SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. 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 out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. ***In particular, we are a biotechnology company seeking a [REDACTED] on the [REDACTED] of the [REDACTED] under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules.*** *There are unique challenges, risks and uncertainties associated with [REDACTED] in companies such as ours. BS001, our product candidate, is designated as the Core Product for the purpose of satisfying the eligibility requirements under Chapter 18A and Chapter 2.3 of the Guide, and it is in the early stage of clinical development; and the Group may continue to incur substantial costs and expenses in relation to R&D activities for BS001, and BS001 may not be successfully developed or marketed. Your [REDACTED] decision should be made in light of these considerations.*

OVERVIEW

Incorporated in 2010, we are a China-based biotechnology company in the oncolytic virotherapy space, dedicated to the discovery, development, and commercialization of cancer immunotherapies. We have internally developed our Core Product, BS001 (OH2 Injection), and two Key Products. As of the Latest Practicable Date, our pipeline comprised two clinical-stage candidates, namely BS001 and BS006, and two preclinical-stage candidates, namely BR003 and BS051.

Our Core Product, BS001, is a novel herpes simplex virus type 2 (HSV-2)-based oncolytic virus candidate engineered to replicate selectively in tumor cells, trigger direct oncolysis, and secrete human granulocyte-macrophage colony-stimulating factor (hGM-CSF) to elicit systemic immune activation. BS001 has received IND approvals from both the NMPA and the FDA for advanced solid tumors. Under this broad IND scope, we are developing BS001 both as a monotherapy and in combination with other agents — particularly programmed cell death protein 1 (PD-1) inhibitors — across selected solid tumor types, including melanoma, colorectal cancer (CRC), glioblastoma (GBM), soft tissue sarcoma (STS), and biliary tract cancer (BTC), among others. Consistent with industry practice, our current clinical efforts are primarily directed at later-line settings, including 3L + unresectable or metastatic melanoma, 2L+ unresectable or relapsed/metastatic CRC, 1L+ relapsed GBM, 2L+ unresectable or relapsed/metastatic STS, 2L+ unresectable or relapsed/metastatic BTC. Its clinical data have demonstrated a favorable safety profile and preliminary efficacy. We intend to advance into earlier lines of therapy as clinical evidence accumulates. As the world's first HSV-2-based oncolytic virus candidate to reach clinical stage and advance into a Phase III pivotal trial, our BS001 has the potential to become the first approved HSV-2-based oncolytic virotherapy globally.

THERE IS NO ASSURANCE THAT WE WILL ULTIMATELY BE ABLE TO DEVELOP AND MARKET OUR CORE PRODUCT OR ANY OF OUR PIPELINE PRODUCTS SUCCESSFULLY.

The following chart illustrates our pipeline and summarizes the development status of each candidate as of the Latest Practicable Date, all of which are in-house discovered:

Platform	Candidate	Target	Administration	Structure	Indication	Regimen	Regulatory Authority	Preclinical / Phase I / Phase II / Phase III / BLA	Next Milestone	Commercial Rights	R&D Model
Viral Vector Platform	BS001 ★	hGM-CSF	Intratumoral	HSV-2	Unresectable or metastatic melanoma (3L+)	Mono	NMPA	The first to be included in the CDE's Breakthrough Therapy Designation [2]	Expected 2026Q4 completion of Phase III clinical trial Expected 2026Q4 initiation of Phase III clinical trial	Global	Self-developed
							FDA[1]	The first to receive both FDA Orphan Drug Designation and FDA Fast Track Designation[3]			
			Intratumoral (incl. metastatic lesion injection)	HSV-2	Unresectable or relapsed/ metastatic CRC (2L+)[4]	Combo with PD-1 inhibitor	NMPA		Expected 2026Q2 initiation of Phase III clinical trial Expected 2026Q4 initiation of Phase III clinical trial		
							FDA[1]	FDA Fast Track Designation[3]			
			Intracavitary (via Ommaya reservoir)	HSV-2	Relapsed GBM (1L+)	Mono	NMPA		Expected 2026Q3 initiation of Phase III clinical trial Expected 2026Q4 initiation of Phase II clinical trial		
							FDA	The first to receive FDA Orphan Drug Designation[5]			
			Intratumoral	HSV-2	Unresectable or relapsed/ metastatic STS (2L+)[4]	Combo with PD-1 inhibitor	NMPA		Expected 2027Q2 initiation of Phase III clinical trial Expected 2027Q4 initiation of Phase II clinical trial		
							FDA				
			Intratumoral (incl. metastatic lesion injection)	HSV-2	Unresectable or relapsed/ metastatic BTC (2L+)[4]	Combo with PD-1 inhibitor	NMPA		Expected 2027Q4 initiation of Phase III clinical trial Expected 2028Q2 initiation of Phase II clinical trial		
							FDA				
	BS006 ▲	PD-L1/ CD3 (TCE)	Intratumoral	HSV-2	Solid Tumors (2L+)	Mono	NMPA		Expected 2026Q2 initiation of Phase I clinical trial Expected 2026Q4 completion of Phase I clinical trial	Global	Self-developed
							FDA				
Nucleic Acid Delivery Platform	BR003 ▲	IL-2 analog	Intravenous	LNP	Advanced Solid Tumors	Mono	NMPA/FDA		Expected 2026Q3 completion of IND application	Global	Self-developed
	BS051	Viral Nucleic Acid	Intravenous	LNP	Solid Tumors	Mono	NMPA/FDA		Expected 2027Q4 submission of IND application	Global	Self-developed

★ Core Product ▲ Key Product

Abbreviations: BLA = biologics license application; BTC = biliary tract cancer; CD3 = cluster of differentiation 3; CDE = Center for Drug Evaluation; Combo = combination therapy; CRC = colorectal cancer; FDA = Food and Drug Administration; GBM = glioblastoma; hGM-CSF = human granulocyte-macrophage colony-stimulating factor; HSV-2 = herpes simplex virus 2; IL-2 = Interleukin-2; IND = investigational new drug; LNP = lipid nanoparticle; Mono = monotherapy; NMPA = National Medical Products Administration; PD-1 = programmed cell death protein 1; PD-L1= programmed death-ligand 1; STS = soft tissue sarcoma; TCE = T-cell engager.

