

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

### OVERVIEW

We are an innovation-driven pharmaceutical group, with a strategic focus on two core disease areas: (i) central nervous system (“CNS”) disorders, and (ii) cardiovascular and cerebrovascular diseases.

Our history can be traced back to February 1999, when Zhejiang Xinchang Jingxin Pharmaceutical Co., Ltd.\* (浙江新昌京新製藥有限公司), the predecessor of our Company, was established in the PRC as a limited liability company. In October 2001, our Company was converted into a joint stock limited company and renamed as Zhejiang Jingxin Pharmaceutical Co., Ltd. (浙江京新藥業股份有限公司).

On July 15, 2004, A Shares of the Company were listed on the Shenzhen Stock Exchange (stock code: 002020), marking our entry into a new stage of development. For details, see “ — Corporate Development of our Company — Listing on the Shenzhen Stock Exchange”.

### KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following table sets forth our Group’s key corporate and business development milestones:

| <b>Year</b> | <b>Milestone</b>  |
|-------------|---|
| 1999        | Our Company was established.<br><br>Our simvastatin tablets (辛伐他汀片) (5mg) was approved by the NMPA and became a listed simvastatin tablet product in China.   |
| 2004        | We were listed on the Shenzhen Stock Exchange (stock code: 002020).<br><br>One of our subsidiaries, Shanghai Jingxin Biomedical Co., Ltd. (上海京新生物醫藥有限公司), was established for R&D.  |
| 2005        | Our sertraline hydrochloride tablets (鹽酸舍曲林片), under the brand name Weititing (唯他停®), received New Drug Certificate and Drug Registrational Approval and we rank among the earliest companies in China for production approval. |
| 2012        | We obtained the GMP certificate for bacillus licheniformis live capsules (地衣芽孢桿菌活菌膠囊) issued by the NMPA and successfully launched.   |
| 2015        | We acquired Shenzhen Beacon Display Technology Co., Ltd. (深圳市巨烽顯示科技有限公司), one of our major subsidiaries.  |
| 2018        | Our solid production line passed the on-site certification by the FDA.  |
| 2020        | Our first self-developed ANDA product, Colesevelam Hydrochloride Tablets, was approved and exported to the United States.   |
| 2023–2024   | Our Dimdazenil capsules (Category 1) (地達西尼), under the brand name (Junoenil®), were approved for commercialization.   |

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### OUR MAJOR SUBSIDIARIES

The principal business activities and the dates of incorporation of the members of our Group which are most relevant to our core operations during the Track Record Period are shown below.

| <u>Name</u>   | <u>Principal business activities</u>                         | <u>Date and jurisdiction of establishment</u> |
|---|--|---|
| Shaoxing Jingxin Pharmaceutical Co., Ltd. (紹興京新藥業有限公司)                    | Manufacturing and sales of active pharmaceutical ingredients | December 17, 2004, PRC                        |
| Shandong Jingxin Pharmaceutical Co., Ltd. (山東京新藥業有限公司)                    | Manufacturing and sales of chemical intermediates            | March 24, 2020, PRC                           |
| Shangrao Jingxin Pharmaceutical Co., Ltd. (上饒京新藥業有限公司)                    | Manufacturing and sales of chemical intermediates            | October 19, 2005, PRC                         |
| Inner Mongolia Jingxin Pharmaceutical Co., Ltd. (內蒙古京新藥業有限公司)             | Manufacturing and sales of traditional Chinese medicine      | August 1, 2002, PRC                           |
| Shenzhen Beacon Display Technology Co., Ltd. (深圳市巨烽顯示科技有限公司)              | Manufacturing and sales of medical devices                   | June 3, 2004, PRC                             |
| Shenyang TORCH-BIGTIDE DIGITAL Technology Co., Ltd. (瀋陽火炬北泰數碼科技有限責任公司)    | Manufacturing and sales of medical devices                   | September 30, 1999, PRC                       |
| Zhejiang Jingxin Medical Co., Ltd. (浙江京新醫藥有限公司)                           | Wholesale of drugs   | August 28, 2017, PRC                          |
| Zhejiang Jingxin Pharmaceutical Import & Export Co., Ltd. (浙江京新藥業進出口有限公司) | Sales of chemical goods                                      | November 28, 2006, PRC                        |

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### CORPORATE DEVELOPMENT OF OUR COMPANY

#### Early development of our Company

Our history can be traced back to February 13, 1999, when Zhejiang Xinchang Jingxin Pharmaceutical Co., Ltd. (浙江新昌京新製藥有限公司), the predecessor of our Company, was established as a limited liability company under the laws of the PRC, with an initial registered capital of RMB3,630,000.

