SUMMARY

This summary aims to give you an overview of the information contained in this document and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this document. As this is a summary, it does not contain all the information that may be important to you and we urge you to read the entire document carefully before making your [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a global pharmaceutical company with a commercial network spanning over 40 countries and regions. Founded in 2001, we have built a diversified portfolio comprising active pharmaceutical ingredients (APIs)/intermediates, generics, and innovative drugs, leveraging our multidisciplinary expertise and industry-leading R&D capabilities.

During the Track Record Period, our revenue was primarily derived from the sales of APIs, being active substances that provide the intended therapeutic effects in drugs, and pharmaceutical intermediates, being materials or compounds produced at intermediate stages in the course of drug manufacturing. The global market share of our major marketed API/intermediate products[(1)] within their respective product categories ranged from approximately 2.7% to 45.2% in 2025. According to CIC, we ranked among the top three global suppliers of echinocandin APIs/intermediates by sales revenue in 2025, with a comprehensive product portfolio encompassing micafungin sodium, caspofungin acetate and anidulafungin. To a lesser extent, we generated revenue from sales of finished drug products, which are drugs in final dosage forms ready for patient use, such as injection, tablets or inhalation. We also provide R&D and manufacturing services to pharmaceutical companies utilizing our in-house capabilities, which contributed a small portion of our revenue during the Track Record Period.

Through a combination of direct sales and distribution channels, we sell over 40 finished drug products and APIs/intermediates covering a wide range of therapeutic areas, including infectious diseases, immunology and oncology, to over 40 countries and regions, primarily including Chinese Mainland, Europe and North America. The portfolio of marketed products supports continued investment in our product pipeline, enabling us to pursue long-term innovation opportunities while managing the inherent risks of pharmaceutical development. For the years ended December 31, 2023, 2024 and 2025, our revenue amounted to RMB1,163.6 million, RMB1,254.9 million and RMB1,198.2 million, respectively.

We currently focus our R&D efforts on developing globally novel and proprietary therapeutics for metabolic diseases, while building a competitive portfolio of inhalation-based drug-device combination products for respiratory diseases. Our metabolic disease pipeline is anchored by two lead innovative drug candidates: BGM0504 (GLP-1/GIP dual agonist) and BGM1812 (long-acting amylin analog), each developed in both injectable and oral dosage forms to maximize patient accessibility. For respiratory diseases, we are developing advanced inhalation product candidates with high barriers to entry, leveraging the sophisticated delivery systems derived from our drug-device combination platform. Beyond our deep focus on metabolic and respiratory diseases, we are also developing product candidates in other major therapeutic areas including infectious diseases, immunology and oncology. As of the Latest Practicable Date, we had six major innovative drug candidates.

Note: (1) Namely micafungin sodium, oseltamivir phosphate, caspofungin acetate, anidulafungin, fidaxomicin, eribulin mesylate, pimecrolimus and dalbavancin.

SUMMARY

We are committed to R&D investment, which enabled us to assemble a suite of technology platforms encompassing peptide technology, drug-device combinations, synthetic biology, and oral formulation. These capabilities, combined with our integrated operations — from starting materials through high-complexity APIs/intermediates to finished products — position us uniquely to meet growing global demand for end-to-end pharmaceutical partnership. Our global commercial footprint extends across over 40 countries and regions, embodying our differentiated collaborative model that generates sustained income while showcasing the proven synergy we have achieved between technological innovation and commercial success. Meanwhile, our established manufacturing systems demonstrate our high quality standards and enable us to conduct cGMP-compliant operations across different jurisdictions, leveraging local resources and market presence to expand our overall production capacity and capture growing opportunities worldwide.

OUR PRODUCT PORTFOLIO

Our marketed product portfolio comprises over 40 finished drug products and APIs/intermediates, underscoring our proven ability to overcome complex technological challenges and bringing pharmaceutical products to the market. Building on our foundation in high-barrier generics and specialty APIs, we have successfully advanced into innovative therapeutics with a globally competitive pipeline. As of the Latest Practicable Date, we had six major innovative drug candidates, spearheaded by BGM0504, a GLP-1/GIP dual agonist with global best-in-class potential for the treatment of type 2 diabetes (T2DM) and obesity/overweight. According to CIC, in terms of development progress, BGM0504 currently ranks among the three most advanced clinical-stage GLP-1/GIP dual agonist candidates globally, both in injectable and oral dosage forms.

The tables below summarize our major marketed products and drug candidates as of the Latest Practicable Date.

Major Marketed Products

Product	Mechanism	Indication	Major Markets	Product Type	NRDL Inclusion	VBP Implementation
Micafungin Sodium	Antifungal Agent	Candidiasis, Aspergillosis	China	Injection	Yes	November 2022
			China, Europe, North America, South America, Turkey, Southeast Asia, India, Japan	API/ Intermediate	/	/
Oseltamivir Phosphate	Antiviral Agent	Influenza A and B Virus Infections	China	Capsule	Yes	March 2026
			China	Oral Suspension	Yes	July 2023
			China, Turkey	API/ Intermediate	/	/
Caspofungin Acetate	Antifungal Agent	Candidiasis, Aspergillosis	China, Europe, North America, South America, India, South Korea, Turkey	API	/	/
Anidulafungin	Antifungal Agent	Candidiasis	Europe, India, Turkey	API/ Intermediate	/	/
Fidaxomicin	Antifungal Agent	CDAD	United States, India	API	/	/
Eribulin Mesylate	Antitumor Agent	Advanced or Metastatic Breast Cancer After ≥2 Chemotherapeutic Regimens	China	Injection	Yes	No
			China, United States, Japan, India	API	/	/
Pimecrolimus	Immunosuppressant	Mild-to-Moderate Atopic Dermatitis	China, United States, Europe, Southeast Asia	API/ Intermediate	/	/
Dalbavancin	Antibacterial Agent	ABSSSI	Europe, United States	API	/	/

SUMMARY

Product Candidates

Innovative Drug Candidates

Field	Product	Mechanism	Dosage Form	Indication	Regulatory Authority	Registration Category	Phase	Upcoming Milestone	Commercial Rights
Metabolic Diseases	BGM0504	GLP-1/GIP Dual Agonist	Injection	T2DM (add-on therapy to metformin with or without sulfonylureas)	NMPA	Category 1 Chemical Drug	Ongoing CTR20244493	NDA	Global[1]
				T2DM (monotherapy)			Ongoing CTR20244494	NDA	
				Obesity/ Overweight			Ongoing CTR20243983	NDA	
				Obesity[3]			Ongoing CTR20251037	Phase 3 Trial	
				Obesity/ Overweight	FDA	505(b)(1)	Bridging Study Completed[2]	Phase 3 Trial	
				T2DM	Indonesia BPOM	Category 1	Ongoing NCT07064486	NDA	
			Tablets	Obesity/ Overweight	NMPA	Category 1 Chemical Drug	Ongoing CTR20253763	Phase 2 Trial	Global
				Obesity/ Overweight			Ongoing CTR20260967[4]	Phase 2 Trial	
				Obesity/ Overweight	FDA	505(b)(1)	Ongoing NCT07166081	Phase 2 Trial	
	BGM1812	Long-acting Amylin Analog	Injection	Obesity/ Overweight	NMPA	Category 1 Chemical Drug	Ongoing CTR20254560	Phase 2 Trial	Global
					FDA	505(b)(1)	Ongoing NCT07224399	Phase 2 Trial	
			Tablets	Obesity/ Overweight	NMPA	Category 1 Chemical Drug		Phase 1 Trial	Global
					FDA	505(b)(1)		Phase 1 Trial	
	BGM2102 (BGM0504+BGM1812)	Long-acting Amylin Analog/ GLP-1/GIP Dual Agonist	Injection	Obesity/ Overweight	NMPA	Category 1 Chemical Drug		Phase 1 Trial	Global
					FDA	505(b)(1)		Phase 1 Trial	
	BGM2101 (BGM0504+Insulin Analog)	Long-acting Insulin Analog/ GLP-1/GIP Dual Agonist	Injection	T2DM	NMPA	Category 1 Biologics		Phase 1 Trial	China
Respiratory Diseases	Ensifentrine Inhalation	PDE3 and PDE4 Dual Inhibitor	Inhalation	COPD	NMPA	Category 2 Chemical Drug		Phase 1 Trial	Global
	TSLP Nanobody Inhalation	TSLP Inhibitor	Inhalation	COPD	NMPA	Category 1 Biologics		Phase 1 Trial	Global

