

## FINANCIAL INFORMATION

*You should read the following discussion and analysis with our consolidated financial information, including the notes thereto, included in the Accountants’ Report in Appendix I to this Document. Our consolidated financial information has been prepared in accordance with International Financial Reporting Standards, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants’ Report and not merely rely on the information contained in this section.*

*The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in the sections headed “Risk Factors” and “Business” in this Document.*

*For the purpose of this section, unless the context otherwise requires, references to the years of 2024 and 2025 refer to our financial year ended December 31 of such year. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis. Discrepancies between totals and sums of amounts listed in this section in any table or elsewhere in this Document may be due to rounding.*

### OVERVIEW

Founded in 2018, we are a renal-focused biopharmaceutical company with the broadest drug candidates in terms of renal indication coverage globally, according to CIC. Starting from hyperphosphatemia and now encompassing a wide spectrum of renal diseases, we offer renal therapeutics to elevate the current standard of care and address unmet medical needs of patients suffering from severe renal diseases.

### BASIS OF PREPARATION

The historical financial information and interim financial information have 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 January 1, 2025, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period. The historical financial information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. For details, see Note 2.1 to the Accountants’ Report set out Appendix I to this Document.

### MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial conditions have been, and are expected to continue to be, principally affected by a number of factors, many of which may be beyond our control. A discussion of the key factors is set out below.

#### **Our Ability to Successfully Develop and Commercialize Our Product and Product Candidates**

Our business prospects and results of operations depend on our ability to successfully develop, as well as our receipt of regulatory approval for and successful commercialization of, our product candidates. During the Track Record Period, the sales of Mircera<sup>®</sup>, served as an important source of our revenue. However, our ability to generate revenue from our product candidates, especially

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those that are not approved for commercial sales, to cover research and development and other expenses will depend on multiple factors, including but not limited to our ability to obtain regulatory approvals, secure adequate manufacturing capacity, manage a sufficient and capable sales team, collaborate with competent third-party partners, as well as making our products accessible to, affordable for and accepted by patients.

### **Our Cost Structure**

Our results of operations are significantly affected by our cost structure, of which the costs of sales for Mircera<sup>®</sup>, in-license payments for certain product candidates and our research and development expenses are major components. We also expect our research and development expenses to continue to be a major component in our cost structure. We expect our cost of sales and selling expenses to increase as we start to scale up our commercialized program and our administrative expenses to increase as we build a support team to help us navigate challenges in the research and development, CMC and commercialization activities with respect to our product candidates.

### **Our Ability to Attract and Maintain Strategic Partnerships**

Our results of operations have been and may continue to be affected by our strategic collaboration and licensing arrangements with business partners. For instance, in October 2023, we entered into a supply and marketing agreement with Roche. In December 2023, we exercised the option and obtained the global development and commercialization rights for AP306. In December 2025, we have entered into a collaboration agreement with regard to the development, manufacturing and commercialization of AP306. For details on the background of such agreements, see “Business — Major Collaboration Arrangements”. These agreements and collaborations will not only help us maximize the clinical and commercial value of our portfolio, but also drive our long-term growth. Building on the success of our existing collaborations, we are actively exploring new partnership opportunities for our pipeline candidates around the globe. The success of these collaborations and agreements, together with the associated payments, royalties and other fees in relation to our existing and potential future collaborations, will impact our results of operations.

### **Funding for Our Operations**

During the Track Record Period, we funded our operations primarily through equity financing, bank borrowings as well as our sales of commercialized product. Going forward, in the event of the further successful commercialization of our product candidates in addition to our current commercialized product, we expect to primarily fund our operations with revenue generated from sales of the commercialized product and product candidates. However, with the continuing expansion of our business, we may require further funding through public or private offerings, debt financing, collaboration and licensing arrangements or other sources. Any fluctuation in the funding for our operations will impact our cash flow and our results of operations.

### **Potential Competition in A Growing Market**

Ongoing development of new therapies may bring more effective and safer treatments for kidney diseases. We may still face potential competition from global and China-based pharmaceutical and biotechnology companies, in particular companies which are expected to market products that may compete directly or indirectly with our product candidates. Our commercial opportunities may be adversely impacted if our competitors develop and commercialize drugs that have potential competitiveness.

## **MATERIAL ACCOUNTING POLICY INFORMATION AND SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including industry practices

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and expectations of future events that we believe to be reasonable under the circumstances. Our material accounting policy information, which is important for an understanding of our financial conditions and results of operations, are set forth in detail in note 2.3 to the Accountants’ Report set out in Appendix I to this Document.

### SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The table below sets forth our consolidated statements of profit or loss and other comprehensive income for the years indicated derived from the Accountants’ Report included in Appendix I to this Document:

	For the Year Ended December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
REVENUE . . . . .	6,525	30,556
Cost of sales . . . . .	(4,140)	(17,110)
<b>Gross profit</b> . . . . .	<b>2,385</b>	<b>13,446</b>
Other income . . . . .	4,534	7,335
Selling expenses . . . . .	(15,171)	(36,337)
Administrative expenses . . . . .	(62,113)	(251,295)
Research and development expenses . . . . .	(235,367)	(372,574)
Other (losses)/gains . . . . .	(22)	974
Share of the profit or loss of an associate and a joint venture . . . . .	2	(2,821)
Finance costs . . . . .	(29,378)	(110,547)
<b>LOSS BEFORE TAX</b> . . . . .	<b>(335,130)</b>	<b>(751,819)</b>
Income tax expense . . . . .	–	–
<b>LOSS FOR THE YEAR</b> . . . . .	<b>(335,130)</b>	<b>(751,819)</b>
<b>OTHER COMPREHENSIVE (LOSS)/INCOME</b>		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations . . . . .	20,428	(2,286)
<b>OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF TAX</b> . . . . .	<b>20,428</b>	<b>(2,286)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b> . . . . .	<b>(314,702)</b>	<b>(754,105)</b>
Loss attributable to:		
Owners of the parent . . . . .	(326,026)	(750,038)
Non-controlling interests . . . . .	(9,104)	(1,781)
	<u>(335,130)</u>	<u>(751,819)</u>
Total comprehensive loss attributable to:		
Owners of the parent . . . . .	(305,598)	(752,324)
Non-controlling interests . . . . .	(9,104)	(1,781)
	<u>(314,702)</u>	<u>(754,105)</u>
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>		
Basic and diluted (RMB) . . . . .	(1.20)	(3.07)