#### Conversion of our Company into a joint stock company

On October 25, 2001, our Company was converted into a joint stock company and was renamed as Zhejiang Jingxin Pharmaceutical Co., Ltd. (浙江京新藥業股份有限公司).

#### Listing on the Shenzhen Stock Exchange

In July 2004, we completed the issuance and listing of our A Shares on the Shenzhen Stock Exchange (stock code: 002020). In the A-Shares listing, we issued an aggregate of 17,600,000 A Shares, accounting for approximately 26.0% of our Company’s total share capital immediately following the A-Shares listing.

As of the Latest Practicable Date, the shareholding structure of our Company was as follows:

| <b>Shareholders</b>                 | <b>Approximate percentage of shareholding</b> |
|-------------------------------------|---|
| Mr. LYU Gang (呂鋼) <sup>(1)(2)</sup> | 36.44%  |
| Other A Share Shareholders          | 63.56%  |

*Notes:*

- (1) As of the Latest Practicable Date, the Company was collectively held as to 36.44% by Mr. LYU Gang, our executive Director, chairperson of the Board and the general manager, and one of our Controlling Shareholders of our Company. Our Company was directly held as to approximately 20.77% directly by Mr. LYU Gang and 15.68% by Jingxin Holding. Jingxin Holding is owned as to 51.00% by Mr. LYU Gang and 49.00% by Jinzhi Investment. Jinzhi Investment is owned as to 60.00% by Mr. LYU Gang and 40.00% by Ms. ZHANG Liling, the spouse of Mr. LYU Gang. For further details, please see the sections headed “Directors and Senior Management” and “Relationship with our Controlling Shareholders” in this document.
- (2) Jingxin Holding is one of the Controlling Shareholders of our Company. For further details, please see the sections headed “Relationship with our Controlling Shareholders” in this document.

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### **A Shares Participation Schemes**

The Company adopted four A Shares Participation Schemes on October 15, 2019, October 15, 2019, December 31, 2020, October 20, 2025, respectively. The purpose of the A Shares Participation Schemes is to further improve the Company’s long-term incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm of the core team, effectively align Shareholder’s interests, Company’s interests, and personal interests of the core team members, ensuring all parties share a common focus on the Company’s long-term development and guarantee the realization of the Company’s strategic development and operational objective. For details, see “Appendix VI — Statutory and General Information — 6. A Shares Participation Schemes” of this document.

### **MATERIAL ACQUISITIONS, DISPOSALS AND MERGERS**

Our Company had not carried out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

### **OUR LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE**

Since July 2004, our Company has been listed on the Shenzhen Stock Exchange. Since the commencement of our Track Record Period and as of the Latest Practicable Date, we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [REDACTED] attention in relation to our compliance record on the Shenzhen Stock Exchange. Our PRC Legal Advisor is of the view that the confirmation of our Directors above with regard to our compliance records is accurate and reasonable. Based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would cause them to disagree with the Directors’ confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

Our Company seeks the H Shares to be [REDACTED] on the Stock Exchange in order to fund the research and development activities of our products and drug candidates and enhance our marketing networks and expand across key therapeutic areas. For details, see “Business — Our Strategy” and “Future Plans and [REDACTED].”

### **PUBLIC FLOAT**

Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the issuer’s total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

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Upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), our Controlling Shareholders will hold [313,763,148] A Shares, representing approximately [REDACTED]% of the total issued Shares, and are our core connected person under the Listing Rules. As a result, such Shares will not count towards the public float.

