SUMMARY

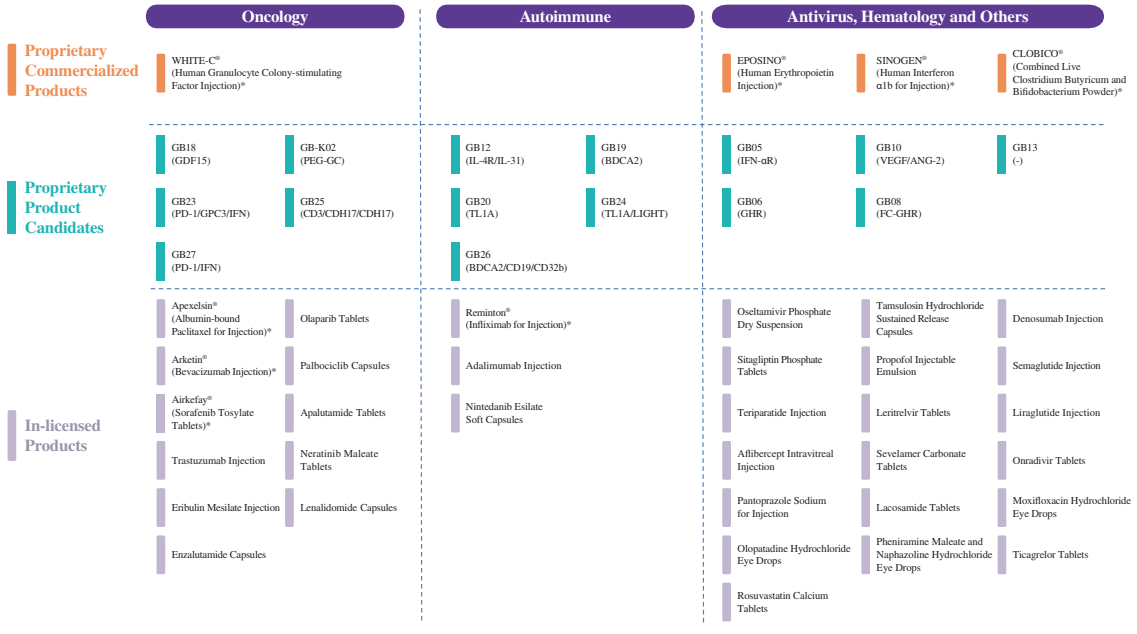
This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you, and is qualified in its entirety by and should be read in conjunction with, the full text of this document. You should read the whole document before you decide to invest in the [**REDACTED**].

There are risks associated with any investment. Some of the particular risks associated with investing in the [**REDACTED**] *are set out in "Risk Factors." You should read that section carefully before you decide to invest in the* [**REDACTED**].

OVERVIEW

We are an innovative biopharmaceutical company with international reach, specializing in the R&D, manufacturing and commercialization of recombinant proteins, antibodies and targeted-delivery therapies. We strategically focus on key therapeutic areas — principally oncology and autoimmune diseases — where significant unmet clinical needs persist. We have built a differentiated portfolio of commercialized products and drug candidates through independent innovation and strategic partnerships, advancing therapies with distinct clinical and market advantages. Guided by our dual-engine strategy of "Innovation + Internationalization," we are committed to becoming a leader in high-quality biopharmaceuticals and to bringing more innovative medicines and breakthrough therapies to patients worldwide.

Our tiered and progressively evolving product matrix consists of proprietary commercialized products, pipeline candidates, and in-licensed products. Proprietary commercialized products form the cornerstone of our business, providing a solid foundation for sustainable growth; the advancing pipeline builds long-term technical competitiveness; and in-licensed products enhance portfolio diversity and contribute to rapid revenue generation. We believe this portfolio, as illustrated in the chart below, strikes a balance between near-term commercialization and long-term sustainability.



Notes:

(1) The therapeutic areas for the above products are categorized based on their primary applications. Some products may be applicable across multiple therapeutic areas.

(2) The specific target for the GB13 project has not yet been determined.

(3) The asterisk denotes commercialized products, which are products that had achieved sales in at least one country or region during the Track Record Period.

Our biologic drugs hold leading positions in their respective subsectors. SINOGEN (赛若金®) Human Interferon α1b for Injection is China's first genetically engineered innovative drug. According to Frost & Sullivan, it held a 50.2% market share of China's short-acting human interferon α1b market by sales in 2025, ranking first for seven consecutive years since 2019. EPOSINO (依普定®) Human Erythropoietin Injection — among the first of its class in China with both a new drug certificate and approval number — held a 15.9% market share in 2025 in terms of sales, ranking second for five consecutive years in the Chinese human erythropoietin market since 2021. WHITE-C (白特喜®) Human Granulocyte Colony-stimulating Factor Injection held a 5.6% market share in 2025 in terms of sales, ranking among the top six for three consecutive years in China's short acting human G-CSF market. Drawing upon our extensive overseas commercialization experience gained from these products, we are progressively introducing our in-licensed products to international markets.