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### Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure), which is not required by, or presented in accordance with, IFRS. We believe that the presentation of the non-IFRS measure when shown in conjunction with the corresponding IFRS measures provides useful information to management and [REDACTED] in facilitating a comparison of our operating performance from year to year.

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted by adding back (i) interest on redemption liabilities on ordinary shares, (ii) share-based payment and (iii) [REDACTED] expense. Interest on redemption liabilities on ordinary shares represents the interest accrued on the obligation to repurchase certain of our Shares held by certain Pre-[REDACTED] shareholders, which were terminated in September 2025 and such redemption liabilities were credited to other reserve. Share-based payment represents expenses arising from granting share incentives to senior management and selected employees, which is non-cash in nature. [REDACTED] expense was incurred in relation to the [REDACTED]. 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 conditions as reported under IFRS. In addition, the non-IFRS 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 non-IFRS measure for the years presented with the nearest measures prepared in accordance with IFRS Accounting Standards.

	For the Year Ended December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
<b>Loss for the year</b> . . . . .	<b>(335,130)</b>	<b>(751,819)</b>
Add back:		
Interest on redemption liabilities on ordinary shares . . . . .	27,720	90,781
Share-based payment compensation . . . . .	21,900	260,761
[REDACTED] expense . . . . .	<b>[REDACTED]</b>	<b>[REDACTED]</b>
<b>Adjusted net loss (non-IFRS measure)</b> . . . . .	<b>(285,510)</b>	<b>(380,542)</b>

### DESCRIPTION OF SELECTED COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### Revenue

In 2024 and 2025, we recorded revenue in the amount of RMB6.5 million and RMB30.6 million, respectively. Our revenue during the Track Record Period was derived from our sales of Mircera<sup>®</sup>. We have achieved a steady increase in the revenue from the sales of Mircera<sup>®</sup>.

#### Cost of Sales

During the Track Record Period, our cost of sales consisted of (i) the procurement costs of Mircera<sup>®</sup> and (ii) the amortization of intangible assets in relation to our in-licensed commercialized drug, Mircera<sup>®</sup>. The following table sets forth a breakdown of our cost of sales, in an absolute amount and as a percentage of our total cost of sales, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>
	<i>(RMB in thousands, except for percentages)</i>			
Procurement cost . . . . .	3,541	85.5	16,079	94.0
Amortization of intangible assets in relation to our in-licensed commercialized product . . . . .	599	14.5	1,031	6.0
<b>Total</b> . . . . .	<b>4,140</b>	<b>100.0</b>	<b>17,110</b>	<b>100.0</b>

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### Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. In 2024 and 2025, our gross profit was RMB2.4 million, and RMB13.4 million, respectively.

In 2024 and 2025, our gross profit margins were 36.6% and 44.0%, respectively. The increase in gross profit margin during the Track Record Period was primarily attributable to lower per unit amortization of intangible assets in relation to our in-licensed commercialized product as we recorded increasing sales.

### Other Income

During the Track Record Period, our other income primarily consisted of (i) bank interest income from deposits; (ii) government grants, including, among others, employment subsidies, rent subsidies and special project grants; (iii) consulting income, which mainly represented revenue from our technical consulting and research and development services for other biotechnology companies and (iv) others, which mainly consisted of the refunds of income tax handling fees. The following table sets forth a breakdown of our other income, in an absolute amount and as a percentage of our total other income, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	RMB	%	RMB	%
	<i>(RMB in thousands, except for percentages)</i>			
Bank interest income . . . . .	570	12.6	1,432	19.5
Government grants . . . . .	3,365	74.2	5,499	75.0
Consulting income . . . . .	44	1.0	–	–
Others . . . . .	555	12.2	404	5.5
<b>Total</b> . . . . .	<b>4,534</b>	<b>100.0</b>	<b>7,335</b>	<b>100.0</b>

### Selling Expenses

During the Track Record Period, our selling expenses were consisted of (i) employee compensation, including wages for salespersons, payment of social insurance and housing provident funds, employee welfare and share-based payments; (ii) academic promotional fees, which covered sales and marketing activities to raise academic and professional awareness of our commercialized product and (iii) other expenses. The following table sets forth a breakdown of our selling expenses, in an absolute amount and as a percentage of our total selling expenses, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	RMB	%	RMB	%
	<i>(RMB in thousands, except for percentages)</i>			
Employee compensation . . . . .	10,524	69.4	24,940	68.7
Academic promotional fees . . . . .	4,301	28.3	10,916	30.0
Other expenses . . . . .	347	2.3	481	1.3
<b>Total</b> . . . . .	<b>15,171</b>	<b>100.0</b>	<b>36,337</b>	<b>100.0</b>

