	33,200	12,419	–
Total	380,992	398,893	473,472

As at 31 December 2023, the Group's secured bank borrowings of RMB114,355,000 were secured by certain property, plant and equipment and right-of use assets with carrying amounts of RMB123,099,000 and RMB43,445,000, respectively, and the Group's secured bank borrowings of RMB8,313,000 were secured by Tianjin SME Credit Financing Guarantee Co., Ltd.

As at 31 December 2024, the Group's secured bank borrowings of RMB124,838,000 were secured by certain property, plant and equipment and right-of use assets with carrying amounts of RMB117,011,000 and RMB42,532,000, respectively, and the Group's secured bank borrowings of RMB13,867,000 were secured by Tianjin SME Credit Financing Guarantee Co., Ltd.

As at 30 June 2025, the Group's secured bank borrowings of RMB122,357,000 were secured by certain property, plant and equipment and right-of use assets with carrying amounts of RMB113,967,000 and RMB42,075,000, respectively, and the Group's secured bank borrowings of RMB29,880,000 were guaranteed by a third party Tianjin SME Credit Financing Guarantee Co., Ltd.

All borrowings are denominated in RMB and are subject to a floating interest rate.

Company

	As at 31 December						As at 30 June		
	2023			2024			2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current									
Bank loans – unsecured	3.00-4.50	2024	193,221	3.50-4.50	2025	186,259	3.00-4.50	2025-2026	271,335
Other borrowings – unsecured	5.55	2024	12,103	5.55	on demand	12,430	5.55	on demand	12,430
Subtotal			205,324			198,689			283,765
Non-current									
Bank loans – unsecured	3.50-4.50	2025-2027	53,000	3.45-4.50	2026-2027	61,500	3.50-4.50	2026-2027	38,000
Total			258,324			260,189			321,765

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed into:			
Bank loans and other borrowings repayable:			
Within one year or on demand	205,324	198,689	283,765
In the second year	10,000	49,500	31,000
In the third to fifth years, inclusive	43,000	12,000	7,000
Total	258,324	260,189	321,765

25. DEFERRED INCOME

Group

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government Grants	24,145	25,402	30,886

The movements in deferred income during the Relevant Periods are as follows:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year/period	10,000	24,145	25,402
Grants received during the year/period	15,000	2,594	6,300
Credited to the statement of profit or loss during the year/period	(855)	(1,337)	(816)
At the end of year/period	24,145	25,402	30,886

26. DEFERRED TAX

Group

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax liabilities

	Right-of-use assets
	RMB'000
As at 1 January 2023	579
Deferred tax charged to the consolidated statement of profit or loss during the year	7,889
Exchange differences	76
Gross deferred tax liabilities at 31 December 2023	8,544
As at 1 January 2024	8,544
Deferred tax credited to the consolidated statement of profit or loss during the year	(751)
Exchange differences	(192)
Gross deferred tax liabilities at 31 December 2024	7,601
As at 1 January 2025	7,601
Deferred tax credited to the consolidated statement of profit or loss during the period	(980)
Exchange differences	418
Gross deferred tax liabilities at 30 June 2025	7,039

Deferred tax assets

	Lease liabilities	Losses available for offsetting against future taxable profits	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	579	–	579
Deferred tax credited to the consolidated statement of profit or loss during the year	7,782	107	7,889
Exchange differences	76	–	76
Gross deferred tax assets at 31 December 2023	8,437	107	8,544
As at 1 January 2024	8,437	107	8,544
Deferred tax charged to the consolidated statement of profit or loss during the year	(748)	(3)	(751)
Exchange differences	(192)	–	(192)
Gross deferred tax assets at 31 December 2024	7,497	104	7,601
As at 1 January 2025	7,497	104	7,601
Deferred tax charged to the consolidated statement of profit or loss during the period	(876)	(104)	(980)
Exchange differences	418	–	418
Gross deferred tax assets at 30 June 2025	7,039	–	7,039

As at 31 December 2023 and 2024 and 30 June 2025, deferred tax assets have not been recognised in respect of tax losses of RMB1,935,808,000, RMB1,959,949,000 and RMB2,162,216,000 arising in Mainland China, respectively, which would expire in one to five years for offsetting against future taxable profits.

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes.

Net deferred tax recognised in the consolidated statement of financial position.

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax assets/liabilities in respect of continuing operations	–	–	–

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

Company

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax liabilities

	Right-of-use assets
	RMB'000
As at 1 January 2023	113
Deferred tax charged to the consolidated statement of profit or loss during the year	2,033
Gross deferred tax liabilities at 31 December 2023	2,146
As at 1 January 2024	2,146
Deferred tax credited to the consolidated statement of profit or loss during the year	(622)
Gross deferred tax liabilities at 31 December 2024	1,524
As at 1 January 2025	1,524
Deferred tax credited to the consolidated statement of profit or loss during the period	(226)
Gross deferred tax liabilities at 30 June 2025	1,298

Deferred tax assets

	Lease liabilities
	RMB'000
As at 1 January 2023	113
Deferred tax credited to the consolidated statement of profit or loss during the year	2,033
Gross deferred tax assets at 31 December 2023	2,146
As at 1 January 2024	2,146
Deferred tax charged the consolidated statement of profit or loss during the year	(622)
Gross deferred tax assets at 31 December 2024	1,524
As at 1 January 2025	1,524
Deferred tax charged the consolidated statement of profit or loss during the period	(226)
Gross deferred tax assets at 30 June 2025	1,298

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Company for financial reporting purposes.

Net deferred tax recognised in the consolidated statement of financial position.

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax assets/liabilities in respect of continuing operations	–	–	–

27. SHARE CAPITAL

The Company was incorporated in January 2007 with initial authorised paid-in capital of RMB13,330,000 divided into 13,330,000 units with par value of RMB1.00 each.

A summary of movements in the Company's issued share capital during the Relevant Periods is as follows:

	Notes	Number of shares in issue	Share capital
			RMB'000
As at 1 January 2023, 31 December 2023 and 1 January 2024		128,385,641	128,386
Issuance of ordinary shares	*a*	1,224,464	1,224
As at 31 December 2024 and 1 January 2025		129,610,105	129,610
Issuance of ordinary shares	*b*	534,940	535
As at 30 June 2025		130,145,045	130,145

Notes:

(a) In August 2024, the Company entered into a share subscription agreement with Wenzhou Chouqin Borui Venture Investment L.P. ("Wenzhou Chouqin") and Hangzhou Panlin Xukang Venture Investment L.P. ("Panlin Xukang"). According to the agreement, the investors agreed to invest in the Company by subscribing for 1,224,464 shares at a total consideration of RMB45,779,000. As at 31 December 2024, the consideration was fully settled by these investors.

(b) In January 2025, the Company entered into a share subscription agreement with Yantai Muxin Biopharmaceutical Health Industry Development Partnership (Limited Partnership) ("Muxin Health") and Shenzhen Xinchuang Medical Private Equity Investment Fund Partnership (Limited Partnership) ("Shenzhen Xinchuang"). According to the agreement, the investors agreed to invest in the Company by subscribing for 534,940 shares at a total consideration of RMB20,000,000. As at 30 June 2025, the consideration was fully settled by these investors.

28. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statements of changes in equity in the Historical Financial Information.

(b) Share premium

The Share premium of the Group represents the excess of the consideration received for subscription of the registered capital of the Company, the additional contribution made by the shareholders of the Company's subsidiaries and, in the case of an additional contribution made by the Company to a non-wholly-owned subsidiary, the difference between the contribution and the shareholders' interests acquired.

(c) Company

	Share premium	Share-based payments	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	1,070,529	154,705	(753,003)	472,231
Loss and total comprehensive income for the year	–	–	(368,795)	(368,795)
Share-based payments	–	25,495	–	25,495
As at 31 December 2023 and 1 January 2024	1,070,529	180,200	(1,121,798)	128,931
Loss and total comprehensive income for the year	–	–	(225,519)	(225,519)
Issue of shares	44,555	–	–	44,555
Share-based payments	–	12,425	–	12,425
Transfer of vested shares under restricted share incentive plan	192,625	(192,625)	–	–
As at 31 December 2024 and 1 January 2025	1,307,709	–	(1,347,317)	(39,608)
Loss and total comprehensive income for the period	–	–	(64,538)	(64,538)
Issue of shares	19,465	–	–	19,465
Share-based payments	–	9,160	–	9,160
Transfer of vested shares under restricted share incentive plan	1,361	(1,361)	–	–
As at 30 June 2025	1,328,535	7,799	(1,411,855)	(75,521)

29. SHARE-BASED PAYMENTS

Group and Company

(a) Restricted share incentive plan

The Group approved and adopted a stock incentive scheme (the "Stock Incentive Plan") for certain employees of the Group ("Share Incentive Participants") in order to recognise the contributions of Share Incentive Participants to the growth and development of the Group, and incentivise them to further promote the development of the Group.

In order to implement the Stock Incentive Plan, Kunshan Ruiman Enterprise Management Consulting LP ("Kunshan Ruiman"), Kunshan Ruijing Enterprise Management Consulting LP ("Kunshan Ruijing"), Kunshan Ruixiang Enterprise Management Consulting LP ("Kunshan Ruixiang"), Kunshan Ruilang Enterprise Management Consulting LP ("Kunshan Ruilang"), Kunshan Ruixing Enterprise Management Consulting LP ("Kunshan Ruixing") and Kunshan Ruizhuo Enterprise Management Consulting LP ("Kunshan Ruizhuo") were established and designated as stock incentive platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners.

Pursuant to the board resolution on 20 May 2020, the Board of Directors of the Company awarded 1,846,517 restricted share units ("RSUs") of the Group as mentioned above to 69 incentive subjects.

	Date of grant	Number of award granted	Vesting price per share	Requisite service period
1	2020/5/20	676,734	RMB1.00	–
2	2020/5/20	178,783	RMB1.00	4 years
3	2020/5/20	991,000	RMB8.60	4 years

Share-based payment expenses recognised by the Group amounted to RMB25,495,000, RMB12,425,000, RMB1,361,000 and RMB12,425,000 (unaudited) during the Relevant Periods and the six months ended 30 June 2024, respectively. The fair value of the share was determined based on the transaction prices observed in third-party transactions during the nearest period.

The following RSUs were outstanding under the Stock Incentive Plan during the Relevant Periods:

	As at 31 December		As at 30 June
	2023	2024	2025
	Number of RSUs	Number of RSUs	Number of RSUs
At the beginning of the year/period	1,169,783	1,169,783	–
Granted during the year/period	116,300	6,000	–
Vested during the year/period	–	(1,169,783)	–
Forfeited during the year/period	(116,300)	(6,000)	–
At the end of the year/period	1,169,783	–	–

On 9 April 2025, the Company awarded 40,000 restricted share units ("RSUs") of the Group as mentioned above to one incentive subject.

	Date of grant	Number of award granted	Vesting price per share	Requisite service period
1	2025/4/09	40,000	RMB3.37	–

(b) Share option scheme

The Company operates a share option scheme ("Option Scheme") for the purpose to recognise and acknowledge the contributions that the eligible participants of the Option Scheme had or may have made to the Company. Eligible participants of the option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group. The Option Scheme was adopted pursuant to the resolutions of the Company's shareholders passed on 8 February 2025 ("Adoption Date") and shall be valid and effective for a period which is not later than 10 years commencing on the Adoption Date or 60 months from the date of [**REDACTED**], if earlier.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Option Scheme and other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the [**REDACTED**] unless the Company obtains approval from its shareholders in general meetings and/or such other requirements prescribed under the Listing Rules and must not exceed 30% of the total number of shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of the Company's shares in issue, unless approval of the Company's shareholders in general meetings and/or such other requirements prescribe under the Listing Rules is obtained.

The period within which the shares must be taken up under an option shall be determined by the Board at its absolute discretion and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Option Scheme.

The exercise price of share options is determinable by the directors and is set 10% of the transaction prices observed in third-party transactions during the nearest period.

On 8 February 2025, 2,174,000 options were granted to six directors and certain employees of the company, entitling them to subscribe for a total of 2,174,000 shares at the exercise price of RMB3.7 per share. Among the options resolved to grant, one employee has not accepted his respective options offer of 60,000 options. As a result, only 2,114,000 options were granted for the six months ended 30 June 2025.

The following share options were outstanding under the Option Scheme during the Relevant Periods:

	2025	
	Weighted average exercise price RMB per share	Number of options
At 1 January		
Granted during the period	3.7	2,114,000
Forfeited during the period	3.7	(40,000)
At 30 June	3.7	2,074,000

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

Number of options	Exercise price	Vesting date	Exercise period
1,037,000	RMB3.7	24 months after the date of [**REDACTED**]	12 months from the date of vesting date
1,037,000	RMB3.7	36 months after the date of [**REDACTED**]	12 months from the date of vesting date
2,074,000			

The fair value of the share options at the date of grant was RMB71,583,000 (RMB33.86 each) of which the Group recognised a share option expense of RMB7,799,000 during the six months ended 30 June 2025.

The fair value of equity-settled share options granted during the six months ended 30 June 2025 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	30 June 2025
Dividend yield (%)	0.00
Expected volatility (%)	37.79, 39.24
Historical volatility (%)	37.79, 39.24
Risk-free interest rate (%)	1.32, 1.39
Expected life of options (year)	3.90, 4.90
Weighted average share price (HK$ per share)	37.39

30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

	As at 31 December		As at 30 June
	2023	2024	2025
Percentage of equity interests held by non-controlling interests:			
Azemidite Biopharm Co., Ltd.	29.41%	29.41%	29.41%
Ribocure Pharmaceuticals AB *(Note)*	20.00%	24.18%	49.71%

	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year/period allocated to non-controlling interests:			
Azemidite Biopharm Co., Ltd.	(9,190)	(12,099)	(4,776)
Ribocure Pharmaceuticals AB	243	758	(3,790)
Accumulated balances of non-controlling interests at the reporting date:			
Azemidite Biopharm Co., Ltd.	10,086	(2,013)	(6,789)
Ribocure Pharmaceuticals AB	535	1,306	125,939

Note: In June 2025, Ribocure Pharmaceuticals AB entered into a share subscription agreement with Erik Selin Fastigheter Aktiebolag and Co Activate AB, pursuant to which, Erik Selin Fastigheter Aktiebolag and Co Activate AB subscribed 616,862 and 19,277 shares in Ribocure AB at a consideration of US$32,000,000 and US$1,000,000, respectively, which was settled on the same date. Upon such subscription, Ribocure AB was held by the Company from 75.82% to 50.29%

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

	Azemidite Biopharm Co., Ltd.	Ribocure Pharmaceuticals AB
	RMB'000	*RMB'000*
As at 31 December 2023		
Current assets	38,403	33,328
Non-current assets	200,919	17,963
Current liabilities	70,175	16,844
Non-current liabilities	194,014	7,194

	Azemidite Biopharm Co., Ltd.	Ribocure Pharmaceuticals AB
	RMB'000	*RMB'000*
As at 31 December 2024		
Current assets	21,356	49,144
Non-current assets	190,384	19,161
Current liabilities	82,400	29,435
Non-current liabilities	199,463	8,895

	Azemidite Biopharm Co., Ltd.	Ribocure Pharmaceuticals AB
	RMB'000	*RMB'000*
As at 30 June 2025		
Current assets	43,575	267,165
Non-current assets	185,009	19,638
Current liabilities	121,425	28,006
Non-current liabilities	195,685	8,891

31. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025 and 2024, the Group had non-cash additions to right-of-use and lease liabilities of RMB38,007,000, RMB4,140,000, RMB108,000 and RMB228,000 (unaudited), respectively, in respect of lease arrangements for buildings.

(b) Changes in liabilities arising from financing activities

	Advance from an investor included in other payables and accruals	Interest-bearing bank and other borrowings	Lease liabilities
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	–	362,302	2,895
Changes from financing cash flows	–	3,573	(8,402)
Interest expense	–	15,117	941
Exchange realignment	–	–	306
New leases	–	–	38,007
At 31 December 2023 and 1 January 2024	–	380,992	33,747
Changes from financing cash flows	15,000	3,141	(9,495)
Interest expense	–	14,760	1,520
Lease modification	–	–	836
Exchange realignment	–	–	(759)
New leases	–	–	4,140
At 31 December 2024 and 1 January 2025	15,000	398,893	29,989
Changes from financing cash flows	151,720	67,210	(3,629)
Recognised in share capital and reserves	(15,000)	–	–
Interest expense	–	7,369	709
Lease modification	–	–	286
Exchange realignment	–	–	1,621
New leases	–	–	108
At 30 June 2025	151,720	473,472	29,084
At 31 December 2023 and 1 January 2024	–	380,992	33,747
Changes from financing cash flows (unaudited)	–	25,836	(4,830)
Interest expense (unaudited)	–	7,384	777
Lease modification (unaudited)	–	–	1,042
Exchange realignment (unaudited)	–	–	(520)
New leases (unaudited)	–	–	228
At 30 June 2024 (unaudited)	–	414,212	30,444

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	Year ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Within operating activities	2,290	1,979	1,425	1,410
Within financing activities	8,470	9,508	4,830	3,629
Total	10,760	11,487	6,255	5,039

32. PLEDGE OF ASSETS

Details of the Group's interest-bearing borrowings, which are secured by the assets of the Group, are included in note 24 to the Historical Financial Information.

33. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Plant and machinery	5,863	437	731

34. RELATED PARTY TRANSACTIONS

Group

(a) Related parties for the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025 were as follows:

Name	Relationship with the Company
Dr. Liang Zicai	A member of the Group's Single Largest Group of Shareholders
Dr. Zhang Hongyan	A member of the Group's Single Largest Group of Shareholders
Dr. Gan LiMing	Executive director
Dr. Gao Shan	Senior management
Dr. Tong Cheng	Senior management

(b) Outstanding balances with related parties of the Group:

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other payables and accruals:			
Due to related parties:			
Dr. Liang Zicai	236	400	987
Dr. Zhang Hongyan	–	400	400
Dr. Gan LiMing	19	17	20
Dr. Gao Shan	162	354	354
Dr. Tong Cheng	2	572	237
Total	419	1,743	1,998

The Group's balances due to the related parties are non-trade in nature, unsecured, non-interest-bearing and have no fixed terms of repayment.

(c) Compensation of key management personnel of the Group:

	As at 31 December		As at 30 June	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Salaries, bonuses, allowances, and benefits in kind	23,214	16,708	9,525	8,974
Pension scheme contributions	982	911	460	456
Share-based payment expenses	16,747	6,999	6,999	5,756
Total	40,943	24,618	16,984	15,186

Company

Outstanding balances with related parties of the Company:

		As at 31 December		As at 30 June
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Other payables and accruals:				
Due to related parties:				
Dr. Liang Zicai		36	400	987
Dr. Zhang Hongyan		–	400	400
Dr. Gao Shan		163	354	354
Dr. Tong Cheng		2	572	237
Total	*(i)*	201	1,726	1,978
Due to subsidiaries	*(ii)*	25,463	42,516	20,001
Due from subsidiaries	*(iii)*	17,608	28,431	25,883
Loan from a subsidiary	*(iv)*	20,301	31,069	43,000

(i) The Company's balances due to the related parties are non-trade in nature, unsecured, non-interest-bearing and have no fixed terms of repayment.

(ii) The amounts due to subsidiaries were generated from the purchase of goods and services from the subsidiaries.

(iii) The amounts due from subsidiaries were generated from the sales of goods and services to the subsidiaries.

(iv) The loan from a subsidiary are non-trade in nature and unsecured. The interest rates range from 3.10% to 3.85% and the repayment period is one year.

35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

Financial assets

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost			
Trade receivables	6	3,467	2,337
Financial assets included in prepayments, deposits and other assets	13,107	14,765	5,700
Cash and bank balances	213,199	184,418	548,651
Total	226,312	202,650	556,688

Financial liabilities

	As at 31 December		As at 30 June
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities at amortised cost			
Trade payables	23,265	24,225	20,860
Financial liabilities included in other payables and accruals	97,375	95,742	96,893
Interest-bearing bank and other borrowings	380,992	398,893	473,472
Lease liabilities	33,747	29,989	29,084
Total	535,379	548,849	620,309

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments approximate to fair values.

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayments, other receivables and other assets, trade payables, the current portion of interest-bearing bank and other borrowings, financial liabilities included in other payables and accruals, and amounts due from/to subsidiaries approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank and other borrowings and restricted cash have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2023, 2024 and 30 June 2025 were assessed to be insignificant.

Fair value hierarchy

The Group did not have any financial assets and liabilities measured at fair value during the Relevant Periods.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and bank loans. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as other receivables and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points higher and all other variables were held constant, the Group's loss before tax would have increased by approximately RMB1,107,000, RMB1,108,000 and RMB1,224,000 for the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025, respectively.

Foreign currency risk

The Group's major businesses are carried out in Mainland China and Europe and most of the transactions are conducted in RMB and EUR. Most of the Group's assets and liabilities are denominated in RMB. The Group did not have material foreign currency risk during the Relevant Periods.

Credit risk

The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year end staging as at 31 December 2023 and 2024 and 30 June 2025

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year end staging classification as at 31 December 2023 and 2024 and 30 June 2025. The amounts presented are gross carrying amounts for financial assets.

31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	6	6
Financial assets included in prepayments, other receivables and other assets					
– Normal*	13,189	856	–	–	14,045
Cash and bank balances					
– Not yet past due	213,199	–	–	–	213,199
Total	226,388	856	–	6	227,250

31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	3,538	3,538
Financial assets included in prepayments, other receivables and other assets					
– Normal*	3,514	12,200	–	–	15,714
Cash and bank balances					
– Not yet past due	184,418	–	–	–	184,418
Total	187,932	12,200	–	3,538	203,670

30 June 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	2,384	2,384
Financial assets included in prepayments, other receivables and other assets					
– Normal*	5,231	1,301	–	–	6,532
Cash and bank balances					
– Not yet past due	548,651	–	–	–	548,651
Total	553,882	1,301	–	2,384	557,567

* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

	As at 31 December 2023			
	Less than 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	23,265	–	–	23,265
Financial liabilities included in other payables and accruals	38,214	70,000	–	108,214
Interest-bearing bank and other borrowings	232,686	138,848	34,320	405,854
Lease liabilities	9,684	31,235	–	40,919
Total	303,849	240,083	34,320	578,252

	As at 31 December 2024			
	Less than 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	24,225	–	–	24,225
Financial liabilities included in other payables and accruals	32,463	70,000	–	102,463
Interest-bearing bank and other borrowings	236,595	171,511	12,581	420,687
Lease liabilities	9,027	24,398	–	33,425
Total	302,310	265,909	12,581	580,800

	As at 30 June 2025			
	Less than 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	20,860	–	–	20,860
Financial liabilities included in other payables and accruals	31,449	70,000	–	101,449
Interest-bearing bank and other borrowings	348,055	146,139	–	494,194
Lease liabilities	10,719	22,660	–	33,379
Total	411,083	238,799	–	649,882

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

38. EVENTS AFTER THE RELEVANT PERIODS

In June 2025, the Company entered into a share subscription agreement with Jinan Mingxin, Langma Ninety-Five (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership), Langma Ninety-Six (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership), MI Zhongye, Kunshan Hi-tech Venture, Kunshan Guoke and LI Xiaofeng. According to the agreement, the investors agreed to invest the Company by subscribing for 4,058,065 shares at a total consideration of RMB151,720,479 which was received advance by the Company in June 2025.

In July 2025, the Shareholders' meetings approved the share subscription agreement.

39. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 30 June 2025.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

PRC TAXATION

Taxation on Securities Holders

The taxation on income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices and does not constitute predictions on changes or adjustments to relevant laws or policies or any advice or suggestions thereunder. The discussion does not deal with all possible tax consequences relating to an investment in the H Shares, nor does it take into account the specific circumstances of any particular investors, some of which may be subject to special rules. Accordingly, investors should consult their own tax advisers regarding the tax consequences of an investment in H Shares. The discussion is based upon current laws and relevant interpretations in effect as of the execution date of this document, all of which are subject to changes or adjustments and may be different from our historical practices.