Revenue Model and Commercialized Portfolio

During the Track Record Period, we derive the majority of our revenue from four proprietary commercialized products and two in-licensed products — SINOGEN (赛若金®) Human Interferon α1b for Injection, EPOSINO (依普定®) Human Erythropoietin Injection, WHITE-C (白特喜®) Human Granulocyte Colony-stimulating Factor Injection and CLOBICO (常乐康®) Combined Live Clostridium Butyricum and Bifidobacterium Powder/Capsule, as well as Apexelsin® Paclitaxel for Injection and Reminton (类停®) Infliximab for Injection. In 2023, 2024 and 2025, revenue from these products was RMB1,254.3 million, RMB1,392.0 million and RMB1,502.1 million, respectively, representing 99.9%, 99.4% and 99.2% of total revenue relating to pharmaceutical products. Notably, revenue from Apexelsin and Reminton, which accounted for substantially all of our revenue from in-licensed products, represents 3.7%, 9.8% and 19.2% of total revenue relating to pharmaceutical products, showing significant growth trend. As of the Latest Practicable Date, we had secured overseas commercialization rights for 33 in-licensed products, several of which have already been commercialized or have submitted registration applications in multiple jurisdictions.

The table below sets out key information of our major commercialized products as of the Latest Practicable Date:

Therapeutic Area	Product name	Source	Indication	Included in NRDL	Enrolled in VBP	Formulation
Oncology	Apexelsin® Paclitaxel for Injection (Albumin-Bound)	In-licensed products	Treatment of breast cancer, metastatic pancreatic adenocarcinoma, and non-small cell lung cancer.	Yes(1)	Yes(1)	Injection
Oncology	WHITE-C (白特喜®) Human Granulocyte Colony-stimulating Factor Injection	Proprietary products	Neutropenia caused by cancer chemotherapy and other reasons; cancer patients using myelosuppressive chemotherapy drugs, especially after intensive myelodepletive chemotherapy, may benefit from the injection of this product to prevent the occurrence of neutropenia, reduce its severity, shorten the duration of agranulocytosis, and accelerate the recovery of granulocyte counts, thereby lowering the risk of infection-associated fever.	Yes	Yes(3)	Injection
Oncology	Arketin® Bevacizumab Injection	In-licensed products	Advanced or metastatic non-squamous non-small cell lung cancer and metastatic colorectal cancer.	N/A(2)	N/A(2)	Injection
Autoimmunity	Reminton (类停®) Infliximab for Injection	In-licensed products	Treatment of rheumatoid arthritis, psoriasis, ankylosing spondylitis, ulcerative colitis in adults, Crohn's disease in adults and children and fistulous Crohn's disease.	Yes	No	Injection
Hematology	EPOSINO (依普定®) Human Erythropoietin Injection	Proprietary products	Anemia caused by chemotherapy for non-myeloid malignancies; Anemia caused by renal insufficiency, including dialysis and non-dialysis patients; Erythrocyte mobilization during the perioperative period of surgery.	Yes	Yes(3)	Injection
Antivirus	SINOGEN (赛若金®) Human Interferon α1b for Injection	Proprietary products	Treatment of viral diseases and certain malignant tumors. Treatment of chronic hepatitis B, hepatitis C and hairy cell leukemia.	Yes	Yes(3)	Injection
Antivirus	Kehuang Capsule	Proprietary products	For clearing heat and detoxifying, and removing blood stasis. It is applicable for symptoms such as distending or stabbing pain in the lateral thorax, masses under the rib-side, bitter and sticky mouth, poor appetite and abdominal distension, stained yellow of the face and eyes, scanty and dark urine, dark red tongue or with ecchymosis or petechiae, yellow and greasy tongue coating, wiry-slippery or rough pulse, etc., caused by internal accumulation of damp-heat toxins and blood stasis obstructing the collaterals, as well as acute and chronic hepatitis.	No	No	Capsule
Antivirus	SINGENSU (赛甘苏®) Entecavir Tablets	Proprietary products	Treatment of chronic adult hepatitis B patients with active viral replication, persistently elevated serum alanine aminotransferase, or active lesions shown in liver histology (including patients with compensatory and decompensatory liver disease).	Yes(4)	No(4)	Tablet

Therapeutic Area	Product name	Source	Indication	Included in NRDL	Enrolled in VBP	Formulation
Digestive disorders .	CLOBICO (常乐康®) Combined Live Clostridium Butyricum and Bifidobacterium Powder/Capsule	Proprietary products	Acute and chronic diarrhea caused by acute non-specific infections, intestinal flora imbalance caused by antibiotics, chronic liver disease, and other factors, as well as related acute and chronic diarrhea and indigestion.	No	No	Powder/Capsule

Note:

(1) Paclitaxel for Injection (Albumin-Bound) was selected in the second batch of national VBP schemes in April 2020, and the provincial VBP schemes. It has also been included in the NRDL. However, during the Track Record Period, we did not sell Apexelsin® in the PRC and all of our revenue generated from Apexelsin® was derived from overseas markets. Accordingly, the inclusion of Apexelsin® in the NRDL or VBP schemes had no impact on us during the Track Record Period.

(2) During the Track Record Period, we did not sell Arketin® in the PRC. Accordingly, the inclusion of Arketin® in the NRDL or its non-selection in VBP schemes had no impact on us during the Track Record Period.