Generic Drug Candidates

Field	Product	Mechanism	Indication	Regulatory Authority	Registration Category	Phase
Respiratory Diseases	Salmeterol/Fluticasone Dry Powder for Inhalation	ICS/LABA	Asthma, COPD	NMPA	Category 4 Chemical Drug	
	Budesonide Suspension for Inhalation	ICS	Asthma	NMPA	Category 4 Chemical Drug	Approved and Launched[5]
	Tiotropium Bromide Dry Powder for Inhalation	LAMA	COPD	NMPA	Category 4 Chemical Drug	
	Tiotropium Bromide Soft Mist for Inhalation	LAMA	COPD	NMPA	Category 4 Chemical Drug	
				FDA	505(j)	
				NMPA	Category 3 Chemical Drug	
				EU Member States	Article 10(1)	
	Tiotropium Bromide/Olodaterol Soft Mist for Inhalation	LAMA/LABA	COPD	NMPA	Category 4 Chemical Drug	
				FDA	505(j)	
				NMPA	Category 3 Chemical Drug	
				EU Member States	Article 10(1)	

Phase: Preclinical | Phase 1 | Phase 2 | Phase 3 | NDA | Lab-Scale | Pilot-Scale | BE | Clinical | ANDA

* Abbreviations: GLP-1 = Glucagon-like Peptide-1, GIP = Glucose-dependent Insulinotropic Polypeptide, COPD = Chronic Obstructive Pulmonary Disease, ABSSSI = Acute Bacterial Skin and Skin Structure Infections, PDE = Phosphodiesterase, ICS = Inhaled Corticosteroid, LABA = Long-acting β 2-agonist, LAMA = Long-acting Muscarinic Antagonist, TSLP = Thymic Stromal Lymphopoietin, CDAD = Clostridioides Difficile-associated Diarrhea

Notes:

(1) In August 2025, we and our affiliates entered into a collaboration agreement with China Resources Sanjiu Medical & Pharmaceutical Co., Ltd. ("**CR Sanjiu**") to accelerate the development and commercialization of BGM0504 injection. We will remain the sole marketing authorization holder of BGM0504 injection in Chinese Mainland and continue to be the holder of all existing patents relating to the product. For details, see "Business — Collaborations and Partnerships."

We have out-licensed the product registration, manufacturing and commercialization rights of BGM0504 in Indonesia to our business partner in this country.

(2) We completed a bridging study for BGM0504 injection in the U.S. in March 2025. We are in communication with the FDA regarding our plan to initiate BGM0504's phase 3 trial for obesity/overweight in the U.S.

(3) An exploratory, head-to-head trial evaluating higher-dose regimens of BGM0504 injection against tirzepatide.

(4) A complementary phase 1 trial to evaluate the effects of food and dosing conditions on the PK profile of BGM0504 tablets, which is designed to support product labeling and dosing instructions.

(5) We received marketing approval from the NMPA for budesonide suspension for inhalation in October 2025 and launched this product in December 2025.

Our Marketed Products

As of the Latest Practicable Date, we had successfully commercialized over 40 pharmaceutical products, including 14 finished drug products and 32 APIs and intermediates, covering broad therapeutic areas including infectious diseases, immunology and oncology. Our marketed products are represented by eight major products, each of which contributed over 5% of our revenue during the Track Record Period, including micafungin sodium, oseltamivir phosphate, caspofungin acetate, anidulafungin, fidaxomicin, eribulin mesylate, pimecrolimus and dalbavancin. For details, see "Business — Our Product Portfolio — Our Marketed Products."

Micafungin Sodium

Micafungin sodium, our representative antifungal product, was our key revenue contributor during the Track Record Period, generating sales from both finished drug products (micafungin sodium for injection) and APIs/intermediates. Micafungin sodium is a semi-synthetic echinocandin agent administered intravenously for the treatment of invasive candidiasis, esophageal candidiasis, and prophylaxis of Candida infections in hematopoietic stem cell transplant patients. It demonstrates superior efficacy against azole-resistant Candida strains, positioning it as a valuable therapeutic option for immunocompromised patients. For the years ended December 31, 2023, 2024 and 2025, we generated RMB159.3 million, RMB217.9 million and RMB170.0 million from the sales of micafungin sodium, respectively, primarily from API/intermediate sales.

Oseltamivir Phosphate

Oseltamivir phosphate is one of our antiviral products which generated sales from both finished drug products (oseltamivir phosphate capsule and powder for oral suspension) and APIs/intermediates during the Track Record Period. Oseltamivir phosphate is an oral neuraminidase inhibitor indicated for the treatment and prophylaxis of influenza A and B infections. Our oseltamivir phosphate sales are affected by both seasonal influenza demand and government stock reserve requirements. For the years ended December 31, 2023, 2024 and 2025, we generated RMB331.6 million, RMB202.1 million and RMB112.9 million from the sales of oseltamivir phosphate, respectively, primarily from API/intermediate sales.

Caspofungin Acetate

Caspofungin acetate is a representative antifungal product in our portfolio, generating sales predominately from APIs during the Track Record Period. Caspofungin acetate is a semi-synthetic echinocandin antifungal agent administered intravenously for the treatment of invasive aspergillosis in patients who are refractory to or intolerant of other therapies, candidemia and other forms of invasive candidiasis, and esophageal candidiasis. For the years ended December 31, 2023, 2024 and 2025, we generated RMB84.9 million, RMB119.3 million and RMB108.7 million from the sales of caspofungin acetate, respectively, substantially all of which were from API sales.

Anidulafungin

Anidulafungin is a key antifungal product in our portfolio. It is a semi-synthetic echinocandin antifungal agent indicated for the treatment of candidemia and other forms of Candida infections, including intra-abdominal abscess and peritonitis. For the years ended December 31, 2023, 2024 and 2025, we generated RMB48.9 million, RMB119.7 million and RMB106.5 million from the sales of anidulafungin APIs/intermediates, respectively.

Fidaxomicin

Fidaxomicin is an antibacterial API product in our portfolio with significant market expansion potential. It is a macrocyclic antibiotic specifically indicated for the treatment of Clostridioides difficile-associated diarrhea (CDAD) in adults and pediatric patients aged six months and older. For the years ended December 31, 2023, 2024 and 2025, we generated RMB52.6 million, RMB87.0 million and RMB65.0 million from the sales of fidaxomicin APIs, respectively.