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Notes:

1. Leveraging promising early-stage clinical data from China, we engaged End-of-Phase II (EOP2) meetings with the FDA and received clearance to proceed directly into Phase III trials for the treatment of melanoma and CRC in December 2024 and September 2025, respectively.

2. In February 2023, our Core Product, BS001, received a Breakthrough Therapy Designation from the CDE of China. The proposed indication is for patients with unresectable or metastatic melanoma who have failed at least two prior lines of standard therapy. The primary study endpoint of its Phase III trials is overall survival (OS).

3. In July 2022, BS001 was granted Orphan Drug Designation (ODD) by the FDA for the treatment of Stage IIb to Stage IV melanoma. This represented the first and only instance in which an oncolytic virus candidate independently developed in China received such a designation from the FDA. Subsequently, in June 2023, the FDA also granted Fast Track Designation (FTD) to BS001 for the treatment of unresectable Stage III or IV melanoma that is resistant to, or has progressed following, anti-PD-1 therapy. The indications for which BS001 has obtained FTD and ODD are subtype-specific and do not correspond to the full scope of our IND approvals or the patient populations defined in our clinical protocols. Rather, these designations reflect the FDA's recognition of unmet medical need or rare disease status with respect to particular indications within our broader clinical development program.

4. BS001 is being evaluated in unresectable or relapsed/metastatic CRC, unresectable or relapsed/metastatic STS, and unresectable or relapsed/metastatic BTC under a basket trial design registered under the same CTR/NCT number. In addition to the aforementioned indications (e.g., melanoma, CRC, GBM, STS and BTC), we are actively advancing a broad clinical development program for BS001 across multiple solid tumor types.

5. In August 2025, BS001 in combination with a PD-1 inhibitor was granted FTD from the FDA in treating cancers with proficient mismatch repair/microsatellite stability (pMMR/MSS) colorectal cancer patients with liver metastases (CRCLM) that have progressed on at least three lines of prior therapy. The indications for which BS001 has obtained FTD and ODD are subtypespecific and do not correspond to the full scope of our IND approvals or the patient populations defined in our clinical protocols. Rather, these designations reflect the FDA's recognition of unmet medical need or rare disease status with respect to particular indications within our broader clinical development program.

6. In February 2024, BS001 was granted ODD by the FDA for the treatment of malignant glioma, marking it as the first China-originated, HSV-2-based oncolytic virus candidate to receive such designation for this indication.

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OUR INTEGRATED BUSINESS MODEL AND SIGNATURE ACHIEVEMENTS

Since our inception, we have been committed to the in-house development of novel oncolytic virotherapies and beyond, underpinned by our proprietary R&D infrastructure centered on a viral vector platform and contemplated by nucleic acid delivery and protein biologics platforms.

We strategically select HSV-2 as the viral vector for its superior innate oncolytic potency, syncytium-inducing ability, and richer set of antitumor signaling pathways, compared to conventional HSV-1. Our targeted engineering strategy deletes the neurovirulent infected cell protein 34.5 (ICP34.5) and immunosuppressive infected cell protein 47 (ICP47) while inserting hGM-CSF, thereby achieving a dual mechanism of localized tumor lysis and systemic immune activation. We have also made advancements in the lipid nanoparticle (LNP) delivery technology which facilitates efficient and precise systemic administration of oncolytic viruses, overcoming challenges associated with intravenous dosing. Furthermore, we have identified a proprietary baseline biomarker X, converting a simple blood test into a companion diagnostic that steers low-X patients toward BS001 monotherapy and high-X patients toward BS001 in combination with PD-1 blockade to improve therapeutic outcomes.

By harnessing our advanced platform technologies, we have successfully developed our Core Product, BS001 (OH2 Injection), for the treatment of a variety of solid tumors. BS001 is the world's first HSV-2-based oncolytic virus candidate to reach clinical stage and advance into a Phase III pivotal trial, underscoring its potential to become the first approved HSV-2-based therapy globally. Under IND approvals from both the NMPA and the FDA for advanced solid tumors, we are investigating BS001 both as a monotherapy and in combination with a PD-1 inhibitor across selected solid tumor types. Consistent with industry practice, our current clinical efforts are primarily directed at later-line settings, and we intend to advance into earlier lines of therapy as clinical evidence accumulates. We are now evaluating BS001 in patients with 3L+ unresectable or metastatic melanoma, 2L+ unresectable or relapsed/metastatic CRC, 1L+ relapsed GBM, 2L+ unresectable or relapsed/metastatic STS, and 2L+ unresectable or relapsed/metastatic BTC.

We have progressed BS001 into a Phase III clinical trial in melanoma in China, which is a randomized controlled trial that notably employs overall survival (OS), the gold-standard efficacy endpoint in oncology recognized by competent regulatory authorities, as the primary endpoint. Its completed Phase Ia/Ib trial reported a prolonged median overall survival (mOS) of 46.6 months. It also reported an objective response rate (ORR) of 34.48% in patients with advanced melanoma, and an even higher ORR of 42.1% in those resistant to PD-1 therapy. Building on our promising early-stage trial data, we received FDA clearance for a Phase III trial of BS001 for melanoma in the U.S. When administered as monotherapy, BS001 has also demonstrated therapeutic potential in GBM, with multiple patients showing positive responses in an early-stage Phase I/II trial.