(3) See pages 122 to 126 for a detailed discussion of the relevant products' participation in the VBP schemes.

(4) SINGENSU (赛甘苏®) was not selected in any national or provincial VBP schemes. It has been included in the NRDL. During the Track Record Period, our sales of SINGENSU (賽甘蘇®) were minimal, representing an insignificant portion of our total revenue.

The following table sets forth a breakdown of our revenue, gross profit and gross profit margin by products for the periods indicated:

	Year Ended December 31,								
	2023			2024			2025		
Product[1]	**Revenue**	**Gross Profit**	**Gross Profit Margin**	**Revenue**	**Gross Profit**	**Gross Profit Margin**	**Revenue**	**Gross Profit**	**Gross Profit Margin**
	RMB'000	*RMB'000*	*%*	*RMB'000*	*RMB'000*	*%*			
EPOSINO (依普定®)	608,062	417,301	68.6	653,996	438,374	67.0	644,720	430,462	66.8
drug product	557,205	402,238	72.2	590,314	415,803	70.4	579,695	404,622	69.8
drug substance	50,857	15,063	29.6	63,682	22,571	35.4	65,025	25,840	39.7
SINOGEN (赛若金®)	310,629	255,530	82.3	316,539	260,511	82.3	274,133	220,481	80.4
WHITE-C (白特喜®)	146,102	121,393	83.1	158,414	130,777	82.6	145,576	120,095	82.5
drug product	128,550	107,458	83.6	136,099	112,785	82.9	122,222	101,183	82.8
drug substance	17,552	13,935	79.4	22,315	17,992	80.6	23,354	18,912	81.0
CLOBICO (常乐康®)	142,801	115,926	81.2	125,056	101,081	80.8	147,207	120,009	81.5
Apexelsin®[2]	–	–	–	41,110	13,406	32.6	166,777	65,811	39.5
Reminton (类停®)[3]	46,709	(19,668)	(42.1)	96,918	18,291	18.9	123,712	6,142	5.0
drug product	–	–	–	480	214	44.6	838	337	40.2
promotion services	46,709	(19,668)	(42.1)	96,438	18,077	18.7	122,874	5,805	4.7
Others	1,491	(778)	(52.2)	9,086	2,039	22.4	11,617	4,497	38.7
Total	**1,255,794**	**889,704**	**70.8**	**1,401,119**	**964,479**	**68.8**	**1,513,742**	**967,497**	**63.9**

Notes:

(1) For EPOSINO (依普定®) and WHITE-C (白特喜®), in addition to the sales of drug products, we also sold a small portion of drug substances during the Track Record Period. For Reminton (类停®), the majority of our revenue was derived from the promotion services we provided in connection with the promotion of such product in China. In addition, we sell Reminton (类停®) as a drug product in overseas markets. The limited sales of Reminton (类停®) as drug product recorded in 2024 were in connection with initial commercial orders, while sales in 2025 reflect continued growth in overseas markets following further regulatory approvals.

(2) In August 2024, we commenced commercial sales of Apexelsin® in the European Union. Revenue from Apexelsin® grew rapidly in 2025, with revenue amounted to approximately RMB166.8 million in 2025. The gross profit margin of Apexelsin® in 2025 increased by 6.9% as compared to 2024. The relatively low gross profit margin of Apexelsin® was mainly because the higher unit costs in 2024, as production had only recently commenced and economies of scale had not yet been fully realized.

(3) The gross profit margin of Reminton (类停®) improved significantly during the Track Record Period, narrowing from negative 42.1% in 2023 to positive 18.9% in 2024. This was primarily attributable to the commencement of our promotion services for Reminton (类停®) in China in May 2022. As the product was newly launched, early-stage sales volumes were limited, and we incurred significant promotion expenditures to build market awareness, resulting in negative gross profit margins in 2023. With the steady increase in domestic sales volume of Reminton (类停®), it's gross profit margin recovered to a more sustainable level. In response to market competition, we increased our commitment to marketing for sales volume growth and enhanced market share, which resulted in a temporary decline in gross profit margin of Reminton (类停®) in 2025.

For breakdowns of sales volume and average selling price by product, as well as breakdowns of revenue, gross profit and gross profit margin by country/geographical region, sales channel, and NRDL and non-NRDL categorisation, see "Business — Our Products and Product Candidates — Major Commercialized Products" and "Business — Sales and Marketing — Sales and Distribution & Product Pricing."

We incurred net loss of RMB195.5 million in 2023, and achieved net profits of RMB27.0 million and RMB152.7 million in 2024 and 2025, respectively. Our net loss in 2023 were primarily attributable to the substantial R&D expenses of RMB344.8 million during the year. For a detailed discussion on our results of operations during the Track Record Period, see "Financial Information — Period to Period Comparison of Results of Operations."