Our A Shares are listed on the Shenzhen Stock Exchange. The total number of the H Shares to be [REDACTED] pursuant to the [REDACTED], being [REDACTED] H Shares, represents approximately [REDACTED] of the total issued share capital of the Company (before any exercise of the [REDACTED]). Immediately following the completion of the [REDACTED] (before any exercise of the [REDACTED]), the total number of the H Shares expected to be held by the [REDACTED] is [REDACTED] H Shares, representing approximately [REDACTED]% of the total issued share capital of the Company, which is higher than the prescribed percentage of H Shares required to be held by the [REDACTED] of 10.00% under Rule 19A.13A(2)(a) of the Listing Rules. Therefore, Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules will be satisfied.

### FREE FLOAT

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of [REDACTED], this will normally mean that the portion of H shares for which [REDACTED] is sought that are held by the [REDACTED] and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of [REDACTED], must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of [REDACTED] (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000; or (b) have an expected market value at the time of [REDACTED] of not less than HK\$600,000,000.

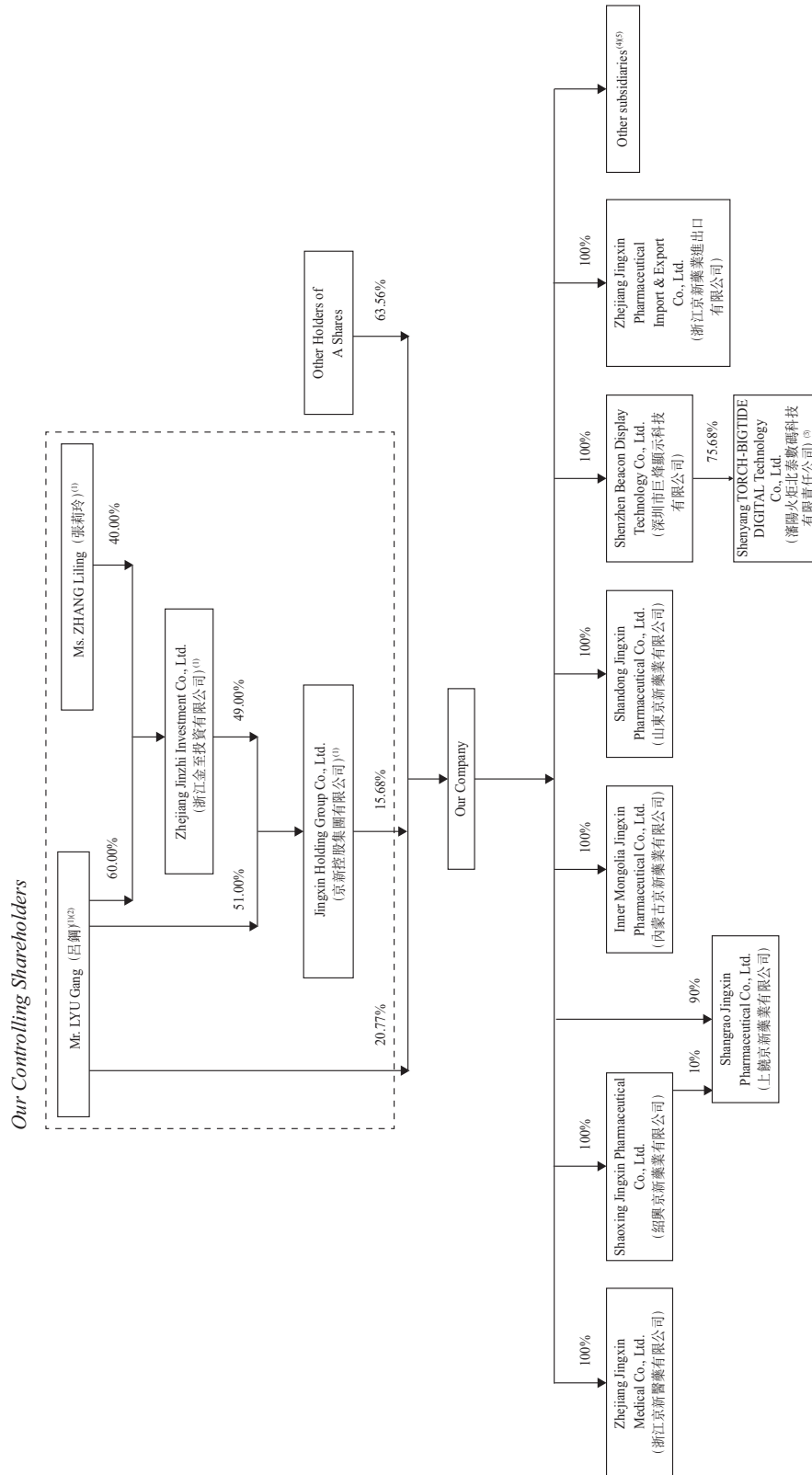
Based on an [REDACTED] of HK\$[REDACTED] per H Share, being the lower end of the [REDACTED], the Company will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