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### Administrative Expenses

During the Track Record Period, our administrative expenses consisted of (i) employee compensation, including wages for administrative personnel, payment of social insurance and housing provident funds, employee welfare and share-based payments, (ii) professional service fees, which mainly included consulting fees, attorney’s fees, fees paid to third parties for security services and [REDACTED] expenses, (iii) depreciation and amortization expenses, (iv) utilities and office expenses, (v) taxes and surcharges and (vi) others. The following table sets forth a breakdown of our administrative expenses, in an absolute amount and as a percentage of our total administrative expenses, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	RMB	%	RMB	%
	(RMB in thousands, except for percentages)			
Employee compensation . . . . .	45,353	73.0	202,986	80.8
Professional service fees . . . . .	7,046	11.3	29,454	11.7
Depreciation and amortization expenses . . . . .	2,046	3.3	4,114	1.6
Utilities and office expenses . . . . .	1,583	2.5	5,270	2.1
Taxes and surcharges . . . . .	2,195	3.5	3,467	1.4
Others . . . . .	3,890	6.4	6,004	2.4
<b>Total</b> . . . . .	<b><u>62,113</u></b>	<b><u>100.0</u></b>	<b><u>251,295</u></b>	<b><u>100.0</u></b>

### Research and Development Expenses

During the Track Record Period, our research and development expenses consisted of (i) outsourced research and development costs, which mainly consisted of fees paid to commission third-party suppliers to conduct relevant research and development and CMC activities, (ii) employee compensation, including wages for research and development personnel, payment of social insurance and housing provident funds, employee welfare and share-based payments, (iii) depreciation and amortization expenses and (iv) others, which primarily encompassed professional service fees paid to external advisers and attorneys, and office expenses. The following table sets forth a breakdown of our research and development expenses, in an absolute amount and as a percentage of our total research and development expenses, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	RMB	%	RMB	%
	(RMB in thousands, except for percentages)			
Outsourced research and development costs . . . . .	139,898	59.4	159,648	42.9
Employee compensation . . . . .	69,032	29.3	153,668	41.2
Depreciation and amortization expenses . . . . .	9,446	4.0	36,835	9.9
Others . . . . .	16,991	7.3	22,423	6.0
<b>Total</b> . . . . .	<b><u>235,367</u></b>	<b><u>100.0</u></b>	<b><u>372,574</u></b>	<b><u>100.0</u></b>

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The following table sets forth a breakdown of our research and development expenses by product, in an absolute amount and as a percentage of our total research and development expenses, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	<i>RMB</i>	%	<i>RMB</i>	%
	<i>(RMB in thousands, except for percentages)</i>			
Core Product . . . . .	139,800	59.4	205,600	55.2
Other product candidates . . . . .	95,567	40.6	166,974	44.8
<b>Total</b> . . . . .	<b><u>235,367</u></b>	<b><u>100</u></b>	<b><u>372,574</u></b>	<b><u>100.0</u></b>

### Share of Profit or Loss of an Associate and a Joint Venture

In December 2025, we entered into the R1 Agreement with R1 Therapeutics, Inc. with regard to the development, manufacturing and commercialization of AP306. Pursuant to R1 Agreement, R1 Therapeutics has become our associate. We thus recorded our share of loss passed through from R1 Therapeutics of RMB2.8 million in 2025. For details, see “Business — Major Collaboration Arrangements — Collaboration Arrangement with R1 Therapeutics.”

### Finance Costs

During the Track Record Period, our finance costs consisted of (i) interest on redemption liabilities on ordinary shares, which represented the interest accrued on the obligation to repurchase certain of our Shares held by certain Pre-[REDACTED] shareholders, (ii) interest on bank borrowings, mainly including interests on loans relating to our construction projects in Yangzhou, which were offset by interest capitalized related to construction projects in Yangzhou, and (iii) interest on lease liabilities with regard to, among others, the lease of research laboratories and our offices. The following table sets forth a breakdown of our finance costs, in an absolute amount and as a percentage of our total finance costs, for the years indicated.

	For the Year Ended December 31,			
	2024		2025	
	<i>RMB</i>	%	<i>RMB</i>	%
	<i>(RMB in thousands, except for percentages)</i>			
Interest on redemption liabilities on ordinary shares . . . . .	27,720	94.4	90,781	82.1
Interest on bank borrowings . . . . .	13,569	46.2	19,523	17.7
Interest on lease liabilities . . . . .	387	1.3	243	0.2
Total interest expense on financial liabilities not at fair value through profit or loss . . . . .	41,676	141.9	110,547	100.0
Less: interest capitalized . . . . .	(12,298)	(41.9)	—	—
<b>Total</b> . . . . .	<b><u>29,378</u></b>	<b><u>100.0</u></b>	<b><u>110,547</u></b>	<b><u>100.0</u></b>

### Taxation

We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which our members are domiciled and operate.

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### *Hong Kong*

Our subsidiary in Hong Kong is subject to Hong Kong profits tax at a rate of 16.5%. No Hong Kong profits tax was provided for as we did not generate any assessable profits arising in Hong Kong during the Track Record Period.

### *Chinese Mainland*

The provision for PRC corporate income tax is based on the statutory rate of 25% of the assessable profits of certain PRC subsidiaries of ours as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on January 1, 2008, except for certain of our subsidiaries in Chinese Mainland which are granted tax concession and are taxed at preferential tax rates.

Pursuant to Caishui [2023] No.12 “Circular of the Ministry of Finance, the State Administration of Taxation Issued on the Tax Policies for Further Support the Development of Small Low-profit Enterprises and Self-employed Businesses” (財政部稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告), certain affiliates, whose annual taxable income is less than RMB1.0 million will be included in the actual taxable income at 25%, based on which the enterprise income tax payable will be calculated at the reduced tax rate of 20%. This policy has taken effect on January 1, 2023 and will expire on December 31, 2027.

### *Other Regions*

We have subsidiaries located in the United States and Australia. For details relating to their taxation-related information, see Note 10 to the Accountants’ Report set out in Appendix I to this Document.

## YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

### Year Ended December 31, 2024 Compared to Year Ended December 31, 2025

#### *Revenue*

Our revenue increased from RMB6.5 million in 2024 to RMB30.6 million in 2025, primarily attributable to the increased sales of Mircera<sup>®</sup>, supported by greater product awareness, broader hospital coverage, and the increased usage of our commercialized product by patient population.

#### *Cost of sales*

Our cost of sales increased from RMB4.1 million in 2024 to RMB17.1 million in 2025 in line with the increase of our sales revenue from Mircera<sup>®</sup>.

#### *Gross profit and gross profit margin*

Our gross profit increased from RMB2.4 million in 2024 to RMB13.4 million in 2025 in line with our revenue increase.

Our gross profit margin increased from 36.6% in 2024 to 44.0% in 2025, as a result of the increased gross profit margin for the sales of Mircera<sup>®</sup>, mainly attributable to lower per unit amortization of intangible assets in relation to our in-licensed commercialized product, as the amortization was spread over a larger volume of Mircera<sup>®</sup> sold.

#### *Other income*

Our other income increased by RMB2.8 million from RMB4.5 million in 2024 to RMB7.3 million in 2025. The increase was primarily attributable to the increase of government grants, which were released from the deferred income account to increase other income over the expected useful life of the relevant assets as they were put into use in 2025.

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### *Selling expenses*

Our selling expenses increased by RMB21.1 million, from RMB15.2 million in 2024 to RMB36.3 million in 2025. The increase was primarily attributable to the expansion of our sales team with the commercialization of Mircera<sup>®</sup>, which in turn raised employee compensation and increased academic promotional fees in connection with the sales of our commercialized product.

### *Administrative expenses*

Our administrative expenses increased by RMB189.2 million, from RMB62.1 million in 2024 to RMB251.3 million in 2025. The increase was primarily attributable to the increase in share-based payments to our administrative personnel and professional service fees, which mainly included issue costs and external consulting fees.

### *Research and development expenses*

Our research and development expenses increased by 58.3%, or RMB137.2 million, from RMB235.4 million in 2024 to RMB372.6 million in 2025. The increase was primarily attributable to (i) an increase in outsourced research and development costs as we completed the Phase III trial of our AP301 in China and started to enroll patients for our global multi-regional clinical trials for AP301, (ii) the increase of share-based payments to our research and development personnel and (iii) increased CMC expenses for AP306 and AP308.

### *Finance costs*

Our finance costs increased by RMB81.1 million, from RMB29.4 million in 2024 to RMB110.5 million in 2025. The significant increase was primarily attributable to an increase in the interest on redemption liabilities on ordinary shares resulting from the increased accrued interests on the share repurchase obligation in relation to the 2024 Reorganization and Series C shares issued in December 2024.

### *Loss for the year*

For the reasons described above, our loss increased by RMB416.7 million, from RMB335.1 million in 2024 to RMB751.8 million in 2025.

## DISCUSSION OF SELECTED ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from the Accountants’ Report included in Appendix I to this Document:

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
<b>Total non-current assets</b> . . . . .	<b>720,364</b>	<b>781,216</b>
<b>Total current assets</b> . . . . .	<b>388,776</b>	<b>558,716</b>
<b>Total current liabilities</b> . . . . .	<b>1,943,977</b>	<b>239,829</b>
<b>Net current (liabilities)/assets</b> . . . . .	<b>(1,555,201)</b>	<b>318,887</b>
<b>Total non-current liabilities</b> . . . . .	<b>506,356</b>	<b>596,860</b>
<b>Total (deficits)/equity</b> . . . . .	<b>(1,341,193)</b>	<b>503,243</b>

Pursuant to the supplemental shareholders’ agreement dated on September 26, 2025, the general redemption rights granted to the Pre-[REDACTED] investors were irrevocably terminated in September 2025, and the redemption liabilities on ordinary shares were terminated and credited to other reserve, resulting in the net liabilities position turning into a net assets position.

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### Current Assets and Current Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,		As of March 31,
	2024	2025	2026
			<i>(unaudited)</i>
	<i>(RMB in thousands)</i>		
<b>CURRENT ASSETS</b>			
Inventories . . . . .	6,118	10,268	3,839
Trade receivables . . . . .	865	–	489
Prepayments, other receivables and other assets . . . . .	2,678	17,283	19,625
Amounts due from related parties . . . . .	13,054	5	–
Financial assets at fair value through profit or loss . . . . .	–	145,460	–
Time deposits with original maturity over three months . . . . .	22,291	27,375	39,755
Cash and cash equivalents . . . . .	343,770	358,325	390,139
<b>Total current assets . . . . .</b>	<b>388,776</b>	<b>558,716</b>	<b>453,847</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables . . . . .	199,657	168,937	123,802
Interest-bearing bank borrowings . . . . .	28,000	–	–
Lease liabilities . . . . .	3,690	3,691	3,494
Contract liabilities . . . . .	–	67,201	–
Redemption liabilities on ordinary shares . . . . .	1,712,630	–	–
<b>Total current liabilities . . . . .</b>	<b>1,943,977</b>	<b>239,829</b>	<b>127,296</b>
<b>NET CURRENT (LIABILITIES)/ASSETS . . .</b>	<b>(1,555,201)</b>	<b>318,887</b>	<b>326,551</b>

Our net current assets of RMB318.9 million as of December 31, 2025 increased to net current assets of RMB326.6 million as of March 31, 2026. The change was primarily due to the decrease in total current liabilities that outweighed the decrease in total current assets. The decrease in total current assets was primarily attributable to expenses incurred by our research and development as well as operating activities and the maturity of our structured deposit products, partially offset by the increase of cash and cash equivalents and time deposits with original maturity over three months, in line with our adjustment to our capital allocation. The decrease in total current liabilities was primarily due to (i) the decrease in contract liabilities, as we fulfilled the contract obligations under our contract with R1 Therapeutics and recognized contract liabilities as revenue; and (ii) the decrease of trade and other payables, as we made relevant payments on schedule.