BS001's distinctive ability to remodel the tumor microenvironment enhances its synergy with other established modalities. For instance, intratumoral use upregulates immune checkpoints to prime patients for combination with checkpoint inhibitors. Co-administration with radiotherapy or chemotherapy amplifies immunogenic cell death, antigen release, and T-cell activation. We are currently investigating the combination regimens integrating BS001 and a PD-1 inhibitor in Phase II trials across a variety of indications including, among others, CRC, STS and BTC, leveraging its broad-spectrum antitumor efficacy. In particular, we received FDA clearance for the initiation of a Phase III trial targeting CRC in the U.S. in September 2025.

In recognition of BS001's clinical profile, regulatory authorities have granted the program several notable designations. The CDE awarded BS001 Breakthrough Therapy Designation (BTD), making it the first oncolytic virus candidate to receive this designation in China. The FDA has granted Fast Track Designation (FTD) for two indications, namely monotherapy in unresectable stage III/IV melanoma that is resistant to or has progressed after PD-1 inhibitors, and combination with PD-1 inhibitors in proficient mismatch repair/microsatellite stability (pMMR/MSS) colorectal cancer patients with liver metastases (CRCLM) who have progressed on at least three prior lines of

therapy. The FDA also granted Orphan Drug Designation (ODD) for stage III to IV melanoma and for malignant glioma, making BS001 the first China-originated oncolytic virus candidate to secure ODD from the FDA. These designations are indication- or subtype-specific and do not correspond to the full scope of our IND approvals or the targeted patient populations.

Beyond the oncolytic virus candidates, our product portfolio comprises the nucleic acid franchise exemplified by BR003 and BS051, as well as protein biologics, further broadening the clinical scope and potential of our treatments.

We have integrated CMC and manufacturing capabilities. Notably, we are the only company nationwide to hold a Category A drug production license for oncolytic virus drugs. Despite the inherent complexity of oncolytic virus processes, our proprietary technologies in vector construction, efficient purification, and concentration, have enabled production with cost-efficiency, purity, and stability. Our GMP-compliant manufacturing facility in Ezhou, Hubei Province, currently provides sufficient capacity to meet clinical and early commercial demands, ensuring support for product launches. This capability establishes a foundation for advantage in the marketplace.

We have assembled a leadership team that consistently steers us through the complexities of drug development, strategic decision-making, and sustained global growth. Looking ahead, we plan to accelerate the global clinical development of our lead assets, while continuously expanding their indications and market reach. We will also increase our investments in frontier technologies, such as oncolytic nanoparticle therapy, to further enrich our platforms, shape industry barriers to entry, and fully unlock the therapeutic potential of drug candidates. In anticipation of upcoming commercialization of our Core Product BS001, we will establish a strong commercial presence in China and abroad through a blend of strategic partnerships and internal workforce building. Aligned with our mission, we remain committed to translating oncolytic therapeutics from bench to bedside, ultimately improving outcomes for cancer patients.

OUR PIPELINE

We have curated a pipeline spanning three strategic franchises: oncolytic viruses, nucleic-acid therapeutics, and protein biologics, each powered by proprietary platform technologies. By unifying our platform capabilities, we accelerate development timelines, reduce risk, and maximize the therapeutic potential of our portfolio.

Oncolytic Virus Franchise

Our oncolytic virus franchise is featured by our Core Product BS001 and Key Product BS006. BS001 is an HSV-2-based oncolytic virus candidate with a favorable safety profile, broad therapeutic potential and distinct combination advantages. BS006 is a next-generation HSV-2-based oncolytic virus candidate that incorporates a triple-synergy antitumor mechanism, including direct tumor cell lysis to alter the tumor microenvironment, local expression of a programmed death-ligand 1 (PD-L1)/cluster of differentiation 3 (CD3) bispecific T-cell engager (TCE) to activate and redirect T cells, and concurrent blockade of PD-L1 signaling. Our advanced portfolio drives development of a cocktail approach leveraging different oncolytic viruses armed with distinct therapeutic sequences to broaden antitumor activity and deliver durable clinical benefits.

Our Core Product—BS001 (OH2 Injection/rHSV2$^{hGM\text{-}CSF}$)

BS001 (rHSV2$^{hGM\text{-}CSF}$) is a recombinant oncolytic herpes simplex virus type II (OH2) therapeutic injection (Vero Cell) exclusively developed by us for the treatment of advanced solid tumors. It is the world's first HSV-2-based oncolytic virus candidate to reach clinical stage and advance into a Phase III pivotal trial, underscoring its potential to become the first approved HSV-2-based oncolytic virus therapy globally.

We are currently evaluating the therapeutic potential of this candidate in various clinical trials across a broad spectrum of solid tumors, in which BS001 has demonstrated a promising safety and encouraging efficacy profile. BS001 has achieved significant regulatory milestones in both China and the U.S., including BTD from CDE, ODD and FTD from FDA, demonstrating its leading progress among oncolytic virus candidates globally. For details, see "Business — Oncolytic Virus Franchise — BS001 (OH2 Injection/rHSV2hGM-CSF) — our Core Product."

Addressable Markets and Competitive Landscape

The global oncolytic virus market grew from US$43.6 million in 2020 to US$87.1 million in 2024 at a CAGR of 18.9%, projected to reach US$7.5 billion by 2030 at a CAGR of 110.4%. China's oncolytic virus market grew from RMB23.8 million in 2020 to RMB45.3 million in 2024 at a CAGR of 17.4%, projected to reach RMB9.2 billion by 2030 at a CAGR of 142.5%.

