SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to [**REDACTED**] *in the* [**REDACTED**]. *There are risks associated with any* [**REDACTED**]. *Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to* [**REDACTED**] *in the* [**REDACTED**]. *In particular, we are a biotechnology company seeking a* [**REDACTED**] *on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [**REDACTED**] *in companies such as ours. Our Core Products, ^{18}F-LNC1001, ^{177}Lu-LNC1011, ^{18}F-LNC1005 and ^{18}F-LNC1007, are the products for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants, and we may continue to incur substantial costs and expenses in relation to R&D activities for the Core Products, and the Core Products may not be successfully developed or marketed. Your* [**REDACTED**] *decision should be made in light of these considerations.*

OVERVIEW

Founded in 2021, we are a clinical-stage biotechnology company dedicated to the discovery, development, and commercialization of theranostic radiopharmaceuticals in oncology. As of the Latest Practicable Date, our Company has assembled a pipeline of 13 drug candidates, including seven diagnostic radiopharmaceuticals and six therapeutic radiopharmaceuticals. Among these drug candidates, we have four Core Products, including (i) ^{18}F-LNC1001, a registrational-stage PSMA-targeted diagnostic radiopharmaceutical candidate developed for positron emission tomography ("PET") imaging of patients with PSMA-positive prostate cancer, (ii) ^{18}F-LNC1005, a FAP-targeted diagnostic radiopharmaceutical candidate developed for PET imaging of patients with gastric cancer, (iii) ^{177}Lu-LNC1011, a PSMA-targeted therapeutic radiopharmaceutical designed for the treatment of PSMA-positive metastatic castration-resistant prostate cancer ("mCRPC"), and (iv) ^{18}F-LNC1007, a FAP/$\alpha_v\beta_3$-targeted diagnostic radiopharmaceutical candidate developed for PET imaging of patients with metastatic clear cell renal cell carcinoma ("ccRCC").

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

OUR PIPELINE

We rank first in the number of clinical-stage radiotheranostics in China, according to Frost & Sullivan. We are also one of the few biopharmaceutical companies in China that develops both diagnostic and therapeutic radiopharmaceuticals. By advancing both diagnostic and therapeutic radiopharmaceuticals, we are pursuing a theranostic approach in which diagnostic agents enable accurate patient selection and monitoring, while therapeutic agents provide targeted treatment. This strategy creates a cycle of adoption, supporting sustained demand and expanding the addressable market for our radiopharmaceutical portfolio.

China's nuclear medicine market remains significantly underpenetrated. To capitalize on the immense potential of nuclear medicine in treating solid tumors, both in China and globally, we are a key player developing integrated diagnostic and therapeutic nuclear medicines targeting key markers such as FAP, $\alpha_v\beta_3$, and PSMA — molecules that are widely expressed across a range of solid tumors. These therapies enable not only precise pre-treatment evaluation but also targeted treatment tailored to the specific tumor biology. With our existing portfolio, we believe we are well-positioned to meet the rising demand for cancer therapies.

The following chart summarizes the development status of our selected drug candidates as of the Latest Practicable Date. Except for ^{18}F-LNC1001 and ^{18}F-LNC1016, which we acquired from third parties, all other drug candidates in our pipeline were self-developed.

Program	Target	Radionuclide	Indications (lines of treatment)	Development Stage	Trial Location	Current Status/ Upcoming Milestone
★ ^{18}F-LNC1001	PSMA	Positron	Prostate cancer	NDA*	China	NDA submitted in December 2025/ NDA approval expected in 2027
^{18}F-LNC1016	$\alpha_v\beta_3$	Positron	Lung cancer	Phase III**	China	Phase III trial initiation in March 2025/ NDA submission expected in 2027
★ ^{177}Lu-LNC1011	PSMA	β-emitter	Prostate cancer (2L/3L)	Phase II	China	Phase II trial enrollment completed in January 2026/ Phase III trial initiation expected in H1 2027
★ ^{18}F-LNC1005	FAP	Positron	Gastric cancer	Phase II	China	Phase II trial enrollment completed in December 2025/ Phase III trial initiation expected in Q4 2026
★ ^{18}F-LNC1007	FAP+ $\alpha_v\beta_3$	Positron	ccRCC	Phase II	China	Phase II trial initiation in December 2025/ Phase II trial enrollment completion expected in Q1 2027
				Phase II***	Australia	Phase I trial completed
^{68}Ga-LNC1007	FAP+ $\alpha_v\beta_3$	Positron	ccRCC	Phase II***	Singapore	Phase I trial completed
^{225}Ac-LNC1011	PSMA	α-emitter	Prostate cancer (2L/3L)	Phase I	China	Phase I trial initiation in February 2026/ Phase II trial initiation expected in Q1 2027
				Phase I***	Singapore	IND approval in August 2025
^{177}Lu-LNC1009	FAP+ $\alpha_v\beta_3$	β-emitter	Lung cancer/ Ovarian cancer (2L)	Phase I	China	IND approval in December 2025/ Phase I trial initiation expected in Q2 2026
^{212}Pb-LNC1011M	PSMA	α-emitter	Prostate cancer	Preclinical	-	To obtain IND approval in 2027
^{18}F-LNC1017	CCK2R	Positron	SCLC/MTC	Preclinical	-	To obtain IND approval in 2027
^{177}Lu-LNC1018	CCK2R	β-emitter	SCLC/MTC	Preclinical	-	To obtain IND approval in 2027
^{18}F-LNC1019	GRPR	Positron	Breast cancer/ Prostate cancer	Preclinical	-	To obtain IND approval in 2027
^{177}Lu-LNC1020	GRPR	β-emitter	Breast cancer/ Prostate cancer	Preclinical	-	To obtain IND approval in 2028