Our net current liabilities RMB1,555.2 million as of December 31, 2024 changed to net current assets of RMB318.9 million as of December 31, 2025. The increase was primarily attributable to the decrease in total current liabilities as well as the increase in total current assets. The increase in total current assets was primarily attributable to the receipt of funds from Series C Investment and the Cross-over Investment. The decrease in total current liabilities was primarily attributable to the decrease in redemption liabilities on ordinary shares because the redemption feature was terminated in September 2025.

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### Property, Plant and Equipment

The following table sets forth a breakdown of the net carrying amount of our property, plant and equipment as of the dates indicated.

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Buildings . . . . .	377,694	378,657
Machinery . . . . .	222,340	208,749
Office equipment . . . . .	2,888	3,892
Construction in progress . . . . .	1,241	2,319
Leasehold improvements . . . . .	5,514	3,063
Electronic devices . . . . .	411	298
<b>Total</b> . . . . .	<b>610,088</b>	<b>596,978</b>

Our property, plant and equipment decreased from RMB610.1 million as of December 31, 2024 to RMB597.0 million as of December 31, 2025, primarily attributable to the depreciation of our property, plant and equipments.

As of December 31, 2025, our property, plant and equipment with a net carrying amount of RMB503.7 million were pledged to secure certain banking loans granted to us.

### Investments in an Associate

In December 2025, we entered into the R1 Agreement with R1 Therapeutics with regard to the development, manufacturing and commercialization of AP306. Pursuant to R1 Agreement, R1 Therapeutics has become our associate. As a result, we recorded investments in an associate in an amount of RMB63.4 million as of December 31, 2025. For details, see “Business — Major Collaboration Arrangements — Collaboration Arrangement with R1 Therapeutics.”

### Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consist of (i) prepayment for equipment and research services, (ii) rental deposits for our offices, (iii) value-added tax recoverable, which can be deductible against future VAT tax payables, incurred with the procurement of our assets and research and development services, (iv) other deposits, which represent guaranteed payments for our construction projects, (v) other receivables, and (vi) deferred issue cost. The following table sets forth the components of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
<b>Non-current:</b>		
Value-added tax recoverable . . . . .	72,278	91,305
Prepayment for equipment . . . . .	4,323	–
Rental deposits . . . . .	1,480	1,291
Other deposits . . . . .	600	–
<b>Total</b> . . . . .	<b>78,681</b>	<b>92,596</b>
<b>Current:</b>		
Prepayment . . . . .	2,370	9,748
Deposits . . . . .	104	843
Other receivables . . . . .	204	671
Deferred issue cost . . . . .	–	6,021
<b>Total</b> . . . . .	<b>2,678</b>	<b>17,283</b>

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## FINANCIAL INFORMATION

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The non-current portion of our prepayments, other receivables and other assets increased from RMB78.7 million as of December 31, 2024 to RMB92.6 million as of December 31, 2025, which was mainly attributable to the increase in value-added tax recoverable resulting from the increased procurement of equipment and services.

The current portion of our prepayments, other receivables and other assets increased from RMB2.7 million as of December 31, 2024 and to RMB17.3 million as of December 31, 2025, due to increased prepayments to our MRCT clinical suppliers and deferred issue cost.

### **Inventories**

During the Track Record Period, our inventories consisted entirely of Mircera<sup>®</sup>. Our inventories were RMB6.1 million and RMB10.3 million as of December 31, 2024 and 2025, respectively, which was in line with our procurement cycle, which is approximately 6 months. As of December 31, 2024, all of our inventories were aged between 181 days to 1 year. As of December 31, 2025, all of our inventories were aged within 180 days.

In 2024 and 2025, our inventory turnover days were 270 and 175 days, respectively. Our inventory turnover day in 2024 was higher because we started the sales of Mircera<sup>®</sup> in June 2024 while using the entire year for the number of days in the turnover day calculation, rendering the two not directly comparable.

As of March 31, 2026, RMB6.4 million, or 62.6% of our inventories outstanding as of December 31, 2025 had been subsequently sold or utilized.

### **Trade Receivables**

As of December 31, 2024 and 2025, we incurred trade receivables of RMB0.9 million and nil, respectively. Our trade receivables were related to the sales of Mircera<sup>®</sup>, with a credit term of 30 days. All trade receivables are aged within 90 days.

In 2024 and 2025, our trade receivables turnover days were 24 days and 5 days, respectively.

### **Amounts Due from Related Parties**

As of December 31, 2024 and 2025, we had amounts due from related parties of RMB13.1 million and RMB5 thousand, respectively. The amounts due from related parties decreased from RMB13.1 million as of December 31, 2024 to RMB5 thousand as of December 31, 2025, mainly due to a loan extended to a related party, which was non-trade in nature and had already been settled.

### **Financial Assets at Fair Value through Profit or Loss**

As of December 31, 2024 and 2025, we had financial assets at fair value through profit or loss of nil and RMB145.5 million respectively. Our financial assets at fair value through profit or loss balance as of December 31, 2025 mainly represented structured deposit products, which were issued by banks in Chinese Mainland.

With regard to our financial investments, we have formulated a financially prudent investment policy which aims to generate steady returns while ensuring safety. We have implemented the following treasury policies and internal authorization controls: (i) we follow the principle of prudent investment and select lower-risk short-term investment products from reputable financial institutions; (ii) our Board is responsible for authorizing material investments the amount of which exceed certain percentage of our total assets or certain numerical thresholds; (iii) our management is responsible for making other investment decisions and supervising the investments carried out primarily by our finance department; (iv) our finance department is responsible for carrying out the investment, including promptly analyzing and tracking progress and taking timely measures when risk factors are discovered; and (v) our risk control system implements oversight over the investment; our independent directors and the audit committee also have the right to supervise and inspect the use of our funds.