Manufacturing and Procurement

We manufacture our proprietary recombinant protein products in-house using production systems designed to meet international regulatory standards, which enables both domestic supply and exports to regulated markets. Among our in-licensed commercialized products, Apexelsin® was manufactured by us at our Jinan manufacturing base and also procured from Haichang Biotech. Currently, we have one drug manufacturing base in operation in China, which is located in Jinan, Shandong Province. The main raw materials required for our pharmaceutical production include raw materials and consumables for recombinant protein fermentation and purification, auxiliary materials for formulation production, raw materials, auxiliary materials for the fermentation and formulation production of microecological products. We only procure raw materials used in product development and production processes from approved suppliers. We have established a bidding and procurement system and supplier management system, including but not limited to supplier management guidelines, policies and contract guidelines.

Sales and Distribution Channels

We primarily generate revenue from the sale of our pharmaceutical products through the distribution of our products to distributors, who then sell our products to hospitals, other medical institutions, and pharmacies. Domestically, we distribute our products through a combination of direct sales channels and regional distributors, focusing on penetration into broader hospital networks. Internationally, we have established sales channels through local partners and importers, enabling the commercialization and export of selected in-licensed products, such as albumin-bound paclitaxel, which accounted for 52.8% of China's export volume of albumin-bound paclitaxel in 2025. As overseas sales increases, we continue to expand geographic coverage in line with our long-term globalization strategy.

R&D Driving Innovation

Tracing our origins to 1989, we are among the earliest biopharmaceutical companies in China and one of the first Industrialization Bases of the National "863" Plan. Over more than three decades of innovation and industrialization in biopharmaceuticals, we have established the "3KX" technology platform — encompassing KX-FUSION, KX-BODY, and K'Exosome — to drive end-to-end biologics development. The 3KX platform integrates molecular design, long-acting modification, process scale-up, AI-driven antibody discovery, and exosome-based delivery to provide a strong foundation for building differentiated and innovative pipelines.

During the Track Record Period, our R&D efforts were primarily focused on our product candidates, including innovative drugs and biosimilar candidates with large market potential. The chart below shows our major R&D progress under the "3KX" platform as of the Latest Practicable Date.

Therapeutic Area	Pipeline	Drug Category	Target	Technology Platform	Indication	Intellectual Property	Preclinical Research	IND	Phase I/II Clinical Trial	Phase III Clinical Trial
Oncology	★ GB18	Innovative Drug	GDF15	KX-BODY	Cancer Cachexia	Self-owned	China			
		Innovative Drug	GDF15	KX-BODY	Cancer Cachexia	Self-owned	U.S.			
	GB23	Innovative Drug	PD-1/GPC3/ IFN	KX-BODY	Solid Tumors	Self-owned	China, U.S.			
	GB25	Innovative Drug	CD3/CDH17/CDH17	KX-BODY	Colorectal Cancer	Self-owned	China, U.S.			
	GB27	Innovative Drug	PD-1/IFN	KX-BODY	Solid Tumors	Self-owned	China, U.S.			
	GB-K02	Biosimilar	PEG-GC	KX-FUSION	Neutropenia	Self-owned	China			
Autoimmune Diseases	★ GB12	Innovative Drug	IL-4R/IL-31	KX-BODY	Atopic Dermatitis	Self-owned	China, U.S.			
	GB19	Innovative Drug	BDCA2	KX-BODY	SLE/CLE	Self-owned	China			
		Innovative Drug	BDCA2	KX-BODY	SLE/CLE	Self-owned	U.S.			
	GB20	Innovative Drug	TL1A	KX-BODY	IBD	Self-owned	China, U.S.			
	★ GB24	Innovative Drug	TL1A/LIGHT	KX-BODY	IBD	Self-owned	China, U.S.			
	GB26	Innovative Drug	BDCA2/CD19/CD32b	KX-BODY	SLE/CLE	Self-owned	China, U.S.			
Others	GB05	Modified New Drug	IFN-αR	KX-FUSION	RSV-LRTI	Self-owned	China			
		Innovative Drug	IFN-αR	KX-FUSION	RSV-LRTI	Self-owned	U.S.			
	GB06	Biosimilar	GHR	KX-FUSION	GHD	Self-owned	China			
	GB08	Innovative Drug	FC-GHR	KX-FUSION	GHD	Self-owned	China			
	★ GB10	Innovative Drug	VEGF/ANG-2	KX-BODY	AMD	Self-owned	China			
		Innovative Drug	VEGF/ANG-2	KX-BODY	AMD	Self-owned	U.S.			
	GB13	Innovative Drug	–	K'Exosome	Acute Kidney Injury	Self-owned	China			

Clinical Trial Preclinical Research ★ Key Pipelines

Note:

(1) Drug types in the PRC are classified according to the 2020 edition of the Administrative Measures for Drug Registration. Innovative drugs refer to the new drugs in Category 1; GB05 is classified as modified new drugs in Category 2.1 in China and as innovative drugs in the United States; GB06 refers to the biosimilar drugs in Category 3.3; GB-K02 refers to the other biological products in Category 3.4.