No issues on PRC or Hong Kong taxation other than income tax, capital gains, stamp duty and estate duty were referred in the discussion. Prospective investors should consult their financial advisers regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

Taxation on Dividends

Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) (the "Individual Income Tax Law"), which was last amended on 31 August 2018 and came into effect on 1 January 2019 and the Implementation Provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》), which was last amended on 18 December 2018 and came into effect on 1 January 2019, interest, dividend and bonus shall be subject to individual income tax with an applicable proportional tax rate of 20%. Unless otherwise provided by the competent financial and taxation authorities under the State Council, all the interest, dividend and bonus derived from enterprises, institutions, other organizations in PRC and resident individuals' income from the aforesaid are deemed as derived from the PRC regardless of whether the payment place is in the PRC. Pursuant to the Circular on Certain Issues Concerning the Policies of Individual Income Tax (《關於個人所得税若干政策問題的通知》) promulgated by the Ministry of Finance and the State Administration of Taxation on 13 May 1994 and effective from the same date, overseas individuals are exempted from the individual income tax for dividends or bonuses received from foreign-invested enterprises.

In accordance with the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on 21 August 2006, the PRC Government may levy taxes on the dividends paid by a Chinese

company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion issued by the State Administration of Taxation (《國家税務總局關於<內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排>第五議定書》), which came into effect on 6 December 2019, clarifies that such provisions shall not apply to arrangement or transaction made for the primary purpose of gaining such tax benefit.

Corporate Investors

In accordance with the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "Corporate Income Tax Law"), which was amended on 29 December 2018 and came into effect on the same day, and the Implementation Provisions of the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), which was amended on 23 April 2019 and came into effect on the same day, a non-resident enterprise is generally subject to a 10% corporate income tax on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), if such non-resident enterprise does not have an establishment or place in the PRC or has an establishment or place in the PRC but the PRC-sourced income is not actually connected with such establishment or place in the PRC. Such withholding tax for non-resident enterprises are deducted at source, where the payers of the income are required to withhold the income tax from the amount to be paid or payable to the non-resident enterprise when such payment is made or due.

The Circular of the State Administration of Taxation on Issues Relating to the Withholding of Corporate Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) (Guo Shui Han [2008] No. 897), which was issued by the State Administration of Taxation on 6 November 2008 and came into effect on the same day, further clarifies that a PRC-resident enterprise must withhold corporate income tax at a rate of 10% on dividends paid to non-PRC-resident enterprise shareholders of H Shares for 2008 and subsequent years. In addition, the Response of the State Administration of Taxation to Questions on Levying Corporate Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B-shares (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》) (Guo Shui Han [2009] No. 394), which was issued by the State Administration of Taxation on 24 July 2009 and came into effect on the same day, further provides that any PRC-resident enterprises that are listed on domestic and overseas stock exchanges must withhold corporate income tax at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises through the issuance of shares (A shares, B shares and overseas shares). Such tax rates may be further modified pursuant to the tax treaty or agreement that China has concluded with a relevant jurisdiction, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on 21 August 2006, the PRC Government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company.

Tax Treaties

Non-PRC resident investors residing in countries that have entered into treaties for the avoidance of double taxation with China or residing in Hong Kong or Macau SARs are entitled to preferential tax rates on dividends received by such investors from Chinese companies. China has entered into arrangements for the avoidance of double taxation with Hong Kong and Macau SARs, respectively, and has entered into treaties for the avoidance of double taxation with certain other countries, including but not limited to Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. A non-PRC resident enterprise entitled to a preferential tax rate under a relevant income tax treaty or arrangement may apply to the PRC taxation authorities for a refund of the difference between the amount of tax withheld and the amount of tax calculated at the rate under the treaty.

Pursuant to the Administrative Measures on Entitlement of Non-resident Taxpayers to Preferential Treatment under Tax Treaties (《非居民納稅人享受協定待遇管理辦法》), which was promulgated by the State Administration of Taxation on 14 October 2019 and came into effect on 1 January 2020, non-resident taxpayers are entitled to preferential treatment under tax treaties through "self-determination, self-declaration and keeping and documenting relevant information for inspection". Where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming benefits under the treaty, it may enjoy benefits under the treaty at the time of tax declaration or at the time of withholding through a withholding agent, simultaneously gather and retain the relevant materials pursuant to the regulations for future inspection, and subject to subsequent administration by tax authorities.

Taxation on Share Transfer

Value-added Tax and Local Additional Tax

According to the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (《關於全面推開營業稅改徵增值稅試點的通知》) (the "Circular 36"), which was promulgated by the Ministry of Finance and the State Administration of Taxation on 23 March 2016, amended on 11 July 2017, 25 December 2017 and 20 March 2019, respectively, and implemented on 1 April 2019, the entities and individuals that sell services, intangible assets or immovable properties within the territory of

the PRC are value-added tax payers, and shall pay value-added tax instead of business tax according to laws. The Circular 36 also provides that transfer of financial products, including transfer of the ownership of marketable securities, shall be subject to value-added tax at 6% on the taxable income.

At the same time, the taxpayers of value-added tax are also required to pay urban maintenance and construction tax, education surtax and local education surcharge.

Income Tax

Individual Investors

According to the Individual Income Tax Law (《個人所得税法》) and its implementation regulations, individuals shall pay the individual income tax at the rate of 20% on their income from the sale of equity in PRC-resident enterprises. In accordance with the Circular of the Ministry of Finance and the State Administration of Taxation on Declaring that Individual Income Tax Continues to Be Exempted over Income of Individuals from Transfer of Shares (《財政部及國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) (the "No. 61 Circular"), which was promulgated by the Ministry of Finance and the State Administration of Taxation on 30 March 1998, from 1 January 1997, income of individuals from the transfer of shares of listed companies remain exempted from individual income tax. According to the Announcement of the Ministry of Finance and the State Administration of Taxation about the Catalogue of Preferential Individual Income Tax Policies with Continued Effect (《財政部、國家税務總局關於繼續有效的個人所得税優惠政策目錄的公告》), which was promulgated by the Ministry of Finance and the State Administration of Taxation on 29 December 2018, the No. 61 Circular will remain effective.

Pursuant to the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的通知》), which was issued by the Ministry of Finance, the State Administration of Taxation and the CSRC on 31 December 2009 and implemented on the same day, individuals' income from transferring at Shanghai Stock Exchange or Shenzhen Stock Exchange the shares of a listed company acquired from the public offerings of the company or from the transfer market shall continuously be exempted from the individual income tax, except for the relevant shares which are subject to sales restriction as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的補充通知》) jointly issued by the three aforementioned authorities on 10 November 2010.

As of the Latest Practicable Date, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-resident individuals on the sale of shares of PRC-resident enterprises listed on overseas stock exchanges (such as the Stock Exchange).

Corporate Investors

According to the Enterprise Income Tax Law (《企業所得税法》) and its implementation regulations, where a non-PRC resident enterprise has not set up any institutions or establishments in the PRC, or it has done so but its income generated in the PRC is irrelevant to the said institutions or establishments, it shall pay tax on the portion of its income generated in the PRC and the enterprise income rate is generally 10%. Such tax may be reduced or eliminated under applicable tax treaties or arrangements.

Tax Policies on Shanghai-Hong Kong Stock Connect

On 31 October 2014, the Ministry of Finance, the State Administration of Taxation and the CSRC jointly promulgated the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (《關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) (the "Shanghai-Hong Kong Stock Connect Taxation Policy"). Pursuant to the Shanghai-Hong Kong Stock Connect Taxation Policy, the income from the transfer price difference obtained by corporate investors of the Mainland of China investing in stocks listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect is included in their total income and enterprise income tax is levied on such income in accordance with the law. The income from dividends and bonus obtained by corporate investors of the Mainland of China investing in stocks listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect is included in their total income. The enterprise income tax is levied on such income in accordance with the law. Among them, the enterprise income tax will be exempt according to laws for income from dividends and bonus obtained by resident enterprises of the Mainland of China that hold H-shares for at least 12 consecutive months. The H-share companies do not need to withhold tax on the income from dividends and bonus obtained by corporate investors of the Mainland of China. The tax payable shall be declared and paid by the enterprises themselves.

For dividends and bonus obtained by individual investors of the Mainland of China investing in H-shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, the H-share companies shall apply to China Securities Depository and Clearing Corporation Limited (the "CSDC") for provision by the CSDC to the H-share companies the register of individual investors of the Mainland of China. The H-share companies shall withhold individual income tax at a rate of 20%.

Tax Policies on Shenzhen-Hong Kong Stock Connect

On 5 November 2016, the Ministry of Finance, the State Administration of Taxation and the CSRC jointly issued the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (the "Shenzhen-Hong Kong Stock Connect Taxation Policy"). Pursuant to the Shenzhen-Hong Kong Stock Connect Taxation Policy, the income from the transfer price difference obtained by corporate investors of the Mainland of China investing in stocks listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect is included in their total income. The enterprise income tax is levied on such income in accordance with the law. The income from dividends and bonus obtained by corporate investors of the Mainland of China investing in stocks listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect is included in their total income. The enterprise income tax is levied on such income in accordance with the law. The enterprise income tax is exempt according to law for income from dividends and bonus obtained by resident enterprises of the Mainland of China that hold H-shares for at least 12 consecutive months. The H-share companies do not need to withhold tax on the income from dividends and bonus obtained by corporate investors of the Mainland of China. The tax payable shall be declared and paid by the enterprises themselves.

For dividends and bonus obtained by individual investors of the Mainland of China investing in H-shares listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to the CSDC for provision by the CSDC to the H-share companies the register of individual investors of the Mainland of China, and the H-share companies shall withhold individual income tax at a rate of 20%.

PRC Stamp Duty

In accordance with the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated on 10 June 2021 and implemented on 1 July 2022, the entities and individuals that conclude taxable certificates, or conduct securities transactions within the territory of the PRC shall be taxpayers of stamp tax, and shall pay stamp tax in accordance with the provisions of this law; where entities or individuals, outside the territory of the PRC, conclude taxable certificates that are used within the territory of the PRC, they shall pay stamp tax in accordance with the provisions of this law.

Estate Duty

As of the date of this document, no estate duty has been levied in the PRC.

Principal Taxation on the Company in the PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law (《企業所得税法》), the enterprise income tax rate in the PRC is 25% and is in line with the rate applicable to foreign-invested enterprises and foreign enterprises.

According to the Announcement of the Ministry of Finance and the State Administration of Taxation on the Relevant Tax and Fee Policies for Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households (《財政部、國家税務總局關於進一步支持小微企業和個體工商戶發展有關税費政策的公告》), which was promulgated on 2 August 2023 and implemented on 1 January 2023, the annual taxable income of a small and micro enterprise shall be included in its taxable income at the reduced rate of 25%, with the applicable enterprise income tax rate of 20%, which will be extended until 31 December 2027.

In accordance with the Administrative Measures on Accreditation of High-tech Enterprises (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology of the People's Republic of China, the Ministry of Finance and the State Administration of Taxation on 14 April 2008, amended on 29 January 2016 and came into effect on 1 January 2016, enterprises that are recognized as high-tech enterprises may apply for the preferential enterprise income tax rate of 15% according to the Enterprise Income Tax Law.

Value-added Tax

Pursuant to the Interim Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which was amended on 19 November 2017 and came into effect on the same day, organizations and individuals engaged in sales of goods, provision of processing, repairs and replacement services, or import of goods within the territory of the PRC are subject to value-added tax ("VAT"). For taxpayers selling or importing goods, except as otherwise provided in the above regulations, the general tax rate is 17%.

In accordance with the Circular 36 and upon approval of the State Council, the pilot program of replacing business tax with value-added tax will be promoted nationwide from 1 May 2016. All business tax taxpayers in the construction industry, the real estate industry, the financial industry and the living service industry are included in the scope of the pilot program. The payment of business tax will be replaced by the payment of VAT. Pursuant to the Measures for the Implementation of the Pilot Program of Replacing Business Tax with Value-Added Tax (《營業税改徵增值税試點實施辦法》), which was promulgated by the Ministry of Finance and the State Administration of Taxation on 23 March 2016, amended on 11 July 2017 and 20 March 2019, respectively, and implemented on 1 April 2019, the tax rates applied to taxpayers for selling services, intangible assets or real estates shall be 17%, 11%, 6% and zero, respectively.

According to the Notice on Adjusting Value-added Tax Rates (《關於調整增值稅稅率的通知》), which was promulgated by the by the Ministry of Finance and the State Administration of Taxation on 4 April 2018 and came into effect on 1 May 2018, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates of 17% and 11% are adjusted to 16% and 10%, respectively.

Pursuant to the Announcement on Relevant Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》), which was promulgated by the by the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs of the People's Republic of China on 20 March 2019 and came into effect on 1 April 2019, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates of 16% and 10% are adjusted to 13% and 9%, respectively.

According to the Announcement on Policies on Reduction or Exemption of Value-added Tax for Small-scale VAT Taxpayers (《關於增值稅小規模納稅人減免增值稅政策的公告》), which was promulgated by the by the Ministry of Finance and the State Administration of Taxation and implemented on 1 August 2023, small-scale VAT taxpayers with monthly sales of less than RMB100,000 (including this amount) will be exempted from VAT until 31 December 2027.

HONG KONG TAXATION

Tax on Dividends

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H shares. However, trading gains from the sale of H shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on unincorporated businesses. Certain categories of taxpayers are likely to be regarded as deriving trading gains rather than capital gains (for example, financial institutions, insurance companies and securities dealers) unless these taxpayers can prove that the investment securities are held for long-term investment purposes. Trading gains from the sale of H shares effected on the Hong Kong Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from the sale of H shares effected on the Hong Kong Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of the H shares, will be payable by the purchaser on every purchase and by the seller on every sale of any Hong Kong securities (including H shares), namely, a total of 0.2% is currently payable on a sale and purchase transaction involving H Shares. In addition, a fixed duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to 10 times of the duty payable may be imposed.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong, pursuant to which no Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application of a grant of representation in respect of holders of H Shares whose deaths occur on or after 11 February 2006.

Foreign Exchange

The principal regulations governing foreign exchange in the PRC is the Regulations of the PRC on Foreign Exchange Administration (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on 29 January 1996, came into effect on 1 April 1996 and was subsequently amended on 14 January 1997 and 5 August 2008 and the Regulations on the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) which was promulgated by the People's Bank of China on 20 June 1996 and came into effect on 1 July 1996. Pursuant to these regulations and other PRC rules and regulations on currency conversion, RMB is generally freely convertible for payments of current account items, such as trade and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan or investment in securities outside China unless prior approval of SAFE or its local counterparts is obtained.

According to relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened at financial institutions that carries business of foreign exchange settlement and sale by presenting valid documentation. Foreign investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange may, on the strength of resolutions of the board of directors or the shareholders' general meetings on the distribution of profits, effect payment from foreign exchange accounts or with the purchased foreign exchange at designated foreign exchange banks.

On 26 December 2014, the SAFE issued the Notice of SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), pursuant to which a domestic company shall, within fifteen working days upon the end of its overseas public offering, handle registration formalities for overseas listing with the foreign exchange authority at its place of registration with the required materials. Funds raised by a domestic company through overseas listing may be repatriated or deposited overseas, and the use of such funds shall be consistent with those contents mentioned in publicly disclosed documents such as the document.

On 13 February 2015, the SAFE issued the Notice of on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which came into effect on 1 June 2015 and was partially repealed on 30 December 2019. The notice has canceled the approval of foreign exchange registration under domestic direct investment and the approval of foreign exchange registration under overseas direct investment, instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its local offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued by the SAFE on 9 June 2016, amended on 4 December 2023 and came into effect on the same day, the foreign exchange receipts under capital accounts of domestic institutions are subject to discretionary settlement policies. The foreign exchange receipts under capital accounts (including foreign exchange capital, foreign debts, and repatriated funds raised through overseas [**REDACTED**]) subject to discretionary settlement as expressly prescribed in the relevant policies may be settled with banks according to the actual need of the domestic institutions for business operation. Domestic institutions may, at their discretion, settle up to 100% of foreign exchange receipts under capital accounts for the time being. The SAFE may adjust the above proportion in due time according to balance of payments.

In accordance with the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) (Hui Fa [2017] No. 3) issued by the SAFE on 26 January 2017 and came into effect on the same day, the PRC further expands the scope of settlement for domestic foreign exchange loans, allows settlement for domestic foreign exchange loans in relation to trading and exporting of goods, allows repatriation of funds under domestic guaranteed foreign loans for domestic utilization, allows settlement for domestic foreign exchange accounts of foreign institutions operating in the free trade pilot zones, and adopts the model of full-coverage RMB and foreign currency overseas

lending management, where a domestic institution engages in overseas lending, the sum of its outstanding overseas lending in RMB and outstanding overseas lending in foreign currencies shall not exceed 30% of its owner's equity in the audited financial statements of the preceding year.

Pursuant to the Notice of the SAFE on Further Promoting the Facilitation of Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (Hui Fa [2019] No. 28), which was promulgated by the SAFE on 23 October 2019, amended on 4 December 2023 and implemented on the same day, it cancelled restrictions on domestic equity investments made with capital funds by non-investing foreign invested enterprises and the restrictions on the use of funds for foreign exchange settlement of domestic accounts for the realization of assets as well as the restrictions on the use and foreign exchange settlement of foreign investors' security deposits. Eligible enterprises in the pilot area are also allowed to use capital income such as capital funds, foreign debts and proceeds from overseas listing for domestic payments without providing materials to the bank in advance for authenticity verification on a case-by-case basis, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital income management regulations.

The following is the text of a letter, summary of values and valuation certificate prepared for the purpose of incorporation in this document received from Asia-Pacific Consulting and Appraisal Limited, an independent property valuer, in connection with its valuation as at 31 October 2025 of the selected property interests held by the Group.

CONSULTING & APPRAISAL
亞太評估

Asia-Pacific Consulting and Appraisal Limited
Flat/Rm A, 12/F
Kiu Fu Commercial Building
300 Lockhart Road
Wan Chai
Hong Kong

[●] 2025

The Board of Directors
Suzhou Ribo Life Science Co., Ltd.
No. 168 Yuanfeng Road
Yushan Town
Kunshan City
Jiangsu Province
The PRC

Dear Sirs,

Instructions, Purpose and Date of Valuation

In accordance with your instructions to value the selected property interests held by Suzhou Ribo Life Science Co., Ltd. (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") in the People's Republic of China (the "**PRC**"). We confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the selected property interests as at 31 October 2025 (the "**Valuation Date**").

The selected property interests form part of the Group's non-property activities that has a carrying amount of 15% or more of the Group's total assets and therefore the valuation report of this property interests is required to be included in this document.

Basis of Valuation

Our valuation was carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

Methods of Valuation

Due to the nature of the buildings and structures of the property in Group I and the particular location in which they are situated, there are unlikely to be relevant market comparable sales readily available, the buildings and structures of the property have been valued by the cost approach with reference to their depreciated replacement costs.

Depreciated replacement cost is defined as "the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimization. In arriving at the value of the land portion, reference has been made to the sales evidence as available in the locality. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In our valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

We have valued the portions of the property in Group II by the comparison approach assuming sale of the land property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable land sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar land properties, subject to allowances for variable factors.

Valuation Assumptions

Our valuation has been made on the assumption that the seller sells the selected property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the selected property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the selected property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

Valuation Standards

In valuing the selected property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards issued by the International Valuation Standards Council.

Source of Information

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

Document and Title Investigation

We have been shown copies of various title documents including Real Estate Title Certificate and other official permits relating to the selected property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the selected property interests in the PRC and any material encumbrance that might be attached to the selected property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisor — Zhong Lun Law Firm, concerning the validity of the selected property interests in the PRC.

Area Measurement and Inspection

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory and that no unexpected cost and delay will be incurred during

construction. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

The site inspection was carried out in 9 October 2024 by David Cheng who is member of Royal Institution of Chartered Surveyor and has over 20 years' experience in property valuation in the PRC.

Currency

All monetary figures stated in this report are in Renminbi (RMB).

Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,
for and on behalf of
Asia-Pacific Consulting and Appraisal Limited

David G. D. Cheng
MRICS
Executive Director

Note: David G. D. Cheng is a Chartered Surveyor who has 20 years' experience in the valuation of assets in the Greater China Region, the Asia-Pacific region, the United States and Canada.

SUMMARY OF VALUES

Group I — Property interest held and occupied by the Group in the PRC

Group II — Property interest held to be developed by the Group in the PRC

Property	Market value in existing state as at the Valuation Date	Market value in existing state as at the Valuation Date	Interest attributable to the Group	The Total Market value attributable to the Group as at the Valuation Date
	RMB	*RMB*		*RMB*
	Group I:	**Group II:**		
A parcel of land, 14 buildings and various structures located at No. 3 Xinzhang Road, Economic and Technological Development Zone, Tianjin City, The PRC	140,958,000	16,755,000	70.59%	111,330,000
Total:	**140,958,000**	**16,755,000**	**–**	**111,330,000**

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date
			RMB
A parcel of land, 14 buildings and various structures located at No. 3 Xinzhang Road, Economic and Technological Development Zone, Tianjin City, The PRC	The property comprises a parcel of land with a site area of approximately 88,509.50 sq.m., among which the phase I of the property occupies portions of the land with a site area of approximately 56,410.94 sq.m. and 14 buildings and various structures erected thereon which were completed in 2023 (categorized as Group I). The phase II of the property is bare land as at the valuation date with a site area of approximately 32,098.56 sq.m. (categorized as Group II). The buildings and structures of phase I have a total gross floor area of approximately 16,193.97 sq.m., mainly include office buildings, warehouses, workshops, gates, roads, boundary walls and wastewater treatment facilities. The land use rights of the property have been granted to the Group for a term expiring on 18 August 2071 for industry use.	The phase I of the property is occupied by the Group for production and ancillary purposes, and the phase II of the property is bare land as at the valuation date.	157,713,000 (70.59% interest attributable to the Group: 111,330,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract — No. TJ10142021016 dated 29 July 2021, the land use rights of a parcel of land with a site area of approximately 88,509.50 sq.m. were contracted to be granted to Tianjin Rmidite Biopharmaceutical Co., Ltd (天津艾米德生物製藥有限公司, "Tianjin Rmidite", the former name of Azemidite Biopharmaceutical Co., Ltd 天津興博潤生物製藥有限公司, "Azemidite", a non wholly-owned subsidiary of the Company), for a term of 50 years for industrial use commencing from the land delivery date. The land premium was RMB44,300,000.

2. Pursuant to a Real Estate Title Certificate — Jin (2023) Kai Fa Xu Bu Dong Chan Quan Di No. 0090186, the land use rights of a parcel of land with a site area of approximately 88,509.50 sq.m. have been granted to Azemidite for a term expiring on 18 August 2071 for industry use, and 14 buildings with a total gross floor area of approximately 16,193.97 sq.m. are owned by Azemidite. The details are set out as follows:

No.	Usage	Gross Floor Area
		(sq.m.)
1 . .	Production workshop	3,582.28
2 . .	Power workshop	2,170.90
3 . .	Fire pump room and water pool	208.47

No.	Usage	Gross Floor Area
		(sq.m.)
4 . .	Comprehensive warehouse	1,497.18
5 . .	Warehouse #1	116.81
6 . .	Warehouse #2	249.23
7 . .	Warehouse #3	495.33
8 . .	Warehouse #5	329.87
9 . .	Environmental protection auxiliary building	527.30
10. .	Comprehensive building	4,356.72
11. .	Quality control building	2,502.26
12. .	Guardhouse #1	90.23
13. .	Guardhouse #2	33.50
14. .	Thermal Measurement Building	33.89
	Total	**16,193.97**

3. Pursuant to a Mortgage Contract — 0030200012-2023 Nian Kai Fa (Di) Zi No. 0051, the land use rights and buildings of the property was mortgaged. The mortgagee is Industrial and Commercial Bank of China Limited Tianjin Economic and Technological Development Zone Branch, the amount of the secured debt is RMB90,150,000, and the debt performance period is from April 24, 2022, to April 24, 2030.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, inter alia, the following:

   a. Azemidite has obtained the Real Estate Title Certificate for the property mentioned in note 2, with clear ownership rights. Apart from the disclosed mortgage mentioned in note 3, there are no other restrictions on the property rights, no ownership disputes or potential disputes, and no situations where the property is subject to compulsory measures such as seizure, detention, or auction by judicial authorities.

5. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the Valuation Date in its existing state is set out as below:

Group	Market value in existing state as at the Valuation Date
	(RMB)
Group I – Property interest held and occupied by the Group in the PRC	140,958,000
Group II – Property interest held to be developed by the Group in the PRC	16,755,000
Grand-total:	**157,713,000**

THE PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the People's Republic of China (《中華人民共和國憲法》, the "**Constitution**"), which was adopted on September 20, 1954 and latest amended on March 11, 2018. The PRC legal system is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC government is a signatory and other regulatory documents. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

The National People's Congress (the "**NPC**") and its Standing Committee are empowered to exercise the legislative power of the State in accordance with the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》, the "**Legislation Law**"), which was adopted on March 15, 2000 and latest amended on March 13, 2023. The NPC has the power to formulate and amend basic laws governing state authorities, civil, criminal and other matters. The Standing Committee of the NPC formulates and amends laws other than those required to be enacted by the NPC and to supplement and amend parts of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, environmental protection and historical cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the matters concerning formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. The standing committees of the people's congresses of the provinces or autonomous regions examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where, during the examination for approval of local regulations of cities divided into districts by the standing committees of the people's congresses of the provinces or autonomous regions, conflicts are identified with the rules and regulations of the

people's governments of the provinces or autonomous regions concerned, a handling decision should be made by the standing committees of the people's congresses of provinces or autonomous regions to resolve the issue. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned. The autonomous regulations and separate regulations of an autonomous region shall come into force after being reported to and approved by the Standing Committee of the NPC. The autonomous regulations and separate regulations of an autonomous prefecture or an autonomous county shall come into force after being reported to and approved by the standing committee of the people's congress of the province, autonomous region, or municipality directly under the Central Government.

The ministries and commissions of the State Council, the People's Bank of China, National Audit Office and the subordinate institutions with administrative functions directly under the State Council may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, and the decisions and orders of the State Council. The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate rules and regulations based on the laws, administrative regulations and local regulations of such provinces, autonomous regions and municipalities.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the Standing Committee of the NPC. Pursuant to the Resolution of the Standing Committee of the NPC Providing an Improved Interpretation of the Law (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) implemented on June 10, 1981, the Supreme People's Court has the power to give interpretation on issues related to the application of laws and decrees in a court trial, and issues related to the application of laws and decrees in a prosecution process of a procuratorate should be interpreted by the Supreme People's Procuratorate. If there is any disagreement in principle between the interpretations of the Supreme People's Court and those of the Supreme People's Procuratorate, such issues shall be reported to the Standing Committee of the NPC for interpretation or judgment. The other issues related to laws and decrees other than the abovementioned should be interpreted by the State Council and the competent authorities. The State Council and its ministries and commissions are also vested with the power to give interpretations of the administrative regulations and departmental rules which they have promulgated. At the regional level, the power to interpret regional laws is vested in the regional legislative and administrative authorities which promulgate such laws.

THE PRC JUDICIAL SYSTEM

Under the Constitution and the Law of Organization of the People's Courts of the People's Republic of China (《中華人民共和國人民法院組織法》), which was adopted on September 21, 1954 and subsequently amended on July 5, 1979, September 2, 1983, December 2, 1986, October 31, 2006 and October 26, 2018, the PRC judicial system is made up of the Supreme People's Court, the local people's courts, the military courts and other special people's courts.

The local people's courts are comprised of the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up civil, criminal and economic divisions, and certain people's tribunals based on the facts of the region, population and cases. The intermediate people's courts have divisions similar to those of the basic people's courts and may set up other special divisions if needed. These two levels of people's courts are subject to supervision by people's courts at higher levels. The Supreme People's Court is the highest judicial authority in the PRC. It supervises the administration of justice by the people's courts at all levels and special people's courts. The Supreme People's Procuratorate is authorized to supervise the judgment and ruling of the people's courts at all levels which have been legally effective, and the people's procuratorate at a higher level is authorized to supervise the judgment and ruling of a people's court at lower levels which have been legally effective.

Under the Civil Procedure Law of the People's Republic of China (《中華人民共和國民事訴訟法》), which was adopted on March 8, 1982 and subsequently amended on October 28, 2007, August 31, 2012, June 27, 2017, December 24, 2021, and September 1, 2023, which became effective from January 1, 2024, a people's court takes the rule or judgement of the second instance as the final rule or judgement. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the people's court at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's court are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court, and judgments or rulings of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court finds some definite errors in a legally effective judgment, ruling or conciliation statement of the people's court at any level, or if the people's court at a higher level finds such errors in a legally effective judgment, ruling or conciliation statement of the people's court at a lower level, it has the authority to review the case itself or to direct the lower-level people's court to conduct a retrial. If the chief judge of all levels of people's courts finds some definite errors in a legally effective judgment, ruling or conciliation statement, and considers a retrial is preferred, such case shall be submitted to the judicial committee of the people's court at the same level for discussion and decision.

The Civil Procedure Law of the People's Republic of China prescribes the conditions for instituting a civil action, the jurisdiction of the people's courts, the procedures for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC must abide by the PRC Civil Procedure Law. Generally, a civil case is initially heard by the court located in the defendant's place of domicile. The court of jurisdiction in respect of a civil action may also be chosen by explicit agreement among the parties to a contract, provided that the people's court having jurisdiction should be located at places directly connected with the disputes, such as the plaintiff's or the defendant's place of domicile, the place where the contract is signed or the place where the object of the action is located. At the same time, the choice must not conflict with the provisions regarding the level of jurisdiction and exclusive jurisdiction.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization is given the same litigation rights and obligations as a citizen, a legal person or other organizations of the PRC when initiating actions or defending against litigations at a PRC court. Should a foreign court limit the civil litigation rights of PRC citizens or enterprises, the PRC court may apply the same limitations to the citizens and enterprises of such foreign country. A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must engage a PRC lawyer in case he or it needs to engage a lawyer for the purpose of initiating actions or defending against litigations at a PRC court. In accordance with the international treaties to which the People's Republic of China is a signatory or participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation and collect evidence and conduct other actions on its behalf. All parties to a civil action shall perform the legally effective judgments and rulings. If any party to a civil action refuses to abide by a judgment or ruling made by a people's court or an award made by an arbitration tribunal in the PRC, the other party may apply to the people's court for the enforcement of the same within two years, subject to application for postponed enforcement or revocation. If a party fails to satisfy within the stipulated period a judgment which the court has granted an enforcement approval, the court may, upon the application of the other party, mandatorily enforce the judgment on the party.

Where a party applies for enforcement of a legally effective judgment or ruling made by a people's court, and the opposite party or his property is not within the territory of the PRC, the applicant may directly apply to a foreign court with jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court in accordance with the PRC enforcement procedures if the PRC has entered into, or acceded to, international treaties with the relevant foreign country, which provided for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless the people's court considers that the recognition or enforcement of such judgment or ruling would violate the basic legal principles of the PRC, its sovereignty or national security, or against the social and public interests.

THE PRC SECURITIES LAWS AND REGULATIONS

The PRC has promulgated a number of regulations that relate to the issue and trading of shares and disclosure of information. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offerings of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking relevant research and analysis. In April 1998, the State Council consolidated the two departments and reformed the CSRC.

The Interim Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》) stipulates the public offerings of equity securities, trading in equity securities, the acquisition of listed companies, deposit, clearing and transfer of listed equity securities, the disclosure of information with respect to a listed company, investigation, penalties and dispute settlement.

On December 25, 1995, the State Council promulgated the Regulations of the State Council Concerning Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》). These regulations principally govern the issue, subscription, trading and declaration of dividends and other distributions of domestic listed foreign shares and disclosure of information of joint stock limited companies having domestic listed foreign shares.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》, the "**PRC Securities Law**") took effect on July 1, 1999 and was revised as of August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively. The PRC Securities Law, which was revised on December 28, 2019 and came into effect on March 1, 2020, is divided into 14 chapters and 226 articles, regulating, among other things, the issue and trading of securities, the listing of securities, and takeovers of listed companies.

Article 224 of the PRC Securities Law provides that domestic enterprises which, directly or indirectly, issue securities or list and trade their securities outside the PRC shall comply with the relevant regulations of the State Council. Currently, the issue and trading of foreign issued securities (including shares) are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARD

The Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》, the "**PRC Arbitration Law**") was enacted by the Standing Committee of the NPC on August 31, 1994, which became effective on September 1, 1995 and was amended on August 27, 2009 and September 1, 2017, respectively. It is applicable to, among other matters, economic disputes involving foreign parties where all parties have entered into a written agreement to resolve disputes by arbitration before an arbitration committee constituted in accordance with the PRC Arbitration Law. The PRC Arbitration Law provides that an arbitration committee may, before the promulgation of arbitration regulations by the PRC Arbitration Association, formulate interim arbitration rules in accordance with the PRC Arbitration Law and the PRC Civil Procedure Law. Where the parties have agreed to settle disputes by means of arbitration, a people's court will refuse to handle a legal proceeding initiated by one of the parties at such people's court, unless the arbitration agreement is invalid.

Under the PRC Arbitration Law and PRC Civil Procedure Law, an arbitral award shall be final and binding on the parties involved in the arbitration. If any party fails to comply with the arbitral award, the other party to the award may apply to a people's court for its enforcement. The people's court can issue a ruling prohibiting the enforcement of an arbitral award made by an arbitration commission after verification by collegial bench formed by the people's court if there is any procedural irregularity (including but not limited to irregularity in the composition of the arbitration tribunal or arbitration proceedings, the jurisdiction of the arbitration commission, or the making of an award on matters beyond the scope of the arbitration agreement).

Any party seeking to enforce an award of a foreign affairs arbitral body of the PRC against a party who or whose property is not located within the PRC shall directly apply to a foreign court with jurisdiction over the case for recognition and enforcement of the award. Likewise, an arbitral award made by a foreign arbitral body may be recognized and enforced by a PRC court in accordance with the principle of reciprocity or any international treaties concluded or acceded to by the PRC.

The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (《承認及執行外國仲裁裁決公約》, the "**New York Convention**") adopted on June 10, 1958 pursuant to a resolution passed by the Standing Committee of the NPC on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by other parties thereto subject to their rights to refuse enforcement under certain circumstances, including where the enforcement of the arbitral award is against the public policy of that state. At the time of the PRC's accession to the convention, the Standing Committee of the NPC declared that (i) the PRC will only apply the convention to the recognition and enforcement of arbitral awards made in the territories of other parties based on the principle of reciprocity; and (ii) the New York Convention will only be applied to disputes deemed under PRC laws to be arising from contractual or non-contractual mercantile legal relations.

An arrangement for mutual enforcement of arbitral awards between Hong Kong and the Supreme People's Court of China was reached. The Supreme People's Court of China adopted the Arrangement Concerning the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《關於內地與香港特別行政區相互執行仲裁裁決的安排》) on January 24, 2000, which went into effect on February 1, 2000. The arrangement reflects the spirit of the New York Convention. Under the arrangement, the awards by the Mainland arbitral bodies in accordance with the PRC Arbitration Law may be enforced in Hong Kong, and the awards by the Hong Kong arbitral bodies according to the Arbitration Ordinance of Hong Kong Special Administrative Region (《香港特別行政區仲裁條例》) may also be enforced in the Mainland China. If the Mainland court finds that the enforcement of awards made by the Hong Kong arbitral bodies in the Mainland will be against public interests of the Mainland, or the court of Hong Kong Special Administrative Region decides that the enforcement of the arbitral awards in Hong Kong Special Administrative Region will be against public policies of Hong Kong Special Administrative Region, the awards may not be enforced. The Supreme People's Court of China issued the Supplemental

Arrangement Concerning the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》, the "**Supplementary Arrangements**") on May 18, 2021. According to the Supplementary Arrangements, before or after the acceptance of an application for enforcement of an arbitration award, the relevant court may, upon application and in accordance with the law of the place where the arbitration award is enforced, adopt preservation or enforcement measures.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, either party may apply to the people's courts of China or the courts of the Hong Kong Special Administrative Region for the recognition and enforcement of an effective judgment made by the courts of China and the courts of the Hong Kong Special Administrative Region in respect of civil damages in civil and commercial cases or in criminal cases in accordance with this arrangement.

THE PRC COMPANY LAW, THE OVERSEAS LISTING TRIAL MEASURES AND THE GUIDELINES

The Company Law of the People's Republic of China (《中華人民共和國公司法》, the "**PRC Company Law**") was adopted by the 5th meeting of the SCNPC on December 29, 1993 and came into effect on July 1, 1994. It was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018, and December 29, 2023, respectively. The latest revised PRC Company Law was implemented on July 1, 2024.

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》, the "**Overseas Listing Trial Measures**") which were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023, and were applicable to the overseas offering and listing of PRC domestic companies' securities.

The Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》, the "**Guidelines**") which were issued by the CSRC on March 28, 2025 and came into effect on the same date, provide the guidelines for the articles of association. As such, the contents provided in the Guidelines are set out in the Articles of Association of the Company, the summary of which is set out in the section entitled "Appendix VI — Summary of Articles of Association" in this document.

Set out below is a summary of the major provisions of the PRC Company Law, the Overseas Listing Trial Measures and the Guidelines applicable to the Company.

General

A joint stock limited company refers to an enterprise legal person incorporated in China under the PRC Company Law with independent legal person properties and entitlements to such legal person properties and with its registered capital divided into shares of equal par value. The liability of the company for its own debts is limited to all the properties it owns and the liability of its shareholders for the company is limited to the extent of the shares they subscribe for.

Incorporation

A joint stock limited company may be established by promotion or subscription. A joint stock limited company shall have a minimum of two but no more than 200 people as its promoters, and over half of the promoters must be resident within the PRC. Companies established by promotion are companies of which the registered capital is the total share capital subscribed for by all the promoters registered with the company's registration authorities. No share offering shall be made before the shares subscribed for by the promoters are fully paid up. For companies established by subscription, the registered capital is the total paid-up share capital as registered with the company's registration authorities. If laws, administrative regulations and State Council decisions provide otherwise on paid-in registered capital and the minimum registered capital, the company should follow such provisions.

For companies incorporated by way of promotion, the promoters shall subscribe in writing for the shares required to be subscribed for by them and pay up their capital contributions under the articles of association. In the case of capital contributions to be made in non-cash assets, the formalities for transfer of property rights shall be completed in accordance with the provisions of the law. Promoters who fail to pay up their capital contributions in accordance with the foregoing provisions shall assume default liabilities in accordance with the covenants set out in the promoters' agreement. After the promoters have subscribed for the capital contribution under the articles of association, a board of directors shall be elected and the board of directors shall apply for registration of establishment by filing the articles of association with relevant administration for industry and commerce, and other documents as required by the law or administrative regulations.

After the subscriptions for the share issue have been paid in full, a capital verification institution established under PRC law must be engaged to conduct a capital verification and furnish a certificate thereof. The promoters of the company shall preside over and convene an inauguration meeting within 30 days from the date of the full payment of subscriptions. The inauguration meeting shall be formed by the promoters and subscribers. Where the shares issued remain undersubscribed by the cut-off date stipulated in the share offering prospectus, or where the promoters fail to convene an inauguration meeting within 30 days of the subscriptions for the shares issued being fully paid up, the subscribers may demand that the promoters refund the subscriptions so paid together with the interest at bank rates of a deposit for the same period. Within 30 days of the conclusion of the inauguration meeting, the board of directors shall apply to the company registration authority for registration of the establishment of the company. A company is formally established and has the capacity of a legal person after approval of registration has been given by the relevant administration for industry and commerce and a business license has been issued.

Share Capital

The promoters of a company may make a capital contribution in currencies, or non-monetary assets such as intellectual property rights or land use rights which can be appraised with monetary value and transferred lawfully, except for assets which are prohibited from being contributed as capital by the laws or administrative regulations. If a capital contribution is made in non-monetary assets, a valuation and verification of the fair value of the assets contributed must be carried out.

The issuance of shares shall be conducted in a fair and equitable manner. The same class of shares must carry equal rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same. The share offering price may be equal to or greater than the nominal value of the share, but may not be less than the nominal value.

A PRC domestic company must file with the CSRC to offer its shares to the overseas public. According to the Overseas Listing Trial Measures, target investors of overseas offering and listing by domestic companies shall be overseas investors, unless prescribed in the Overseas Listing Trial Measures or otherwise stipulated by the state.

Increase in Share Capital

Under the PRC Company Law, where a company is issuing new shares, resolutions shall be passed at shareholders' meeting in accordance with the articles of association in respect of the class and amount of the new shares, the issue price of the new shares, the commencement and end dates for the issue of the new shares and the class and amount of the new shares proposed to be issued to existing shareholders.

After the issue of new share the company has been paid up, the change must be registered with the company registration authorities and a public announcement must be made accordingly. Where an increase in registered capital of a company is made by means of an issue of new shares, the subscription of new shares by shareholders shall be made in accordance with the relevant provisions on the payment of subscription monies for the establishment of a company.

Reduction of Share Capital

A company shall reduce its registered capital in accordance with the following procedures prescribed by the PRC Company Law:

(1) The company shall prepare a balance sheet and an inventory of assets;

(2) The shareholders' meeting shall resolve to reduce the registered capital;

(3) The company shall notify its creditors within 10 days from the date of the resolution on the reduction of its registered capital and shall publish an announcement in the newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution;

(4) A creditor has the right within 30 days from the receipt of the notice or, in case where it fails to receive such notice, within 45 days from the date of the announcement, to demand the company to pay off its debts or provide corresponding guarantees; and

(5) The company shall apply for registration of the changes to the company registration authority.

In case of any reduction in registered capital, unless otherwise provided by laws or articles of association of the company, the amount of capital contribution or shares shall be reduced correspondingly in proportion to the capital contributed by the shareholders or their shareholdings.

Where the company still incurs losses after making up its losses in accordance with provisions of the PRC Company Law, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or calls on share.

The provisions set forth in items (3) and (4) of the preceding paragraphs shall not apply to the reduction in the registered capital in accordance with the preceding paragraphs. A company shall publish an announcement in the newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of the resolution on the reduction of its registered capital at shareholders' meeting. After reducing its registered capital in accordance with the provisions of the preceding paragraphs, the company shall not distribute profits until the cumulative amount of its statutory common reserve fund and discretionary common reserve fund reaches 50% of its registered capital.

If the reduction of the registered capital is in violation of the PRC Company Law, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the company, the shareholders and the liable directors, supervisors and senior management shall be liable for compensation.

Repurchase of Shares

According to the PRC Company Law, a company shall not purchase its own shares except under any of the following circumstances:

(1) Reducing the registered capital of the company;

(2) Merging with another company that holds its shares;

(3) Using shares for employee stock ownership plan or equity incentives;

(4) A shareholder requesting the company to purchase the shares held by him since he objects to a resolution of the shareholders' meeting on the combination or division of the company;

(5) Using shares for converting convertible corporate bonds issued by the listed company;

(6) It is necessary for a listed company to protect the corporate value and the rights and interests of shareholders.

A company purchasing its own shares under any of the circumstances set forth in items (1) and (2) of the preceding paragraph shall be subject to a resolution of the shareholders' meeting; and a company purchasing its own shares under any of the circumstances set forth in items (3), (5) and (6) of the preceding paragraph may, pursuant to the articles of association or the authorization of the shareholders' meeting, be subject to a resolution of a meeting of the board of directors at which more than two-thirds of directors are present.

After purchasing its own shares pursuant to the provisions of the first paragraph of this article, a company shall, under the circumstance set forth in item (1), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (2) or (4), transfer or cancel them within six months; and while under the circumstance set forth in item (3), (5) or (6), aggregately hold not more than 10% of the total shares that have been issued by the company, and transfer or cancel them within three years.

A listed company purchasing its own shares shall perform the obligation of information disclosure. A listed company purchasing its own shares under any of the circumstances set forth in items (3), (5) and (6) shall carry out trading in a public and centralized manner.

Transfer of Shares

Shares held by shareholders may be transferred legally. Under the PRC Company Law, a shareholder should effect a transfer of his shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Registered shares may be transferred after the shareholders endorse the back of the share certificates or in any other manner specified by the laws or administrative regulations. Following the transfer, the company shall enter the names and domiciles of the transferees into its share register. No changes of registration in the share register described above shall be effected during a period of 20 days prior to convening a shareholders' meeting or 5 days prior to the record date for the purpose of determining entitlements to dividend distributions, unless otherwise stipulated by laws on the registration of changes in the share register of listed companies. The transfer of bearer share certificates shall become effective upon the delivery of the certificates to the transferee by the shareholder.

Under the PRC Company Law and the Guidelines, shares of the company issued prior to the public issuance of shares may not be transferred within one year of the date of the company's listing on a stock exchange. Directors and the senior management of a company shall declare to the company their shareholdings in it and any changes in such shareholdings. During their terms of office, they may transfer no more than 25% of the total number of shares they hold in the company every year. They shall not transfer the shares they hold within one year of the date of the company's listing on a stock exchange, nor within six months after they leave their positions in the company. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors and the senior management.

Shareholders

Under the PRC Company Law and the Guidelines, the rights of holders of ordinary shares of a joint stock limited company include the following:

(1) to receive dividends and profit distributions in any other form in proportion to their shareholdings;

(2) to lawfully require, convene, preside over or attend shareholders' meetings either in person or by proxy and exercise the corresponding voting right;

(3) to supervise, present suggestions on or make inquiries about the operations of the company;

(4) to transfer, gift or pledge their shares in accordance with the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the company are listed, and the articles of association;

(5) to acquire relevant information according to the provisions of the articles of association, including the copies of the articles of association, register of shareholders, minutes of shareholders' meetings, resolutions of board meetings, and financial and accounting reports, and shareholders who comply with the regulations may inspect the company's accounting books and accounting documents;

(6) in the event of the termination or liquidation of the company, to participate in the distribution of the remaining property of the company in proportion to the shares held by them;

(7) to require the company to buy their shares in the event of their objection to resolutions of the shareholders' meeting concerning merger or division of the company; and

(8) any other rights provided for in laws, administrative regulations, other normative documents and the articles of association.

The obligations of shareholders include the obligation to abide by the articles of association, to pay the subscriptions in respect of the shares subscribed for, to be liable for the company's debts and liabilities to the extent of the amount of his or her subscribed shares and any other shareholder obligation specified in the articles of association.

Shareholders' Meetings

The shareholders' meeting is the organ of authority of the company, which exercises its powers in accordance with the PRC Company Law. Under the PRC Company Law and the Guidelines, the shareholders' meeting may exercise its powers:

(1) to elect and remove the directors and to decide on the matters relating to the remuneration of directors;

(2) to review and approve the reports of the board of directors;

(3) to review and approve the company's profit distribution proposals and loss recovery proposals;

(4) to decide on any increase or reduction of the company's registered capital;

(5) to decide on the issue of corporate bonds;

(6) to decide on merger, division, dissolution and liquidation of the company or change of its corporate form;

(7) to decide on the hiring and dismissal of the accounting firm that undertakes the company's auditing business;

(8) to amend the articles of association; and

(9) to exercise any other authority stipulated in the articles of association.

A shareholders' meeting is required to be held once every year. An extraordinary meeting is required to be held within two months of the occurrence of any of the following:

(1) the number of directors is less than the number stipulated by the PRC Company Law or less than two-thirds of the number specified in the articles of association;

(2) the outstanding losses of the company amounted to one-third of the company's total paid-in share capital;

(3) shareholders individually or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary meeting;

(4) the board deems necessary;

(5) the audit committee proposes to hold; or

(6) any other circumstances as provided for in laws, administrative regulations, other normative documents and the articles of association.

A shareholders' meeting shall be convened by the board of directors, and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or is not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or is not performing his duties, a director nominated by half or more of the directors shall preside over the meeting. Where the board of directors is incapable of performing or is not performing its duties to convene the shareholders' meeting, the audit committee shall convene and preside over the shareholders' meeting in a timely manner. If the audit committee fails to convene and preside over the shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over the shareholders' meeting.

In accordance with the PRC Company Law and the Guidelines, a notice of the shareholders' meeting stating the date and venue of the meeting and the matters to be considered at the meeting shall be given to all shareholders 20 days before the meeting. A notice of extraordinary shareholders' meeting shall be given to all shareholders 15 days prior to the meeting. A single shareholder who holds, or several shareholders who jointly hold, one percent or more of the shares of the company may submit an interim proposal in writing to the board of directors ten days before the shareholders' meeting is held. The board of directors shall notify other shareholders within two days upon receipt of the proposal, and submit the said interim proposal to the shareholders' meeting for deliberation, unless the interim proposal is in violation of any law, administrative regulation or the articles of association or fails to fall into the scope of functions of the shareholders' meeting.

Under the PRC Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except for class shareholders. The company's shares held by the company are not entitled to any voting rights.

An accumulative voting system may be adopted for the election of directors at the shareholders' meeting pursuant to the provisions of the articles of association or a resolution of the shareholders' meeting. Under the accumulative voting system, each share shall be entitled to the number of votes equivalent to the number of directors to be elected at the shareholders' meeting, and shareholders may consolidate their votes for one or more directors when casting a vote.

