

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 exemptions from strict compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

We do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules. Our Group’s management, business operations and assets are primarily based outside Hong Kong. The headquarters and business operations of our Group are primarily based, managed and conducted in the PRC and the U.S.. Currently, our executive Director ordinarily reside in the PRC. The senior management team of our Company is primarily based in the PRC and the U.S. and they manage our Group’s business operations from the PRC and the U.S.. As the executive Director and the senior management team play very important roles in our Company’s business operations, our Company considers that it is in the best interests of our Company for the executive Director and the senior management team to be based in the places where our Group has significant operations. As such, our Company does not, and will not for the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 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 Rule 8.12 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives, namely Dr. Qunsheng JI, our executive Director and Chief Executive Officer and Ms. Pui Ching CHAN, our company secretary, to be the principal communication channel at all times between the Stock Exchange and our Company. Each of our authorized representatives will be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange;
- (b) each Director has provided his/her contact details (such as mobile phone numbers, office phone numbers and email addresses) to each of the authorized representatives and to the Stock Exchange. This will ensure that each of the authorized representatives and the Stock Exchange will have the means to contact all of our Directors (including the independent non-executive Directors) promptly as and when required, including means to communicate with our Directors when they are traveling;
- (c) we will ensure that all Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to visit Hong Kong to meet with the Stock Exchange within a reasonable period of time when required;
- (d) we have appointed Somerley Capital Limited as our Compliance Adviser, in accordance with Rule 3A.19 of the Listing Rules. The Compliance Adviser, among other things, will serve as an additional channel of communication in addition to the authorized representatives of our Company. The Compliance Adviser will provide our Company with professional advice on ongoing compliance with the Listing Rules and will be available to respond to enquiries from the Stock Exchange. We will ensure that the Compliance Adviser has prompt access to our Company’s authorized representatives and

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Directors who will provide to the Compliance Adviser such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser's duties. The Compliance Adviser will also provide advice to our Company in compliance with Rule 3A.23 of the Listing Rules; and

- (e) meetings between the Stock Exchange and our Directors could be arranged through the authorized representatives or the Compliance Adviser, or directly with our Directors within a reasonable time frame. Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives and/or the Compliance Adviser in accordance with the Listing Rules.

EXEMPTION FROM STRICT COMPLIANCE WITH 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

Rule 4.04(1) of the Listing Rules requires that the consolidated results of the issuer and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the listing document be included in the accountants' report to its document.

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 (the "Third Schedule"), and set out the reports specified in Part II of the Third Schedule.

Paragraph 27 of Part I of the Third Schedule 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.

Paragraph 31 of Part II of the Third Schedule 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 the 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.

Our Company is a Biotech Company as defined under Chapter 18A of the Listing Rules and is seeking a [REDACTED] under Chapter 18A of the Listing Rules. 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 listing 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 listing document.

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In compliance with the abovementioned requirements under the Listing Rules, the accountants’ report of our Company set out in Appendix I to this Document is currently prepared to cover the two financial years ended December 31, 2024 and 2025.

In connection with a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting the Company 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 mentioned above, an application has been made to the SFC for the certificate of exemption from strict compliance with section 342(1) 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 in relation to the inclusion of the Accountants’ Report covering the full three financial years immediately preceding the issue of this Document on the following grounds:

- (a) our Company is primarily engaged in the discovery, development, manufacturing and commercialization of biotech products, and falls within the scope of a Biotech Company as defined under Chapter 18A of the Listing Rules. Our Company will fulfill the additional conditions for [REDACTED] required under Chapter 18A of the Listing Rules;
- (b) as of the Latest Practicable Date, we had not commercialized any products and therefore did not generate any revenue from product sales. Major financing activities conducted by the Company since its incorporation include the Pre-[REDACTED] Investments, the details of which have been fully disclosed in the section headed “History, Development and Corporate Structure — Pre-[REDACTED] Investments” in this Document;
- (c) our Directors are of the view that there is no event which would materially affect the information contained in the Accountants’ Report. Based on the due diligence work performed by the Joint Sponsors so far, nothing has come to the attention of the Joint Sponsors for them to cast doubt on the views of our Directors expressed above; and
- (d) our Directors and the Joint Sponsors consider that all information that is reasonably necessary for the potential [REDACTED] to make an informed assessment of the activities or financial position of our Group has been included in this Document. Notwithstanding that the financial results set out in this Document are only for the two financial years ended December 31, 2024 and 2025 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this Document pursuant to the relevant requirements. The accountants’ report covering the financial years ended December 31, 2024 and 2025 (as set out in Appendix I to this Document), together with other disclosures in this Document, have already provided adequate and reasonable up-to-date information in the circumstances for the potential [REDACTED] to make an informed assessment of the business, assets and liabilities, financial position, management and prospects and to form a view on the track record of our Company. Therefore, an exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance would not prejudice the interests of the investing public.

Our Directors consider that the benefits of such work to the prospective investors of our Company may not justify the additional work and expenses involved and the delay in the [REDACTED] timetable, given that it is expected that there would be no significant change in the financial position of our Group since December 31, 2025, being the expiry of the period reported on by Ernst & Young, our Company’s reporting accountants.

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) this Document will be issued on or before [REDACTED] and the Shares will be [REDACTED] on or before [REDACTED]; and (ii) the particulars of the exemption are set out in this Document.