Eribulin Mesylate

Eribulin mesylate is our flagship oncology product, generating sales from both finished drug products (eribulin mesylate injection) and APIs during the Track Record Period. Eribulin mesylate is a microtubule dynamics inhibitor indicated for the treatment of metastatic breast cancer in patients who have previously received at least two chemotherapeutic regimens. We are the first generic manufacturer of eribulin mesylate injection in the China market, providing us with substantial competitive advantages and growth opportunities in this specialized oncology segment. For the years ended December 31, 2023, 2024 and 2025, we generated RMB34.2 million, RMB77.1 million and RMB32.8 million from the sales of eribulin mesylate, respectively, primarily from API sales.

Pimecrolimus

Pimecrolimus is our representative product in the immunological field. Pimecrolimus cream is a topical immunosuppressant indicated for the treatment of mild to moderate atopic dermatitis in patients aged two years and older. For the years ended December 31, 2023, 2024 and 2025, we generated RMB19.6 million, RMB37.0 million and RMB63.3 million from the sales of pimecrolimus APIs and intermediates, respectively.

Dalbavancin

Dalbavancin is a representative antibacterial product in our portfolio. It is a second-generation, semi-synthetic lipoglycopeptide antibacterial agent administered intravenously for the treatment of acute bacterial skin and skin structure infections ("**ABSSSI**") caused by designated susceptible strains of Gram-positive microorganisms. For the years ended December 31, 2023, 2024 and 2025, we generated RMB35.4 million, RMB21.2 million and RMB93.6 million from the sales of dalbavancin APIs, respectively.

Our Product Candidates

We currently focus our R&D efforts on developing globally novel and proprietary therapeutics for metabolic diseases, while building a competitive portfolio of inhalation-based drug-device combination products for respiratory diseases. According to CIC, metabolic and respiratory diseases accounted for approximately 20.0% of the global pharmaceutical market in 2025, totaling US$373.7 billion, and are expected to grow at a CAGR of 7.9% from 2026 to 2035, outpacing overall market growth. Beyond our deep focus on metabolic and respiratory diseases, we are also developing product candidates in other major therapeutic areas including infectious diseases, immunology and oncology.

Metabolic Diseases

Our metabolic disease pipeline targets therapeutic areas with fast-growing patient populations and persistent gaps in therapeutic efficacy. This portfolio is anchored by our two lead innovative drug candidates: BGM0504, our GLP-1/GIP dual agonist targeting T2DM and obesity/overweight, and BGM1812, our long-acting amylin analog.

BGM0504, GLP-1/GIP Dual Agonist for T2DM and Obesity/Overweight with Global Best-in-Class Potential

BGM0504 is a novel GLP-1/GIP dual agonist with global best-in-class potential. By simultaneously targeting GLP-1 and GIP and activating their downstream pathways, BGM0504 has demonstrated broad therapeutic potential for metabolic diseases, delivering effective glycemic control, weight reduction, and treatment of other comorbidities (such as MASH).

BGM0504 was developed through rational structural optimizations to enhance dual receptor activity while maintaining a prolonged half-life. BGM0504 has shown robust and sustained efficacy in clinical trials across both T2DM and obesity/overweight indications. In a head-to-head phase 2a trial against semaglutide, BGM0504 achieved superior glycemic control with a favorable safety and tolerability profile. According to the recently announced topline results of BGM0504's phase 3 clinical trial for the obesity/overweight indication, BGM0504 also demonstrated significant weight loss efficacy, along with meaningful improvements in cardiovascular and lipid parameters. At 52 weeks, the primary analysis based on the full analysis set showed that BGM0504 achieved a mean weight reduction of up to 19.2% from baseline (compared to 3.1% in the placebo group; 19.3% and 3.3%, respectively, in the supplementary analysis based on the per-protocol set), with up to 48.9% of subjects achieving at least 20% weight loss. Further, mean waist circumference decreased by up to 16.5 cm (compared to 3.3 cm in the placebo group).

Building on BGM0504's promising phase 2 clinical data, we have adopted a multi-regional clinical development strategy to capture significant market opportunities worldwide. We are rapidly advancing BGM0504 through global clinical trials across China, the U.S., and Southeast Asia. Clinical trials in China and Indonesia have entered phase 3, with NDA submissions anticipated as early as 2026. As of the Latest Practicable Date, there was only one GLP-1/GIP dual agonist approved globally, namely tirzepatide. According to CIC, in terms of development progress, BGM0504 currently ranks among the three most advanced clinical-stage GLP-1/GIP dual agonist candidates globally, both in injectable and oral dosage forms.

To further improve the convenience of administration, we are also developing BGM0504 tablets and initiated phase 1 clinical trials in non-diabetic adult subjects with obesity/overweight in the U.S. in August 2025 and in China in October 2025. In addition, BGM0504 may serve as a backbone therapy that can be optimized for different patient populations through multi-pathway targeting. We are developing BGM2102, which combines BGM0504 with BGM1812, our in-house developed long-acting amylin analog, to potentially enhance weight loss while reducing muscle loss in obesity/overweight patients by leveraging complementary appetite and metabolic pathways. For T2DM patients, we are developing BGM2101, which pairs BGM0504 with a once-weekly long-acting insulin analog to deliver comprehensive glycemic control while preserving the weight benefits of GLP-1 therapy. With its differentiated profile, broad therapeutic potential, and comprehensive development strategy, we believe BGM0504 is well-positioned to become a potentially global best-in-class therapeutic for patients with T2DM, obesity/overweight, and related metabolic disorders.

For more details on the key advantages of BGM0504, see "Business — Our Product Portfolio — Our Product Candidates — Metabolic Diseases — BGM0504, GLP-1/GIP Dual Agonist for T2DM and Obesity/Overweight with Global Best-in-Class Potential."

BGM1812, Long-acting Amylin Analog for Obesity/Overweight

BGM1812, an innovative long-acting amylin analog, represents a significant advancement in our metabolic disease pipeline. This novel compound activates both the amylin and calcitonin receptors simultaneously, potentially delivering enhanced efficacy at lower doses compared to single-target agents and improved safety.

Developed in both injectable and oral dosage forms, BGM1812 is investigated as a promising treatment for obesity/overweight, with potential clinical applications as monotherapy or in combination regimens. In the U.S., we initiated a phase 1 clinical trial for BGM1812 injection for the treatment of obesity/overweight in October 2025. In China, we initiated a phase 1 clinical trial for BGM1812 injection to treat obesity/overweight in December 2025. We plan to complete theses trials in the third quarter of 2026. In addition, we plan to submit IND applications both in China and the U.S. in the second quarter of 2027 to initiate phase 1 trials for BGM1812 tablets for obesity/overweight management. We are also actively exploring the treatment potential of BGM2102, a fixed-dose combination of BGM1812 and BGM0504 as a promising treatment for obesity/overweight.

For more details on the key advantages of BGM1812, see "Business — Our Product Portfolio — Our Product Candidates — Metabolic Diseases — BGM1812, Long-acting Amylin Analog for Obesity/Overweight."