★ Core Product | Diagnostic Radiopharmaceutical | Therapeutic Radiopharmaceutical | Exempted from Phase II

Abbreviations: CCK2R = cholecystokinin-2 receptor; ccRCC = clear cell renal cell carcinoma; FAP = fibroblast activation protein; GRPR = gastrin-releasing peptide receptor; H1 = the first half; IND = investigational new drug; MTC=medullary thyroid carcinoma; NDA = new drug application; PSMA = prostate-specific membrane antigen; Q1/Q4 = the first/fourth quarter; SCLC = small cell lung cancer; $\alpha_v\beta_3$ = an integrin receptor composed of α_v and β_3 subunits; α-emitter = a radionuclide that decays by emitting alpha particles, which have high linear energy transfer and limited tissue penetration; β-emitter = a radionuclide that decays by emitting beta particles, which have lower linear energy transfer and greater tissue penetration compared with alpha particles

Notes:

* In May 2023, we completed a Phase I clinical trial of ^{18}F-LNC1001 for PSMA-targeted PET imaging in evaluating its pharmacokinetics, biodistribution, and safety in healthy volunteers in China. Given the maturity and established clinical utility of PSMA as an imaging target, the adequacy of the Phase I safety and pharmacokinetic data to support dose selection and clinical feasibility, and the unmet clinical need for improved prostate cancer imaging in China, the CDE confirmed in September 2023 that ^{18}F-LNC1001 could be exempted from a Phase II clinical trial and proceed directly to Phase III development in China.

** In January 2024, we acquired all the rights and interests related to ^{18}F-LNC1016 from an independent third party. At the time of the acquisition in January 2024, ^{18}F-LNC1016 was being evaluated under a Phase III clinical trial in China. In July 2024, we initiated the communication with the CDE to confirm the Phase III protocol and subsequently received the confirmation from the CDE on our protocol in November 2024.

*** As of the Latest Practicable Date, with respect to trials conducted in overseas jurisdictions, we do not have near-term clinical development plans, and will evaluate future development opportunities in such jurisdictions based on, among other things, market conditions, regulatory considerations and overall development strategy.

- **^{18}F-LNC1001**, our Core Product, is among the first PSMA-targeted diagnostic radiopharmaceutical candidates in China to have entered into Phase III clinical trials. It is developed for PET imaging of patients with PSMA-positive prostate cancer. PSMA is overexpressed in most cases of prostate cancer and is potentially associated with metastasis and progression of prostate cancer. Clinical studies have increasingly confirmed that PSMA is a target for both the diagnosis and treatment of prostate cancer. Prostate cancer is one of the most frequently diagnosed cancer worldwide and in China. The global prostate cancer drug market is expected to grow from US$21.0 billion in 2025 to US$34.5 billion in 2030, representing a CAGR of 10.5%.

  ^{18}F-LNC1001 has PSMA-targeted specificity and high affinity, allowing it to highly accumulate in tumors that express PSMA. It has tumor imaging capabilities and can clearly reveal primary lesions and metastases of prostate cancer. ^{18}F-LNC1001 also demonstrated its favorable safety profile in preclinical and clinical studies. We completed a Phase I clinical trial of ^{18}F-LNC1001 in China in May 2023 and completed two Phase III clinical trials in China in November and December 2025, respectively. We submitted the NDA for ^{18}F-LNC1001 to the NMPA in December 2025 and expect to receive the NDA approval in 2027.