## FINANCIAL INFORMATION

To the extent that we will have surplus cash that is not required for our short-term working capital purposes, we will continue to consider investing in wealth management products taking into account the considerations above as appropriate to be in our best interest. Our investments in wealth management products after the [REDACTED] will be subject to compliance with Chapter 14 of the Listing Rules.

### Cash and Cash Equivalents and Time Deposits with Original Maturity over Three Months

As of December 31, 2024 and 2025, we had cash and cash equivalents of RMB343.8 million and RMB358.3 million, respectively. The increase in cash and cash equivalents from RMB343.8 million as of December 31, 2024 to RMB358.3 million as of December 31, 2025 was primarily attributable to funds from Series C Investment and the Cross-over Investment, partially offset by the use of cash to support our operations. As of December 31, 2024 and 2025, we had time deposits with original maturity over three months of RMB22.3 million and RMB27.4 million, respectively. The increase in time deposits was made in accordance with our internal treasury and investment policy for cash management purposes. For an analysis on cash flows during the Track Record Period, see “— Liquidity and Capital Resources.”

### Trade and Other Payables

The following table sets forth a breakdown of our trade and other payables.

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
<b>Current:</b>		
Payables for property, plant and equipment . . . . .	113,384	49,619
Trade payables . . . . .	25,880	67,767
Payroll payables . . . . .	15,935	18,119
Tax payables other than profit tax . . . . .	2,494	3,205
Other payables . . . . .	41,964	9,910
Accrued [REDACTED] . . . . .	<u>[REDACTED]</u>	<u>[REDACTED]</u>
<b>Total</b> . . . . .	<u><b>199,657</b></u>	<u><b>168,937</b></u>
<b>Non-current:</b>		
Other payables . . . . .	18,595	1,936

The current portion of our trade and other payables decreased from RMB199.7 million as of December 31, 2024 to RMB168.9 million as of December 31, 2025, primarily due to (i) our payment for property, plant and equipment for the construction of our Yangzhou factory and (ii) the decrease in other payables, as a result of settlement of other payables to investors, partially offset by an increase in trade payables, as we received CMC services from certain suppliers but have not paid them because the contractually stipulated settlement dates had not yet been reached. The non-current portion of our trade and other payables represents quality assurance deposits incurred for the construction of our Yangzhou factory, the majority of which had been reclassified as current portion of the other payables.

Our trade payables are non-interest-bearing and are normally settled on 30-to-60-day terms. All trade payables are aged within 1 year.

In 2024 and 2025, Our trade payable turnover days were 61 and 97 days, respectively. We calculate the trade payable turnover days using the average of the opening and ending trade payables balance for the year, divided by the sum of procurement cost and outsourced research and development expenses, multiplied by the number of days for the relevant year. The higher trade payable turnover day in 2025 was primarily attributable to the higher ending trade payables balance, as certain CMC service suppliers have completed their services but are yet to reach the contractually stipulated settlement dates.

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As of March 31, 2026, RMB16.5 million, or 24.3% of our trade payables as of December 31, 2025 had been subsequently settled.

### Interest-bearing Bank Borrowings

During the Track Record Period, our interest-bearing bank borrowings primarily consisted of secured and unsecured bank loans. The current portion of the bank borrowings were incurred to meet our working capital needs, and the non-current portion of the bank borrowings were incurred to support the construction of our Yangzhou factory. The following table sets forth a breakdown of our interest-bearing bank borrowings as of the dates indicated.

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Bank loans:		
Within 1 year . . . . .	28,000	–
1 to 5 years . . . . .	400,000	545,326
Beyond 5 years . . . . .	45,300	–
<b>Total</b> . . . . .	<b>473,300</b>	<b>545,326</b>

### Lease Liabilities

As of December 31, 2024 and 2025, our lease liabilities were RMB5.8 million and RMB4.1 million, respectively, primarily attributable to our making of lease payments and the expiration and renewal of lease terms. As of December 31, 2024 and 2025, our leasehold land located in Yangzhou with a net carrying amount of RMB12.3 million and RMB11.9 million were pledged to secure certain banking loans granted to us.

### Redemption Liabilities on Ordinary Shares

Our redemption liabilities on ordinary shares represent the redemption liabilities we bore in relation to the ordinary shares we issued during the various rounds of pre-[REDACTED] investments. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors” for more details. Our redemption liabilities on ordinary shares decreased from RMB1,712.6 million as of December 31, 2024 to nil as of December 31, 2025, primarily due to the irrevocable termination of the general redemption rights granted to the shareholders and the redemption liabilities on ordinary shares were credited to other reserve.

### Deferred Income

As of December 31, 2024 and 2025, our deferred income was RMB40.3 million and RMB49.2 million, respectively. The changes in our deferred income were primarily attributable to the receipt of government grants.

## LIQUIDITY AND CAPITAL RESOURCES

### Overview

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. In addition, we monitor the utilization of borrowings and, from time to time, evaluate the options to renew the borrowings upon expiry based on our actual business requirement. We relied on equity financing, sales of our commercialized product and debt financing as the major sources of liquidity during the Track Record Period.

## FINANCIAL INFORMATION

The following table presents our consolidated cash flow data for the years indicated.