Respiratory Diseases

Respiratory diseases represent a substantial global healthcare burden, ranking as the fifth largest chronic disease area worldwide and the seventh largest in China in terms of market size, according to CIC. With the global respiratory drug market reaching US$150.7 billion in 2025, significant unmet needs persist — especially as traditional oral therapies remain limited by systemic side effects and poor patient adherence.

Inhalation therapies offer a clinically validated solution through their site-specific delivery advantages. However, formulation complexities and device engineering requirements have limited the availability of effective inhaled products — a market dynamic that creates significant opportunities for leading developers of advanced drug-device combinations.

Our multidisciplinary expertise and proprietary know-how have created significant competitive barriers through our drug-device combination platform and inhaled product pipeline. Notably, in the field of soft mist inhaler (SMI) drug products, where no generic products achieve approval globally to date due to complex aerosolization mechanisms and precision manufacturing requirements, we have developed deep expertise in formulation-device compatibility and established proprietary technological approaches. Similarly, in dry powder inhaler (DPI) drug products, where approved generics remain scarce due to challenges in particle engineering, powder blending, and airflow optimization, our breakthroughs in micronization and homogeneous mixing technologies have solved these fundamental technical hurdles — demonstrating our ability to overcome industry-wide barriers in respiratory drug delivery.

Based on our core technologies, we have built a respiratory pipeline with significant market value, represented by the following products:

- ***Salmeterol/Fluticasone Dry Powder for Inhalation.*** We are developing a fixed-dose combination product candidate for asthma and COPD comprising two active ingredients: salmeterol, a long-acting β 2-agonist (LABA), and fluticasone propionate, an inhaled corticosteroid, delivering both immediate symptom relief and long-term disease control. This product candidate incorporates our proprietary DPI device technology and advanced particle engineering capabilities, which deliver superior drug particle uniformity compared to industry standards, according to CIC. This enhanced particle uniformity enables more consistent and precise drug delivery to target lung regions, resulting in

improved bioavailability and potentially superior therapeutic outcomes compared to existing products in the market. According to CIC, the market size for salmeterol/fluticasone dry powder for inhalation in China was RMB1.5 billion in 2025 and is expected to reach RMB2.0 billion by 2035. We expect to receive marketing approval for two strengths in the third quarter of 2027.

- ***Budesonide Suspension for Inhalation.*** We have developed a nebulizer-compatible inhaled corticosteroid designed for targeted anti-inflammatory treatment of respiratory conditions. Its suspension formulation provides enhanced drug stability and uniform particle distribution for consistent therapeutic delivery. Nebulized administration offers superior lung penetration while reducing the need for patient coordination, making it particularly suitable for pediatric patients and those unable to effectively use metered-dose inhaler (MDI) or DPI devices. This optimized formulation offers both reliable dosing accuracy and improved treatment compliance, addressing key challenges in respiratory care for vulnerable patient groups. According to CIC, the market size for budesonide suspension for inhalation in China was RMB4.4 billion in 2025 and is expected to reach RMB6.2 billion by 2035. We received marketing approval from the NMPA for budesonide suspension for inhalation in October 2025 and launched this product in December 2025.

- ***Tiotropium Bromide-based Products.*** Tiotropium bromide is a long-acting anticholinergic bronchodilator (LAMA) that selectively blocks M3 receptors on airway smooth muscle, effectively inhibiting bronchoconstriction and providing 24-hour bronchodilation for COPD maintenance therapy. As a cornerstone medication in COPD management, tiotropium bromide represents a critical therapeutic intervention with well-established clinical efficacy and safety profile.

  Building upon this proven molecule, we are developing three complementary formulations — including tiotropium bromide dry powder for inhalation, tiotropium bromide soft mist for inhalation and tiotropium bromide/olodaterol soft mist for inhalation, enabling precision therapy across COPD patient populations and clinical needs. According to CIC, the China tiotropium bromide drug market size reached approximately RMB0.8 billion in 2025 and is projected to grow to RMB1.1 billion by 2035. We expect to receive marketing approvals for our tiotropium bromide-based products between 2026 and 2028.

We are also developing multiple novel therapies to expand our respiratory pipeline, including a potential first-in-class TSLP nanobody inhalation (Category 1 innovative drug), and Category 2 modified new drugs such as ensifentrine inhalation. These candidates are expected to enter clinical development in 2026 and 2027.

OUR BUSINESS MODEL AND STRATEGIC TRANSITION TO INNOVATIVE DRUG DEVELOPMENT

We were founded in 2001 as a manufacturer of pharmaceutical APIs and intermediates before expanding into generic drug development, and formally commenced the research and development of innovative therapies in 2015. Our natural expansion into innovative drug development arises from a strategic insight into where future value can be created and our sustained investment, deliberate capability-building, and progressive advancement along the pharmaceutical value chain.

SUMMARY

We currently pursue an innovation-centric business model in which innovative drug research and development is our strategic priority, supported by a portfolio of marketed generic drug products with significant differentiation and high barriers to entry. The key attributes of our business model are set out below:

- **Deep R&D Infrastructure Built Through Sustained Investment.** Our business model is underpinned by over a decade of sustained investment in R&D capabilities, talent, and scientific expertise. As of December 31, 2025, our R&D team comprised over 270 members. Our team members bring extensive experience from multinational pharmaceutical companies and leading domestic enterprises, providing the scientific depth and cross-functional expertise necessary to advance a diversified innovative pipeline. Throughout the Track Record Period, our research and development expenses exceeded 20% of total revenue in each year. The strength of our innovation capabilities is further evidenced by our intellectual property portfolio. As of December 31, 2025, we had 298 granted patents and 201 pending patent applications, and have been recognized with multiple national-level intellectual property awards.

- **High-Barrier Generics Built on Innovation-Grade Capabilities.** We have viewed our generics portfolio not as an end in itself, but as a foundation through which we are continuously building the expertise and experience to pursue our ultimate objective: innovative drug development. Accordingly, we have strategically concentrated on high-barrier generics that require advanced scientific expertise and present substantial barriers to entry, in many cases demanding R&D capabilities that rival those of innovative drug development. For example, our multidisciplinary expertise and proprietary know-how have created significant competitive barriers through our drug-device combination platform and inhaled product pipeline. Notably, in the field of soft mist inhaler (SMI) drug products, we have developed deep expertise in formulation-device compatibility and established proprietary technological approaches.

- **Synergies Across Our Generic and Innovative Drug Portfolios.** Our generics and innovative drug portfolios are highly complementary, drawing upon shared technology platforms, R&D infrastructure, and scientific expertise. The advanced expertise required to develop and manufacture our high-barrier generics directly contributes to our innovative drug programs. For example, our synthetic biology platform — originally established for generic drug development — encompasses multi-disciplinary know-how that has been leveraged in the process development and scale-up of our peptide-based innovative drug candidates, most notably BGM0504, enabling its swift progression from research through to commercial-scale production.

- **Commercially Resilient Model for Long-Term Innovation.** Our strategic transition towards innovative drug development is driven by well-defined commercial considerations and aligns with broader trends in China's pharmaceutical sector. At the same time, our established generics portfolio provides sustained revenue streams that fund our R&D initiatives and mitigate the extended timelines and inherent risks associated with innovative drug development, enabling us to advance our pipeline with financial discipline and commercial resilience.