  In April 2022, we acquired the patent rights to ^{18}F-LNC1001 from Nanjing JYAMS before its IND-enabling stage and have independently advanced its development to the current stage. See "Business — Material Agreements" for more details of our transfer agreement with Nanjing JYAMS. Also see "Business — Our Drug Candidates — Our Core Products — ^{18}F-LNC1001 — Post-Acquisition R&D Activities" for more details of our post-acquisition R&D efforts for ^{18}F-LNC1001.

  Addressable Market and Competitive Landscape

  In China, prostate cancer is often diagnosed at an advanced stage, underscoring a significant unmet clinical need for early detection. Although diagnostic tools such as prostate-specific antigen screening, magnetic resonance imaging ("MRI"), and PET-computed tomography ("CT") are increasingly utilized, their accessibility and affordability remain key challenges. Advanced imaging techniques, such as PSMA PET/CT, are not yet widely available, posing obstacles to accurately identifying early metastases. This lack of advanced diagnostic methods contributes to a lower five-year survival rate for prostate cancer patients in China compared to developed countries.

  As of the Latest Practicable Date, there were no approved PSMA-targeted diagnostic radiopharmaceuticals labeled with radionuclide ^{18}F in China. Two such PSMA-targeted diagnostic radiopharmaceuticals have submitted NDA in China, including our drug candidate ^{18}F-LNC1001.

- **^{18}F-LNC1005**, our Core Product, is a FAP-targeted diagnostic radiopharmaceutical candidate developed for PET imaging of patients with gastric cancer. Targeting FAP in cancer-associated fibroblasts ("CAFs") has attracted significant attention in nuclear medicine. Since these cells are present in most cancerous tissues and FAP is rarely expressed in healthy tissues, anti-FAP tracers have potential as pan-tumor agents. ^{18}F-LNC1005 binds to FAP with high affinity, and is effective in imaging various cancers, including gastric, pancreatic, breast, and lung cancers. Its versatility makes it a tool in oncology. Clinical trials have also shown that ^{18}F-LNC1005 is well-tolerated with a favorable safety profile.

  We are developing this drug candidate with in-house efforts. We completed a Phase I clinical trial of ^{18}F-LNC1005 for FAP-targeted PET imaging in evaluating its pharmacokinetics, biodistribution, and safety in healthy volunteers in China in September 2023. We received the consent from the CDE to conduct a Phase II/III combined trial to evaluate the diagnostic efficacy of ^{18}F-LNC1005 by PET/CT imaging in detecting peritoneal metastasis for patients with gastric cancer in China. We completed the patient enrollment of the Phase II portion of this Phase II/III combined trial in December 2025. As of the Latest Practicable

Date, we substantially completed the Phase II portion and submitted an application for a pre-Phase III consultation meeting with the NMPA. We expect to initiate the Phase III portion in the fourth quarter of 2026, with anticipated completion in 2027.

Addressable Market and Competitive Landscape

In China, gastric cancer is frequently diagnosed at a locally advanced or metastatic stage, reflecting a substantial unmet clinical need for earlier detection. Although endoscopic screening with histopathological confirmation is recognized as the gold standard for diagnosis, its accessibility remains uneven across regions due to shortages of trained endoscopists, limited facility capacity, and disparities in healthcare resources. The invasiveness, cost, and patient discomfort associated with endoscopy also limit participation in screening programs, particularly among asymptomatic individuals. As a result, many patients present only when symptoms emerge at later stages, when curative treatment options are limited and prognosis is poor.

As of the Latest Practicable Date, there were no approved FAP-targeted radiopharmaceuticals for diagnostic use in China or the rest of the world. Two FAP-targeted diagnostic radiopharmaceuticals labeled with radionuclide ^{18}F were at the clinical stage in China, both of which were our drug candidates, ^{18}F-LNC1005 and ^{18}F-LNC1007.

- **^{177}Lu-LNC1011**, our Core Product, is a PSMA-targeted therapeutic radiopharmaceutical designed for the treatment of PSMA-positive mCRPC. PSMA is a surface molecule specifically overexpressed by prostate cancer tumor cells, particularly in mCRPC. ^{177}Lu-LNC1011 is a PSMA ligand modified with Dansyl (Dan) and a metal chelator (DOTA), radiolabeled with beta-emitting radionuclide ^{177}Lu. The Dan was introduced as a pharmacokinetic modifier to prolong blood circulation half-life and increase tumor uptake/retention of the drug candidate, thereby potentially enhancing its therapeutic effect. ^{177}Lu-LNC1011 exhibited significantly optimized pharmacokinetics and pharmacodynamics compared to other unmodified PSMA ligands in multiple preclinical studies. Additionally, this agent showcases an advanced PSMA-targeting capability, which markedly improves the precise delivery of therapeutic radioactivity to tumor sites and enhances treatment outcomes.