BS001 targets indications with substantial unmet need. Global melanoma incidence reached 351.6 thousand in 2024 and is projected to reach 376.6 thousand by 2030. T-VEC has been the only approved oncolytic virus in melanoma, and BS001 remains the only Phase III candidate in China. Global CRC incidence reached 2.1 million in 2024 and is projected to reach 2.3 million by 2030, with no oncolytic virus approved and BS001 being the only Phase III candidate globally. Global glioma incidence reached 531.5 thousand in 2024 and is projected to reach 600.6 thousand by 2030, with only one oncolytic virus product DELYTACT® approved in Japan and BS001 among the four Phase I/II or above candidates globally. Global STS incidence reached 207.1 thousand in 2024 and is projected to reach 239.1 thousand by 2030, with no oncolytic virus approved and BS001 among the two Phase I/II or above candidates globally. Global BTC incidence reached 419.1 thousand in 2024, with China at 139.8 thousand, projected to reach 505.0 thousand and 161.1 thousand by 2030, respectively, with no oncolytic virus approved and BS001 among the two Phase I/II or above candidates globally. For details of market opportunities and competitive landscape, see "Industry Overview — Overview of Oncolytic Virus Market."

Competitive Advantages

BS001's HSV-2 backbone with dual knockout and hGM-CSF insertion strategy underpins its high druggability potential, favorable safety and efficacy profile, and broad pipeline across high-value solid tumor indications. BS001 is built on an HSV-2 backbone characterized by strong intratumoral replicative capacity, resistance to neutralizing antibodies, and a high exogenous cytokine-carrying capacity. In selecting viral backbones, HSV exhibits superior resistance to neutralizing antibodies and a larger capacity for foreign cytokine insertion compared to other virus types. According to a recent comprehensive systematic review and pairwise meta-analysis reported in a journal published by *Lancet*, Herpesviridae-based therapies (especially those based on HSV) have demonstrated superior safety and efficacy profiles compared to all other virus-derived therapeutic classifications. Among HSV types, HSV-2 demonstrates better oncolytic activity than HSV-1 owing to its ability to interfere with host antiviral defenses, promote viral replication upon infection, facilitate natural killer (NK) cell-mediated tumor cell killing, induce syncytia formation to stimulate antitumor immunity, and activate diverse antitumor signaling pathways, making it an ideal candidate as an oncolytic virus backbone.

BS001 has been meticulously engineered with a dual-knockout strategy, i.e., deletion of the neurovirulent ICP34.5 to attenuate pathogenicity and sharpen tumor-selective replication, and removal of the immunosuppressive ICP47 to unmask antigen presentation and sustain oncolytic activity. This rational, precise engineering mirrors the design of approved HSV-based therapies, such as T-VEC, and fundamentally enhances BS001's druggability by optimizing its safety profile, improving tumor targeting, and facilitating adaptive immune priming. To further amplify antitumor efficacy, BS001 incorporates a recombinant hGM-CSF cytokine that recruits and activates granulocytes, macrophages, cytotoxic T lymphocytes and NK cells, driving both local tumor lysis and systemic immune responses.

For more details, see "Business—Our Pipeline—BS001 (OH2 Injection/rHSV2hGM-CSF)—our Core Product—Competitive advantages."

SUMMARY

Our Key Product—BS006 (oHSV2-PD-L1/CD3-BsAb)

BS006 is a next-generation, novel HSV-2-based oncolytic virus candidate that has been engineered to locally express a PD-L1/CD3 bispecific TCE, redirect and activate T cells at the tumor site while simultaneously blocking checkpoint signaling, thereby providing a triple-synergy antitumor mechanism. It is specifically designed for the treatment of advanced/metastatic solid tumors, including but not limited to lung, melanoma, liver, pancreatic and colorectal cancers. BS006 received IND approvals from the FDA and NMPA in November 2022 and August 2025, respectively. We are currently investigate this candidate in a Phase I trial in the U.S. for the treatment of advanced or metastatic solid tumors. We also plan to initiate a Phase I clinical trial in China in the second quarter of 2026.

Addressable Markets and Competitive Landscape

The global oncolytic virus market remains at an early stage but is growing rapidly. In parallel, the market for T-cell engagers, with which BS006 has strong combinatorial potential, is also set for significant expansion. Globally, this market is estimated to grow from US$3.2 billion in 2024 to US$40.7 billion in 2030, at a CAGR of 52.7%. In China, it is projected to increase from RMB0.7 billion in 2024 to RMB8.3 billion in 2030, at a CAGR of 67.4%, according to Frost & Sullivan. As of the Latest Practicable Date, no TCE-expressing oncolytic virus candidates had been approved, and all remain at the clinical stage globally. Taken together, the convergence of rapid growth in both the oncolytic virus and T-cell engager markets underscores the substantial commercial opportunity for BS006 as a differentiated therapeutic candidate with broad applicability across solid tumors.

Competitive Advantages

Similar to BS001, BS006 is constructed on an HSV-2 backbone that provides superior intracellular activity, stronger oncolytic potency, and greater immune evasion capacity compared with HSV-1. The dual knockout of ICP34.5 and ICP47 confines viral replication to tumor cells and restores antigen presentation, a clinically validated strategy that enhances both safety and efficacy. Additionally, BS006 is engineered to express a bispecific antibody that targets PD-L1 on tumor cells and CD3 on T cells, thereby amplifying systemic antitumor immune responses. Despite the commercial success of PD-1 and PD-L1 inhibitors, their response rates as monotherapy remain limited at 10 to 25 percent across most major cancer types, and are particularly low in "cold" tumors that lack T cell infiltration. By combining direct tumor cell lysis with immune activation, BS006 has demonstrated the ability to change the tumor microenvironment, converting "cold" tumors into "hot" tumors that are more responsive to checkpoint blockade. These attributes position BS006 as a potential partner for PD-1 inhibitors, especially for lung cancer.