Our innovative programs focus on oncology, autoimmune diseases, and degenerative diseases, with differentiated portfolios aligned to our core strengths. In oncology, we have developed the following innovative drug candidates: GB18 (GDF15 mAb) for cancer cachexia, a severe weight-loss and muscle-wasting condition seen in advanced cancer patients; GB23 (PD-1/GPC3/IFN trispecific antibody-fusion protein) for solid tumors; GB25 (CD3/CDH17/CDH17 bispecific triple antibody T cell engager) for colorectal cancer; and GB27 (PD-1/IFN dual-target antibody-fusion protein) for solid tumors. In autoimmune diseases, we target major chronic conditions requiring long-term management — specifically inflammatory bowel disease (IBD), systemic lupus erythematosus (SLE), and atopic dermatitis, a chronic inflammatory skin disease — each characterized by large patient populations and prolonged disease courses. Our innovative drug candidates in autoimmune diseases include GB12 (IL-4R/IL-31 bispecific nanobody), which addresses atopic dermatitis, GB20 (TL1A mAb) and GB24 (TL1A/LIGHT BsAb), which address IBD, and GB19 (BDCA2 mAb) and GB26 (BDCA2/CD19/CD32b trispecific antibody), which address SLE. In view of the global aging trend, we are also pursuing the development of therapies targeting age-related diseases. Our innovative drug candidate GB10 (VEGF/ANG-2 dual-target antibody-fusion protein) targets retinal angioproliferation, a condition associated with aging and chronic metabolic disorders.

Advancing Global Expansion with Diversified Products

We initiated international expansion early and achieved overseas sales as early as 2000. Through years of execution, EPOSINO (依普定®) Human Erythropoietin Injection has achieved sales spanning over 30 countries and regions. According to Frost & Sullivan, EPOSINO leads comparable Chinese products by number of export destinations and accounted for nearly 60% of China's total export value of the same products in 2024. Today, we are among the Chinese biopharmaceutical companies with the broadest overseas market coverage, with sales or approvals in over 70 countries and regions across five continents, including the EU, Brazil, the Philippines, and Indonesia. We expect the overseas market to become key drivers of profit growth as we continue to broaden global market presence and advance high-quality Chinese biopharmaceuticals to international markets.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors: (i) Strong expertise in the know-how, production and commercialization of recombinant proteins; (ii) Advanced R&D capabilities driving innovation progress; (iii) Multiple pipelines with differentiated advantages; (iv) Leading capabilities in overseas commercialization: first-mover advantages and global competitive moat; (v) Introduction of high-potential products in oncology and immunology; (vi) Integrated R&D-Manufacturing-Commercialization capabilities supporting global expansion; and (vii) Management team with industry insight and R&D leadership with extensive experience.

GROWTH STRATEGIES

Pursuing our vision to become a leader in high-quality biopharmaceuticals, we adhere to the "Innovation + Internationalization" dual-engine model. Through independent R&D and strategic partnerships, we aim to build a globally competitive, differentiated product matrix and an international commercialization platform covering major global markets, with a focus on oncology and autoimmune diseases. We will implement the following strategies to achieve our goal: (i) Advance innovative drug development to address unmet needs; (ii) Strengthen biosimilar capabilities with a focus on EU, U.S. and China; and (iii) Expand global footprint and enhance overseas commercialization platform.

OUR CUSTOMERS

Our customers primarily consist of distributors and direct sales customers of our pharmaceutical products in China and globally. For the years ended December 31, 2023 and 2024, and 2025, our revenue from top five customers was RMB567.2 million, RMB630.6 million and RMB619.8 million, respectively, accounting for 45.1%, 44.8% and 40.4% of our total revenue for the respective period.

OUR SUPPLIERS

Our suppliers primarily provide raw and auxiliary materials, packaging materials, marketing and promotion services, and outsourced research and development services. For the years ended December 31, 2023 and 2024, and 2025, our total purchase amounts from our top five suppliers were RMB179.4 million, RMB140.9 million and RMB199.8 million, respectively, accounting for 17.6%, 17.2% and 20.6% of our total purchases for the respective period.

During the Track Record Period, we outsourced certain research and development activities to third-party contract research organizations, or CROs, on a project-by-project basis to supplement our internal capabilities. The outsourced work primarily related to clinical-stage operational and regulatory support, and was conducted under our oversight.

The number of CROs engaged was seven, five, and four in 2023, 2024 and 2025, respectively. For the years ended December 31, 2023 and 2024 and 2025, expenses incurred for outsourced research and development services that were expensed and recognized in profit or loss amounted to approximately RMB61.9 million, RMB6.9 million and RMB14.5 million, respectively, and were recorded as research and development expenses. In addition, certain outsourced development costs that met the capitalization criteria were capitalized as intangible assets, and therefore not recognized in profit or loss when incurred, amounting to approximately RMB13.6 million in 2024 and RMB25.1 million in 2025.

COMPETITIVE LANDSCAPE

China and the global pharmaceutical markets are characterized by intense competition among large domestic and multinational pharmaceutical companies, as well as emerging biotechnology firms. We face competition from these entities across various aspects, including R&D capabilities, manufacturing scale and quality, commercial reach, brand recognition, and product pricing. See "Industry Overview" for details relating to our competitive landscape.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary financial data set forth below are derived from and should be read together with our financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS Accounting Standards (the "IFRS").