	For the Year Ended December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Net cash flows used in operating activities . . . . .	(249,897)	(287,888)
Net cash flows used in investing activities . . . . .	(257,410)	(236,822)
Net cash flows from financing activities . . . . .	787,672	541,716
<b>NET INCREASE IN CASH AND CASH</b>		
<b>EQUIVALENTS . . . . .</b>	<b>280,365</b>	<b>17,006</b>
Cash and cash equivalents at beginning of year . . . . .	63,149	343,770
Effect of foreign exchange rate changes, net. . . . .	256	(2,451)
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>343,770</b>	<b>358,325</b>

### *Operating Activities*

In 2025, our net cash flows used in operating activities amounted to RMB287.9 million, which was primarily attributable to our loss before tax of RMB751.8 million, as adjusted by certain non-cash and non-operating items, which primarily comprised (i) share-based payment compensation of RMB260.8 million, (ii) finance costs of RMB110.5 million and (iii) depreciation of property, plant and equipment of RMB38.5 million. Such an amount was further offset by changes in working capital, primarily including an increase in trade and other payables of RMB74.1 million, partially offset by an increase in prepayments, other receivables and other assets of RMB32.8 million.

In 2024, our net cash flows used in operating activities amounted to RMB249.9 million, which was primarily attributable to our loss before tax of RMB335.1 million, as adjusted by certain non-cash and non-operating items, which primarily comprised (i) finance costs of RMB29.4 million and (ii) share-based payment compensation of RMB21.9 million. Such amount was further adjusted by changes in working capital, primary including increase in deferred income of RMB30.8 million, partially adjusted by an increase in inventories of RMB6.1 million.

We aim to improve our net operating cash outflow positions through measures such as properly planning our R&D investment based on the progression of the trial phases for our product candidates and prudently engaging in marketing and academic promotional efforts across our pipeline.

### *Investing Activities*

In 2025, our net cash used in investing activities was RMB236.8 million, primarily as a result of purchase of financial assets at fair value through profit or loss of RMB1,091.2 million and partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB947.6 million.

In 2024, our net cash used in investing activities was RMB257.4 million, primarily as a result of purchases of items of property, plant and equipment of RMB230.6 million, partially offset by maturity of time deposits with original maturity over three months of RMB8.7 million.

### *Financing Activities*

In 2025, our net cash from financing activities was RMB541.7 million, primarily as a result of (i) capital injection from shareholders of RMB535.8 million, partially offset by repayment of bank and other borrowings of RMB113.0 million.

## FINANCIAL INFORMATION

In 2024, our net cash from financing activities was RMB787.7 million, primarily as a result of (i) capital injection from shareholders of RMB1,344.7 million, and (ii) new bank and other borrowings of RMB384.6 million, partially offset by (i) repayments of loans to related parties of RMB528.8 million and (ii) acquisition of subsidiaries under common control of RMB373.6 million.

### CASH OPERATING COSTS

The following table sets forth information on our cash operating costs for the years indicated.

	For the Year Ended December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
<b>Research and development expenses</b>		
<i>Research and development expenses for Core Product</i>		
<i>(AP301)</i> . . . . .	<b>115,568</b>	<b>132,842</b>
– Outsourced research and development expenses . . . . .	84,137	95,760
– Staff costs (wage, social insurance, personal taxes and others) . . . . .	26,807	30,345
– Others <sup>(1)</sup> . . . . .	4,624	6,738
<i>Research and development expenses for other product candidates</i> . . . . .	<b>82,261</b>	<b>80,174</b>
– Outsourced research and development expenses . . . . .	32,879	34,472
– Staff costs (wage, social insurance, personal taxes and others) . . . . .	34,133	32,966
– Others <sup>(1)</sup> . . . . .	15,249	12,735
<b>Purchase of commercialization right and Mircera<sup>®</sup> products from Roche</b> . . . . .	<b>14,567</b>	<b>21,023</b>
<b>Workforce employment costs<sup>(2)</sup></b> . . . . .	<b>38,064</b>	<b>52,287</b>
<b>Product marketing<sup>(3)</sup></b> . . . . .	<b>4,571</b>	<b>9,583</b>
<b>Others significant costs<sup>(4)</sup></b> . . . . .	<b>23,033</b>	<b>42,412</b>
<b>Total</b> . . . . .	<b>278,064</b>	<b>338,320</b>

*Notes:*

- (1) Mainly included professional service fees paid to external advisers and attorneys, and office expenses.
- (2) Mainly included employee compensation for employees not in the research and development functions.
- (3) Mainly included academic promotional fees.
- (4) Mainly included administrative expenses other than employee compensation and taxes and surcharges.

### WORKING CAPITAL SUFFICIENCY

Our Directors are of the opinion that, taking into account the financial resources available, including cash and cash equivalents, the expected income from our commercialized product and the estimated net [REDACTED] from the [REDACTED], our cash burn rate as well as scheduled banking facilities repayment, we have sufficient working capital to cover at least 125% of our costs, including research and development expenses, selling expenses and administrative expenses for at least the next 12 months from the date of this Document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, capital expenditures and lease payments. Excluding one-off capital expenditures spent on building our manufacturing facilities and assuming an average cash burn rate going forward of 1.4 times the level as of December 31, 2025, we estimate that our cash at bank and on hand and other financial assets as of December 31, 2025 will be able to maintain our financial viability for [REDACTED] from December 31, 2025 taking into account the estimated net [REDACTED] from the [REDACTED]; or we estimate that we will be able to maintain our financial viability for

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[REDACTED] from December 31, 2025 without taking into account the estimated net [REDACTED] from the [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.