We believe our progressive approach, established capabilities, and growing innovative pipeline position us well to execute our strategy of becoming a fully integrated pharmaceutical company with meaningful presence in both innovative and generic drug development. However, there can be no assurance that this strategy will be successfully implemented or that it will yield the results we expect: our innovative drug candidates may not obtain regulatory approval or achieve commercial success, our generics revenue may come under pressure from increasing competition, shifting market demand and changes of pricing, among others, and we may not be able to build the additional capabilities required to complete this transition in a timely or cost-effective manner. See also "Risk Factors —

Risks Relating to Our Business and Industry — Substantially all of our revenue during the Track Record Period was derived from generic drug products, and there is no assurance that our strategic transition to innovative drug development will be successfully implemented."

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths differentiate us from our competitors: (i) we are a global pharmaceutical company spearheading breakthroughs in metabolic and respiratory diseases and other therapeutic areas with significant disease burden; (ii) we have developed a strong portfolio of innovative clinical-stage drug candidates with global best-in-class potential targeting metabolic diseases; (iii) we are developing competitive respiratory therapeutics leveraging our innovative delivery systems and drug-device combination platform; (iv) we have built industry-leading technology platforms and scientific expertise that enable cutting-edge drug innovation; (v) we have established a global commercial network and collaborative models that drive value creation; (vi) our established manufacturing capabilities deliver end-to-end integration, quality assurance and supply chain independence; and (vii) visionary leadership with extensive industry expertise guides our strategic growth and innovation. For details, see "Business — Our Competitive Strengths."

OUR BUSINESS STRATEGIES

We intend to pursue the following strategic initiatives: (i) continuously advance the clinical development of our metabolic disease candidates with global best-in-class potential; (ii) establish a comprehensive respiratory product portfolio with high entry barriers, leveraging our drug-device combination platform; (iii) solidify our platform-based R&D capabilities while building industry-leading CMC and manufacturing competencies; (iv) strengthen and diversify our commercial capabilities across both domestic and international markets; and (v) attract and retain talent to drive innovation and global expansion. For details, see "Business — Our Business Strategies."

OUR TECHNOLOGY PLATFORMS

Through years of dedicated research, we have built a suite of proprietary drug R&D platforms encompassing peptide technology, drug-device combinations, and synthetic biology, further enhanced by the Macoral® oral formulation platform developed by Oralead Pharma, an associate of our Company. We follow two strategic R&D pathways built upon these technology platforms: (i) in the generic drug sector, we have accumulated extensive experience from the successful development of pharmaceutical products, including obtaining multiple manufacturing and marketing approvals to commercialize our own finished drug products; and (ii) for innovative drug development, we focus on differentiated novel therapies with high clinical value and substantial technical barriers to competition, offering substantial clinical and commercial value. For details, see "Business — Technology Platforms."

RESEARCH AND DEVELOPMENT

We are advancing our R&D strategy with innovative drugs at the forefront, while sustaining our edge in generics and APIs/intermediates. Our R&D team is led by Dr. Yuan, our founder and chairman of the Board, and other distinguished scientists with extensive drug development experience and expertise. We conduct research and development activities primarily through our in-house R&D team and engage CROs from time to time to support our preclinical research and clinical trials. As of December 31, 2025, our in-house R&D team consisted of over 270 members, around 37.0% of whom held master or doctoral degrees, mainly in biology, pharmacology, chemistry, and medical science.

For the years ended December 31, 2023, 2024 and 2025, our research and development expenses amounted to RMB248.6 million, RMB297.5 million and RMB304.9 million, respectively, of which 20.3%, 38.9% and 62.4% were invested in the development of our innovative drug candidates. For details, see "Business — Research and Development."

MANUFACTURING

We currently manufacture our finished drug products and APIs/intermediates primarily in-house, in compliance with international cGMP standards. We have historically engaged, and will continue to engage, industry-recognized CDMOs to supplement our in-house manufacturing capacity, enabling us to optimize resource allocation and maintain cost efficiency.

We currently operate two manufacturing sites, both located in Jiangsu province, China. Our manufacturing facilities in Taixing, Jiangsu specialize in the production of APIs and intermediates (including synthetic, fermentation-based semi-synthetic, and peptide products), with an annual API production capacity exceeding 50 tons. Our manufacturing facilities in Suzhou are primarily responsible for the production of finished drug products, including small molecule drugs, peptides, and biologics, with an annual production capacity of approximately 600 million units. As of the Latest Practicable Date, we also had several new manufacturing facilities under construction (including expansion of our existing manufacturing facilities). Furthermore, we are expanding our manufacturing capabilities internationally through joint ventures that combine our technical expertise with local market knowledge, with an aim to develop regionally tailored pharmaceutical products that capture overseas opportunities. For details, see "Business — Manufacturing."

SALES AND MARKETING

We have strategically positioned ourselves as a global pharmaceutical company by deepening our presence in China, the U.S., Europe, Japan, South Korea, and key emerging markets. Leveraging our internationally compliant manufacturing systems and global regulatory expertise, we strive to strengthen our established market position across major countries while actively expanding into high-potential emerging markets through targeted commercialization efforts. Our marketing initiatives are primarily executed by our in-house sales and marketing team. We have also built collaborations with distributors and third-party promoters to enhance the sales performance, brand recognition and market acceptance of our products.

Our sales and marketing operations are managed by experienced professionals with strong sales capabilities and experience to support systematic planning and efficient network operations. We have established a geographically diversified sales and distribution model with distinct yet complementary commercial approaches for domestic and international markets. For details, see "Business — Sales and Marketing."

PRICING

We formulate and implement comprehensive pricing strategies for our products to maintain competitiveness and profitability in the pharmaceutical market. Our pricing decisions take into account multiple factors, including our R&D, production and marketing costs and expenses, the regulatory framework, the perceived value of our products to patients and healthcare providers, and our market position within the competitive landscape. For details, see "Business — Pricing."

Impact of VBP Schemes and the NRDL

Our pricing and commercialization of finished drug products in China are materially influenced by the regulatory framework governing pharmaceutical procurement and reimbursement, in particular national and provincial volume-based procurement ("**VBP**") schemes and the National Reimbursement Drug List ("**NRDL**"). Upon obtaining marketing approval, our drug products intended for sales to public hospitals and medical institutions are generally required to be listed on centralized procurement platforms, and the listing prices and commercial performance of such products may be affected by applicable VBP requirements, NRDL reimbursement arrangements and other pricing administration mechanisms. As of the Latest Practicable Date, all our finished drug products currently marketed in China had been listed on centralized procurement platforms across multiple provinces in China.

VBP schemes are generally applicable to mature pharmaceutical products with sufficient market competition and may require participating manufacturers to offer substantial price reductions in exchange for committed procurement volumes and broader hospital access. As of December 31, 2025, five of our marketed finished drug products had been included in national VBP schemes. Revenue generated from sales of products pursuant to the implementation of national VBP schemes amounted to RMB62.3 million, RMB77.5 million and RMB83.9 million in 2023, 2024 and 2025, respectively, representing 5.4%, 6.2% and 7.0% of our total revenue for the corresponding years.

NRDL inclusion generally enhances patient affordability and product accessibility by enabling reimbursement under China's basic medical insurance system, which supports hospital access and sales volume, but may also involve negotiated price reductions or other reimbursement-related constraints. As of December 31, 2025, nine of our marketed finished drug products had been included in the NRDL. Revenue recognized from sales of the relevant products following their NRDL inclusion amounted to RMB118.9 million, RMB144.3 million and RMB160.8 million in 2023, 2024 and 2025, respectively, representing 10.2%, 11.5% and 13.4% of our total revenue for the corresponding years.