Summary of Consolidated Statement of Profit or Loss

The following table sets forth our selected consolidated statements of profit or loss for the periods indicated:

	Year Ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	1,259,036	100.0	1,406,925	100.0	1,534,028	100.0
Cost of revenue	(367,752)	(29.2)	(440,527)	(31.3)	(561,974)	(36.6)
Gross profit	**891,284**	**70.8**	**966,398**	**68.7**	**972,054**	**63.4**
Selling expenses	(689,290)	(54.7)	(596,765)	(42.4)	(574,296)	(37.4)
Research and development expenses	(344,797)	(27.4)	(168,050)	(11.9)	(199,554)	(13.0)
Administrative and other operating expenses	(101,849)	(8.1)	(104,890)	(7.5)	(110,052)	(7.2)
Finance costs, net	(34,483)	(2.7)	(41,439)	(2.9)	(40,617)	(2.6)
(Loss)/Profit before income tax	**(260,069)**	**(20.7)**	**56,902**	**4.0**	**165,700**	**10.8**
Income tax credit/(expense)	64,583	5.1	(29,854)	(2.1)	(12,955)	(0.8)
(Loss)/Profit for the year	**(195,486)**	**(15.5)**	**27,048**	**1.9**	**152,745**	**10.0**

Non-IFRS Measure

The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) to (loss)/profit for the year in respect of the periods indicated:

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(Loss)/Profit for the year	(195,486)	27,048	152,745
Adjustments:			
Finance income	(6,643)	(3,627)	(2,968)
Finance costs	41,126	45,066	43,585
Depreciation and amortization	99,191	104,162	113,181
Income tax (credit)/expense	(64,583)	29,854	12,955
EBITDA (non-IFRS measure)	**(126,395)**	**202,503**	**319,498**

During the Track Record Period, our net (loss)/profit fluctuated primarily due to changes in our R&D expenses and gross profit margins. We incurred net loss of RMB195.5 million in 2023, and recorded net profits of RMB27.0 million and RMB152.7 million in 2024 and 2025, respectively. Our net loss in 2023 were primarily attributable to a relatively high level of substantial R&D expenses of RMB344.8 million. In 2024, our results turned to profit mainly because our R&D expenses decreased by approximately 51.3% as compared to 2023 and returned to a more normalized level, while we continued to invest in our other ongoing R&D activities, and our gross profit margin remained generally in line with 2023. Our net profit further increased to RMB152.7 million in 2025, primarily attributable to unrealized fair value changes on financial assets at fair value through profit or loss and gains on the disposal of a subsidiary, as well as the growth in our operating profit. For details of fluctuations of key financial items set forth in our consolidated statements of profit or loss during the Track Record Period, see "Financial Information — Period to Period Comparison of Results of Operations."

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets	1,897,470	1,874,424	1,926,199
Current assets	1,133,626	1,287,809	1,607,356
Total Assets	**3,031,096**	**3,162,233**	**3,533,555**
Current liabilities	669,997	886,397	1,021,257
Non-current liabilities	730,304	636,590	759,792
Total liabilities	**1,400,301**	**1,522,987**	**1,781,049**
Net current assets	**463,629**	**401,412**	**586,099**
Total equity	**1,630,795**	**1,639,246**	**1,752,506**

Our net current assets decreased from RMB463.6 million as of December 31, 2023 to RMB401.4 million as of December 31, 2024, primarily due to an increase in trade and other payables of approximately RMB33.9 million. Our net current assets increased from RMB401.4 million as of December 31, 2024 to RMB586.1 million as of December 31, 2025, primarily due to an increase in trade and other receivables of approximately RMB201.0 million. Our net current assets decreased from RMB586.1 million as of December 31, 2025 to RMB516.1 million as of March 31, 2026, primarily due to an decrease in financial assets at FVTOCI of approximately RMB71.7 million.

Our net assets increased from RMB1,630.8 million as of December 31, 2023 to RMB1,639.2 million as of December 31, 2024, primarily due to a profit for the year of approximately RMB27.0 million, together with (i) an increase of approximately RMB7.0 million arising from the exercise of restricted shares and (ii) equity-settled share-based payments of approximately RMB4.4 million recognized in reserves, partially offset by the impact of share repurchases of approximately RMB31.1 million. Our net assets further increased from RMB1,639.2 million as of December 31, 2024 to RMB1,752.5 million as of December 31, 2025, primarily due to a profit in 2025 of approximately RMB152.7 million, as well as (i) an increase of approximately RMB19.3 million arising from the exercise of restricted shares and (ii) equity-settled share-based payments of approximately RMB6.5 million recognized in reserves, partially offset by share repurchases of approximately RMB49.3 million and dividend distributions of approximately RMB15.8 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows information for the periods indicated:

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows (used in)/from operating activities	(119,585)	74,064	88,966
Net cash flows used in investing activities	(156,247)	(104,125)	(66,698)
Net cash flows from financing activities	48,697	21,691	73,313
Net decrease in cash and cash equivalents	(227,135)	(8,370)	95,581
Cash and cash equivalents at beginning of year	783,971	559,931	552,952
Effect of foreign exchange rate changes	3,095	1,391	(211)
Cash and cash equivalents at end of year	**559,931**	**552,952**	**648,322**

Our net cash flows used in operating activities were net outflows of RMB119.6 million in 2023, and turned to net cash inflows from operating activities of RMB74.1 million in 2024 and RMB89.0 million in 2025. In 2023, we completed patient enrolment for a Phase III clinical trial of one of our major R&D projects and recognized the related research and development expenses during the year, which was the principal reason for our loss and negative operating cash flows for that year.