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### OUR SHAREHOLDING AND CORPORATE STRUCTURE

#### Shareholding and Corporate Structure Immediately Before the [REDACTED]

The chart below sets out the shareholding structure of our Group immediately before completion of the [REDACTED] (assuming that no changes are made to the issued [REDACTED] of our Company since the Latest Practicable Date up to the [REDACTED]):



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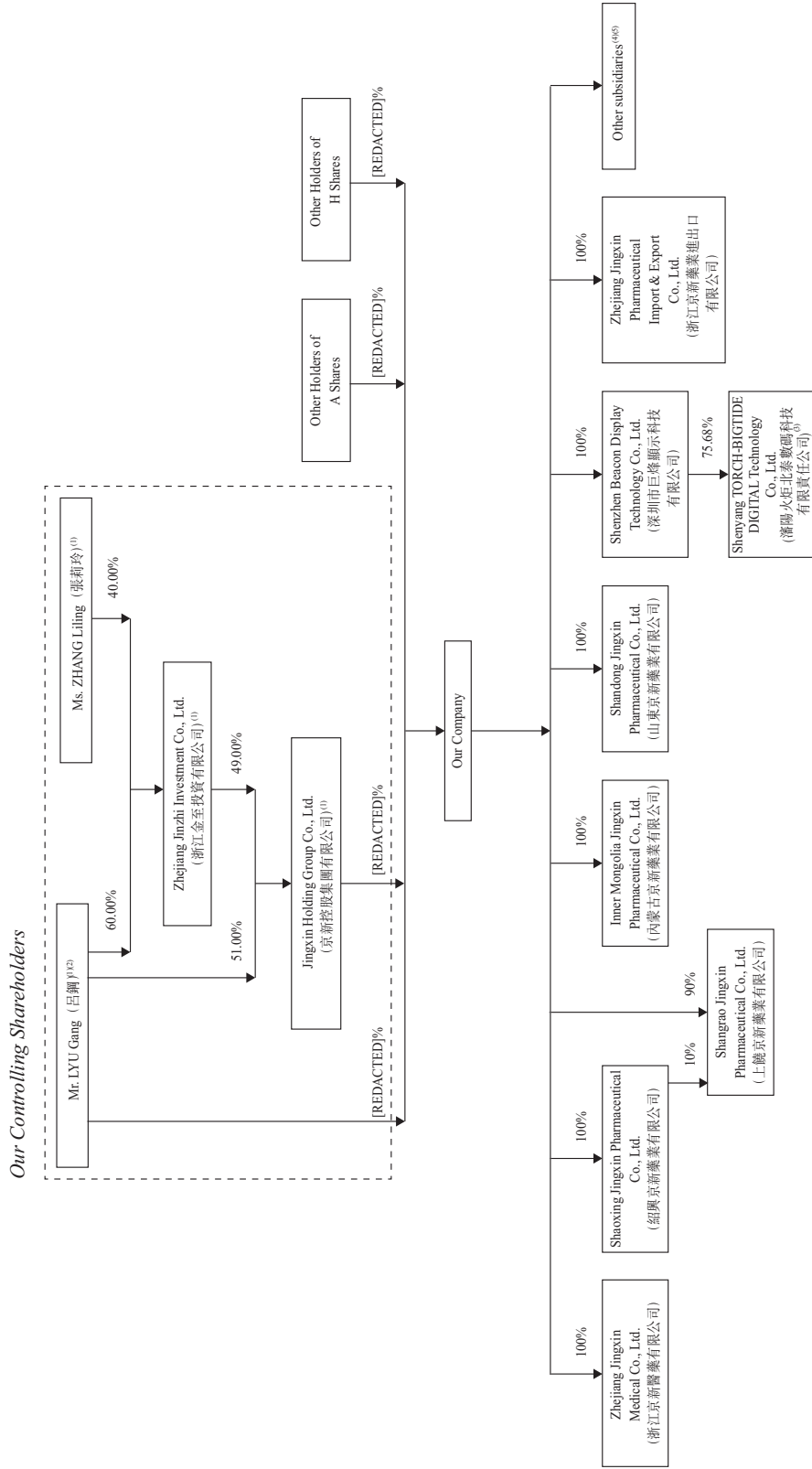
*Notes:*