We face both opportunities and risks under the VBP schemes and the NRDL. Inclusion in VBP schemes and the NRDL may expand our market access, improve product penetration and increase sales volume, while typically bringing pricing pressure which potentially reduces gross profit margins. In addition, products not included in VBP schemes or the NRDL, or included on less favorable terms than competing products, may face disadvantages in hospital procurement, physician adoption and patient affordability. See "Business — Pricing — Pricing of Finished Drug Products" and "Risk Factors — Risks Relating to Our Business and Industry" for details.

OUR CUSTOMERS

During the Track Record Period, our customers primarily consisted of pharmaceutical companies who purchase APIs and intermediates from us, as well as our distributors. For the years ended December 31, 2023, 2024 and 2025, revenue from our five largest customers for each year amounted to RMB322.3 million, RMB451.6 million, and RMB329.9 million, respectively, accounting for 27.7%, 36.0% and 27.6% of our total revenue for the respective years, and revenue from our largest customer for each year amounted to RMB82.9 million, RMB130.9 million, and RMB94.9 million, respectively, accounting for 7.1%, 10.4% and 7.9% of our total revenue for the respective years. For details, see "Business — Our Customers."

OUR SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of suppliers of raw materials and CRO services. For the years ended December 31, 2023, 2024 and 2025, our purchases from our five largest suppliers for each year amounted to RMB193.4 million, RMB161.0 million, and RMB383.5 million, respectively, accounting for 27.3%, 23.2% and 39.2% of our total purchases for the respective years, and our purchases from our largest supplier for each year amounted to RMB89.0 million, RMB43.9 million, and RMB268.4 million, respectively, accounting for 12.6%, 6.3% and 27.5% of our total purchases for the respective years. The increase in purchases from our largest supplier in 2025 was mainly attributable to higher spending on clinical trial activities for BGM0504 as compared with earlier periods. For details, see "Business — Our Suppliers."

INTELLECTUAL PROPERTY

To fortify our technological leadership, we maintain rigorous intellectual property protection and have consistently received multiple national-level IP awards. As of December 31, 2025, we had 298 granted patents and 201 patent applications. Our IP portfolio spans multiple countries and regions worldwide, including China, the United States, Japan, Canada, Europe, and South Korea. In February 2025, we were granted BGM0504's compound patent in the United States, providing a solid foundation for its global development plan and competitive differentiation.

COMPETITION

The pharmaceutical and biopharmaceutical industries are characterized by rapidly advancing technologies, competition, and a strong emphasis on proprietary drugs. We face competition across multiple aspects including R&D capabilities, brand recognition, product efficacy and safety, pricing, marketing and sales coverage. Some competitors possess greater financial resources, broader clinical pipelines and more established marketing networks, enabling them to reach larger markets or introduce substitute products in our target fields.

We believe our competitive advantage lies in our differentiated product portfolio and pipeline, advanced technology platforms, as well as our global-standard manufacturing quality and robust commercialization foundation. Our continued competitiveness will rely on our ability to consistently advance our innovative drug research, strengthen our integrated R&D and manufacturing foundation, enhance commercialization in both domestic and international markets, and foster an innovation-driven culture supported by outstanding scientific and managerial talent to sustain long-term development and global growth. For details of the market landscape and the competition we face, see "Industry Overview."

SUMMARY OF KEY FINANCIAL INFORMATION

The summary of the key financial information set forth below have been derived from and should be read in conjunction with our consolidated financial statements, including the accompanying notes, set forth in the Accountants' Report in Appendix I to this document, as well as the information set forth in the section headed "Financial Information."

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Revenue	**1,163,623**	**1,254,868**	**1,198,205**
Cost of sales	(510,407)	(519,145)	(580,810)
Gross profit	**653,216**	**735,723**	**617,395**
Other income and gains	67,386	70,571	83,024
Selling and distribution expenses	(64,069)	(71,743)	(78,022)
Administrative expenses	(121,871)	(147,399)	(166,279)
Research and development expenses	(248,592)	(297,453)	(304,947)
Impairment losses on financial assets, net	(2,467)	(12,353)	(20,274)
Other expenses	(36,804)	(58,549)	(41,414)
Finance costs	(44,424)	(52,435)	(62,957)
Share of losses of associates	(13,605)	(9,162)	(12,617)
Profit/(Loss) before tax	**188,770**	**157,200**	**13,909**
Income tax (expense)/credit	(15,346)	(15,937)	23,045
Profit for the year	**173,424**	**141,263**	**36,954**
Attributable to:			
Owners of the parent	202,466	189,167	54,514
Non-controlling interests	(29,042)	(47,904)	(17,560)
	173,424	141,263	36,954

Revenue

We generated revenue primarily from the sales of pharmaceutical products, including APIs/intermediates and finished drug products, during the Track Record Period. See "Business — Our Product Portfolio — Our Marketed Products" for details. We also provided research and development services, which constituted a small portion of our revenue during the Track Record Period.

The following table sets forth the breakdown of our revenue by types of goods or services for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Product sales						
APIs and intermediates	947,363	81.4	1,047,914	83.5	968,855	80.9
Finished drug products	138,009	11.9	161,150	12.8	176,191	14.7
Subtotal	1,085,372	93.3	1,209,064	96.3	1,145,046	95.6
Research and development services	75,805	6.5	39,218	3.1	16,157	1.3
Others[(1)]	2,446	0.2	6,586	0.6	37,002	3.1
Total	**1,163,623**	**100.0**	**1,254,868**	**100.0**	**1,198,205**	**100.0**

Note:

(1) Primarily representing licensing revenue and income from providing manufacturing services to third parties.

The following table sets forth the revenue contribution from our major marketed products that contributed over 5% of our revenue in any year of the Track Record Period for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Micafungin sodium[(1)]	**159,315**	**13.7**	**217,904**	**17.3**	**169,978**	**14.2**
Finished drug products	49,872	4.3	69,265	5.5	72,042	6.0
APIs/Intermediates	109,443	9.4	148,639	11.8	97,936	8.2
Oseltamivir phosphate[(1)]	**331,644**	**28.5**	**202,090**	**16.1**	**112,920**	**9.5**
Finished drug products	78,495	6.7	64,343	5.1	66,595	5.6
APIs/Intermediates	253,149	21.8	137,747	11.0	46,325	3.9
Caspofungin acetate[(1)]	**84,937**	**7.3**	**119,327**	**9.5**	**108,729**	**9.1**
Finished drug products	227	0.0	—	—	—	—
APIs/Intermediates	84,710	7.3	119,327	9.5	108,729	9.1
Anidulafungin[(2)]	**48,921**	**4.2**	**119,735**	**9.5**	**106,477**	**8.9**
Fidaxomicin[(2)]	**52,591**	**4.5**	**87,006**	**6.9**	**64,983**	**5.4**
Eribulin mesylate[(1)]	**34,152**	**2.9**	**77,096**	**6.2**	**32,800**	**2.7**
Finished drug products	2,567	0.2	15,744	1.3	12,576	1.0
APIs/Intermediates	31,585	2.7	61,352	4.9	20,224	1.7
Pimecrolimus[(2)]	**19,569**	**1.7**	**37,003**	**2.9**	**63,250**	**5.3**
Dalbavancin[(2)]	**35,355**	**3.0**	**21,225**	**1.7**	**93,629**	**7.8**

Notes:

(1) Including revenue from the sales of both finished drug products and APIs/intermediates.