Under the PRC Company Law, resolutions of the shareholders' meeting must be passed by more than half of the voting rights held by shareholders present at the meeting, with the exception of matters relating to merger, division or dissolution of the company, increase or reduction of registered share capital, change of corporate form or amendments to the articles

of association, which in each case must be passed by at least two-thirds of the voting rights held by the shareholders present at the meeting. Where the PRC Company Law and the articles of association provide that the transfer or acquisition of significant assets or the provision of external guarantees by the company and the other matters must be approved by way of resolution of the shareholders' meeting, the directors shall convene a shareholders' meeting promptly to vote on such matters by shareholders' meeting.

Minutes shall be prepared in respect of matters considered at the shareholders' meeting and the chairperson and directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

Board

A joint stock limited company shall have a board, unless otherwise provided for in Article 128 of the PRC Company Law. The term of a director shall be stipulated in the articles of association, provided that no term of office shall last for more than three years. A director may serve consecutive terms if re-elected. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations and the articles of association until a duly reelected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of directors results in the number of directors being less than the quorum.

Under the PRC Company Law and the Guidelines, the board of directors may exercise its powers:

(1) to convene shareholders' meetings and report on its work to the shareholders' meetings;

(2) to implement the resolutions passed by the shareholders at the shareholders' meetings;

(3) to decide on the company's operational plans and investment proposals;

(4) to formulate the company's profit distribution proposals and loss recovery proposals;

(5) to formulate proposals for the increase or reduction of the company's registered capital and the issue of corporate bonds;

(6) to formulate proposals for the merger, division or dissolution of the company or change of corporate form;

(7) to decide on the setup of the company's internal management organs;

(8) to appoint or dismiss the company's manager and decide on his/her remuneration and, based on the manager's recommendation, to appoint or dismiss any deputy general manager and financial officer of the company and to decide on their remunerations;

(9) to formulate the company's basic management system; and

(10) to exercise any other authority stipulated in the articles of association or granted by the shareholders' meetings.

Pursuant to the PRC Company Law and the Guidelines, meetings of the board of directors shall be convened at least twice each year. Notices of meeting shall be given to all directors and the audit committee 10 days before the meeting. Interim board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors or the audit committee. The chairman shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. The board may otherwise determine the means and the period of notice for convening an interim board meeting. Meetings of the board of directors shall be held only if more than half of the directors are present. Resolutions of the board shall be passed by more than half of all directors. Each director shall have one vote for a resolution to be approved by the board. Directors shall attend board meetings in person. If a director is unable to attend for any reason, he/she may appoint another director to attend the meeting on his/her behalf by a written power of attorney specifying the scope of authorization.

If a resolution of the board of directors violates the laws, administrative regulations or the articles of association or resolutions of the shareholders' meeting, and as a result of which the company sustains serious losses, the directors participating in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director shall be relieved from that liability.

Under the PRC Company Law, the following person may not serve as a director in a company: (i) a person who is unable or has limited ability to undertake any civil liabilities; (ii) a person who has been convicted of an offense of corruption, bribery, embezzlement, misappropriation of property or destruction of the socialist market economic order, or who has been deprived of his political rights due to his crimes, in each case where less than five years have elapsed since the date of completion of the sentence; or, in case of a sentence to probation, less than two years have elapsed since the date of the conclusion of the probation period; (iii) a person who has been a former director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise; (iv) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law or has been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation; (v) a person who is liable for a relatively large amount of debts that are overdue and is listed as a dishonest debtor by the people's court.

Where a company elects or appoints a director to which any of the above circumstances applies, such election or appointment shall be null and void. A director to which any of the above circumstances applies during his/her term of office shall be released of his/her duties by the company.

Under the PRC Company Law, the board shall appoint a chairman and may appoint a vice chairman.

The chairman and the vice chairman shall be elected with approval of more than half of all the directors. The chairman shall convene and preside over board meetings and review the implementation of board resolutions. The vice chairman shall assist the chairman to perform his/her duties. Where the chairman is incapable of performing or is not performing his/her duties, the duties shall be performed by the vice chairman. Where the vice chairman is incapable of performing or is not performing his/her duties, a director nominated by more than half of the directors shall perform his/her duties.

Manager and Senior Management

Under the PRC Company Law and the Guidelines, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall be accountable to the board of directors and exercise his/her powers:

(1) to manage the production and operation of the company and arrange for the implementation of the resolutions of the board of directors;

(2) to arrange for the implementation of the company's annual operation plans and investment proposals;

(3) to formulate proposals for the establishment of the company's internal management organs;

(4) to formulate the fundamental management system of the company;

(5) to formulate the company's specific rules and regulations;

(6) to recommend the appointment or dismissal of any deputy manager and any financial officer of the company;

(7) to appoint or dismiss management personnel (other than those required to be appointed or dismissed by the board of directors); and

(8) to exercise any other authority granted by the board of directors or the articles of association.

Other provisions in the articles of association on the manager's powers shall also be complied with. The manager shall be present at meetings of the board of directors. However, the manager shall have no voting rights at meetings of the board of directors unless he/she concurrently serves as a director.

According to the PRC Company Law, senior management refers to the manager, deputy manager, financial officer, secretary to the board of a listed company and other personnel as stipulated in the articles of association.

Duties of Directors and Senior Management

According to the PRC Company Law and the Guidelines, directors and senior management owe a duty of loyalty to the company and shall take measures to avoid conflicts of interest between their personal interests and the interests of the company, and shall not use their authority to seek improper benefits. Directors and senior management owe a duty of diligence to the company, and in the execution of their duties, shall exercise the usual and reasonable care that a manager should have for the maximum benefit of the company.

Directors and senior management are prohibited from:

(1) embezzling company property, or misappropriation of the company's capital;

(2) depositing company funds into accounts under their own names or the names of other individuals to deposit;

(3) using his authority to engage in bribery or accept other illegal income;

(4) entering into contracts or transactions directly or indirectly with the company without being reported to the board of directors or the shareholders' meeting and approved by the board of directors or a resolution of the shareholders' meeting in accordance with the provisions of the articles of association;

(5) using his authority to procure business opportunities for themselves or others that should have otherwise been available to the company, unless such business opportunities are reported to the board of directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or the company is not allowed to take advantage of such business opportunities in accordance with the provisions of the laws, administrative regulations, or the articles of association;

(6) unauthorized divulgence of confidential information of the company;

(7) accepting commissions paid by a third-party for transactions conducted with the company;

(8) using his affiliation to impair the interests of the company; and

(9) other acts in violation of their duty of loyalty to the company.

Income generated by directors or senior management in violation of the provisions of the preceding paragraph shall be returned to the company.

A director or senior management who contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

Where a director or senior management is required to attend a shareholders' meeting, such director or senior management shall attend the meeting and answer the inquiries from shareholders. Directors and senior management shall furnish all true information and data to the audit committee, without impeding the discharge of duties by the audit committee.

Where a director or senior management other than the audit committee contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company, shareholder(s) holding individually or in aggregate no less than 1% of the company's shares consecutively for at least 180 days may request in writing that the audit committee institute litigation at a people's court on its behalf. Where the member of the audit committee violates the laws or administrative regulations or the articles of association in the discharge of its duties resulting in any loss to the company, such shareholder(s) may request in writing that the board of directors institute litigation at a people's court on its behalf. If the audit committee or the board of directors refuses to institute litigation after receiving this written request from the shareholder(s), or fails to institute litigation within 30 days of the date of receiving the request, or in case of emergency where failure to institute litigation immediately will result in irrecoverable damage to the company's interests, such shareholder(s) shall have the power to institute litigation directly at a people's court in its own name for the company's benefit. For other parties who infringe the lawful interests of the company resulting in loss to the company, such shareholder(s) may institute litigation at a people's court in accordance with the procedure described above. Where a director or senior management contravenes any laws, administrative regulations or the articles of association in infringement of shareholders' interests, a shareholder may also institute litigation at a people's court.

Finance and Accounting

Under the PRC Company Law and the Guidelines, a company shall establish its own financial and accounting systems according to the laws, administrative regulations and the regulations of the competent financial departments of the State Council. At the end of each financial year, a company shall prepare a financial report which shall be audited by an accounting firm in accordance with the laws. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial departments of the State Council.

The company's financial reports shall be made available for shareholders' inspection at the company 20 days before the convening of an annual meeting. A joint stock limited company that makes public stock offerings shall publish its financial reports.

When distributing each year's profits after taxation, the company shall set aside 10% of its profits after taxation for the company's statutory common reserve fund until the fund has reached 50% or more of the company's registered capital. When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the current year's profits shall first be used to make up the losses before any allocation is set aside for the statutory common reserve fund. After the company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon passing a resolution at a shareholders' meeting, make further allocations from its profits after taxation to the discretionary common reserve fund. After the company has made good its losses and made allocations to its discretionary common reserve fund, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by the articles of association.

The company shall not be entitled to any distribution of profits in respect of shares held by it.

Where the company, in violation of the preceding paragraph, distributes profits to the shareholders, the profits so distributed shall be returned to the company. Shareholders and the liable directors and senior management shall be liable for compensation for any losses caused to the company.

The premium over the nominal value of the shares of the company earned from the issue of share, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital, and other items required by the financial department of the State Council to be included in the capital reserve shall be classified as the capital reserve of the company. The reserve fund of a company shall be applied to make good the company's losses, expand its business operations or increase its registered capital. The discretionary reserve fund and statutory reserve fund shall be used first to make up the company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations. Upon the transfer of the statutory reserve fund into registered capital, the balance of the fund shall not be less than 25% of the registered capital of the company before such transfer.

The company shall have no accounting books other than the statutory books. The company's assets shall not be deposited in any account opened under the name of an individual.

Appointment and Dismissal of Auditors

Pursuant to the PRC Company Law and the Guidelines, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' meeting in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting conducts a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

Profit Distribution

According to the PRC Company Law, a company shall not distribute profits before losses are covered and the statutory reserve fund is provided. Meanwhile, according to the Overseas Listing Trial Measures, domestic enterprises may raise funds and pay dividends in foreign currencies or Renminbi for overseas offering and listing.

Amendments to the Articles of Association

Pursuant to PRC Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by at least two-thirds of the votes held by shareholders attending the meeting.

Dissolution and Liquidation

Under the PRC Company Law, a company shall be dissolved for any of the following reasons:

(1) the term of its operation set out in the articles of association has expired or other events of dissolution specified in the articles of association have occurred;

(2) the shareholders' meeting has resolved to dissolve the company;

(3) the company is dissolved by reason of its merger or division;

(4) the business license of the company is revoked or the company is ordered to close down or to be dissolved in accordance with the laws;

(5) the company is dissolved by a people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all shareholders of the company, on the grounds that the operation and management of the company has suffered serious difficulties that cannot be resolved through other means, rendering ongoing existence of the company a cause for significant losses to the shareholders.

In the event of paragraphs (1) and (2) above and property has not yet been distributed to shareholders, the company may carry on its existence by amending its articles of association. The amendments to the articles of association in accordance with the provisions described above shall require the approval of more than two-thirds of voting rights of shareholders attending a shareholders' meeting.

Where the company is dissolved under the circumstances set forth in paragraphs (1), (2), (4) or (5) above, it should be liquidated.

Directors shall be the liquidation obligors, and a liquidation committee shall be formed, within 15 days from the occurrence of the events of dissolution, to perform liquidation. The liquidation committee shall consist of the directors, unless otherwise stipulated in the articles of association or otherwise selected by a resolution of the shareholders' meeting. If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner, thereby causing losses to the company or the creditors, such liquidation obligor shall be liable for compensation.

The liquidation committee may exercise following powers during the liquidation:

(1) to sort out the company's assets and to prepare a statement of financial position and an inventory of assets, respectively;

(2) to notify creditors by notice or public notices;

(3) to deal with any outstanding business related to the liquidation;

(4) to pay outstanding tax together with any tax arising during the liquidation process;

(5) to settle claims and liabilities;

(6) to handle the company's remaining assets after its debts have been paid off;

(7) to represent the company in any civil procedures.

The liquidation committee shall notify the company's creditors within 10 days of its establishment, and publish an announcement in the newspapers or on the National Enterprise Credit Information Publicity System within 60 days.

A creditor shall lodge his claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if he has not received any notification. A creditor shall report all matters relevant to his claimed creditor's rights and furnish relevant evidence. The liquidation committee shall register such creditor's rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

Upon disposal of the company's property and preparation of the required statement of financial position and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders' meeting or a people's court for endorsement. The remaining part of the company's assets, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to shares held by them. The company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The company's property shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

Upon liquidation of the company's property and preparation of the required statement of financial position and inventory of assets, if the liquidation committee becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to a people's court for a declaration of bankruptcy in accordance with the laws. Following such declaration by the people's court, the liquidation committee shall hand over the administration of the liquidation to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or a people's court for confirmation of its completion. Following such confirmation, the report shall be submitted to the company registration authority to cancel the company's registration. Members of the liquidation committee shall assume of duties of loyalty and care when performing liquidation functions. Members of the liquidation committee are liable to indemnify the company in respect of any loss arising from their negligence in performing liquidation duties; members of the liquidation committee are liable to indemnify the creditors in respect of any loss arising from their willful or gross negligence.

Liquidation of a company declared bankrupt according to laws shall be processed in accordance with the laws on corporate bankruptcy.

Overseas Listing

Pursuant to the Overseas Listing Trial Measures, where an issuer submits an application for initial public offering to competent overseas regulators, such issuer must file with the CSRC within three PRC business days after such application is submitted.

Loss of Share Certificates

If a registered share certificate is stolen, lost or destroyed, the respective shareholder may apply, in accordance with the public notice procedures set out in the PRC Civil Procedure Law, to a people's court for a declaration that such certificate will no longer be valid. After the people's court declares the invalidity of such certificate, the shareholder may apply to the company for a replacement share certificate.

Merger and Division

Pursuant to the PRC Company Law and the Guidelines, a merger agreement shall be signed by merging companies and the involved companies shall prepare respective statements of financial position and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in the newspapers or on the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the notification, or within 45 days of the date of the announcement if he has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving or the new company.

In case of a division, the company's assets shall be divided and a statement of financial position and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in the newspapers or on the National Enterprise Credit Information Publicity System within 30 days. Unless an agreement in writing is reached with creditors before the company's division in respect of the settlement of debts, the liabilities of the company which have accrued prior to the division shall be jointly borne by the divided companies.

Changes in the business registration of the companies as a result of the merger or division shall be registered with the company registration authority in accordance with the law.

In accordance with the laws, cancelation of a company shall be registered when a company is dissolved and incorporation of a company shall be registered when a new company is incorporated.

SUMMARY OF MATERIAL DIFFERENCES BETWEEN HONG KONG AND PRC COMPANY LAWS

As a joint stock company established in the PRC and intending to have its Shares initially listed on the stock exchange, the Company shall comply with the PRC Company Law and all other rules and regulations promulgated pursuant to the PRC Company Law.

Set out below is a summary of certain material differences between Hong Kong company law applicable to a company incorporated in Hong Kong and the PRC Company Law applicable to a joint stock company incorporated and existing under the PRC Company Law. This summary is, however, not intended to be an exhaustive comparison.

Company Existence

According to the PRC Company Law, a joint stock company can be established through promotion or public offering.

Share Capital

According to the PRC Securities Law, listing applications shall comply with the listing rules of the stock exchange.

According to the PRC Company Law, shareholders may make capital contributions in the form of cash, physical assets, intellectual property, land use rights, equity, creditor's rights, or other non-monetary assets that can be valued in monetary terms and legally transferred, except for property that is prohibited from being used for the purpose of capital contributions by laws and administrative regulations. Non-monetary property used as capital contributions shall be appraised and verified, and shall not be overvalued or undervalued. If laws or administrative regulations have provisions on valuation, such provisions shall prevail.

Restrictions on Transfer of Equity and Shares

According to the laws of the PRC, unlisted shares denominated and subscribed in RMB may only be subscribed for or traded by Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors. Overseas listed shares denominated in RMB and subscribed for in foreign currency may only be subscribed for and traded by investors in countries and regions outside China or other qualified Chinese institutional investors. If H Shares are eligible securities under the Southbound Stock Connect, the such shares may also be subscribed for and traded by domestic Chinese investors in accordance with the rules and restrictions of the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

According to the PRC Company Law, shares issued before a company publicly issues shares shall not be transferred within one year from the date of the listing and trading of the company's shares on a stock exchange. If laws, administrative regulations or the securities regulatory authority under the State Council provide otherwise regarding the transfer of shares held by shareholders or actual controllers of listed companies, such provisions shall prevail. Directors, supervisors and senior management of a company shall report to the company their shareholdings in the company and any changes therein. During their term of office, the shares transferred each year shall not exceed 25% of the total number of the company's shares they hold. The shares they hold in the Company shall not be transferred within one year from the date the company's shares are listed and traded on a stock exchange. Within six months after leaving office, the aforementioned personnel shall not transfer the company's shares they hold. The articles of association of a company may make other restrictive provisions on the transfer of the company's shares held by its directors, supervisors and senior management.

Notice of Shareholders' Meetings

According to the PRC Company Law, the notice of an annual shareholders' meeting shall be issued no less than 20 days before the date of the meeting; the notice of an extraordinary shareholders' meeting shall be issued no less than 15 days before the date of the meeting.

Quorum for Shareholders' Meetings

The PRC Company Law does not specify a quorum for shareholders' meetings.

Voting at Shareholders' Meetings

According to the PRC Company Law, resolutions at a shareholders' meeting shall be adopted by shareholders representing more than half of the voting rights. Resolutions on amending the company's articles of association, increasing or decreasing the registered capital, and resolutions on the merger, division, dissolution, or change of the company's form shall be adopted by shareholders representing two-thirds or more of the voting rights.

Modification of Class Share Rights

According to the PRC Company Law, any matter that may affect a company's class shareholders' rights shall require the approval by shareholders representing two-thirds or more of the voting rights at the class shareholders' meeting, in addition to approval by the shareholders' meeting.

Directors

According to the PRC Company Law, if any director directly or indirectly enters into a contract or transaction with the company, the director shall report the relevant matters in relation to the contract or transaction to the board of directors or the shareholders' meeting, and obtain approval from the board of directors or the shareholders' meeting in accordance with the company's articles of association. The above provisions shall apply when any close family member of the director, or any enterprise directly or indirectly controlled by the director or any of his/her close family members, or any related party otherwise related with the director, enters into a contract or transaction with the company. If a director is removed from office without justifiable reasons before the expiration of his/her term, he/she may claim compensation for losses from the company.

Unlike the Companies Ordinance, the PRC Company Law does not contain any provisions regarding directors' declaration of interests in material contracts, restrictions on directors' rights to make material disposals, restrictions on the company providing certain benefits to directors and providing guarantees for directors' liabilities, and prohibitions on proving departure compensation without shareholders' approval.

Supervisory Committee

According to the PRC Company Law, for a joint stock company with a supervisory committee, the directors and senior management of the company shall be subject to the supervision of the supervisory committee.

Derivative Actions by Minority Shareholders

According to the PRC Company Law, if any director, supervisor, or senior management violates any laws, administrative regulations or the company's articles of association in the performance of their duties, thereby causing losses to the company, shareholders who individually or collectively hold 1% or more of the company's shares for more than 180 consecutive days may request the supervisory committee in writing to file a lawsuit with the people's court. If a supervisor violates the relevant provisions of the company law, the aforementioned shareholders may request the board of directors in writing to file a lawsuit with the people's court. If the supervisory committee or the board of directors refuses to file a lawsuit after receiving such written request from the shareholders, or fails to file a lawsuit within 30 days from the date of receiving the request, or if the situation is urgent and failure to file a lawsuit immediately will cause irreparable damage to the company, the aforementioned shareholders shall have the right to directly file a lawsuit with the people's court in their own name for the benefit of the company.

The Guidelines for the Articles of Association of Listed Companies also stipulate other remedies when directors, supervisors and senior management violate their responsibilities to the company. In addition, as a condition for the listing of shares on the Stock Exchange, each director and supervisor of a joint stock company must make a commitment to the shareholders to act as their representatives for the benefit of the company. This allows minority shareholders to take actions against directors and supervisors for dereliction of duty.

Protection of Minority Shareholders' Rights and Interests

The PRC Company Law stipulates that if a company encounters serious difficulties in its operation and management and its continued existence would cause significant detriment to the interests of shareholders, which cannot be resolved through other means, shareholders holding 10% or more of the company's voting rights may request the people's court to dissolve the company.

The Guidelines for the Articles of Association of Listed Companies also stipulate other remedies when directors, supervisors and senior management violate their responsibilities to the company. In addition, as a condition for the listing of shares on the Stock Exchange, each director and supervisor of a joint stock company must make a commitment to the shareholders to act as their representatives for the benefit of the company. This allows minority shareholders to take actions against directors and supervisors for dereliction of duty.

Financial Disclosure

According to the PRC Company Law, the financial reports of a joint stock company shall be placed at the company for shareholders to inspect 20 days before the holding of the shareholders' meeting. In addition, a joint stock company that publicly offers shares shall publish its financial reports.

According to the PRC Company Law, a company shall prepare its financial report at the end of each financial year and have them audited by an accounting firm according to law.

Information about Directors and Shareholders

The PRC Company Law grants shareholders the right to inspect and copy the company's articles of association, minutes of shareholders' meetings, resolutions of the board of directors or the supervisory committee, and financial reports.

Company Restructuring

According to the PRC Company Law, the merger, division, dissolution, or change of company form of a joint stock company shall be approved by the shareholders at a shareholders' meeting.

Mandatory Deductions

According to the PRC Company Law, before distributing after-tax profit, a company shall allocate 10% of its profits to the statutory reserve fund. When the total amount of the company's statutory reserve fund reaches 50% of the company's registered capital, it may cease to make further allocations. After a company make allocations to the statutory reserve fund from its after-tax profit, it may, upon approval by the shareholders' meeting by way of a resolution, make allocations to the discretionary reserve fund from its after-tax profit.

Company Remedies

According to the PRC Company Law, if any director, supervisor or senior management violates any laws, administrative regulations or the company's articles of association in the performance of their duties, thereby causing losses to the company, he/she shall be liable for compensation.

Dividends

According to the PRC Company Law, the after-tax profit of a company after making up for losses and making allocations to the reserve funds shall be distributed by the company to the shareholders in proportion to their shareholdings, unless otherwise stipulated in the company's articles of association.

Fiduciary Duties

According to the PRC Company Law, directors, supervisors, managers and other senior management of a company shall assume duties of loyalty and care to the company. The relevant persons shall abide by the company's articles of association, faithfully and diligently perform their duties, protect the company's interests, and shall not abuse their positions and rights for their personal gain.

Closure of Register of Shareholders

According to the PRC Company Law, the register of shareholders shall not be changed within 20 days before the date of a shareholders' meeting or within five days before the record date for the company's decision to distribute dividends. If laws, administrative regulations or the securities regulatory authority under the State Council provide otherwise regarding changes to the register of shareholders of listed companies, such provisions shall prevail.

This appendix sets out the summary of the main clauses of the Articles of Association adopted by the Company on March 18, 2025 which shall become effective as at the date on which the H shares are [**REDACTED**] on the Stock Exchange. As the main purpose of this appendix is to provide an overview of the Articles of Association, it may not necessarily contain all information that is important for prospective investors.

SHARES

The shares issued by the Company, all of which are ordinary shares, shall be denominated in RMB, with a nominal value of RMB1.00 per share.

The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights.

Shares of the same class and the same issue shall be issued on the same conditions and at the same price. Any individual shall pay the same price for each of the shares he/she subscribes for.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Capital increase

In light of the Company's needs for operation and development, the Company may increase its registered capital according to laws, regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and subject to a special resolution of the shareholders' meeting by any of the following means:

(i) offering shares to non-specific parties;

(ii) offering shares to specified parties;

(iii) Issue of stock dividends to existing shareholders;

(iv) Issue of bonus shares out of the paid-in surplus reserve;

(v) other means stipulated by applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place where the shares of the Company are [**REDACTED**] and approved by or filed with the relevant regulatory authorities.

Capital reduction

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law, the Hong Kong Listing Rules and other relevant regulations, as well as the Articles of Association.

Share repurchase

Under any of the following circumstances, the Company may repurchase its own shares in accordance with laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association:

(i) reducing the registered capital of the Company;

(ii) combined with another company holding shares of the Company;

(iii) using shares for employee stock ownership schemes or share incentives;

(iv) acquiring the shares of shareholders (upon their request) who vote against any resolution adopted at the general meeting on the merger or division of the Company;

(v) using shares for converting convertible corporate bonds into shares issued by the Company;

(vi) as required for the Company to maintain corporate value and shareholders' interests;

(vii) other circumstances under which the shares of the Company may be repurchased as permitted by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**].