- (1) Mr. LYU Gang, Ms. ZHANG Liling, Jingxin Holding and Jinzhi Investment are a group of Controlling Shareholders of our Company. For details, please see the section headed “Relationship with our Controlling Shareholders” in this document.
- (2) Mr. LYU Gang is our executive Director, chairperson of the Board and the general manager of our Company. He is the spouse of Ms. ZHANG Liling. For further details, please see the section headed “Directors and Senior Management” in this document.
- (3) Shenyang TORCH-BIGTIDE DIGITAL Technology Co., Ltd. (瀋陽火炬北泰數碼科技有限責任公司) was held as to 75.68% by Shenzhen Beacon Display Technology Co., Ltd. (深圳市巨峰顯示科技有限責任公司), a wholly owned subsidiary of the Company, 15.30% by Shenyang Huoju Co., Ltd. (瀋陽火炬股份有限責任公司), an Independent Third Party, and 9.02% Shenyang Technology Venture Capital Co., Ltd. (瀋陽科技風險投資有限責任公司), an Independent Third Party.
- (4) As of the Latest Practicable Date, our other subsidiaries consist of 18 subsidiaries established in various jurisdictions.
- (5) Among the other 18 subsidiaries, there are 15 wholly owned subsidiaries and three non-wholly owned subsidiaries. Details of such non-wholly owned subsidiaries as of the Latest Practicable Date are set out below:
  - a. Hangzhou Jingrui Pharmaceutical Technology Co., Ltd. (杭州京瑞醫藥科技有限公司) was held as to 55.00% by the Company and 45.00% by Ningbo Meishan Bonded Port Area Mingze Equity Investment Management Partnership (Limited Partnership) (寧波梅山保税港區鳴澤股權投資管理合夥企業(有限合夥)), an Independent Third Party.
  - b. Zhejiang Jingjianyuan Medical Technology Co., Ltd. (浙江京健元醫藥科技有限公司) was held as to 98.68% by the Company and 1.32% by Wuhan Juteng Jiayi Enterprise Management Consulting Co., Ltd. (武漢巨騰佳益企業管理諮詢有限公司), an Independent Third Party.
  - c. Yunnan Jingxin Biotechnology Co., Ltd. (雲南京新生物科技有限公司) was held as to 86.67% by Inner Mongolia Jingxin Pharmaceutical Co., Ltd. (內蒙古京新藥業有限公司), a wholly owned subsidiary of the Company, 10.00% by Mr. XIAO Hua (肖華), an Independent Third Party, and 3.33% by Mr. HUANG Yongming (黃永明), an Independent Third Party.
- (6) If there is a discrepancy between the total sum and the sum of the amounts listed, it is due to rounding.

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### Shareholding and Corporate Structure upon Completion of the [REDACTED]

The chart below sets out the shareholding structure of our Group immediately following completion of the [REDACTED] (assuming no exercise of the [REDACTED] and no changes are made to the issued [REDACTED] of our Company since the Latest Practicable Date up to the [REDACTED]):



Notes:

See Notes (1) to (6) of “ — Shareholding and Corporate Structure Immediately before the [REDACTED].”