(2) Including revenue from the sales of APIs/intermediates only. During the Track Record Period, we did not sell these products in final dosage forms.

The following table sets forth a breakdown of our revenue by geographic area and distribution channel for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Chinese Mainland						
Direct sales[(1)]	470,283	40.4	325,726	26.0	288,733	24.1
Distributors	296,642	25.5	352,331	28.1	389,761	32.5
Subtotal	766,925	65.9	678,057	54.0	678,494	56.6
Outside Chinese Mainland						
Direct sales[(1)]	302,626	26.0	364,448	29.0	355,233	29.6
Distributors	94,072	8.1	212,363	16.9	164,478	13.7
Subtotal	396,698	34.1	576,811	46.0	519,711	43.4
Total	**1,163,623**	**100.0**	**1,254,868**	**100.0**	**1,198,205**	**100.0**

Note:

(1) Our direct sales primarily represent sales of APIs and intermediates to downstream pharmaceutical companies, both domestically and overseas.

Our revenue increased by 7.8% from RMB1,163.6 million in 2023 to RMB1,254.9 million in 2024, primarily driven by increased sales of certain major marketed products, including micafungin sodium, eribulin mesylate and anidulafungin, which reflected (i) growing market penetration of our finished drug products, driven by growing demand and our effective marketing efforts, and (ii) higher demand for our APIs/intermediates from downstream customers preparing for commercialization and drug manufacturing. This increase in revenue was partially offset by reduced sales of oseltamivir phosphate, which was primarily due to lower flu incidence and continuously declining average selling price following the implementation of China's national VBP schemes applicable to oseltamivir phosphate products in the PRC market, which commenced in November 2022 for capsules and in July 2023 for powder for oral suspension. Our revenue decreased by 4.5% from RMB1,254.9 million in 2024 to RMB1,198.2 million in 2025, primarily reflecting lower sales across several major marketed products. The decrease was primarily attributable to (i) a decline in revenue from oseltamivir phosphate APIs/intermediates, reflecting ongoing price compression following oseltamivir phosphate's inclusion in the VBP scheme and intensified market competition from a growing number of generic products, (ii) a decrease in revenue from micafungin sodium APIs/intermediates, primarily because procurement by customers in 2024 was elevated as they built up inventories in preparation for product commercialization, (iii) a decrease in revenue from eribulin mesylate APIs/intermediates as customer demand normalized following initial stocking for the U.S. market launch in 2024, and (iv) a decrease in revenue from fidaxomicin APIs, primarily as customer procurement normalized following elevated demand in 2024 driven by the expiry of the originator drug's core compound patent in the U.S.

Gross Profit and Gross Profit Margin

The following table sets forth our gross profit and gross profit margin by types of goods or services for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Product sales						
APIs and intermediates	504,326	53.2	607,621	58.0	522,231	53.9
— Micafungin sodium	86,849	79.4	119,469	80.4	74,400	76.0
— Oseltamivir phosphate	94,886	37.5	55,932	40.6	5,255	11.3
— Other products	322,591	55.2	432,220	56.8	442,576	53.7
Finished drug products	92,433	67.0	103,016	63.9	70,514	40.0
— Micafungin sodium	42,255	84.7	59,582	86.0	52,708	73.2
— Oseltamivir phosphate	49,199	62.7	29,676	46.1	11,920	17.9
— Other products	979	10.2	13,758	50.0	5,886	15.7
Subtotal	596,759	55.0	710,637	58.8	592,745	51.8
Research and development services	54,829	72.3	21,044	53.7	9,353	57.9
Others[(1)]	1,628	66.6	4,042	61.4	15,297	41.3
Total	**653,216**	**56.1**	**735,723**	**58.6**	**617,395**	**51.5**

Note:

(1) Primarily representing gross profit and gross profit margin related to our licensing revenue and income from providing manufacturing services to third parties.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographic area and distribution channel for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Chinese Mainland						
Direct sales[(1)]	226,026	48.1	142,903	43.9	116,580	40.4
Distributors	153,185	51.6	182,819	51.9	176,441	45.3
Subtotal	379,211	49.4	325,722	48.1	293,021	43.2
Outside Chinese Mainland						
Direct sales[(1)]	208,222	68.8	258,211	70.9	219,941	61.9
Distributors	65,783	69.9	151,790	71.5	104,433	63.5
Subtotal	274,005	69.1	410,001	71.0	324,374	62.4
Total	**653,216**	**56.1**	**735,723**	**58.6**	**617,395**	**51.5**

Note:

(1) Our direct sales primarily represent sales of APIs and intermediates to downstream pharmaceutical companies, both domestically and overseas.

Our gross profit margin increased from 56.1% in 2023 to 58.6% in 2024, primarily due to (i) a shift in revenue mix towards higher-margin products, such as micafungin sodium, eribulin mesylate and anidulafungin. Meanwhile, the revenue contribution from oseltamivir phosphate, which experienced continued margin declines following its inclusion in the VBP scheme, decreased from 28.5% of total revenue in 2023 to 16.1% in 2024. Our gross profit decreased by 16.1% from RMB735.7 million in 2024 to RMB617.4 million in 2025. Our gross profit margin decreased from 58.6% in 2024 to 51.5% in 2025, primarily reflecting the combined impact of margin compression and changes in revenue mix across multiple marketed products, including (i) the continued decline in the gross profit margin of oseltamivir phosphate following its inclusion in the VBP scheme, and (ii) a decrease in revenue contribution from certain higher-margin APIs/intermediates, such as micafungin sodium, eribulin mesylate and anidulafungin.

Profit for the Year

Our profit for the year was RMB173.4 million and RMB141.3 million and RMB37.0 million for the years ended December 31, 2023, 2024 and 2025, respectively. Beyond the factors affecting our gross profit during the Track Record Period discussed above: (i) our profit for the year decreased from RMB173.4 million in 2023 to RMB141.3 million in 2024, primarily due to increases in research and development expenses as we continued to advance the development of BGM0504 and other pipeline products; and (ii) our profit for the year decreased from RMB141.3 million in 2024 to RMB37.0 million in 2025, primarily due to higher staff costs, and increased depreciation and amortization following the completion of our Suzhou facilities' construction in December 2024.

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 in thousands)	
Total non-current assets	3,184,265	3,512,722	4,036,339
Total current assets	1,839,738	1,640,278	1,788,502
Total current liabilities	922,247	1,052,387	1,280,305
Net current assets	917,491	587,891	508,197
Total assets less current liabilities	4,101,756	4,100,613	4,544,536
Total non-current liabilities	1,695,518	1,674,583	1,698,360
Net assets	2,406,238	2,426,030	2,846,176

Our net current assets decreased from RMB917.5 million as of December 31, 2023 to RMB587.9 million as of December 31, 2024, primarily due to (i) a decrease of RMB216.9 million in cash and cash equivalents, and (ii) an increase of RMB77.4 million in our interest-bearing bank borrowings. Our net current assets decreased from RMB587.9 million as of December 31, 2024 to RMB508.2 million as of December 31, 2025, primarily due to (i) an increase of RMB237.1 million in our interest-bearing bank borrowings, and (ii) a decrease of RMB9.5 million in trade and bills receivables, partially offset by an increase of RMB201.0 million in cash and cash equivalents.