BS006 has demonstrated a favorable safety profile and enhanced antitumor effects in both preclinical studies and clinical trials, even at higher dose levels. Repeat-dose toxicology studies showed minimal injection-site reactions, limited inflammatory infiltration, and no systemic toxicity, supporting a well-tolerated safety profile. Additionally, in multiple xenograft tumor models, BS006 treatment significantly inhibited tumor growth, improved survival, and induced durable immune-mediated responses, including elimination of uninfected PD-L1-positive tumor cells through a bystander effect. In its ongoing Phase I dose-escalation trial as of January 5, 2026, five patients with advanced or metastatic solid tumors have been enrolled. No Grade 3 or treatment-related adverse events (TRAEs) had been observed. No TRAEs led to early withdrawal, and no treatment emergent adverse events (TEAEs) or TRAEs resulted in death. No Suspected Unexpected Serious Adverse Reactions (SUSARs) occurred during the study treatment period. One patient with stage IV squamous cell carcinoma has achieved an OS of more than 24.6 months and continues to experience clinical benefit, highlighting the therapeutic potential of BS006 in solid tumors. For more details, see "Business—Our Pipeline—BS006 (oHSV2-PD-L1/CD3-BsAb)—our Key Product."

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Nucleic Acid Franchise

Our Key Product—BR003 (IL-2 analog)

BR003, an interleukin-2 (IL-2) analog encapsulated in LNPs, represents a nucleic acid therapy that leverages molecular selectivity and systemic intravenous delivery to achieve efficient transfection and expression. This design induces a potent antitumor immune response while maintaining a compelling safety profile, offering broad therapeutic potential across multiple cancer indications. BR003 leverages our proprietary LNP technology to enable the systemic delivery of therapeutic nucleic acid. BR003 has demonstrated anti-tumor activity by activating cytotoxic T cells and NK cells after translation. We submitted an IND to the FDA in March 2026 for advanced solid tumors. We expect to submit an IND to the NMPA in the third quarter of 2026.

BR003 notably integrates a unique "capless" nucleic acid structure with a receptor selective IL-2 analog design. The capless structure replaces the conventional 5' cap with an internal ribosome entry site (IRES) element and incorporates uridine triphosphate (UTP) in place of chemically modified nucleotides, thereby streamlining the *in vitro* transcription process and quality control while enhancing cost efficiency. Building on this backbone, the engineered IL-2 analog is designed to selectively bind IL-2R β γ without engaging IL-2R α, preserving potent effector T cell and NK cell activation while minimizing dose limiting toxicities such as vascular leak syndrome and regulatory T cell overactivation, which have historically constrained IL-2 based therapies. For more details, see "Business—Our Pipeline—Nucleic Acid Franchise."

BS051

BS051 was developed using our proprietary LNP technology to achieve systemic delivery of oncolytic viruses, encapsulating the viral nucleic acid within the LNPs for protected transport. This strategy enhances stability, protects the viral nucleic acid from degradation, and facilitates efficient delivery to tumor sites. BS051 has been formulated for intravenous delivery to overcome the limitations of intratumoral injection, offering the potential to expand the therapeutic scope of oncolytic virotherapy to advanced solid tumors where local administration is not feasible.

Protein Drug Franchise

Leveraging our Protein Biologics Platform, we are also developing innovative therapeutic protein targeting neurological disorders and other selected indications. This innovative production system enables the efficient, rapid, and safe production of biologically active recombinant protein, overcoming many of the limitations associated with traditional fermentation or mammalian cell expressions systems.

OUR PLATFORM

We have built three proprietary and complementary technology platforms to advance a broad pipeline of oncolytic virus candidates and other novel assets. Our viral vector platform encompasses the design, development, and large-scale production of diverse backbones including HSV, adenovirus, and poxvirus, with proprietary methods for manufacturing high-titer, high-purity HSV-2. Our RACE® nucleic acid delivery platform is based on a proprietary LNP system designed to overcome conventional delivery limitations including intravenous delivery barriers, immunogenicity, and restricted tissue targeting, enabling systemic administration of therapeutic and viral nucleic acid payloads. Our protein biologics platform integrates innovative expression technologies with next-generation purification systems to deliver high productivity, safety, and scalability. These platforms operate cohesively, enabling streamlined R&D workflow and horizontal synergy to amplify the potency of our therapeutics. For details, please see "Business — Proprietary Technology Platforms."

SUMMARY

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors:

- A Biotech Company Dedicated to Novel Oncolytic Virus Therapies that Address Significant Clinical Needs in Tumor Treatment;
- Proprietary Technology Platforms Leading to Differentiated Backbone and Payload Design;
- BS001 (OH2 Injection): A Differentiated Oncolytic Virus with a Favorable Safety Profile, Broad Therapeutic Potential, and Distinct Combination Advantages Across a Growing Market;
- An Experienced R&D Team and Proprietary Technology Platforms Driving Clinical Progress Across Our Pipeline;
- CMC and Manufacturing Capabilities to Meet Pipeline Needs and Enable Efficient Production; and
- Top-tier Management Team with Global Vision and Deep Medical Expertise, Supported by Prominent Investors.

For more details, please see "Business—Our Competitive Strengths."

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following strategies:

- Accelerating the Global Clinical Development and Commercialization of Our Core Product BS001 and Key Product BS006 Across Multiple Indications;
- Innovating Drug Delivery to Broaden Therapeutic Applications;
- Pursuing Strategic Global Partnerships to Accelerate Development and Commercialization; and
- Strengthening Talent Development and Organizational Culture.

For more details, please see "Business—Our Strategies."