### INDEBTEDNESS

	As of December 31,		As of March 31,
	2024	2025	2026
			<i>(unaudited)</i>
	<i>(RMB in thousands)</i>		
<b>Current</b>			
Interest-bearing bank borrowings . . . . .	28,000	–	–
Lease liabilities . . . . .	3,690	3,691	3,494
Other payables to investors . . . . .	40,000	–	–
Redemption liabilities on ordinary shares . . .	1,712,630	–	–
<b>Non-current</b>			
Interest-bearing bank borrowings . . . . .	445,300	545,326	562,145
Lease liabilities . . . . .	2,156	403	586
<b>Total</b> . . . . .	<b>2,231,776</b>	<b>549,420</b>	<b>566,225</b>

As of December 31, 2024 and 2025, except as discussed above, we did not have any material pledges, 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. We utilize credit facilities for short-term liquidity management purpose, the interest rate of which ranged from 3.5% to 4.2% during the Track Record Period. As of March 31, 2026, we had RMB237.9 million of committed unutilized credit facilities. Since March 31, 2026, there had been no material change in our indebtedness up to the Latest Practicable Date.

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt, and there was no breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that our Group did not experience any 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.

### CAPITAL EXPENDITURES

The following table sets forth our capital expenditures for the years indicated.

	For the Year Ended December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Purchases of items of property, plant and equipment . . . . .	230,626	101,622
Purchases of items of other intangible assets . . . . .	6,041	–
<b>Total</b> . . . . .	<b>236,667</b>	<b>101,622</b>

Our historical capital expenditures during the Track Record Period primarily included purchases of property, plant and equipment and other intangible assets. We funded our capital expenditure requirements during the Track Record Period mainly from equity financing, sales of our

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## FINANCIAL INFORMATION

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commercialized product and debt financing. We plan to fund our planned capital expenditures using our cash at bank and the net [REDACTED] received from the [REDACTED]. See details set out in “Future Plans and Use of [REDACTED]”. We may reallocate the fund to be utilized on capital expenditure based on our ongoing business needs.

### CAPITAL COMMITMENTS

As of December 31, 2024 and 2025, our material commitments were as shown in the table below.

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Buildings . . . . .	86,412	1,869
Plant and machinery . . . . .	42,533	2,489
<b>Total . . . . .</b>	<b>128,945</b>	<b>4,358</b>

### FINANCIAL RATIO

For the years ended December 31, 2024 and 2025, our current ratios, defined as current assets divided by current liabilities, were 0.20 and 2.33, respectively.

### MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. During the Track Record Period, we had transactions with related parties in accordance with the terms agreed with the counterparties. For details of our related party transactions, see Note 28 to the Accountants’ Report in Appendix I to this Document.

Our Directors are of the view that material related party transactions were conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

### OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

### CONTINGENT LIABILITIES

During the Track Record Period, we did not have any significant contingent liabilities and were not involved in any legal proceedings pending or threatened against us which could have a material and adverse effect on our business or operations.

### FINANCIAL RISKS DISCLOSURE

Our principal financial instruments comprise bank borrowings and cash and short-term deposits and financial assets at fair value through profit or loss. The main purpose of these financial instruments is to raise finance for our operations. We have various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from our operations.

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## FINANCIAL INFORMATION

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### 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.

### Foreign currency risk

We have transactional currency exposures. Such exposures arise from currencies other than our functional currencies.

### Credit risk

The credit risk of our other financial assets, which comprise cash and cash equivalents, time deposits with maturity over three months and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. Since we trade only with recognized and creditworthy third parties, there is no requirement for collateral.

### 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.

## DIVIDEND

During the Track Record Period, we had never declared or paid any dividends on our ordinary shares or any other securities. As of the Latest Practicable Date, we did not have a formal dividend policy nor a pre-determined dividend payout ratio. As confirmed by our PRC Legal Adviser, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above. 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 intend to declare or pay any 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 subject to our Articles of Association and the PRC Company Law, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors that our Directors may deem relevant. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China.

## DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

[REDACTED]

Our [REDACTED] represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. Assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the indicative [REDACTED] range, we estimated that the total [REDACTED] for the [REDACTED] are approximately HK\$[REDACTED], accounting for approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED] (assuming no H Shares are [REDACTED] pursuant to the [REDACTED]), of which approximately HK\$[REDACTED] is expected to be charged to our consolidated statements of profit or loss and

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## FINANCIAL INFORMATION

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other comprehensive income upon the completion of [REDACTED], and approximately HK\$[REDACTED] is expected to be accounted for as a deduction from equity upon the completion of [REDACTED]. The above expenses comprise of (i) [REDACTED] expenses, including [REDACTED] and other expenses, of HK\$[REDACTED]; and (ii) [REDACTED] expenses of HK\$[REDACTED], including (a) fee paid and payable to legal advisers and reporting accountants of HK\$[REDACTED], and (b) other fees and expenses of HK\$[REDACTED]. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

### PROPERTY INTERESTS AND PROPERTY VALUATION REPORT

AVISTA Valuation Advisory Limited, an independent property valuer, valued our property interests as of March 31, 2026 and was of the opinion that the aggregate value of our properties was approximately RMB422.8 million. The full text of the letter and valuation certificate with regard to our property interests are set out in the Property Valuation Report in Appendix III to this Document.

#### Property Valuation Reconciliation

The statement below shows the reconciliation of aggregate amounts of our properties as reflected in the consolidated statement of financial position as of December 31, 2025 as set out in Appendix I to this Document with the valuation of our properties as of March 31, 2026 as set out in Appendix III to this Document.

	<i>RMB in thousands</i>
Net book value of our selective property interest as of December 31, 2025 . . . . .	387,174
Movement for the period from December 31, 2025 to March 31, 2026 (unaudited) . . . . .	(3,501)
Net book value of our selective property interest as of March 31, 2026 (unaudited) . . . . .	383,673
Valuation surplus as of March 31, 2026 . . . . .	39,107
Valuation as of March 31, 2026 as set out in Appendix III to this Document . . . . .	422,780

### UNAUDITED [REDACTED] FINANCIAL INFORMATION

Please refer to “Appendix II — Unaudited [REDACTED] Financial Information” for further details.

### DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to disclosure required under Rules 13.13 to 13.19 of the Listing Rules.