In the short to medium term, we aim to improve operating cash flow by enhancing working capital efficiency through optimized receivables and inventory management, tighter distributor and credit risk controls in domestic and overseas markets, and lean supply chain management to accelerate commercialization. In the longer term, we expect our operating cash flows to benefit from the commercialization of our pipeline and expansion of our overseas business. We have obtained marketing approvals for several products in multiple overseas jurisdictions and have additional registration applications accepted or in progress in a number of countries and regions. As these products are progressively launched and our core pipeline candidates advance towards potential approval and commercialization, we expect the resulting revenue growth to enhance our operating cash inflows and improve our overall cash flow position.

KEY FINANCIAL RATIOS

The table below sets forth our key financial ratios as of the dates/periods indicated:

	Year Ended/As of December 31,		
	2023	2024	2025
Current ratio	1.7	1.5	1.6
Quick ratio	1.4	1.3	1.4
Gross profit margin	70.8%	68.7%	63.4%
Return on equity	(11.4%)	1.7%	9.0%

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

SUMMARY OF MATERIAL RISK FACTORS

There are certain risks involved in our business and industry and the [**REDACTED**], many of which are beyond our control. The details are set out in the section headed "Risk Factors." You should read that section in its entirety carefully before you decide to invest in our H Shares. Some of the major risks we face include: (i) If we fail to complete clinical development, obtain regulatory

approvals and commercialize our product candidates, our competitiveness could be reduced and our business, financial condition and prospects could be materially and adversely affected; (ii) Our current revenue and profits mainly rely on certain pharmaceutical products. Decreases in sales volume or pricing and changes in our cost structure could adversely affect our revenue and profitability; (iii) The commercial performance and profitability of our in-licensed products are subject to uncertainty; (iv) Our ability to sell our products to public hospitals and other relevant medical institutions in China depends on centralized tender and VBP processes, and PRC pricing regulation and other policies intended to reduce healthcare costs may exert significant downward pressure on our product prices, which could adversely affect our revenue, profitability and market share; and (v) The regulatory approval process for our product candidates with the NMPA and other comparable regulatory authorities is lengthy, expensive and unpredictable; any failure or delay in obtaining required approvals could materially and adversely affect our business, financial condition, results of operations and prospects.

RECENT DEVELOPMENTS

Since the end of the Track Record Period, we have continued to advance our R&D pipeline. In March 2026, we completed the Phase III clinical trial of GB-K02, marking a key milestone in our drug development. In February and March 2026, GB19 injection was approved by both the NMPA and the FDA to commence clinical trials, further advancing our global clinical development strategy.

During the same period, we continued to expand our overseas commercialization footprint. From January to April 2026, our albumin-bound paclitaxel for injection obtained marketing approvals in multiple markets, including Macau (China), Malaysia, the Dominican Republic and the Philippines, while Sevelamer Carbonate Tablets were approved for marketing in Peru and Costa Rica. We also obtained overseas commercialization rights for several other products in regions such as Europe and Saudi Arabia.

In addition, we continued to enhance our international presence and engage with global industry participants. In March 2026, we were invited to attend BIO CHINA 2026, where we participated in multiple international forums and engaged in discussions on innovative drug globalization, emerging market access and biosimilar clinical development, further strengthening our industry profile and international collaboration network. Meanwhile, changes in PRC tax policy have impacted our operations. Pursuant to the Announcement on the Transition of VAT Preferential Policies after the Implementation of the VAT Law (Announcement No. 10 of 2026) issued by the Ministry of Finance and the State Taxation Administration, effective from January 1, 2026, the simplified 3% VAT regime is no longer generally applicable to ordinary biological products. As a result, certain of our products are now subject to the standard 13% VAT rate, which may have an impact on our future revenue and profitability.

IMPACT OF THE COVID-19 PANDEMIC

During the COVID-19 pandemic, certain of our commercialization activities, such as business development, were conducted through online channels. Our R&D, commercialization and production activities and our supply chain were carried out without any material disruption caused by the COVID-19 pandemic. Given that the PRC government has substantially lifted its COVID-19 prevention and control policies since December 2022, our Directors are of the view that the COVID-19 pandemic did not, and is not expected to, have any material adverse impact on our business operations, financial position or results of operations.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the 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, being the latest date of our consolidated financial statements as set out in Appendix I, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I.

OUR LISTING ON THE STAR MARKET

Since December 2020, our A Shares have been listed on the STAR Market (stock code: 688136). For details, see "History and Corporate Structure — Our A Share Listing and Reasons for the H Share [**REDACTED**]."