RESEARCH AND DEVELOPMENT

We conduct R&D activities primarily through our in-house R&D team. As of the Latest Practicable Date, our R&D team comprised 64 personnel, of whom 28 individuals, representing approximately 44%, held master's or PhD degrees, primarily in medical science, pharmacology, biology and chemistry. Of these 64 R&D personnel, 63 were involved in the research and development of BS001. At the helm of our Company is Dr. Liu Binlei, our founder, chairman of our Board, executive Director and general manager, who brings over 30 years of expertise in tumor immunology and oncolytic viruses. See "Business — Research and Development — Our In-house R&D Team" for details. We also engage contract research organizations (CROs) from time to time to support our clinical trials and preclinical toxicity studies. Under our oversight, CROs provide services including site identification, medical and scientific management, data operations and statistical analysis, trial implementation monitoring, regulatory communication, and record keeping and report preparation. We select CROs based on professional qualifications, relevant research experience, service quality, efficiency, industry reputation, and pricing competitiveness. For further details, please refer to the paragraphs headed "Business — Research and Development — R&D Process — Collaboration with CROs."

In 2024 and 2025, our research and development expenses were RMB102.8 million and RMB84.3 million, respectively. In particular, the research and development expenses incurred for our Core Product were RMB73.9 million and RMB55.5 million during the same years, respectively, accounting for 71.9% and 65.8% of our total research and development expenses for the corresponding years.

COLLABORATION AND MATERIAL AGREEMENTS

We have entered into two collaborative framework agreements with two majority-owned subsidiaries of Lepu Biopharma to jointly evaluate the combination therapy of BS001 and Lepu Biopharma's pucotenlimab (formerly HX008, a PD-1 inhibitor) and LP002 (a PD-L1 inhibitor), respectively, in Mainland China. Lepu Biopharma holds approximately 11.84% and [REDACTED] equity interest in our total issued Shares as of the Latest Practicable Date and upon the completion of the [REDACTED] (assuming that the [REDACTED] are not exercised), respectively. Pursuant to the agreements, the parties agree to jointly conduct clinical trials for the combination therapy integrating our BS001 and Lepu Biopharma's pucotenlimab and LP002, respectively. The agreements were negotiated and approved on an arm's length basis and determined based on normal and fair commercial terms considering the therapeutic potential of this combination therapy and the potential economic gain for each party. For more details, please see "Business—Collaboration and Material Agreements."

CHEMISTRY, MANUFACTURING AND CONTROLS

We led the development of HSV-2 production standards and technical specifications, establishing authoritative benchmarks for manufacturing, quality management, and industry practice. Our comprehensive platform that unifies process development, impurity profiling, analytical method validation, and stability testing—giving us full control from R&D through GMP manufacturing to quality release. Our in-house CMC framework reduces development costs and accelerates the pace of development. For details, see "Business—Manufacturing."

INTELLECTUAL PROPERTY

We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned (i) 15 issued patents in China, (ii) two issued patents in the U.S., (iii) one issued patent in other jurisdictions, and (iv) 11 pending patent applications, including seven in China and four in the U.S. As of the Latest Practicable Date, with respect to our Core Product, BS001 or its use, we owned one issued patent in China, two issued patents in the U.S., three patent applications in China and two patent applications in the U.S. For further details, please refer to the paragraphs headed "Business — Intellectual Property".

CUSTOMERS

During the Track Record Period, our revenue was derived from (i) provision of research and development services, (ii) sales of reagents and consumables for R&D purposes, and (iii) other revenue generated from leasing of equipment. For further details, please refer to "Financial Information—Description of Selected Components of the Consolidated Statements of Comprehensive Loss—Revenue." For the years ended December 31, 2024 and 2025, our revenue from our five largest customers in each period in aggregate accounted for 90.5% and 93.9% of our total revenue for the respective period. Our revenue from our largest customer in each period accounted for 61.2% and 59.8% of our total revenue for the respective period. For more details, please see "Business—Customers."

SUPPLIERS

During the Track Record Period, our suppliers primarily included reputable CROs, construction services providers, and providers of raw materials, consumables and equipment, as well as other product and service providers. We have maintained stable business relationships with our major suppliers. During the Track Record Period, we did not experience any material disputes

with our suppliers, difficulties in the procurement of raw materials or services, disruptions to our operations due to a shortage of or delay in supply of raw materials or services, or significant fluctuations in raw material and/or service prices. For the years ended December 31, 2024 and 2025, our purchases from our five largest suppliers in each period in aggregate accounted for 59.9% and 44.1% of our total purchases for the respective period. Our purchases from our largest supplier in each period accounted for 39.6% and 33.0% of our total purchases for the respective period. For more details, please see "Business—Suppliers and Procurement."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

This summary historical data of financial information set forth below have been derived from, and should be read in conjunction with our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in the section headed "Financial Information." Our historical financial information was prepared in accordance with IFRSs.

Summary Data 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 or loss for the years indicated:

	Year Ended December 31,	
	2024	**2025**
	(RMB'000)	*(RMB'000)*
Revenue	**1,725**	**884**
Cost of sales	(525)	(585)
Gross profit	**1,200**	**299**
Other income and gains	22,425	14,909
Research and development expenses	(102,844)	(84,301)
Administrative expenses	(33,194)	(51,686)
Other expenses	(101)	(56)
Finance costs	(617)	(117)
Loss before tax	**(113,131)**	**(120,952)**
Income tax (expense)/credit	(15)	24
Loss for the year	**(113,146)**	**(120,928)**

For details on the accounting treatment of redemption rights and liquidation preference rights of pre-[REDACTED] investments, see "— Pre-[REDACTED] Investments" below and note 27 to the Accountants' Report set out in Appendix I to this document.

Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive expense which are presented in accordance with IFRSs, we also use adjusted loss as a non-IFRS measure, which is not required by, or presented in accordance with, IFRSs.

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted by share-based compensation and [REDACTED] expenses. Share-based compensation represents expenses arising from granting share incentives to senior management and selected employees, which is non-cash in nature. The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, or superior to, analysis of our results of

operations or financial condition as reported under IFRSs. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

The following table reconciles our adjusted net loss (non-IFRS measure) for the year presented in accordance with IFRSs.

	Year ended December 31,	
	2024	2025
	(RMB'000)	*(RMB'000)*
Loss for the year	**(113,146)**	**(120,928)**
Adjustment for:		
Share-based compensation	9,952	14,437
[REDACTED]	—	16,692
Adjusted net loss (non-IFRS Measure) for the year	**(103,194)**	**(89,799)**

In 2024 and 2025, we recorded revenue of RMB1,725 thousand, and RMB884 thousand, respectively, which was derived from our provision of research and development services, sales of reagents and consumables for R&D purposes, and leasing of equipment. We currently have no products approved for commercial sale and were loss-making during the Track Record Period. In 2024 and 2025, we incurred net losses of RMB113.1 million and RMB120.9 million, respectively. Substantially all of our net losses resulted from research and development expenses and administrative expenses. Our net losses remained relatively stable during the Track Record Period.

For discussion of the fluctuation of our net losses during the Track Record Period, see "Financial Information—Description of Selected Components of Consolidated Statements of Loss and Other Comprehensive Expense" in this document.

Summary Data from Consolidated Statements of Financial Position

The following table sets forth summary data from our consolidated statements of financial position as of the dates indicated.

	As of December 31,	
	2024	2025
	(RMB'000)	*(RMB'000)*
Total non-current assets	411,671	353,602
Total current assets	358,845	371,424
Total current liabilities	70,457	81,448
Net current assets	288,388	289,976
Total non-current liabilities	63,297	114,148
Net Assets	636,762	529,430

Our net current assets remained stable at RMB288.4 million and RMB290.0 million as of December 31, 2024 and 2025, respectively.

For details of our financial position, see "Financial Information—Discussion of Certain Selected Items from the Consolidated Statements of Financial Position" in this document.

Summary Data from Consolidated Statements of Cash Flows

The following table sets forth summary data from our consolidated statements of cash flows for the years indicated:

	Year Ended December 31,	
	2024	**2025**
	(RMB'000)	*(RMB'000)*
Net cash flows used in operating activities	(98,856)	(95,966)
Net cash flows generated from/(used in) investing activities	151,026	(47,632)
Net cash generated from financing activities	38,901	53,532
Net increase/(decrease) in cash and cash equivalents	**91,071**	**(90,066)**
Cash and cash equivalents at beginning of year	124,701	215,713
Effect of foreign exchange rate changes, net	(59)	(25)
Cash and cash equivalents at end of year	**215,713**	**125,622**

Our primary uses of cash during the Track Record Period were to fund the research and development of our Core Product and other pipeline programs, purchase of property, plant and equipment, administrative expenses and other recurring expenses. We had net operating cash outflows during the Track Record Period primarily due to that we spent a significant amount of cash for funding our research and development activities while we generated a limited amount of revenue. We plan to improve such position by (i) rapidly advancing our pipeline products towards commercialization to generate revenue from product sales, while we can maintain high production efficiency at low cost through our self-production and years of accumulation in manufacturing process and quality control; (ii) actively pursuing business development opportunities for entering into additional license and collaboration arrangements with other companies and receiving milestone payment thereof; (iii) adopting comprehensive measures to effectively control our costs and operating expenses, including administrative expenses by establishing a robust training program; and (iv) successfully launching the [REDACTED] to obtain the [REDACTED].

During the Track Record Period, we primarily funded our working capital requirements through retained funds and bank borrowings. Our management closely monitors the use of cash and cash equivalents and strives to maintain a healthy liquidity for our operations. Going forward, we expect our liquidity requirements will be satisfied by a combination of cash and cash equivalents, time deposits, structured deposits and wealth management products, bank borrowings, considerations received from existing and potential collaboration arrangements, and net [REDACTED] from the [REDACTED]. With the continuing expansion of our business, we may require further funding through public or private offerings, debt financing, license and collaboration arrangements, or other sources. For details of our cash flows, see "Financial Information—Liquidity and Capital Resources—Cash Flows" in this document.

Our Directors are of the opinion that, taking into account the financial resources available to our Group, including cash and cash equivalents, time deposits, current financial assets at FVTPL, and the estimated net [REDACTED] from the [REDACTED], we have sufficient working capital to cover at least 125% of our costs, including research and development expenses, administrative expenses and other operating costs, for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly cash used in operating activities, purchases of items of property, plant and equipment, and principal portion of lease payments. We estimate that we will receive net [REDACTED] of approximately HK$[REDACTED] million, equivalent to RMB[REDACTED] million, after deducting the [REDACTED] fees and expenses payable by us in the [REDACTED], assuming no [REDACTED] are exercised and assuming an [REDACTED] of HK$[REDACTED] per [REDACTED], being the low-end of the indicative [REDACTED] range in

this document. Assuming an average cash burn rate going forward of [REDACTED] times the level in 2025, we estimate that our cash and cash equivalents, time deposits, and current financial assets at FVTPL as of February 28, 2026 will be able to maintain our financial viability for [REDACTED] or, if we take into account the estimated net [REDACTED] from the [REDACTED], [REDACTED]. We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing, if needed, with a minimum buffer of 12 months. For more information related to our working capital sufficiency, see "Financial Information—Working Capital Confirmation."