The Company shall not engage in [**REDACTED**] of the Company's shares except under the circumstances described above.

The Company may repurchase its own shares in any of the following manner:

(i) to make a repurchase offer to all shareholders in proportion to their respective shareholdings;

(ii) to repurchase through open market transactions;

(iii) other means as permitted by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the CSRC (if appropriate).

Where the Company repurchases its own shares under any of the circumstances specified in items (iii), (v) and (vi) in the first paragraph above of the Articles of Association, public centralized trading shall be adopted.

The repurchase by the Company of its own shares under any of the circumstances specified in items (i) and (ii) in the first paragraph above of the Articles of Association shall require a resolution of the general meeting; the repurchase by the Company of its own shares under any of the circumstances specified in items (iii), (v) and (vi) in the first paragraph above of the Articles of Association shall require a resolution of a Board meeting attended by two-thirds or more of the directors, under the authorization of the general meeting and provided that it complies with the applicable securities regulatory rules of the place where the shares of the Company are [**REDACTED**]. After the Company repurchasing its own shares pursuant to the provisions of the first paragraph above, such shares shall be cancelled within 10 days from the date of repurchase under the circumstance as described in item (i); such shares shall be either transferred or cancelled within six months under the circumstances as described in items (ii) and (iv).

The shares of the Company repurchased by the Company under the circumstances as described in the provisions of items (iii), (v) and (vi) of the first paragraph above of the Articles of Association shall not exceed 10% of the total number of issued shares of the Company and shall be transferred or cancelled within three years; such repurchase shall be funded by after-tax profits of the Company.

In the case of overseas-listed shares, if laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] provide otherwise in respect of matters related to share repurchases, such provisions shall prevail.

For any repurchase of its own shares by the Company, the obligation of information disclosure shall be fulfilled in accordance with the relevant provisions of the Securities Law, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**], and the CSRC and the Hong Kong Stock Exchange.

Transfer of shares

Shares already issued by the Company before the [**REDACTED**] shall not be transferred within one year of the date on which the shares of the Company are [**REDACTED**] on the Main Board of the Hong Kong Stock Exchange.

The directors and senior management of the Company shall declare, to the Company, information on their holdings of the shares of the Company and the changes thereto. The shares transferable by them during each year of their term of office as determined at the time of appointment shall not exceed 25% of the total shares they hold in the Company. They shall not transfer their shares of the Company within half a year from the date of their resignation. The shares that they hold in the Company shall not be transferred within one year of the date on which the shares of the Company are [**REDACTED**] and traded. If the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] provide otherwise in respect of the transfer restrictions on the Company's shares, such provisions shall prevail.

Where the Company's shareholders, directors or senior management who hold 5% or more of the Company's shares sell the Company's shares or other securities with the nature of equity they hold within six months of the relevant purchase, or purchase any share they have sold within six months of the relevant sale, the proceeds generated therefrom shall be incorporated into the profits of the Company, and the Board of Directors of the Company shall recover the proceeds. However, this does not apply under circumstances where securities companies hold 5% or more of the shares due to purchasing remaining shares after [**REDACTED**] and sale, or other circumstances stipulated by the regulatory rules of the place where the shares of the Company are [**REDACTED**] and the CSRC.

Shares or other securities with the nature of equity held by directors, senior management and natural person shareholders as mentioned in the preceding paragraph shall include shares or other securities with the nature of equity held by their spouses, parents or children, and held by them by using other people's accounts.

If the Board of Directors of the Company fails to comply with the first paragraph of this article, the shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the shareholders are entitled to initiate a legal proceeding directly in the people's court in their own names for the interest of the Company.

If the Board of Directors of the Company fails to implement the provisions set forth in the first paragraph of this article, the responsible directors shall bear joint and several liability in accordance with law.

Register of shareholders

The Company shall make a register of shareholders based on the convenor provided by securities registrar and settlement institutions. The register of members shall be sufficient evidence of the holding of shares in the Company by shareholders. Shareholders shall enjoy rights and assume obligations in accordance with the class of shares they hold; shareholders holding the same class of shares shall enjoy equal rights and assume equal obligations.

When the Company convenes shareholders' meeting, distributes dividends, carries out liquidation or other matters requiring the identification of shareholders, the Board or the convenor of the general meeting shall decide a record date. Shareholders whose names appear on the register of members as at the end of the record date shall be the shareholders entitled to the relevant rights and interests.

Where there are provisions in the Hong Kong Listing Rules on the period of closure of register of members prior to a shareholders' meeting or prior to the reference day on which the Company decides to distribute dividends, such provision shall prevail.

Rights and Obligations of Shareholders

Shareholders of the Company are entitled to the following rights:

(i) to speak and vote at general meetings, except where they are required by the Hong Kong Listing Rules to abstain from voting on individual matters;

(ii) to receive dividends and other distributions in other forms in proportion to the number of shares held by them;

(iii) to request, summon, preside over, attend or appoint a proxy to attend general meetings in accordance with law, to speak and exercise the corresponding voting rights (except where individual shareholders are required by the Hong Kong Listing Rules to abstain from voting on individual matters) at general meetings;

(iv) to oversee the Company's business operations and make recommendations or queries;

(v) to transfer, donate or pledge shares held by them in accordance with laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association;

(vi) to consult and replicate the Articles of Association, the register of members (including the register of holders of H shares, the Company may close the register of members in accordance with the provisions equivalent to Rule 632 of the Companies Ordinance under Chapter 622 of the Laws of Hong Kong), minutes of general meetings, resolutions of meetings of the Board and financial accounting reports published or disclosed. A qualified shareholder may inspect the accounting books and vouchers of the Company;

(vii) to participate in the distribution of the residual assets of the Company in the proportion of the shares they hold in the event of its termination or liquidation;

(viii) to require the Company to purchase the shares of shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company;

(ix) other rights prescribed by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association.

The minority shareholders stake in the Company shall be able to convene an extraordinary shareholders' meeting and add resolutions to a meeting agenda. The minimum share required to do so shall be 10% of the voting rights, on a one vote per share basis, in the share capital of the Company.

The shareholders of the Company shall undertake the following obligations:

(i) abiding by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association;

(ii) paying the subscription monies based on the number of shares subscribed for and the manners of subscription;

(iii) not withdrawing contributions for shares, unless otherwise stipulated by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association;

(iv) not abusing shareholder's rights to harm the interests of the Company or other shareholders, and shall be liable for compensation in accordance with law if causing losses to the Company or other shareholders; not abusing the independent legal person status of the Company and the limited liability of shareholders to evade debts and harm the interests of the Company's creditors, and shall assume joint and several liability for the Company's debts if causing serious harms to the interests of the Company's creditors;

(v) any other obligations stipulated by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association.

Where a shareholder utilizes two or more companies under its control to conduct the acts specified in the preceding paragraph, each such company shall bear joint and several liability for the corporate debts.

Controlling Shareholders and the Actual Controllers

The controlling shareholders and the actual controllers of the Company shall comply with the following provisions:

(i) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their affiliation to prejudice the legitimate interests of the Company or other shareholders;

(ii) to strictly implement the public statements and [**REDACTED**] made and shall not change or waive them;

(iii) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are proposed to occur;

(iv) not to appropriate the Company's funds in any way;

(v) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(vi) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;

(vii) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, foreign investment or any other means;

(viii) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organisation and business, and not to affect the independence of the Company in any way;

(ix) any provision stipulated by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association.

Where a controlling shareholder or an actual controller of the Company does not act as a director of the Company but actually carries out the affairs of the Company, the provisions of the Articles of Association relating to the duties of loyalty and diligence of directors shall apply.

Where a controlling shareholder or an actual controller of the Company instructs a director or senior management to engage in an act that is detrimental to the interests of the Company or the shareholders, he/she shall be jointly and severally liable with such director or senior management.

Where a controlling shareholder or an actual controller pledges the shares of the Company that he/she holds or actually controls, he/she shall maintain the stability of the Company's control and production operations.

SHAREHOLDERS' MEETINGS

General provisions for shareholders' meetings

The shareholders' meeting comprises all shareholders and is the organ of authority of the Company, and shall exercise the following functions according to law:

(i) to elect and replace the directors and to decide on the matters relating to the remuneration of directors;

(ii) to consider and approve the reports of the Board of Directors;

(iii) to consider and approve the profit distribution plans and loss recovery plans of the Company;

(iv) to make a resolution on the increase or decrease of the registered capital of the Company;

(v) to make a resolution on the issuance of corporate bonds;

(vi) to make a resolution on the merger, division, dissolution, liquidation or change in corporate form of the Company;

(vii) to amend the Articles of Association;

(viii) to make a resolution on the Company's engagement and dismissal of an accounting firm engaged in the audit work of the Company and the audit fee of the accounting firm;

(ix) to consider and approve the transactions prescribed in article 41 of the Articles of Association;

(x) to consider and approve the guarantees prescribed in article 42 of the Articles of Association;

(xi) to consider the purchase or sale of material assets by the Company in excess of 30% of the Company's latest audited total assets within one year;

(xii) to consider and approve transactions between the Company and its affiliated parties that meet the requirements for approval by the general meeting under the Hong Kong Listing Rules;

(xiii) to consider and approve changes in the use of proceeds;

(xiv) to consider the share incentive schemes and/or the employee stock ownership schemes;

(xv) to consider other matters on which decisions shall be made by the general meeting as required by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association.

The transactions in which the Company receives benefits unilaterally, including receiving monetary assets as gift, debt relief, accepting guarantees and assistance etc., may be exempt from the consideration procedure at the general meeting set forth in item (ix) of the first paragraph of this article. The transactions between the Company and its majority-owned subsidiaries within the scope of its consolidated statements or between the above-mentioned majority-owned subsidiaries shall be exempt from the consideration procedure at the general meeting set forth in item (x) of the first paragraph of this article, unless where otherwise provided or where the legitimate rights and interests of shareholders are impaired.

General meetings are classified into annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year within six months from the end of the previous fiscal year.

Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:

(i) when the number of directors is less than two thirds of the number prescribed by law and the number specified in the Articles of Association;

(ii) when the unrecovered losses of the Company amount to one third of the total share capital;

(iii) when shareholders individually or collectively holding 10% or more shares of the Company make such request;

(iv) when the Board of Directors deems it necessary;

(v) when the Audit Committee proposes to hold such a meeting;

(vi) when the number of independent non-executive directors falls short of the statutory minimum specified in law;

(vii) other circumstances as stipulated in applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association.

The number of shares held as described in item (iii) above shall be calculated as per the shares of the Company held by the shareholder on the date when such written request is made by such shareholder or if such date is a non-trading day, the close of trading day immediately prior to date of such written request.

Convening of general meetings

General meetings shall be convened by the Board of Directors. The publication of notices of general meetings (including supplementary notices) shall comply with the relevant laws and regulations and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**].

The Audit Committee shall have the right to propose to the Board of Directors the convening of an extraordinary general meeting and shall submit the proposal in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations and the provisions of the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving the proposal.

If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the general meeting within five days after a resolution of the Board of Directors is made, and any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within ten days after receiving the proposal, it shall be deemed that the Board of Directors is unable to perform or does not perform its duty to convene the general meeting, and the Audit Committee may convene and preside over the meeting on its own initiative.

Shareholders who individually or collectively hold ten per cent or more of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting and shall submit the request in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback to the shareholders on whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving the request.

If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the general meeting within five days after a resolution of the Board of Directors is made, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within ten days after receiving the request, shareholders who individually or collectively hold ten per cent or more of the Company's shares shall have the right to propose to the Audit Committee that an extraordinary general meeting be convened and shall submit their request in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days of receipt of the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the Audit Committee fails to issue the notice of general meeting within the prescribed period, it shall be deemed that the Audit Committee would not summon and preside over the general meeting, and shareholders who individually or collectively hold 10% or more of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on their own initiative. Prior to the announcement of the resolution adopted at the general meeting, shareholders convening the general meeting shall jointly hold 10% or more of the Company's shares.

Where laws, administrative regulations, rules or relevant rules of the securities regulatory authorities in the place where the shares of the Company are [**REDACTED**] otherwise provide, such provisions shall prevail.

Independent non-executive directors shall have the right to propose the convening of an extraordinary general meeting to the Board of Directors. For such a proposal, the Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within 10 days after receiving the proposal.

If the Board of Directors agrees the convening of the extraordinary general meeting, it shall issue a meeting notice within 5 days after passing the relevant resolution. If the Board of Directors disagrees the convening of the extraordinary general meeting, it shall state the reasons and notify all shareholders through appropriate means.

If the Audit Committee or shareholders decide to convene a general meeting on their own initiative, they shall provide written notice to the Board of Directors.

Prior to the conclusion of the general meeting, the shareholding percentage of the convening shareholders shall not be lower than 10%.

When issuing the notice of the general meeting and announcing the resolutions of the general meeting, the Audit Committee or convening shareholders shall submit relevant supporting documents (if required) to the securities regulatory authorities at the Company's place of registration and the stock exchange of the place where the shares of the Company are [**REDACTED**], in compliance with applicable regulations.

Proposals of general meetings

When the Company convenes a general meeting, the Board of Directors, the Audit Committee, or shareholder(s) individually or collectively holding 1% or more of the Company's shares may submit proposals to the Company.

Shareholder(s) individually or collectively holding 1% or more of the Company's shares may submit interim proposals in writing to the convener 10 days before the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days after receiving such proposals, specifying the content of the interim proposals and submitting such interim proposals to the general meeting for consideration. However, interim proposals violating laws, administrative regulations, or the Articles of Association, or beyond the scope of powers and functions of the general meeting, shall be excluded.

Except as provided in the preceding paragraph, after issuing the notice of the general meeting, the convener shall not modify the proposals listed in the notice of the general meeting or add new proposals.

Proposals not included in the notice of the general meeting or not in compliance with laws, regulations or the Articles of Association shall not be voted on and no resolution shall be passed thereon at the general meeting.

Notices of general meetings

The convener shall issue a written notice to shareholders at least 21 days before the date fixed for holding an annual general meeting, and a written notice to shareholders at least 10 business days or 15 days before the date fixed for holding an extraordinary general meeting.

Where laws, regulations, and the securities regulatory authorities or stock exchange of the place where the shares of the Company are [**REDACTED**] provide otherwise, such provisions shall prevail. If the general meeting is required to be postponed under the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] due to the publication of a supplementary notice of the general meeting, the meeting shall be postponed in accordance with the securities regulatory rules of the place where the shares of the Company are [**REDACTED**].

For the purpose of calculating the notice period, the date of the meeting shall be excluded. Where laws, regulations, or the securities regulatory authorities of the place where the shares of the Company are [**REDACTED**] provide otherwise, such provisions shall prevail.

Holding of general meetings

A general meeting shall have a venue and shall be held as an on-site meeting. All shareholders whose names appear on the register of members on the record date or their proxies are entitled to attend the general meeting and exercise voting rights in accordance with laws, regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**], and the Articles of Association, unless certain shareholders are required to abstain from voting on particular matters as required by the Hong Kong Listing Rules.

The shares held by the Company do not carry any voting rights, and shall not be counted towards the total number of voting shares represented by shareholders attending a general meeting.

The Company's majority-owned subsidiaries shall not acquire shares of the Company. If a majority-owned subsidiary of the Company holds shares of the Company due to company merger, exercise of pledge rights, etc., it shall not exercise the voting rights carried by the shares held and shall dispose of the relevant shares of the Company in a timely manner. Before the elimination of the aforementioned circumstances, such subsidiary shall not exercise the voting rights carried by the shares held, and such shares shall not be counted towards the total number of voting shares present at the general meeting.

Shareholders may attend the general meeting in person or by proxy (who need not be a shareholder of the Company) to attend and vote on their behalf at the meeting. Shareholders who appoint proxies to attend the general meeting shall specify the matters, authority, and duration of the proxy.

An individual shareholder who attends the meeting in person shall produce his/her identity card or other valid document or proof evidencing his/her identity, and proof of shareholding; a proxy appointed to attend the meeting on behalf of others shall produce his/her own valid identity document, proxy form issued by the shareholder, and proof of shareholding.

If the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time, such shareholder may authorize one or more persons as it deems appropriate to act its representative at any general meeting or class meeting or creditors' meeting; however, if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each person is so authorized. A person so authorized may exercise rights on behalf of the recognized clearing house (or its nominee) without producing proof of shareholding, notarized authorization, and/or further evidence to confirm his/her formal authorization as if such person were an individual shareholder of the Company, enjoying the same legal rights as other shareholders, including the right to speak and vote.

A corporate shareholder/partnership shareholder shall attend the meeting by its legal representative/executive partner or proxy(ies) appointed by the legal representative/executive partner, and if the corporate shareholder/partnership shareholder has appointed proxy(ies) to attend any meeting, it shall be deemed to have attended in person. A legal representative/executive partner attending the meeting shall produce his/her identity card, valid proof evidencing his/her qualification as legal representative, and corresponding proof of shareholding; a proxy appointed to attend the meeting shall produce his/her own identity card and a written power of attorney duly issued by the legal representative of the corporate shareholder (unless the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time or the securities regulatory rules of the place where the shares of the Company are [**REDACTED**], in which case the corporate shareholder/partnership shareholder may execute the proxy form through its duly authorized person) and corresponding proof of shareholding.

A non-corporate organization shareholder shall attend the meeting by the principal officer (where the non-corporate organization shareholder is a partnership, if its executive partner is a natural person, the executive partner shall be the principal officer; if its executive partner is a corporation or non-corporate organization, the representative appointed by the executive partner shall be the principal officer, and the same applies hereinafter) or the proxy appointed by the principal officer. Where the principal officer attends the meeting, he/she shall produce his/her own identity card, valid proof evidencing his/her capacity as the principal officer and the corresponding proof of shareholding. Where a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card, the original of the written proxy form issued by the principal officer of the non-corporate organization shareholder according to law (affixed with common seal of the non-corporate organization shareholder) and the corresponding proof of shareholding.

Voting of general meetings

Shareholders (including those present at the general meeting by proxies) shall exercise their voting rights in line with the amount of the shares with voting rights they represent, each share shall carry one vote, unless the individual shareholders are required to abstain from voting on individual matters as required by the Hong Kong Listing Rules, or the shareholder is a class shareholder.

On a poll taken at a meeting, shareholders (including proxies) entitled to two or more votes need not cast all of their votes in favor of, or against.

If any shareholder is required to abstain from voting on any particular matter or restricted to voting only for or against any particular matter as required by the Hong Kong Listing Rules, the shareholder shall abstain from voting, and the votes cast by or on behalf of such shareholders in contravention of such requirements or restrictions shall not be counted.

When material issues affecting the interests of minority shareholders are considered at a general meeting, the votes of minority shareholders shall be counted separately. The separate votes counting results shall be disclosed publicly in a timely manner.

The shares held by the Company do not carry any voting rights, and shall not be counted towards the total number of voting shares represented by shareholders attending a general meeting.

When the shareholders' meeting considers matters relating to affiliated transactions, the affiliated shareholders shall not participate in voting by ballot and the number of shares with voting rights represented by them shall not be counted towards the total number of valid votes. The resolutions of the general meeting shall fully disclose the votes by non-affiliated shareholders (subject to the request of the Hong Kong Stock Exchange).

Before the shareholders' meeting considers matters relating to affiliated transactions, the Company shall determine the scope of affiliated shareholders in accordance with relevant laws, regulations and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**]. Affiliated shareholders or their proxies may attend the general meeting, and may clearly state their views to the shareholders in accordance with the procedures of the meeting, but they shall abstain from voting by ballot.

Where the general meeting votes matters relating to affiliated transactions, affiliated shareholders shall abstain from voting. If affiliated shareholders fail to abstain from voting, other shareholders attending the meeting shall have the right to request them to abstain from voting. After affiliated shareholders have abstained from voting, other shareholders shall vote according to their voting rights and pass the corresponding resolutions in accordance with the provisions of the Articles of Association. The chairman of the general meeting shall inform the affiliated shareholders of the voting avoidance and voting procedures, which shall be recorded in the meeting minutes.

When the general meeting makes a resolution on affiliated transactions, it shall be passed by more than half or two-thirds or more of the voting rights held by the non-affiliated shareholders present at the general meeting, depending on the difference between an ordinary resolution and a special resolution. Two representatives of non-affiliated shareholders shall participate in the counting and scrutinizing of votes on affiliated transactions.

In order to be valid, the resolutions made at the general meeting on matters relating to connected transactions shall be passed by more than half of the votes cast by the non-connected shareholders attending the general meeting. However, in order to be valid, in the event of such affiliated transaction involving matters that need to be passed by special resolution as stipulated in the Articles of Association, the resolutions of the general meeting must be passed by two-thirds or more of the voting rights held by the non-affiliated shareholders attending the general meeting. Where the affiliated shareholders fail to disclose the connected relationship or abstain from voting in respect of the connected matters in accordance with the aforesaid

procedures, all resolutions in respect of such connected matters shall be invalid and shall be voted again. Where an announcement is involved, the announcement of the resolution of the general meeting shall fully disclose the voting of the non-affiliated shareholders.

Resolution of general meetings

Resolutions at general meetings are divided into ordinary resolutions and special resolutions.

An ordinary resolution at a general meeting shall be passed by more than half of the voting rights held by the shareholders present at the general meeting (including those present at the general meeting by proxies).

A special resolution at a general meeting shall be passed by two-thirds or more of the voting rights held by the shareholders present at the general meeting (including those present at the general meeting by proxies).

The following matters shall be adopted by an ordinary resolution of the general meeting:

(i) working reports of the Board of Directors and the Audit Committee;

(ii) the profit distribution plans and loss recovery plans prepared by the Board of Directors;

(iii) the appointment and removal of members of the Board of Directors and the Audit Committee and their remuneration and payment method thereof;

(iv) matters other than those prescribed by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association that shall be adopted by special resolution.

The following matters shall be adopted by special resolution of the general meeting:

(i) increase or reduction of the registered capital of the Company;

(ii) division, merger, dissolution, change in corporate form and liquidation of the Company;

(iii) amendments to the Articles of Association;

(iv) purchase or sale of material assets or guarantees to others by the Company in excess of 30% of the Company's latest total audited assets within one year;

(v) share incentive schemes and employee stock ownership schemes;

(vi) other matters that shall be decided by the general meeting as stipulated in laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association, and those matters determined by a general meeting via ordinary resolution as having a material impact on the Company and are required to be adopted by a special resolution.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors are elected or replaced at a general meeting and may be removed from office by an ordinary resolution at the general meeting before the expiration of the term of office of any director (including an executive director), provided that such removal shall be without prejudice to any claim for damages that such director may have under any contract. A director shall hold office for a term of three years and shall be eligible for re-election upon expiration of his/her term of office. A director may not be dismissed at the general meeting without any cause before the expiration of his or her term of office. The Company may remove any director from office before the expiration of his/her term of office by way of an ordinary resolution at the general meeting, subject to compliance with the provisions of relevant laws and administrative regulations.

The term of office of a director shall commence from the date of taking the position until the expiration of the term of office of the current session of the Board of Directors. Where a re-election fails to be carried out in a timely manner upon the expiration of the term of office of a director, such director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association until the newly elected director assumes the office.

Any person appointed by the Board of Directors as a director to fill a casual vacancy on the Board of Directors or as an addition to the Board of Directors shall hold office only until the first annual general meeting after appointment and shall then be eligible for re-election.

A director who resigns shall submit a written notice to the Company, and the resignation shall become effective on the date the Company receives the notice. However, in the circumstances described in the preceding article, the director shall continue to perform his/her duties.

A director may be concurrently served by senior executive, but the total number of directors concurrently serving as senior management and who are employee representatives shall not exceed one-half of the total number of directors of the Company.

Board of Directors

The Board of Directors shall consist of 9 directors including 3 independent non-executive directors, with 1 chairman. The directors shall be elected or replaced by the general meeting.

The Board of Directors may have employee representatives. Where the Company has over 300 employees, except where the Company shall have the Audit Committee and representatives employees, the Board of Directors shall have the employee representatives. The employee representatives of the Board of Directors shall be directly elected by the employees of the Company through the employee congress, employee representative assembly, trade union or by other forms of democratic election.