Our net assets increased from RMB2,406.2 million as of December 31, 2023 to RMB2,426.0 million as of December 31, 2024, primarily attributable to (i) profit for the year of RMB141.3 million, and (ii) capital injection by non-controlling interests of RMB103.0 million from Atmen Pharmaceutical, partially offset by combined effect of (i) acquisition of non-controlling interests of RMB136.1 million from Wuxi BrightGene, (ii) dividend declared of RMB40.5 million in 2023 and (iii) changes in fair value of equity interests at fair value through other comprehensive income ("**FVTOCI**") of RMB38.0 million as a result of changes in the fair value of unlisted equity investments. Our net assets increased from RMB2,426.0 million as of December 31, 2024 to RMB2,846.2 million as of December 31, 2025, primarily attributable to capital injection by non-controlling interests of RMB399.8 million. For details, see "Consolidated Statements of Changes in Equity" in the Accountants' Report set out in Appendix I to this document.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated cash flow statements for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash flows from operating activities	194,765	245,559	325,191
Net cash flows used in investing activities	(439,853)	(224,031)	(622,544)
Net cash flows from/(used in) financing activities	61,611	(240,585)	497,652
Net (decrease)/increase in cash and cash equivalents	(183,477)	(219,057)	200,299
Cash and cash equivalents at beginning of the year	1,151,735	971,041	754,102
Effect of foreign exchange rate changes, net	2,783	2,118	662
Cash and cash equivalents at the end of the year	971,041	754,102	955,063

BUSINESS SUSTAINABILITY

We experienced fluctuations in our financial performance during the Track Record Period. For the years ended December 31, 2023, 2024 and 2025, our revenue amounted to RMB1,163.6 million, RMB1,254.9 million and RMB1,198.2 million, respectively. Our profit amounted to RMB173.4 million, RMB141.3 million and RMB37.0 million for the years ended December 31, 2023, 2024 and 2025, respectively.

Our historical financial performance was principally attributable to (i) the varying revenue contributions and sales performance of individual products in our portfolio; (ii) price movements of marketed products across generic drug life cycles, particularly following inclusion in VBP schemes in China; and (iii) our continued investment in research and development and its impact on our overall cost structure. For details on the reasons underlying the fluctuation in our historical financial performance, and our approach to drive revenue growth and enhance our business sustainability and profitability, see "Financial Information — Business Sustainability."

RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different [REDACTED] may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to [REDACTED] in our Company.

DIVIDENDS

During the Track Record Period, we declared cash dividends to our Shareholders as follows.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Final dividends in respect of the previous year, declared or paid during the year (tax inclusive)	48,161	40,522	40,551

As of the date of this document, we have paid these dividends in full.

After the completion of the [REDACTED], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. In principle, we prioritize cash dividends as the profit distribution method if the conditions for cash dividends are met. When we have major investment plans or significant cash expenditures, we may distribute dividends in the form of share equity. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory and regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends. For details, see "Financial Information — Dividends."

[REDACTED]

[REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK$[REDACTED], after deducting [REDACTED] [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this document, and that the [REDACTED] is not exercised. We currently intend to apply these [REDACTED] for the following purposes: (i) approximately [REDACTED]%, or HK$[REDACTED], will be used for the research and development activities of our existing and future innovative drug candidates in China and overseas, including [REDACTED]% for BGM0504, [REDACTED]% for BGM1812, [REDACTED]% for BGM2102, [REDACTED]% for BGM2101, [REDACTED]% for talent recruitment and team building and [REDACTED]% for strengthening our product pipeline and R&D capabilities through strategic collaborations and investments; (ii) approximately [REDACTED]%, or HK$[REDACTED], will be used to construct and upgrade our manufacturing and R&D infrastructure in China; and (iii) approximately [REDACTED]%, or HK$[REDACTED], will be used to provide funding for our working capital and other general corporate purposes. For further details, see "Future Plans and [REDACTED]."

[REDACTED]

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. Yuan directly held 113,535,123 A Shares. Ms. Zhong, Dr. Yuan's mother, directly held 22,543,669 A Shares. Borui Xinwen, the general partner of which is Ms. Zhong, directly held 26,801,844 A Shares. As advised by our PRC Legal Advisor, Ms. Zhong is deemed as a person acting in concert with Dr. Yuan pursuant to applicable PRC laws and regulations. Dr. Yuan, Ms. Zhong and Borui Xinwen therefore constitute a group of our Controlling Shareholders, who were entitled to exercise, or control the exercise of, the voting rights attaching to approximately 37.89% of our total issued shares as of the Latest Practicable Date (excluding the 560,332 A Shares held by our Company as treasury Shares as of the Latest Practicable Date).

Immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), Dr. Yuan, Ms. Zhong and Borui Xinwen, will control approximately [REDACTED]% of voting rights in our Company (excluding the 560,332 A Shares held by our Company as treasury Shares as of the Latest Practicable Date). Therefore, Dr. Yuan, Ms. Zhong and Borui Xinwen will continue to be our Controlling Shareholders upon the [REDACTED]. For further details of our corporate structure and the shareholding of our Controlling Shareholders, see "History and Corporate Structure" and "Relationship with Our Controlling Shareholders" in this document.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Developments

Since the end of the Track Record Period, we have continued to advance our pipeline. In January 2026, our ANDA submissions for salmeterol/fluticasone dry powder for inhalation in 50μg/250μg and 50μg/500μg strengths were accepted by the CDE. For BGM0504 injection, having completed a placebo-controlled phase 2 clinical trial evaluating BGM0504 injection in adults with obesity/overweight, we advanced the program into a phase 3 clinical trial. In May 2026, we announced positive topline results from this phase 3 clinical trial, which met the primary endpoints and all key secondary endpoints, and we were preparing the clinical study report as of the Latest Practicable Date. Separately, in March 2026, the last patient was enrolled in a second phase 2 clinical trial designed to evaluate the efficacy and safety of BGM0504 injection compared to tirzepatide in adults with obesity. This tirzepatide-comparator trial remains ongoing as of the Latest Practicable Date. For BGM0504 tablets, in March 2026, we announced positive results from our phase 1 clinical trials for BGM0504 tablets in China and the United States, which support the advancement of BGM0504 tablets into phase 2 clinical studies as a potential once-daily oral treatment for obesity/overweight. For details, see "Business — Our Product Portfolio."

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, as of the date of this document, there had been no material adverse change in our business, financial condition and results of operations since December 31, 2025, which is the end date of the years reported on in the Accountants' Report as set out in Appendix I to this document, and there is no event since December 31, 2025 which would materially affect the information in the Accountants' Report as set out in Appendix I to this document.

LISTING ON THE SSE STAR MARKET

On November 8, 2019, our A Shares were listed on the SSE STAR Market with the stock code of 688166. For details, see "History and Corporate Structure."

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We [have applied] to the Listing Committee of the Stock Exchange for the grant of the [REDACTED] of, and permission to [REDACTED], our H Shares to be [REDACTED] pursuant to the [REDACTED] (including any H Shares which may be [REDACTED] pursuant to the exercise of the [REDACTED]), on the basis that, among other things, we satisfy the profit test under Rule 8.05(1) of the Listing Rules.