Key Financial Ratios

The following table sets forth our key financial ratio as of the dates indicated:

	As of December 31,	
	2024	**2025**
Current ratio[(1)]	5.1	4.6

Note:

(1) Current ratio is calculated as total current assets divided by total current liabilities as of the dates indicated.

For details, see "Financial Information—Key Financial Ratios."

RISK FACTORS

Our business and the [REDACTED] involve certain risks including those set out in the section headed "Risk Factors" in this document. 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 [REDACTED]. Some of the major risks that we face include:

- We depend substantially on the success of our drug candidates. 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 affected.
- We operate in a highly competitive industry, and competitors may discover, develop, or commercialize products more quickly or successfully than we do, which could adversely affect our ability to bring our drug candidates to market.
- The process of clinical development is time-consuming, expensive, and inherently uncertain, and we may experience unanticipated challenges in executing clinical trials or timely commercializing our drug candidates.
- Our drug candidates may not demonstrate the safety and efficacy required by regulatory authorities or otherwise fail to generate positive results, which could result in additional costs, significant delays, or the inability to complete their development and commercialization.
- If safety, efficacy, or other issues arise with any pharmaceutical product or medical treatment that is used in combination with our drug candidates, we may be unable to market such drug candidate or may experience significant regulatory delays or supply shortages.
- We have limited experience in commercial-scale manufacturing of biopharmaceutical products.

- Our drug candidates, once approved, may fail to achieve the degree of market acceptance by physicians, hospitals, patients, third-party payers and others in the medical community that would be necessary for their commercial success, and the actual market size of our drug candidates might be smaller than expected.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), Dr. Liu will be directly interested in approximately [REDACTED]% of our total issued share capital and indirectly interested in approximately [REDACTED]% of our total issued share capital through Wuhan Huibin, Wuhan Huirui and Wuhan Yanming, each of which is managed by Dr. Liu as general partner. In such capacity, Dr. Liu controls the management powers and voting rights of Wuhan Huibin, Wuhan Huirui and Wuhan Yanming. Therefore, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), Dr. Liu, Wuhan Huibin, Wuhan Huirui and Wuhan Yanming will collectively be interested in approximately [REDACTED]% of our total issued share capital and will constitute our single largest group of Shareholders after the [REDACTED]. For details, see "Relationship with Our Single Largest Group of Shareholders."

OUR PRE-[REDACTED] INVESTORS

Since the establishment of our Group, we have received seven rounds of Pre-[REDACTED] Investments from a number of Pre-[REDACTED] Investors. The aggregate proceeds from the Pre-[REDACTED] Investments amounted to approximately RMB1.04 billion. The post-money valuation of our Group upon the completion of the follow-on financing in December 2023 was approximately RMB3.22 billion. Our Pre-[REDACTED] Investors include certain Sophisticated Investors, namely Lapam Investment and Lepu Biopharma. For the principal terms of the Pre-[REDACTED] Investments and background information of the major Pre-[REDACTED] Investors, see "History, Development and Corporate Structure—Pre-[REDACTED] Investments."

[REDACTED]

[REDACTED]

[REDACTED] to be borne by us are estimated to be approximately HK$[REDACTED] million (including [REDACTED], assuming an [REDACTED] of HK$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per Share), which represent [REDACTED]% of the gross [REDACTED] from the [REDACTED], assuming no Shares are issued pursuant to the [REDACTED]. The above [REDACTED] are comprised of (i) [REDACTED]-related expenses of HK$[REDACTED] million, and (ii) non-[REDACTED]-related expenses of HK$[REDACTED] million, including (a) the legal advisors and the reporting accountants' expenses of HK$[REDACTED] million, and (b) other fees and expenses of HK$[REDACTED] million. During the Track Record Period, we incurred [REDACTED] of HK$[REDACTED] million, HK$[REDACTED] million of which was charged to our consolidated statements of profit or loss, and HK$[REDACTED] million of which was attributable to the issue of Shares and will be deducted from equity upon [REDACTED]. We expect to incur [REDACTED] of approximately HK$[REDACTED] million, approximately HK$[REDACTED] million of which is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[REDACTED] million of which is attributable to the issue of Shares and will be deducted from equity upon [REDACTED]. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DIVIDENDS

No dividends have been paid or declared by our Company during the Track Record Period. We do not currently have a formal dividend policy or a pre-determined dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. [REDACTED] should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China.

As advised by our PRC Legal Advisor, taking into account the aforesaid, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders in a given year, in view of our accumulated losses, or even if we become profitable, as we will only be able to declare or pay dividends out of our distributable profits until (i) the accumulated losses are covered by our after-tax profits, and (ii) sufficient statutory and other reserves are drawn in accordance with the relevant laws, regulations and our constitutional documents. In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future.

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK$[REDACTED] million, after deducting [REDACTED] commissions, fees and other estimated expenses paid and payable by us in connection with the [REDACTED], and assuming that the [REDACTED] is not exercised and an [REDACTED] of HK$[REDACTED] per H Share, being the mid-point of the indicative [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per H Share. We currently intend to use the net [REDACTED] from the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to the research, development and commercialization of our Core Product, BS001.
- Approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to the research and development of our Key Products, BS006 and BR003.
- Approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to the advancement of our other existing pipeline assets, as well as exploration and development of new drug candidates; and
- Approximately [REDACTED]%, or HK$[REDACTED] million, will be used for working capital and general corporate purposes.

For more details, please see "Future Plans and Use of [REDACTED]."

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our clinical development and operations have progressed as planned since the end of the latest audited financial period. 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 December 31, 2025, the end of the period reported in the Accountants' Report set out in Appendix I to this document, and there has been no event since December 31, 2025 that would materially affect the information contained in the Accountants' Report set out in Appendix I to this document.