The Board of Directors shall exercise the following functions:

(i) to summon general meetings and report its works to the general meeting;

(ii) to implement resolutions of the general meeting;

(iii) to decide on the Company's business plan and investment project;

(iv) to approve annual financial budget proposals and final accounts proposals for the Company;

(v) to formulate the profit distribution plans and loss recovery plans of the Company;

(vi) to formulate the plan for any increase or reduction in the registered capital, issue of bonds or other bonds and the listing of the Company;

(vii) to formulate the plans for major acquisitions of the Company, acquisition of the Company's shares or mergers, division, dissolutions and changes in corporate form of the Company;

(viii) to decide on matters such as external investment, entrusted wealth management, acquisition and sale of assets, pledge of assets, external guarantee and affiliated transactions of the Company within the scope of authorization as stipulated by laws, regulations and the Articles of Association or within the scope of authorization of the general meeting;

(ix) to decide on the establishment of the internal management organization of the Company;

(x) to decide on the appointment or dismissal of the manager and the secretary to the Board of Directors of the Company; and to decide on the matters of appointment or dismissal of senior management such as the deputy manager, the chief financial officer, and to decide on the remuneration, rewards and punishments of them upon nomination by the manager;

(xi) to formulate the basic management system of the Company;

(xii) to formulate the amendments to the Articles of Association;

(xiii) to manage corporate information disclosure matters;

(xiv) to submit to the general meeting a request for the engagement or replacement of the accounting firm auditing for the Company;

(xv) to receive reports on the work of the Company's manager and checking the work of the manager;

(xvi) such other functions and powers granted by laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**], the Articles of Association or the general meeting.

Matters exceeding the scope of authority delegated by the general meeting shall be submitted to the general meeting for consideration.

The Board of Directors shall have one chairman, who shall be elected by more than half of all directors. The Board of Directors shall not have a vice chairman.

The Board of Directors shall meet at least four times a year (around once a quarter), such meeting shall be convened by the chairman of the Board of Directors, with written notice to all directors 14 days prior to the meeting.

Shareholders representing at least one-tenth of the voting rights, more than half independent non-executive directors, one-third or more of the directors or the Audit Committee may propose the convening of an extraordinary meeting of the Board of Directors. The chairman of the Board of Directors shall summon and chair a meeting of the Board of Directors within ten days from the receipt of the proposal.

The means and time limit of the notice of the regular meeting of the Board of Directors shall be as follows: the written notice shall be given 14 days prior to the meeting. Where the Board of Directors convenes an extraordinary meeting, it shall notify all directors in writing 3 days prior to the meeting. The Board meeting may be convened immediately with the consent of all directors.

The Board meeting shall not be held unless more than half of the directors are present. A resolution of the Board of Directors must be approved by more than half of all directors. The resolution of the Board of Directors on the external guarantee of the Company must be approved by more than two-thirds of the directors present at the Board meeting, otherwise it must be submitted to the general meeting for approval. Without the approval of the Board of Directors or the general meeting, the Company shall not provide external guarantee.

The voting on resolutions of the Board of Directors shall be made on a one-person-one-vote basis.

Where the directors, general manager and other senior management of the Company have important interests, whether directly or indirectly, in the contracts, transactions and arrangements entered into or planned to be entered into by the Company (other than contracts of employment between the Company and its directors and senior management), the nature and extent of their interest shall be disclosed to the Board of Directors as soon as possible, no matter whether or not the relevant matter would normally require the approval and consent of the Board of Directors.

Where a director or his/her associate (as defined in the Hong Kong Listing Rules as in force from time to time) is affiliated with or is interested in the matter or business to which the Board of Directors has resolved in a meeting, the director shall report in writing to the Board of Directors in a timely manner, except as permitted by laws and regulations and securities regulatory rules of the place where the share of the Company are [**REDACTED**], (i) such director shall not exercise his/her voting rights in respect of such resolution and shall not exercise his/her voting rights on behalf of any other director; (ii) such director shall not be counted for the purpose of determining whether a quorum is present at such meeting of the Board of Directors. Such meeting of Board of Directors shall be held in the presence of a majority of the non-affiliated directors and a resolution at such meeting of the Board of Directors shall be approved by more than half of the non-affiliated directors; (iii) if the number of non-affiliated directors present at such meeting of the Board of Directors is less than three, the matter shall be submitted to a general meeting for consideration.

The voting by the Board of Directors in respect of "connected transactions" under the Hong Kong Listing Rules shall comply with the relevant provisions of the Hong Kong Listing Rules.

Special committees under the Board of Directors

The Board of Directors of the Company has established four special committees, namely the Audit Committee, the Nomination Committee, the Strategy Committee and the Remuneration and Assessment Committee. The special committees are accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and approval. All members of the special committees shall be directors. The Board of Directors shall formulate the working rules for each of the special committees of the Board of Directors and regulate the operation of the special committees.

SENIOR MANAGEMENT

General manager

The Company shall have a general manager and shall be appointed or dismissed by the Board of Directors.

The Company shall have a number of deputy general managers, who shall be nominated by the general manager and appointed or dismissed by the Board of Directors.

The managers shall be accountable to the Board of Directors and exercise the following functions and powers:

(i) to preside over the production and management works of the Company, organizing the implementation of resolutions of the Board of Directors and reporting to the Board of Directors;

(ii) to organize the implementation of the Company's annual business plan and investment projects;

(iii) to formulate plans for the establishment of the Company's internal management organization;

(iv) to formulate the basic management system of the Company;

(v) to establish the specific regulations of the Company;

(vi) to propose to the Board of Directors the appointment or dismissal of the deputy general manager and the chief financial officer of the Company;

(vii) to decide on the appointment or dismissal of officers other than those who should be appointed or dismissed by decision of the Board of Directors;

(viii) such other functions and powers as may be conferred by the Articles of Association or by the Board of Directors.

The general manager may be present at meetings of the Board of Directors as an observer, but has no voting rights at the meetings if he/she is not a director of the Company.

Board Secretary

The Company shall have a Board Secretary, who shall be responsible for the preparation of shareholders' meetings and meetings of the Board of Directors of the Company, the custody of documents and the management of the shareholders' information of the Company, and the handling of information disclosure matters.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial accounting system

The Company shall establish its financial and accounting system pursuant to laws, administrative regulations and provisions of relevant authorities of China. The Company shall prepare a financial report at the end of each accounting year, and such financial statement shall be reviewed and verified by accounting firms according to laws.

Profit distribution

When distributing after-tax profits, the Company shall allocate 10% of the profits to its statutory reserve. If the cumulative amount of the statutory reserve reaches 50% or more of the Company's registered capital, further allocation is not required.

If the statutory reserve of the Company is insufficient to cover the losses incurred in previous years, the Company shall use profits for the year to make up for such losses before making allocations to the statutory reserve in accordance with the preceding paragraph.

After making allocations to the statutory reserve from after-tax profits, the Company may, upon resolution of the general meeting, make allocations to the discretionary reserve from the after-tax profits.

The remaining after-tax profits, after covering losses and making allocations to reserves, shall be distributed to shareholders in proportion to their shareholdings.

If the general meeting distributes profits to shareholders before the Company covers losses or makes allocations to the statutory reserve in violation of the requirements of the preceding paragraph of this Article, shareholders shall return the profits distributed in violation of the preceding paragraph to the Company; for any losses caused to the Company, the shareholders and responsible directors, supervisors, and senior management shall be liable for compensation.

No profit distributions shall be made in respect of the shares of the Company held by itself.

The Company shall appoint one or more receiving agents for H shareholders in Hong Kong. Such receiving agents shall receive and hold the dividends and other payments distributed by the Company in respect of H shares on behalf of the relevant H shareholders until disbursement to such H shareholders. Receiving agents appointed by the Company shall comply with applicable laws, regulations, and securities regulatory rules of the place where the Company's shares are [**REDACTED**]. The receiving agent appointed by the Company for overseas [**REDACTED**] foreign shareholders [**REDACTED**] on the Hong Kong Stock Exchange shall be a trust company registered under the Hong Kong Trustee Ordinance.

The Company's reserves shall be used to cover losses, expand production and operations, or increase registered capital of the Company.

When using reserves to cover losses, the Company shall first utilize the discretionary reserve and the statutory reserve. If the reserves are insufficient to make up for losses, the capital reserve may be used as permitted by regulations.

When using the statutory reserve to increase registered capital, the retained amount in the reserve shall not be less than 25% of the registered capital prior to the increase.

If a proposal for cash dividends, bonus shares, or conversion of capital reserve into share capital is approved at a general meeting, the Company shall implement the specific plan therefor within two months after the conclusion of the meeting. If the requirements of laws, regulations, or the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] prevent such implementation within two months, the implementation timeline may be adjusted in accordance with such requirements and actual circumstances.

The Company may distribute dividends in cash, shares, or other methods permitted by law.

Internal audit

The Company shall implement an internal audit system and clarify the leadership system, responsibilities and authorities, personnel allocation, funding guarantee, application of audit results and accountability for internal audit. The Company's internal audit system shall be implemented upon approval of the Board of Directors and shall be disclosed publicly.

The internal audit institution of the Company shall conduct supervision and inspection on the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit institution is accountable to the Board of Directors. During the supervision and inspection of the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall be subject to the oversight and guidance of the Audit Committee. If the internal audit institution discovers any significant issues or leads, it shall immediately report directly to the Audit Committee.

Appointment of accounting firms

The Company shall engage accounting firms which are in compliance with the requirements of the Securities Law, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the shares of the Company are [**REDACTED**] to provide financial statement audit, net assets verification, and other relevant consulting services. The engagement term shall be one year and may be renewed.

The appointment and dismissal of an accounting firm must be decided by the general meeting, and the Board of Directors may not appoint an accounting firm prior to the decision of the general meeting. The appointment, dismissal, or removal of an accounting firm shall be decided by the general meeting by way of an ordinary resolution.

Notices

A notice of the Company shall be delivered by:

(i) hand;

(ii) post;

(iii) written fax;

(iv) facsimile, email or post;

(v) public announcements;

(vi) publication on the website designated by the Company and the website designated by the Hong Kong Stock Exchange, subject to the compliance with laws, administrative regulations and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**];

(vii) any other means approved by laws, administrative regulations, normative documents, the securities regulatory authorities of the place where the shares of the Company are [**REDACTED**] or provided in the Articles of Association.

Dissolution and liquidation of the Company

The Company is dissolved due to the following reasons:

(i) the term of its operation set out in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;

(ii) the general meeting has resolved to dissolve the Company;

(iii) the Company is dissolved by reason of its merger or division;

(iv) the business license is revoked, or the business is ordered to close down or is revoked, in accordance with laws;

(v) where the Company encounters serious difficulties in its operation and management and its continuance would cause a significant loss to the interest of shareholders, and such difficulties cannot be resolved through other means, in which case shareholders who hold more than 10% of the voting rights of the Company may present a petition to the people's court for the dissolution of the Company.

The Company shall, within ten days upon occurrence of the causes for dissolution specified in the preceding paragraph, announce the causes for dissolution through the National Enterprise Credit Information Publicity System.

The Company may continue in existence by amending the Articles of Association or upon a resolution of the general meeting under any of the circumstances prescribed in item (i) or (ii) above of the Articles of Association and it has not distributed the assets to its shareholders.

Any amendment to the Articles of Association or resolution of the general meeting under the preceding paragraph shall be subject to the consent of shareholders with two-thirds or more of the voting rights present at the shareholders' meeting.

Where the Company is to be dissolved pursuant to item (i), (ii), (iv) or (v) above of the Articles of Association, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall form a liquidation committee to commence the liquidation process within 15 days from the date when the event of dissolution occurs.

The liquidation committee shall be composed of the directors, unless it is otherwise elected by the general meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors. The Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time or the liquidation committee fails to liquidate the Company, any interested party may petition the people's court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.

Amendments to the Articles of Association

The Company shall amend the Articles of Association in any of the following circumstances:

(i) after the amendment to the Company Law, any other relevant law, administrative regulation, departmental rules, normative documents and the Hong Kong Listing Rules, any provision of the Articles of Association is in conflict with the amended law, administrative regulation, departmental rules, normative documents and Hong Kong Listing Rules;

(ii) any change of the Company results in inconsistency with the relevant provisions of the Articles of Association;

(iii) the general meeting decides to amend the Articles of Association.

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES

1. Incorporation

Our Company was established as a limited liability company in the PRC on January 18, 2007, and further converted into a joint stock company with limited liability on August 14, 2020.

As of the date of this document, our registered office and head office are located at No. 168, Yuanfeng Road, Yushan Town, Kunshan, Jiangsu Province, the PRC. Accordingly, our Company's corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in "Appendix VI — Summary of Articles of Association." A summary of certain relevant aspects of the laws and regulations of the PRC is set out in "Appendix V — Summary of Principal Laws and Regulations."

Our Company has established a principal place of business in Hong Kong at 40/F, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong. We were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on May 8, 2025. Mr. CHUNG Ming Fai, one of our joint company secretaries, has been appointed as the authorized representative of our Company for the acceptance of the service of process on behalf of the Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

2. Changes in Share Capital of Our Company

Save as disclosed in "History and Corporate Structure — Corporate Development and Major Shareholding Changes of Our Company", there has been no alteration in our share capital within two years immediately preceding the date of this document.

3. Changes in the Share Capital of Our Subsidiaries

Our Company's subsidiaries are set out note 1 in the Accountants' Report as set out in Appendix I to this document. The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this document:

On November 9, 2023, the registered capital of Azemidite was increased from RMB19,500,000 to RMB22,100,000.

On December 12, 2024, the share capital of Ribocure AB was increased from SEK1,187,500 to SEK1,253,000.

On June 13, 2025, the share capital of Ribocure AB was increased from SEK1,253,000 to SEK1,889,139.

On May 29, 2025, Shenzhen Ribotek was established in the PRC with registered capital of RMB15,000,000.

On July 25, 2025, Shandong Ribotek was established in the PRC with registered capital of RMB100,000,000.

On August 19, 2025, the registered capital of Azemidite was increased from RMB22,100,000 to RMB23,891,892.

Save as disclosed above and in the section headed "History and Corporate Structure" in this document, there has been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this document.

4. Shareholders' Resolutions

At the general meeting of our Company held on March 18, 2025, among other things, the following resolutions were passed by the Shareholders:

(a) the issuance by our Company of H Shares of the nominal value of RMB1.0 each and such H Shares be [**REDACTED**] on the Stock Exchange;

(b) the number of H Shares to be issued pursuant to the [**REDACTED**] shall be no more than 43,381,681 H Shares;

(c) subject to the completion of filing with the CSRC, upon completion of the [**REDACTED**], 134,203,110 Unlisted Shares in aggregate held by our Shareholders will be converted into H Shares on a one-for-one basis;

(d) subject to the completion of the [**REDACTED**], the granting of a general mandate to the Board to allot and issue H Shares (including any sale or transfer of treasury shares of the Company) at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to handle the approval or filing of the CSRC, the Stock Exchange and/or other relevant regulatory authorities with respect to in the aforementioned general mandate in accordance with the relevant laws and regulations, provided that, the number of H Shares to be issued shall not exceed 20% of the number of H Shares in issue (excluding treasury shares, if any) as of the [**REDACTED**];

(e) subject to the completion of the [**REDACTED**], the conditional adoption of the Articles of Association, which shall become effective on the [**REDACTED**], and the Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and other relevant regulatory authorities;

(f) authorization of the Board and its authorized persons to amend the resolutions in accordance with the requirements of competent regulatory authorities, and deal with the specific implementation; and

(g) authorization of the Board and its authorized persons to handle all matters relating to, among other things, the [**REDACTED**], the issue and [**REDACTED**] of the H Shares.

5. Reorganization

We have not gone through any corporate reorganization for the purpose of the [**REDACTED**]. For details of the history and development of our Company, see "History and Corporate Structure."

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contract

The following contract (not being contract entered into in the ordinary course of business) [has been] entered into by members of our Group within the two years preceding the date of this document and is or may be material:

(a) [**REDACTED**].

2. Intellectual Property Rights

(a) Trademarks

(i) Registered Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1. . .	RIBO-GalSTAR	PRC	the Company	1	65920149	2033.01.13
2. . .	RIBO-GalSTAR	PRC	the Company	5	65936256	2033.01.13
3. . .	RIBO-GalSTAR	PRC	the Company	42	65936264	2033.01.13
4. . .	RIBO-GalSTAR	EUIPO	the Company	1, 5, 42	1707621	2032.10.24

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
5. . .	RIBO-GalSTAR	U.S.	the Company	1, 5, 42	1707621	2032.10.24
6. . .	RIBOGALSTAR	PRC	the Company	1	63614098	2032.10.06
7. . .	RIBOGALSTAR	PRC	the Company	5	63618474	2032.10.06
8. . .	RIBOGALSTAR	PRC	the Company	42	63622674	2032.09.20
9. . .	RIBOGALSTAR	EUIPO	the Company	1, 5, 42	1686628	2032.07.15
10. . .	RIBOGALSTAR	U.S.	the Company	1, 5, 42	1686628	2032.07.15
11. . .	RiboGalSTAR	PRC	the Company	5	72555797	2033.12.27
12. . .	RiboGalSTAR	PRC	the Company	42	72543113	2033.12.20
13. . .	RiboGalSTAR	EUIPO	the Company	5, 42	1769805	2033.11.10
14. . .	RiboGalSTAR	U.S.	the Company	5, 42	1769805	2033.11.10
15. . .	RIBOOncoSTAR	PRC	the Company	1	70219773	2033.09.06
16. . .	RIBOOncoSTAR	PRC	the Company	5	70195521	2033.09.06
17. . .	RIBOOncoSTAR	PRC	the Company	42	70221302	2033.09.06
18. . .	RiboOncoSTAR	PRC	the Company	5	72543120	2033.12.20
19. . .	RiboOncoSTAR	PRC	the Company	42	72544736	2033.12.20
20. . .	RiboOncoSTAR	EUIPO	the Company	5, 42	1769807	2033.11.10
21. . .	RiboOncoSTAR	U.S.	the Company	5, 42	1769807	2033.11.10
22. . .	RiboPepSTAR	PRC	the Company	5	72606588	2033.12.27
23. . .	RiboPepSTAR	PRC	the Company	42	72626419	2033.12.27
24. . .	RiboPepSTAR	EUIPO	the Company	5, 42	1769806	2033.11.10
25. . .	RiboPepSTAR	U.S.	the Company	5, 42	1769806	2033.11.10

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
26. . .	AZEMIDITE 興博潤	PRC	Azemidite	1	73393630	2034.02.20
27. . .	AZEMIDITE 興博潤	PRC	Azemidite	5	73396882	2034.02.20
28. . .	AZEMIDITE 興博潤	PRC	Azemidite	40	73393123	2034.02.20
29. . .	AZEMIDITE 興博潤	PRC	Azemidite	42	73403974	2034.02.27
30. . .	AZEMIDITE 興博潤	EUIPO	Azemidite	1	1782948	2034.01.03
31. . .	AZEMIDITE 興博潤	U.S.	Azemidite	1	1782948	2034.01.03
32. . .	AZEMIDITE 興博潤	U.K.	Azemidite	1	1782948	2034.01.03
33. . .	Azemidite	PRC	Azemidite	1	67787193	2033.04.27
34. . .	Azemidite	PRC	Azemidite	5	67798654	2033.04.20
35. . .	Azemidite	PRC	Azemidite	40	67784259	2033.04.20
36. . .	Azemidite	PRC	Azemidite	42	67810982	2033.05.06
37. . .	Azemidite	EUIPO	Azemidite	1, 5, 40, 42	1726511	2033.02.23
38. . .	Azemidite	U.S.	Azemidite	1, 5, 40, 42	1726511	2033.02.23
39. . .	Azemidite	U.K.	Azemidite	1, 5, 40, 42	1728377	2033.02.28
40. . .	Ribocure Pharmaceuticals AB	EUIPO	Ribocure AB	5, 42	018911476	2033.08.08
41. . .	Ribocure Pharmaceuticals AB	U.K.	Ribocure AB	5, 42	1776550	2033.12.29
42. . .	Ribocure Pharmaceuticals AB	Australia	Ribocure AB	5, 42	1776550	2033.12.29
43. . .	Ribocure Pharmaceuticals AB	U.S.	Ribocure AB	5, 42	1776550	2033.12.29
44. . .	Ribolia Life Science	Hong Kong	the Company	5, 35, 42	306757084	2034.12.15

(b) Patents

(i) Registered Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Expiration Date[(1)]
1. . . .	Nucleic acid, composition and conjugate containing same, and preparation method and use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	PRC	ZL201880049564.0	the Company	2038.11.29
2. . . .	Nucleic acid, composition and conjugate containing same, and preparation method and use (一種核酸、含有該核酸的組合物與綴合物及製備方法和用途)	Invention	Hong Kong	HK40019842B	the Company	2038.11.29
3. . . .	Nucleic acid, composition and conjugate comprising the same, and preparation method and use thereof	Invention	Australia	AU2018377716B2	the Company	2038.11.29
4. . . .	Nucleic acid, composition and conjugate containing same, and preparation method and use	Invention	European Patent Office	EP3719125B1	the Company	2038.11.29
5. . . .	Nucleic acid, pharmaceutical composition, conjugate, preparation method, and use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	PRC	ZL202080007282.1	the Company	2040.5.21
6. . . .	Nucleic acid, pharmaceutical composition, conjugate, preparation method, and use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	Hong Kong	HK40051484B	the Company	2040.5.21
7. . . .	Nucleic acid, pharmaceutical composition, conjugate, preparation method, and use (核酸、藥物組合物與綴合物及製備方法和用途)	Invention	Australia	AU2020280438B2	the Company	2040.5.21

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Expiration Date[(1)]
8. . . .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	PRC	ZL201880049520.8	the Company	2038.11.29
9. . . .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	PRC	ZL202310228885.X	the Company	2038.11.29
10. . .	Conjugates and preparation and use thereof (綴合物及其製備方法和用途)	Invention	Hong Kong	HK40019836B	the Company	2038.11.29
11. . .	CONJUGATES AND PREPARATION AND USE THEREOF	Invention	European Patent Office	EP3732185B1	the Company	2038.11.29
12. . .	Conjugates and preparation and use thereof	Invention	Australia	AU2018394875B2	the Company	2038.11.29
13. . .	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof (雙鏈寡核苷酸、含雙鏈寡核苷酸的組合物與綴合物及製備方法和用途)	Invention	PRC	ZL201880049586.7	the Company	2038.11.29
14. . .	DOUBLE-STRANDED OLIGONUCLEOTIDE, COMPOSITION AND CONJUGATE COMPRISING DOUBLE-STRANDED OLIGONUCLEOTIDE, PREPARATION METHOD THEREFOR AND USE	Invention	European Patent Office	EP3719128B1	the Company	2038.11.29
15. . .	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof	Invention	Australia	AU2018374219B2	the Company	2038.11.29

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Expiration Date[(1)]
16. . .	Double-stranded oligonucleotide, composition and conjugate comprising double-stranded oligonucleotide, preparation method therefor and use thereof (雙鏈寡核苷酸、含雙鏈寡核苷酸的組合物與綴合物及製備方法和用途)	Invention	Hong Kong	HK40019841B	the Company	2038.11.29
17. . .	Nucleic acid, composition and conjugate containing same, and preparation method and use (一種核酸、含有該核酸的組合物與綴合物及制備方法和用途)	Invention	PRC	ZL202280046072.2	the Company	2042.6.30
18. . .	Nucleic acid, composition and conjugate containing same, and preparation method and use (一種核酸、含有該核酸的組合物與綴合物及制備方法和用途)	Invention	Hong Kong	HK40101485B	the Company	2042.6.30

Note:

(1) Patent expiration does not include any applicable patent term extensions.

(c) Copyrights

As of the Latest Practicable Date, we had registered the following software copyright which we consider to be material to our business:

No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Registration Date
1. . .	Small nucleic acid sequence full-length detargeting and SNP impact analysis system V1.0 (小核酸序列全長脱靶及SNP影響分析系統V1.0)	PRC	the Company	2021SR1027774	2021.07.13

As of the Latest Practicable Date, we also have the following registered artwork copyrights which we consider to be material to our business:

No.	Name of artwork	Place of Registration	Registered Owner	Registration Number	Registration Date
1. . .	Ribo executive mascot pong pong emoji extension Series (瑞博行政吉祥物朋朋表情延展系列)	PRC	the Company	國作登字-2022-F-10227417	2022.11.04
2. . .	Ribo executive mascot peng peng portrait series (瑞博行政吉祥物朋朋頭像系列)	PRC	the Company	國作登字-2022-F-10227416	2022.11.04
3. . .	Ribo executive mascot peng peng main image series (瑞博行政吉祥物朋朋主形象系列)	PRC	the Company	國作登字-2022-F-10227420	2022.11.04

(d) Domain Names

As of the Latest Practicable Date, we owned the following domain names, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	Expiry Date
1. . .	ribolia.com	the Company	2027.03.28
2. . .	ribolia.com.cn	the Company	2027.03.28
3. . .	ribolia.cn	the Company	2027.11.22
4. . .	ribolia.net	the Company	2027.11.22
5. . .	ribocure.com	the Company	2027.02.23

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights that were material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, SUPERVISORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests of the Directors, Supervisors and the Chief Executive of our Company

Saved as disclosed below, immediately following completion of the [**REDACTED**] and the Conversion of [**REDACTED**] Shares into H Shares (assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), so far as our Directors are aware, none of our Directors, Supervisors or chief executive has any interests or short positions in our Shares, underlying shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of [**REDACTED**] Companies contained in the Listing Rules.