[**REDACTED**]

[**REDACTED**] STATISTICS

The numbers in the following table are based on the assumptions that (i) the [**REDACTED**] had been completed and [**REDACTED**] H Shares were newly issued and sold therein, (ii) the [**REDACTED**] and the [**REDACTED**] are not exercised (and no H Shares are issued upon exercise thereof), (iii) [**REDACTED**] Shares are issued and outstanding upon completion of the [**REDACTED**], and (iv) no other changes will be made to our Company's issued share capital from the Latest Practicable Date to the [**REDACTED**].

	Based on an [REDACTED] of HK$[REDACTED] per H Share	**Based on an [REDACTED] of HK$[REDACTED] per H Share**
Market capitalization of our H Shares	HK$[**REDACTED**]	HK$[**REDACTED**]
Market capitalization of our A+H Shares[(1)]	HK$[**REDACTED**]	HK$[**REDACTED**]
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per Share[(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The total market capitalization of the Company is calculated based on (i) 201,257,250 A Shares (excluding 3,394,997 treasury shares) as of the Latest Practicable Date at the closing price of the A Shares of the Company at the Latest Practicable Date at RMB28.64 (or approximately HK$32.73) per Share, and (ii) the expected market capitalization of the Company's H Shares based on [**REDACTED**] H Shares expected to be issued at [**REDACTED**].

(2) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per share is calculated on the basis that [**REDACTED**] Shares (representing 201,257,250 Shares in issue as at December 31, 2025, excluding 3,199,905 treasury shares as at December 31, 2025, adding [**REDACTED**] [**REDACTED**]) were in issue, assuming that the [**REDACTED**] had been completed on December 31, 2025 but does not take into account of any Shares which may be allotted and issued by the Company upon the exercise of the [**REDACTED**], any Shares which may be issued by the Company upon the exercise of any options may be granted under the 2024 Restricted Share Incentive Plans or any Shares which may be issued or repurchased by the Company. For details, see "Unaudited Pro Forma Financial Information" in Appendix II.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Shenzhen Keyi and Mr. Deng directly owned 49.50% and 0.88% of the total issued share capital of our Company, representing 50.35% and 0.89% of the voting rights at general meetings of our Company (excluding 3,394,997 A Shares held by our Company as treasury Shares), respectively. Shenzhen Keyi is wholly owned by Genzon Investment, which is owned as to 99.01% by Mr. Deng and 0.99% by Zhengzhong Yisheng, which in turn is owned as to 99% by Mr. Deng and 1% by Ms. Wen, his spouse.

Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no additional Shares are issued pursuant to our 2024 Restricted Share Incentive Plan), Mr. Deng and Ms. Wen will collectively be entitled to control (directly and/or indirectly through Zhengzhong Yisheng, Genzon Investment and Shenzhen Keyi) the exercise of [**REDACTED**]% voting rights at general meetings of our Company. Upon [**REDACTED**], each of Mr. Deng, Ms. Wen, Zhengzhong Yisheng, Genzon Investment and Shenzhen Keyi will constitute a group of our Controlling Shareholders.

For further details of our Controlling Shareholders, see "Relationship with Our Controlling Shareholders."

We have entered into certain transactions with our Controlling Shareholders and/or their respective associates that will constitute our continuing connected transactions upon [**REDACTED**]. For details, see "Connected Transactions."

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds from the [**REDACTED**] of approximately HK$[**REDACTED**] (after deducting the [**REDACTED**] fees and other estimated expenses payable by us in connection with the [**REDACTED**]), assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the [**REDACTED**] range stated in this document, and assuming the [**REDACTED**] is not exercised.

We intend to use the net proceeds from the [**REDACTED**] for the following purposes:

- Approximately HK$[**REDACTED**] (or approximately [**REDACTED**]% of the net proceeds) will be allocated to research and development (R&D) of innovative drug pipeline;
- Approximately HK$[**REDACTED**] (or approximately [**REDACTED**]% of the net proceeds) will be allocated to screening and development of biosimilars;
- Approximately HK$[**REDACTED**] (or approximately [**REDACTED**]% of the net proceeds) will be allocated to introduce high-value pharmaceutical products; and
- Approximately HK$[**REDACTED**] (or approximately [**REDACTED**]% of the net proceeds) will be allocated to the development of overseas marketing team, working capital and general corporate purposes.

DIVIDEND POLICY

After the [**REDACTED**], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. We do not have a fixed annual dividend payout ratio. Pursuant to our dividend policy under our Articles of Association, the amount of the dividends distributed in cash in every three years should be at least 30% of our annual average profits for these three years that are available for distribution, subject to certain specified conditions.

In 2023 and 2024, we did not declare any dividends. In May 2025, we declared dividends of RMB15.8 million in respect of the year ended December 31, 2024. As of the Latest Practicable Date, we had paid these dividends in full.

[**REDACTED**] EXPENSES

Assuming an [**REDACTED**] of HK$[**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range stated in this document), the [**REDACTED**] fees, commissions, together with the Stock Exchange [**REDACTED**] fee, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the [**REDACTED**], which are payable by us are estimated to be approximately RMB[**REDACTED**] (equivalent to HK$[**REDACTED**]).

The [**REDACTED**] expenses above are the latest practicable estimate and are provided for reference only, and actual amounts may differ.