(i) Interest in our Company

Name	Position	Nature of Interest	Number and description of Shares	% of shareholding in the Unlisted Shares/H Shares[(1)]	% of shareholding in the total issued share capital[(1)]
Dr. LIANG[(2)(3)(4)] . .	Chairman of the Board, executive Director, and chief executive officer	Beneficial owner; Interest of spouse; interest held jointly with other persons; interest in controlled corporations	40,194,267 H Shares	[**REDACTED**]%	[**REDACTED**]%
Dr. ZHANG[(2)(3)(5)(6)] .	Executive Director and president	Beneficial owner; Interest of spouse; interest held jointly with other persons; interest in controlled corporations	40,194,267 H Shares	[**REDACTED**]%	[**REDACTED**]%

Name	Position	Nature of Interest	Number and description of Shares	% of shareholding in the Unlisted Shares/H Shares[(1)]	% of shareholding in the total issued share capital[(1)]
Dr. GAN Liming (甘黎明)[(7)]	Executive Director, co-chief executive officer, global R&D president and chief medical officer	Beneficial owner	623,987 H Shares	[**REDACTED**]%	[**REDACTED**]%
Mr. LI Yuhui (李宇輝)[(8)]	Non-executive Director	Interest in controlled corporations	8,978,569 H Shares	[**REDACTED**]%	[**REDACTED**]%

Notes:

(1) The calculation is based on the total number of [**REDACTED**] H Shares in issue immediately after completion of the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme). [**REDACTED**] Shares and H Shares are both ordinary Shares of the Company.

(2) Dr. LIANG and Dr. ZHANG are the spouse of each other and is deemed to be interested in the Shares beneficially owned by each other under the SFO.

(3) Dr. LIANG, Dr. ZHANG, Ms. MO Hua, Professor XI Zhen, Professor ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong (collectively, "**Concert Parties**") entered into a concert party arrangement on March 8, 2017 (as further amended by a supplemental agreement dated October 1, 2020). For details of the concert party arrangement, please see the section headed "History and Corporate Structure — Acting-in-Concert". By virtue of the SFO, each of the Concert Parties are deemed to be interested in the Shares held by each other.

(4) As of the Latest Practicable Date, Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. LIANG was the general partner of Kunshan Ruixing. The general partner of Kunshan Ruiji was also Dr. LIANG. Therefore, Dr. LIANG is deemed to be interested in the Shares held by Kunshan Ruiman and Kunshan Ruiji under the SFO.

(5) Kunshan Ruikong is a limited partnership established in the PRC on December 2, 2011, which was held as to 44.4% by Dr. ZHANG as of the Latest Practicable Date, being the general partner. Therefore, Dr. ZHANG is deemed to be interested in the Shares held by Kunshan Ruikong under the SFO.

(6) On February 8, 2025, Dr. ZHANG was granted options by our Company to subscribe for 55,000 H Shares.

(7) On February 8, 2025, Dr. GAN Liming (甘黎明) was granted options by our Company to subscribe for 623,987 H Shares.

(8) Shanghai Panlong Venture Investment Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥)) is a limited partnership established in the PRC, whose general partner is Shanghai Panlin Management Consulting Co., Ltd. (上海磐霖管理諮詢有限公司) ("**Panlin Consulting**"). Panlin Consulting is a wholly owned by Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司) ("**Shanghai Panlin**"). Each of Ningbo Panlin Qianyuan Venture Capital Partnership (Limited Partnership) (寧波磐霖仟源創業投資合夥企業(有限合夥)), Hangzhou Panlin Xukang Venture Capital Partnership (Limited Partnership) (杭州磐霖旭康創業投資合夥企業(有限合夥)), Jiaxing Panlin Guangci Venture Capital Partnership (Limited Partnership) (嘉興磐霖廣慈創業投資合夥企業(有限合夥)), Jiaxing Panlin Yuesheng Venture Capital Partnership (Limited Partnership) (嘉興磐霖悅生創業投資合夥企業(有限合夥)) and Qingdao Panlin Hongyu Venture Capital Partnership (Limited Partnership) (青島磐霖鴻裕創業投資企業(有限合夥)) (collectively and together with Shanghai Panlong, "**Panlin**") is a limited partnership established in the PRC, whose general partner is Shanghai Panlin. Shanghai Panlin was held as to 46.00% by Mr. LI Yuhui as of the Latest Practicable Date. Therefore, Mr. LI Yuhui is deemed to be interested in the Shares held by Panlin under the SFO.

(ii) Interest in associated corporation of our Company

Name	Associated corporation	Nature of Interest	Number of shares held	% of shareholding in the associated corporation
Dr. GAN Liming (甘黎明).	Ribocure AB	Beneficial owner	124,875	6.61%
		Interest in controlled corporation[(1)]	178,125	9.43%

Note:

(1) Adstella Holding AB held approximately 9.43% equity interests in Ribocure AB directly. Adstella Holding AB is owned by Dr. GAN Liming as to 34.67%. Therefore, Dr. GAN Liming is deemed to be interested in the shares of Ribocure AB held by Adstella Holding AB under the SFO.

Adstella Holding AB is a company established for the purpose of implementing the Ribocure AB Share Incentive Scheme. Pursuant to the deed of voting proxy dated April 17, 2025 executed by Adstella Holding AB in favor of our Company, our Company shall be entitled to, as the attorney of Adstella Holding AB, to exercise the voting rights attached the shares of Ribocure AB held by Adstella Holding AB at the Company's sole direction. For details, see the section headed "Directors, Supervisors and Senior Management and — D. Share Incentive Schemes — 3. Ribocure AB Share Incentive Scheme" in this Appendix.

(b) Interests of the substantial shareholders in the Shares

Save as disclosed in the section headed "Substantial Shareholders" in this document, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the [**REDACTED**], having or be deemed or taken to the beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, or directly or indirectly be entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company.

(c) Interest of the substantial shareholders of other members of our Group

As of the Latest Practicable Date, so far as our Directors are aware, the following persons (other than our Directors or chief executive of our Company) were interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of other member of our Group:

Name of member of our Group	Name of shareholder	Amount of registered capital held	% of equity interest in other members of our Group
Azemidite	Tianjin Haihe Asymchem Biopharmaceutical Industry Innovation Investment Fund (Limited Partnership) 天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)	RMB6.5 million	27.21%
Ribocure AB . . .	Erik Selin Fastigheter Aktiebolag	SEK616,862	32.65%

2. Particulars of Service Agreements and Appointment Letters

Each of our Directors and Supervisors [has entered into] a service agreement or an appointment letter with our Company. The principal particulars of these service agreements and appointment letters are: (a) each of the agreements and appointment letters is for a term of three years following their respective appointment date; and (b) each of the agreements and appointment letters is subject to termination in accordance with their respective terms. The service agreements and appointment letters may be renewed in accordance with our Articles of Association and the applicable rules.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service agreements or appointment letters with any of the Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

3. Directors' and Supervisors' Remuneration

For details of the Directors' and Supervisors' remuneration, see "Directors, Supervisors and Senior Management — Remuneration of Directors, Supervisors and Five Highest Paid Individuals" and note 8 to the Accountant's Report as set out in Appendix I to this document.

4. Disclaimers

(i) Save as disclosed in "History and Corporate Structure" and this appendix, none of our Directors, Supervisors or any of the parties listed in "— E. Other Information — 7. Consents of Experts" in this Appendix:

(a) is interested in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company; or

(b) is materially interested in any contract or arrangement subsisting at the date of this document that is significant in relation to our business;

(ii) Save as disclosed in this Appendix and in connection with the [**REDACTED**] Agreements, none of the parties listed in "— E. Other Information — 7. Consents of Experts" in this Appendix:

(a) is interested legally or beneficially in any Shares in any member of our Group; or

(b) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(iii) None of our Directors or Supervisors or their close associates or any Shareholders of our Company who, to the knowledge of our Directors, owns more than 5% of our issued share capital has any interest in our top five customers or suppliers; and

(iv) Save as disclosed in "Substantial Shareholders," none of our Directors or Supervisors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are [**REDACTED**] on the Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

D. SHARE INCENTIVE SCHEMES

1. Employee Incentive Scheme

We have adopted the Employee Incentive Scheme on May 20, 2020. Kunshan Ruiman, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo were established as the Employee Incentive Platforms in the purpose of the implementation of the Employee Incentive Scheme. As of the Latest Practicable Date, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo, through Kunshan Ruiman, held 5,539,551 Shares in aggregate, representing 4.13% of the registered share capital of our Company. For details of our Employee Incentive Platforms, please refer to "History and Corporate Structure — Employee Incentive Platforms" in this document.

The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of Shares or the grant of options by our Company to subscribe for the Shares under the Employee Incentive Scheme upon the [**REDACTED**]. Given the underlying Shares under the Employee Incentive Scheme have already been issued to Employee Incentive Platforms, there will not be any dilution effect to the issued Shares upon the [**REDACTED**].

Below is a summary of the principal terms of the Employee Incentive Scheme.

Summary of principal terms

(a) Purpose

The purpose of the Employee Incentive Scheme is to: (i) enhance the enthusiasm and creativity of the employees of the Company; (ii) promote the sustainable growth of the Company's performance; and (iii) bring value-added benefits to employees while enhancing the value of the Company.

(b) Participants

The Participants under the Employee Incentive Schemes of the Company include the senior management, key technical personnel serving in the Company and other personnel whom the Company believes needs to be incentivized (the "**Participants**").

(c) Total number of the underlying Shares of the Incentive Awards

Participants will be interested in a total of 5,539,551 Shares through holding the limited partnerships (the "**Incentive Awards**") in the Employee Incentive Platforms, representing [**REDACTED**]% of the Share of our Company in issue immediately following the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme).

As of the date of this document, all Incentive Awards have been granted to the Participants.

(d) Form of the Employee Incentive Scheme

The Participants, as partners of the Employee Incentive Platforms, which are in the form of limited partnerships, are entitled to subscribe for the limited partnership interests of the Employee Incentive Platforms, thereby indirectly holding the Shares of the Company by virtue of their capacity as limited partners of the Employee Incentive Platforms.

(e) Subscription price and the basis of determination of the subscription price

(i) For the Participants not subject to the service period requirements set out in the Employee Incentive Scheme, the subscription price for the Incentive Awards is RMB1.00 per registered capital of the Company, and such portion of Incentive Awards were held by Participants in form of limited partnership interests in the Employee Incentive Platforms; and

(ii) For the Participants subject to the service period requirements set out in the Employee Incentive Scheme, the subscription price for the Incentive Awards is RMB8.60 per registered capital of the Company, which was equal to 10% of the price per registered capital under the Company's Series C2 Financing in March 2020, i.e., RMB86.05, and such portion of Incentive Awards were held by Participants in form of limited partnership interests in the Employee Incentive Platforms.

(f) Lock-up period

The Shares indirectly held by certain Participants pursuant to the Employee Incentive Scheme are subject to a lock-up period (the "**Lock-up Period**") from the date of grant of the Incentive Awards to the later of (i) the date of completion of three full fiscal years from the date of [**REDACTED**]; and (ii) the expiry of mandatory lock-up period of the relevant Incentive Awards in accordance with laws, regulations and requirements of the CSRC and the Stock Exchange after [**REDACTED**], if any.

During the Lock-up Period, the Participant shall not transfer the Incentive Awards or create a pledge over the Incentive Awards.

(g) Redemption and settlement

After the [**REDACTED**], while the Shares held by the Employee Incentive Platforms are still in the Lock-up Period, the Participants shall continue to hold the Incentive Awards until the end of the Lock-up Period. After the [**REDACTED**] and the Lock-up Period expires, subject to the compliance with applicable laws and regulations and the rules of the CSRC and the Stock Exchange in relation to the Lock-up Period or the rules on the reduction of shareholdings, the Participants may realize the economic benefits attaching to the Incentive Awards by requesting the general partner of the Employee Incentive Platforms to facilitate the redemption of the limited partnership interest by selling the Shares indirectly held by them through the Employee Incentive Platforms. After the completion of the selling of the Shares, the Employee Incentive Platforms shall pay the proceeds to the Participants. The Employee Incentive Platforms are entitled to deduct the relevant taxes and fees to be borne by the Participants in accordance with the provisions of laws, regulations and relevant regulatory documents.

Notwithstanding the aforesaid, the Participants shall not instruct the Employee Incentive Platforms to transfer their indirectly held Shares through the Employee Incentive Platforms within six months after they leave the Company and/or its subsidiaries.

(h) Mandatory Transfer of the Incentive Awards

Where any of the following events occurs, the Participants shall transfer the Incentive Awards to (i) the general partner of Kunshan Ruiman or (ii) the transferee designated by the general partner of Kunshan Ruiman, or Kunshan Ruiman has the right to compulsorily sell the Shares indirectly held by the Participants:

Events	Treatment of the Incentive Awards/ the consideration for repurchase
(i) Participants' misconduct or breach of rules and regulation	
During the period of employment of the Participants in the Company and/or its subsidiaries: (a) being subject to compulsory measures taken by judicial organs and other state organs for violating the Public Security Administration Punishment Law of the PRC (《中華人民共和國治安管理處罰法》) and the provisions of the Criminal Law of the PRC (《中華人民共和國刑法》) and other relevant laws and regulations; or (b) being dismissed from the Company and/or its subsidiaries due to violation of relevant state laws, regulations, normative documents or serious violation of the provisions of the Company's and/or its subsidiaries' management system (including, but not limited to, the employee handbook), labor contracts (including confidentiality contracts/clauses and non-competition contracts/clauses) and other provisions of the Company and/or its subsidiaries.	Kunshan Ruiman has the right to require Participants to transfer their respective Incentive Awards to designated transferees (limited to other limited partners of the Employee Incentive Platforms or employees of the Group).

Events	Treatment of the Incentive Awards/ the consideration for repurchase
(ii) The Participants are dead or are legally declared dead[Note (1)]	
(a) For the Participants who have worked for the Company and/or its subsidiaries for more than four years.	The heirs who are entitled to legal inheritance of the Participants' Incentive Awards shall, with the consent of the general partner of Kunshan Ruiman, have the right to inherit the Incentive Awards.
(b) For the Participants who have worked for the Company and/or its subsidiaries for less than four years.	The Participants' Incentive Awards shall be transferred to the general partner of the Employee Incentive Platforms or the transferee designated by the general partner of Kunshan Ruiman from the time of his/her death or legally declared death at the actual consideration the Participants paid.
(iii) Cessation of employee relationship with the Company and/or its subsidiaries[Note (2)]	
(a) For the Participants who have worked for the Company and/or its subsidiaries for less than four years.	Kunshan Ruiman has the right to require Participants to transfer their respective Incentive Awards to designated transferees (limited to other limited partners of the Employee Incentive Platforms or employees of the Group) at the consideration of: (i) the actual consideration the Participants paid, plus (ii) the interest on the aforesaid actual consideration from the date of the actual capital contribution by the Participants to the date of the payment, which shall be calculated with reference to the one-year bank loan interest rate published by PBOC on the date such event occurs.
(b) For the Participants who have worked for the Company and/or its subsidiaries for more than four years.	Kunshan Ruiman has the right to compulsorily sell the Shares indirectly held by the Participants in accordance with the [**REDACTED**] at that time and return the proceeds to the Participants, subject to the compliance with applicable laws and regulations and the rules of the CSRC and the Stock Exchange in relation to the lock-up period or the rules on the reduction of shareholdings, and the Participants therefore withdraw from the Employee Incentive Platforms.

Notes:

(1) Heirs of Participants who indirectly hold the Shares through Kunshan Ruilang are entitled to inherit the Incentive Awards held by such Participants in Kunshan Ruilang in accordance with the manner as set out in paragraph (ii)(a) above, regardless of whether the Participants have worked for the Company and/or its subsidiaries for more than four years at the time when they are dead or are legally declared dead.

(2) Participants being partners of Kunshan Ruilang have the right to retain their interest in Kunshan Ruilang after resignation, without being subject to any mandatory transfer requirements by Kunshan Ruiman.

Details of the Incentive Awards Grant Under the Employee Incentive Scheme

As of the Latest Practicable Date, all Incentive Awards under the Employee Incentive Scheme were granted to the Participants. Details of the Incentive Awards granted to Directors, Supervisors, senior management or connected persons under the Employee Incentive Scheme are set out below:

Name	Position/ connected relationship	Relevant Employee Incentive Platforms	Approximate partnership interests of the Employee Incentive Platforms	Approximate number of Shares corresponding to the Incentive Awards held by the Participant	Approximate shareholding percentage corresponding to the Incentive Awards held by the Participant in the total number of Shares in issue immediately following the [REDACTED]
Dr. LIANG	Chairman of the Board, executive Director, and chief executive officer	Kunshan Ruixing	5.18%	176,349	[**REDACTED**]%
		Kunshan Ruilang	0.37%	6,000	[**REDACTED**]%
		Kunshan Ruizhuo	8.61%	18,000	[**REDACTED**]%
Dr. GAN Liming (甘黎明)	Executive Director, co-chief executive officer, global R&D president and chief medical officer	Kunshan Ruixing	27.60%	114,000	[**REDACTED**]%
		Kunshan Ruizhuo	91.39%	198,000	[**REDACTED**]%
Dr. ZHANG	Executive Director and president	Kunshan Ruilang	24.84%	405,000	[**REDACTED**]%

Name	Position/ connected relationship	Relevant Employee Incentive Platforms	Approximate partnership interests of the Employee Incentive Platforms	Approximate number of Shares corresponding to the Incentive Awards held by the Participant	Approximate shareholding percentage corresponding to the Incentive Awards held by the Participant in the total number of Shares in issue immediately following the [REDACTED]
Ms. WANG Fan (王番)	Chairman of the Supervisory Committee, Supervisor	Kunshan Ruijing	3.14%	45,000	[**REDACTED**]%
Dr. GAO Shan (高山)	Senior vice president and chief scientific officer	Kunshan Ruijing	11.58%	166,000	[**REDACTED**]%
		Kunshan Ruixiang	4.79%	57,000	[**REDACTED**]%
		Kunshan Ruilang	8.28%	135,000	[**REDACTED**]%
Mr. ZHANG Ning (張寧)	Supervisor and senior financial manager	Kunshan Ruijing	1.88%	27,000	[**REDACTED**]%
Dr. TONG Cheng (童成)	Executive vice president	Kunshan Ruixing	21.79%	90,000	[**REDACTED**]%
		Kunshan Ruilang	36.15%	589,302	[**REDACTED**]%

Note: Assuming that no options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised.

Save for the details of Incentive Awards granted to Dr. LIANG, Dr. GAN Liming, Dr. GAO Shan and Dr. TONG Cheng as disclosed above, details of other overlapping participants and their respective Incentive Awards among Kunshan Ruijing, Kunshan Ruixiang and Kunshan Ruilang are set out below:

Name	Relevant Employee Incentive Platforms	Approximate number of Shares corresponding to the Incentive Awards held by the Participant	Approximate shareholding percentage corresponding to the Incentive Awards held by the Participant in the total number of Shares in issue immediately following the [REDACTED]
CHEN Ming (陳銘)	Kunshan Ruijing	326,000	[**REDACTED**]%
	Kunshan Ruixiang	74,000	[**REDACTED**]%

Name	Relevant Employee Incentive Platforms	Approximate number of Shares corresponding to the Incentive Awards held by the Participant	Approximate shareholding percentage corresponding to the Incentive Awards held by the Participant in the total number of Shares in issue immediately following the [REDACTED]
FU Jing (付京).	Kunshan Ruixiang	210,000	[**REDACTED**]%
	Kunshan Ruilang	90,000	[**REDACTED**]%
WANG Fengtong (王鳳桐) . .	Kunshan Ruixiang	175,500	[**REDACTED**]%
	Kunshan Ruilang	90,000	[**REDACTED**]%
LAI Wanfeng (賴婉楓).	Kunshan Ruijing	36,000	[**REDACTED**]%
	Kunshan Ruixiang	84,000	[**REDACTED**]%
WANG Xizhao (王西照) . . .	Kunshan Ruijing	60,000	[**REDACTED**]%
	Kunshan Ruixiang	19,500	[**REDACTED**]%
MA Sai (馬賽)	Kunshan Ruijing	12,000	[**REDACTED**]%
	Kunshan Ruixiang	63,000	[**REDACTED**]%
ZHANG Xiaoming (張曉明).	Kunshan Ruijing	27,000	[**REDACTED**]%
	Kunshan Ruixiang	27,000	[**REDACTED**]%

Each of the overlapping participants is a current or former employee of the Company.

2. Pre-[REDACTED] Share Option Scheme

Our Company adopted the Pre-[**REDACTED**] Share Option Scheme on December 10, 2024. The following is a summary of the principal terms of the Pre-[**REDACTED**] Share Option Scheme.

(i) Purpose

The purposes of the Pre-[**REDACTED**] Share Option Scheme are to motivate our management team and key employees, while attracting and integrating talents, enhance our technological R&D capabilities and ensure the realization of our development strategy and operational goals.

(ii) Administration

The Pre-[**REDACTED**] Share Option Scheme's approval, alteration and termination are subject to the general meeting of the Company. The Board is authorized for the implementation of the Pre-[**REDACTED**] Share Option Scheme.

(iii) Eligibility

The eligible participants of the Pre-[**REDACTED**] Share Option Scheme include Directors and senior management, key employees and consultants of the Group ("**Eligible Participant**").

Each Eligible Participant under the Pre-[**REDACTED**] Share Option Scheme should have signed an employment contract or service contract with the Company or any of the subsidiaries of the Company at the Grant Date (as defined below).

(iv) Grantees

There are 25 Eligible Participants under the Pre-[**REDACTED**] Share Option Scheme, including two Directors, three senior management members (other than Directors), 19 key employees and one consultant of our Group at the Grant Date (as defined below).

(v) Maximum Number of Shares

The total number of options granted under the Pre-[**REDACTED**] Share Option Scheme is 2,113,987 options, accounting for 1.58% of the Company's total issued share capital immediately prior to completion of the [**REDACTED**]. Each option entitles the Eligible Participants to purchase one H Share.

(vi) Type of Shares

The underlying Shares under the Pre-[**REDACTED**] Share Option Scheme are the H shares to be issued to the Eligible Participants by the Company upon [**REDACTED**]. The Company will not grant any option under the Pre-[**REDACTED**] Share Option Scheme after [**REDACTED**].

(vii) Grant Date

The date of grant of all options under the Pre-[**REDACTED**] Share Option Scheme is February 8, 2025 (the "**Grant Date**").

(viii) Validity Period

The validity period of the Pre-[**REDACTED**] Share Option Scheme begins from the Grant Date and ends on the date when the options granted to the Eligible Participants are fully exercised or canceled, not exceeding the earliest of: (1) 60 months from the [**REDACTED**]; (2) ten years from the Grant Date; and (3) any other duration specified by laws and regulations.

(ix) Vesting Schedule

The vesting schedule for options granted to each Eligible Participant under the Pre-[**REDACTED**] Share Option Scheme is in the following manner:

1. 50% of options granted to each Eligible Participant shall be vested from the first trading day following 24 months after the [**REDACTED**] to the last trading day within 36 months from the [**REDACTED**] (the "**First Vesting Tranche**"); and

2. 50% of options granted to each Eligible Participant shall be vested from the first trading day following 36 months after the [**REDACTED**] to the last trading day within 48 months from the [**REDACTED**] (the "**Second Vesting Tranche**").

The actual amount of options to be vested under the Pre-[**REDACTED**] Share Option Scheme is subject to the achievement of certain performance targets of the relevant Eligible Participants as further described below.

(x) Performance Targets and Vesting Conditions

The Company will assess and score the performance of the Eligible Participants for each assessment year. The assessment results for each year are divided into five grades: S, A, B, C, and D with reference to the Company's annual performance assessment implementation plan.

Regarding the First Vesting Tranche, starting from the year 2024 up to and including the year preceding the first vesting date of options under the First Vesting Tranche, for Eligible Participants with an annual assessment result of (i) B or above, they can exercise the full number of options; or (ii) C or below, options granted will be cancelled by the Company.

Regarding the Second Vesting Tranche, in the year preceding the first vesting date of options under the Second Vesting Tranche, for Eligible Participants with an assessment result of (i) B or above, they can exercise the full number of options or (ii) C or below, options granted will be cancelled by the Company.

(xi) Exercise Period

The options granted under the Pre-[**REDACTED**] Share Option Scheme can be exercised after vesting on any trading day but no later than the last trading day within the 48 months after the [**REDACTED**].

(xii) Grant Price and Exercise Price

There is no grant price of option under the Pre-[**REDACTED**] Share Option Scheme.

The exercise price of the option under the Pre-[**REDACTED**] Share Option Scheme is RMB3.7 per Share.

(xiii) Basis of Determination of the Exercise Price

The exercise price of the options granted under the Pre-[**REDACTED**] Share Option Scheme is determined based on, among others, the incentive strength, the impact of share-based payment expenses on the Company, the impact on the Company's cash flow, the dilution of existing Shareholders' Shares, the construction of the management team, the Company's growth, and the team's ability to contribute capital, in order to ensure the effectiveness of the Pre-[**REDACTED**] Share Option Scheme and achieve the desired incentive effect.

(xiv) Lock-up Periods and Restrictions

The Shares issued to the Eligible Participants from exercise of options under the Pre-[**REDACTED**] Share Option Scheme shall be subject to a lock-up period of 12 months from the date of exercise of such options.

(xv) Transferability

The options granted to the Eligible Participants and the underlying Shares issued from exercise of options shall not be transferred, pledged, or used to repay debts prior to the exercise and during the lock-up period.

(xvi) Capital Restructuring

During the period from the adoption of the Pre-[**REDACTED**] Share Option Scheme until the exercise of their respective options by the Eligible Participants, if the Company engages in capital reserve transfers to increase its share capital, declaration and distribution of dividends, capital splits or consolidations, issuance of additional shares and other activities resulting the change of share capital of the Company, the number of options granted to the Eligible Participants will be adjusted accordingly.

(xvii) Adjustment on the Options Granted to Eligible Participants

There are several circumstances set out in the Pre-[**REDACTED**] Share Option Scheme which will result in the adjustment (including, among others, forfeiture and lapse) of options granted to Eligible Participants, including the position change, termination of employment, departure due to incapacity or decease, violations of laws, misconduct and other non-compliance of Eligible Participants and other circumstances the Board considers appropriate.

(xviii) Outstanding Share Options Granted under the Pre-[**REDACTED**] *Share Option Scheme*

As of the Latest Practicable Date, (i) the number of underlying Shares pursuant to the outstanding options granted under the Pre-[**REDACTED**] Share Option Scheme amounted to 2,113,987 Shares, representing approximately [**REDACTED**]% of the issued Shares immediately following the completion of the [**REDACTED**] (assuming that no options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised).

Assuming full vesting and exercise of all outstanding options granted under the Pre-[**REDACTED**] Share Option Scheme, the shareholding of our Shareholders immediately following completion of the [**REDACTED**] (assuming that all options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised), will be diluted by approximately [**REDACTED**]%. As the Group incurred losses for the year ended December 31, 2024, the dilutive potential Shares were not included in the calculation of diluted loss per share as their inclusion would have been anti-dilutive. Accordingly, the diluted loss per share for the year ended December 31, 2024 was the same as the basic loss per Shares of the same period.

Below is a list of the grantees under the Pre-[**REDACTED**] Share Option Scheme. No further options are expected to be granted under the Pre-[**REDACTED**] Share Option Scheme.

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
Directors								
Dr. GAN Liming	Executive Director, co-chief executive officer, global R&D president and chief medical officer	Hovaas Jagarevag 9 43652 Hovaas Vastra Gotaland Gothenburg Sweden	February 8, 2025	Note 2	Note 3	3.7	623,987	[REDACTED]%
Dr. ZHANG . .	Executive Director and president	No. 203, Unit 2, Building 29 Brownstone Garden Haidian District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	55,000	[REDACTED]%
Subtotal							**678,987**	[REDACTED]%

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
Senior management (other than Directors)								
Dr. TONG Cheng	Executive vice president	Room 2211 Building 32 Kunyu Apartment (Wanheyuan Branch) Kunshan City Jiangsu Province PRC	February 8, 2025	Note 2	Note 3	3.7	70,000	[REDACTED]%
Dr. GAO Shan .	Senior vice president and chief scientific officer	Room 501, Gate 1 Building 5 Jialing Dongli Jiayi Road Nankai District Tianjin PRC	February 8, 2025	Note 2	Note 3	3.7	60,000	[REDACTED]%
Mr. ZHANG Su	Chief financial officer, secretary of the Board and joint company secretary	Room 102, No. 30 Lane 263, Huanlong Road Pudong New Area Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	300,000	[REDACTED]%
Subtotal							**430,000**	[REDACTED]%
Other employees								
MA Sai.	Head of business development	Room 3503, No. 14, Lane 77 Longrui Road Xuhui District Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	225,000	[REDACTED]%
YU Hong. . . .	Head of pharmacokinetics and toxicology studies	Unit A, Block 45 Longjing Bay, District B Panggezhuang Town Daxing District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	70,000	[REDACTED]%

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
ZHOU Yang . .	Director of legal department	No 12, Lane 2399 Gonghexin Road Jing'an District Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	45,000	[REDACTED]%
CHEN Ming[(4)] .	Chief financial officer and secretary of the Board	Room 1110 Building 27 Kunyu Apartment (Wanheyuan Branch) Kunshan City Jiangsu Province PRC	February 8, 2025	Note 2	Note 3	3.7	40,000	[REDACTED]%
WANG Fengtong. . .	Head of intellectual property department	No. 502, Door 1, Shiyan Building 11 Zhixinbeili No. 16 Haidian District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	40,000	[REDACTED]%
LAI Wanfeng. .	Head of quality assurance	No. 1, Floor 22 Unit 3 Runjingyuan No. 11 Zhongshan District Dalian, Liaoning Province PRC	February 8, 2025	Note 2	Note 3	3.7	40,000	[REDACTED]%
LI Yi.	Deputy director of intellectual property department	902, Building 3 Shuzhijiayuan Haidian District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	35,000	[REDACTED]%
LI Shaohua. . .	Director of nucleic acid technology research department	No. 502, Door 4 Building 11 Dingchang Road No. 26 Fengtai District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	35,000	[REDACTED]%

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
CAO Huiqing .	Director of pharmacology R&D department	No. 301, Unit 3, Building No. 8 Tianxiunan One Road No. 16 Garden Haidian District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	35,000	[REDACTED]%
ZHAN Bingli. .	Head of corporate development	No. 605, Unit 3 Fuxing Road No. 61 Haidian District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	30,000	[REDACTED]%
QIU Bin	Director of information technology	Room 501, No. 7, Lane 457 Zhenjin Road Putuo District Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	30,000	[REDACTED]%
WU Meili . . .	Senior procurement manager	Room 1402, Building 36 Xinweilai Garden Shenhu Road No. 588 Suzhou New Industrial Park Suzhou, Jiangsu Province PRC	February 8, 2025	Note 2	Note 3	3.7	30,000	[REDACTED]%
CAO Liqiang. .	Director of medical chemistry	No. 102, Door 2, Building 4 Hanyayuan Jiancai Avenue Nankai District Tianjin PRC	February 8, 2025	Note 2	Note 3	3.7	25,000	[REDACTED]%

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
ZHOU Yue . . .	Director of analytical R&D[(5)]	Room 501, No. 8, Lane 25 Kangjian Road Xuhui District Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	25,000	[REDACTED]%
LI Xia	Senior internal audit manager	Room 203, Building 5 Huangpu City Garden Tongfeng East Road No. 777 Yushan Town Kunshan, Jiangsu Province PRC	February 8, 2025	Note 2	Note 3	3.7	25,000	[REDACTED]%
FU Jing	Head of clinical operation	Room 302, Door 2, Unit A, Building 5 Ritan North Road Chaoyang District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	20,000	[REDACTED]%
GUO Zhaoxu . .	Medical representative and director of toxicology	Room 502, Unit 1, Building No. 6 Jinrongyuan Xihongmen Town Daxing District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	20,000	[REDACTED]%
YANG Ru . . .	Deputy director of preclinical quality assurance department	No. 601, Unit A, Building 4, District 1 Nangong Yingbin Road No. 33 Yard Fengtai District Beijing PRC	February 8, 2025	Note 2	Note 3	3.7	20,000	[REDACTED]%

Name	Position in Our Group	Address	Grant Date	Vesting Period	Exercise Period	Exercise Price per Share	Name of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the [REDACTED][(1)]
						(RMB)		
WANG Xizhao .	Director of active pharmaceutical ingredient process R&D	Room 2203, Building 36 Huajing Garden Suzhou Industrial Park, Suzhou, Jiangsu Province PRC	February 8, 2025	Note 2	Note 3	3.7	15,000	[REDACTED]%
Subtotal							**805,000**	[REDACTED]%
Consultant								
LI Yifan	–	Room 2903, No. 4, Lane 688 Xizang South Road Huangpu District Shanghai PRC	February 8, 2025	Note 2	Note 3	3.7	200,000	[REDACTED]%
Total							**2,113,987**	[REDACTED]%

Notes:

(1) Assuming that no options granted under the Pre-[**REDACTED**] Share Option Scheme are exercised and the [**REDACTED**] is not exercised.

(2) For the vesting period under the Pre-[**REDACTED**] Share Option Scheme, please refer to the paragraph (ix) above.

(3) The options granted under the Pre-[**REDACTED**] Share Option Scheme can be exercised after vesting on any trading day but no later than the last trading day within the 48 months after the [**REDACTED**].

(4) Mr. Chen was an employee of the Company at the Grant Date. He resigned and ceased being an employee of our Group in March 2025.

(5) Ms. Zhou was an employee of the Company at the Grant Date. She resigned and ceased being an employee of our Group in August 2025.

An application has been made to the Stock Exchange for the [**REDACTED**] of and permission to [**REDACTED**] the H Shares which may be allotted and issued upon the exercise of the outstanding options pursuant to the Pre-[**REDACTED**] Share Option Scheme.

3. Ribocure AB Share Incentive Scheme

The following is a summary of the principal terms of the Ribocure AB Share Incentive Scheme as adopted by our subsidiary Ribocure AB on January 5, 2023. The terms of the Ribocure AB Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as Ribocure AB is not a principal subsidiary of the Company under Rule 17.14 of the Listing Rules.

Summary of key terms

(a) Purpose

The purpose of the Ribocure AB Share Incentive Scheme is to motivate and retain employees within the Group to contribute to the growth of Ribocure AB.

(b) Eligible participants

Eligible participants of the Ribocure AB Share Incentive Scheme include selected individuals of Ribocure AB ("**Key Employees**").

(c) Administration

Adstella Holding AB ("**Adstella**") is a company established for the purpose of implementing the Ribocure AB Share Incentive Scheme. The Ribocure AB Share Incentive Scheme shall be subject to the administration of the board of directors of Ribocure AB and the decision of the board of directors of Ribocure AB shall be final and binding on all related parties.

(d) Grant of the Adstella Shares

The Key Employees will from time to time be offered to acquire shares of Adstella ("**Adstella Shares**") and thereby indirectly hold the shares of Ribocure AB. Adstella held 178,125 shares of Ribocure AB ("**Incentive Shares Pool**") as of the Latest Practicable Date, representing 9.43% of the shares of Ribocure AB.

(e) Grant and Vesting Period

Grant period: as of the Latest Practicable Date, the total issued Adstella Shares was 30,000, consisting of 29,246 Adstella Shares granted to 26 Key Employees and 754 Adstella Shares repurchased by Dr. GAN Liming pursuant to the Ribocure AB Share Incentive Scheme, which may be further granted to eligible participants.

Vesting Period: the Adstella Shares granted to the Key Employees shall vest after five years from their respective employment date ("**Vesting Period**").

(f) Purchase Price

The purchase price for the Adstella Shares to be paid by the relevant Key Employee shall be the market value at the time for grant of the Adstella Shares. The subscription price for the shares in Ribocure AB subscribed for by Adstella corresponded to the quota value of the shares in Ribocure AB.

(g) Maximum number of Incentive Shares subject to the Ribocure AB Share Incentive Scheme

The maximum number of shares in Ribocure AB subscribed for and owned by Adstella is the 178,125 shares, representing 9.43% of the total issued shares of Ribocure AB as of the Latest Practicable Date, currently owned by Adstella and, consequently, indirectly owned by the Key Employees holding the Adstella Shares.

(h) Repurchase of the Adstella Shares

Where any of the following events occurs, the participants shall transfer the Adstella Shares to Dr. GAN Liming or any other Key Employees or third party designated by Dr. GAN Liming:

Events	**Repurchase of the Adstella Shares and the consideration**
(a) Providing the Key Employees cease to be employed by Ribocure AB during the Vesting Period and the Key Employees cease to be employed by Ribo as a result of (except for long-term illness, Ribocure AB's material breach of any terms of the employee's employment agreement or if Ribocure AB in any other way materially violates its obligations and undertakings in relation to the Key Employees): (i) termination by the Key Employees; (ii) the Key Employees being dismissed by Ribocure AB due to reasons which is or would be considered valid grounds for dismissal due to personal reason or dismissal under Swedish employment law (regardless of being an employee or a manager not comprised by said law), or	The Key Employees shall be obliged to immediately offer the shares to Dr. GAN Liming, or any other party or third party designated by Dr. GAN Liming, for re-purchase, and Dr. GAN Liming or such party designated by him is obliged to accept such offer. The purchase price for such repurchase shall be either the relevant Key Employees' acquisition price of the Adstella Shares or the fair market value of Adstella Shares at the time for the repurchase, whichever is the lower.

Events	Repurchase of the Adstella Shares and the consideration
(iii) the Key Employees breach the obligations under the shareholders' agreement of Adstella.	
(b) Providing the Key Employees cease to be employed by Ribocure AB during the Vesting Period and the Key Employees: (i) retire, not temporarily, due to age or medical reasons, or die; (ii) retire, not temporarily, from employment (on agreed terms) due to the serious ill, health or disablement of his spouse or any dependent child; or (iii) cease to be employed by Ribocure AB for any other reason than what is specified in paragraph (a) above.	The Key Employees shall be obliged to immediately offer the shares to Dr. GAN Liming or any other party or third party designated by Dr. GAN Liming, for re-purchase. Dr. GAN Liming or such party designated by him shall have the right but not the obligation to purchase the shares offered. The purchase price for such re-purchase shall be the fair market value of Adstella Shares at the time for the re-purchase.
(c) The Key Employee cease to be employed by Ribocure AB after the Vesting Period.	The Key Employees shall be obliged to immediately offer the shares to Dr. GAN Liming or any other party or third party designated by Dr. GAN Liming, for re-purchase. Dr. GAN Liming or such party designated by him shall have the right but not the obligation to purchase the shares offered. The purchase price for such re-purchase shall be the fair market value of Adstella Shares at the time for the repurchase.

(i) Adstella Shares granted and vested

As of the Latest Practicable Date, Adstella had granted 29,246 Adstella Shares to 26 Key Employees and none of the Adstella Shares have been vested.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

2. Litigation

As of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our financial condition or results of operations.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for [**REDACTED**] of, and permission to [**REDACTED**], the H Shares of our Company. All necessary arrangements [have been made] enabling the H Shares to be admitted into [**REDACTED**].

Each of Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between our Company and the Joint Sponsors, we have agreed to pay each of the Joint Sponsors a fee of US$500,000 to act as the sponsors of our Company in connection with the [**REDACTED**].

4. Compliance Advisor

Our Company has appointed Soochow Securities International Capital Limited as as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

5. Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

6. Taxation of holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is a 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange."

7. Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	Licensed to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
Citigroup Global Markets Asia Limited	Licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities under the SFO
Zhong Lun Law Firm	PRC legal Advisers to our Company
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditors
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
Asia-Pacific Consulting and Appraisal Limited	Independent property valuer

As of the Latest Practicable Date, save as disclosed in "— E. Other Information — 3. Joint Sponsors", none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

8. Promoters

The promoters of our Company are all of the 41 Shareholders of our Company as of August 14, 2020.

(1) Dr. LIANG Zicai (梁子才)

(2) Kunshan Ruikong Enterprise Management Consulting L.P. (昆山瑞控企業管理諮詢合夥企業(有限合夥))

(3) Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥))

(4) Ionis Pharmaceuticals, Inc.

(5) Wise Vigour Limited

(6) Shenzhen Yilong Venture Capital L.P. (深圳翼龍創業投資合夥企業(有限合夥))

(7) Kunshan Ruiman Enterprise Management Consulting L.P. (昆山瑞曼企業管理諮詢合夥企業(有限合夥))

(8) Suzhou Jiyuan Yuanxing Equity Investment L.P. (蘇州紀源源星股權投資合夥企業(有限合夥))

(9) Ningbo Panlin Qianyuan Equity Investment Partnership (Limited Partnership) (寧波磐霖仟源股權投資合夥企業(有限合夥)) (currently known as Ningbo Panlin Qianyuan Venture Capital Partnership (Limited Partnership) (寧波磐霖仟源創業投資合夥企業(有限合夥))

(10) Kunshan Industrial Technology Research Institute of Small Nucleic Acid Biotechnology Research Institute Co. Ltd. (昆山市工業技術研究院小核酸生物技術研究所有限責任公司)

(11) Ms. MO Hua (莫華)

(12) Professor XI Zhen (席真)

(13) China Resources Life Sciences Group Co., Ltd. (華潤生命科學集團有限公司)

(14) CICC Qide (Xiamen) Innovation Biomedical Equity Investment Fund Partnership (Limited Partnership) (中金啟德(廈門)創新生物醫藥股權投資基金合夥企業(有限合夥)) (currently known as CICC Qide (Xiamen) Innovation Biomedical Venture Capital Partnership (Limited Partnership) (中金啟德(廈門)創新生物醫藥創業投資合夥企業(有限合夥)))

(15) Mr. LIU Guoping (劉國平)

(16) Professor ZHANG Lihe (張禮和)

(17) Zhuhai Gaoling Qiheng Equity Investment L.P. (珠海高瓴騏恒股權投資合夥企業(有限合夥)) (currently known as Zhuhai Qiheng Equity Investment L.P. (珠海騏恒投資合夥企業(有限合夥))

(18) Shanghai Yangtze River Delta Industrial Upgrading Equity Investment L.P. (上海長三角產業升級股權投資合夥企業(有限合夥))

(19) Jiaxing Futong Investment L.P. (嘉興福通投資合夥企業(有限合夥))

(20) Tianjin Legend Star Venture Capital Co. Ltd. (天津聯想之星創業投資有限公司) (currently known as Xizang Xingfan Enterprise Management Co., Ltd. (西藏星帆企業管理有限公司))

(21) Kunshan Ruiji Enterprise Management Consulting L.P. (昆山瑞技企業管理諮詢合夥企業(有限合夥))

(22) Ningbo Daxie Yungong Jiajie Equity Investment Partnership (Limited Partnership) (寧波大榭允公嘉傑股權投資合夥企業(有限合夥))

(23) Zhuhai Qidi Rongchuang I Medical Industry Investment L.P. (珠海啟迪融創一期醫療產業投資合夥企業(有限合夥))

(24) Ningbo Meishan Bonded Port District Qirui Equity Investment L.P. (寧波梅山保稅港區祺睿股權投資中心(有限合夥))

(25) Jiaxing Co-way Yintian Venture Capital L.P. (嘉興眾匯銀田創業投資合夥企業(有限合夥))

(26) Shanghai Zhulu Enterprise Management Consultation Center L.P. (上海築陸企業管理諮詢中心(有限合夥))

(27) Trinity Zhongzhi (Tianjin) Venture Capital Center L.P. (三一眾志(天津)創業投資中心(有限合夥))

(28) Ningbo Panlin Shenghui Venture Capital Partnership (Limited Partnership) (寧波磐霖盛暉創業投資合夥企業(有限合夥)) (currently known as Jiaxing Panlin Yuesheng Venture Capital Partnership (Limited Partnership) (嘉興磐霖悅生創業投資合夥企業(有限合夥)))

(29) Shanghai Panlong Venture Capital Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥)) (currently known as Shanghai Panlong Venture Capital Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥))

(30) Claes Robert Wahlestedt

(31) Joseph Wade Collard

(32) Zhuhai Hongtao Youxuan Equity Investment Partnership (LP) (珠海弘陶優選股權投資合夥企業(有限合夥))

(33) Xinsu Ronghe (Changezhou) Environment Protection Investment Fund L.P. (新蘇融合(常州)環保投資基金(有限合夥))

(34) Langma Seventeen (Shenzhen) Venture Capital Center L.P. (朗瑪十七號(深圳)創業投資中心(有限合夥))

(35) Langma Twenty (Shenzhen) Venture Capital Center L.P. (朗瑪二十號(深圳)創業投資中心(有限合夥))

(36) Shenzhen Blue Ocean No. 1 Fund Management Investment Center L.P. (深圳藍海壹號基金管理投資中心(有限合夥))

(37) Kunshan Shuangyu Investment Enterprise L.P. (昆山雙禹投資企業(有限合夥))

(38) Shanghai Bluestone Investment Co., Ltd. (上海藍石投資有限公司)

(39) Shanghai Chuang Yuan Yuan Investment Management Co. Ltd. (上海創源垣投資管理有限公司)

(40) Trinity UCSF Limited

(41) Jiaxing Xiangtian Venture Capital L.P. (嘉興象田創業投資合夥企業(有限合夥))

Save as disclosed in "History and Corporate Structure", within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to the promoters named above in connection with the [**REDACTED**] and the related transactions described in this document.

9. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

10. Binding Effect

This document shall have the effect, if an application is made in pursuance of this document, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

11. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, trading position or prospects since June 30, 2025, being the date of our combined financial statements as set out in "Appendix I — Accountant's Report," up to the date of this document.

12. Miscellaneous

(i) Save as disclosed in "History and Corporate Structure" and this Appendix and in connection with the [**REDACTED**], within the two years immediately preceding the date of this document:

  (a) no share or loan capital of our Company or any of its subsidiaries has been issued nor agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

  (b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any Share or loan capital of our Company or any of our subsidiaries;

  (c) no Share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option; and

  (d) no commission has been paid or is payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions of any share in our Company or any of our subsidiaries.

(ii) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;

(iii) There are no arrangements under which future dividends are waived or agreed to be waived;

(iv) There are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(v) There have been no interruptions in our business which may have or have had a significant effect on our financial position in the 12 months preceding the date of this document;

(vi) There are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(vii) No part of the equity or debt securities of our Company or any member of our Group, if any, is currently [**REDACTED**] on or [**REDACTED**] on any stock exchange or trading system, and no such [**REDACTED**] or permission to [**REDACTED**] on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought; and

(viii) Our Company has no outstanding convertible debt securities or debentures.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in "Appendix VII — Statutory and General Information — E. Other Information — 7. Consents of Experts;" and

(b) a copy of the material contract referred to in "Appendix VII — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract"

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.ribolia.com** during a period of 14 days from the date of this document:

(a) the Articles of Association;

(b) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I to this document;

(c) the audited financial statements of our Group for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2025;

(d) the report on unaudited [**REDACTED**] financial information of our Group from Ernst & Young, the text of which is set out in Appendix II to this document;

(e) the legal opinions issued by Zhong Lun Law Firm, our PRC Legal Advisors in respect of certain matters of our Group in the PRC;

(f) the industry report prepared by Frost & Sullivan, the summary of which is set forth in "Industry Overview";

(g) the letter, summary of property value and valuation reports relating to the property interest of our Group prepared by Asia-Pacific Consulting and Appraisal Limited, the text of which is set out in Appendix IV to this document;

(h) a copy of each of the PRC Company Law, the PRC Securities Law, the Trial Measures for the Administration Related to the Overseas Securities Offering and Listing by Domestic Companies together with their unofficial English translations;

(i) the material contract referred to in "Appendix VII — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract";

(j) the written consents referred to in "Appendix VII — Statutory and General Information — E. Other Information — 7. Consents of Experts";

(k) the terms of the Pre-[**REDACTED**] Share Option Scheme; and

(l) the service contracts referred to in "Appendix VII — Statutory and General Information — C. Further Information about Our Directors, Supervisors and Substantial Shareholders — 2. Particulars of Service Agreements and Appointment Letters".