  We received the IND approval from the FDA and the NMPA in June and August 2024, respectively. We completed the Phase I portion of the Phase I/II clinical trial of ^{177}Lu-LNC1011 in adult patients with PSMA-positive mCRPC in China in June 2025. We completed the patient enrollment of Phase II portion of this trial in January 2026. We expect to submit the pre-Phase III consultation meeting application in the first quarter of 2027 and initiate the Phase III clinical trial in the first half of the same year.

  Addressable Market and Competitive Landscape

  Prostate cancer is managed with a broad range of therapeutic approaches, including radical surgery, external beam radiotherapy or brachytherapy, androgen deprivation therapy, and androgen receptor inhibitors. However, the current treatment landscape for prostate cancer faces unmet clinical needs. Resistance to therapies like hormone deprivation often occurs, leaving patients with few effective options once they develop castration resistance. Furthermore, the side effects of treatment and disease progression can significantly impair patients' quality of life. Radiopharmaceuticals show potential in cancer treatment, targeting cancer cells more precisely than conventional chemotherapy or radiotherapy while reducing side effects.

  As of the Latest Practicable Date, there were three approved therapeutical radiopharmaceutical drugs for prostate cancer, among which only Pluvicto® (^{177}Lu-vipivotide tetraxetan) developed by Novartis targets PSMA for the treatment of positive mCRPC and prostatic carcinoma. As of the same date, there were ten PSMA-targeted therapeutic radiopharmaceuticals at the clinical stage in China.

- **^{18}F-LNC1007**, our Core Product, a FAP- and $\alpha_v\beta_3$-targeted diagnostic radiopharmaceutical candidate developed for PET imaging for cancer diagnosis. FAP and integrin $\alpha_v\beta_3$ are highly expressed targets in tumor stroma and tumor cells. To enhance tumor uptake and retention, we design and develop ^{18}F-LNC1007 as a bispecific heterodimeric radiotracer targeting both FAP and $\alpha_v\beta_3$. ^{18}F-LNC1007, with dual FAP and integrin $\alpha_v\beta_3$ targeting ability, showed significantly improved tumor uptake, prolonged tumor retention, tumor-targeting efficiency, and pharmacokinetics compared with ^{18}F-labeled FAPI and RGD monospecific tracers.

  As of the Latest Practicable Date, we completed Phase I clinical trial of ^{18}F-LNC1007 for FAP/ $\alpha_v\beta_3$-targeted PET imaging in adult healthy volunteers in China in July 2025 and initiated Phase II clinical trial of ^{18}F-LNC1007 for FA P/$\alpha_v\beta_3$-targeted PET imaging in metastatic ccRCC patients in China. We also completed a Phase I clinical trial of ^{18}F-LNC1007 for FAP/ $\alpha_v\beta_3$-targeted PET imaging in adult healthy volunteers and light tumor burden patients in Australia in September 2025.

  Addressable Market and Competitive Landscape

  In China, the diagnosis of renal cancer typically requires a multi-step clinical pathway involving clinical assessment, laboratory testing, and tissue specimen examination for histological confirmation. Radiological imaging, including CT, PET/CT, and MRI, is subsequently used to determine tumor size, location, and disease stage, which are critical for guiding treatment decisions. At the same time, the incidence of renal cell carcinoma continues to rise, driven by an aging population and the increasing prevalence of risk factors such as obesity, hypertension, and smoking. As early-stage disease is frequently asymptomatic and commonly used screening tools such as ultrasonography lack sufficient specificity to reliably differentiate benign from malignant renal masses, there remains a significant need for more precise diagnostic approaches to support earlier detection and improved clinical management.

  As of the Latest Practicable Date, there were no approved dual FAP and $\alpha_{v\beta_3}$ targeted radiopharmaceuticals for diagnosis. ^{18}F-LNC1007 is the only dual FAP and $\alpha_v\beta_3$ targeted radiopharmaceuticals targeting radiopharmaceutical drugs for diagnosis at clinical stage in China.

- **^{18}F-LNC1016** is a potential first-in-class integrin $\alpha_v\beta_3$-targeted diagnostic radiopharmaceutical candidate labeled with the radioisotope ^{18}F in China. It is designed to target and bind to integrin $\alpha_v\beta_3$, a protein that is highly expressed on the surface of endothelial cells in tumor neovasculature and some tumor cells. In contrast, integrin $\alpha_v\beta_3$ is barely expressed in normal endothelial cells and in most normal tissues. By measuring the expression level of integrin $\alpha_v\beta_3$ in tumor tissues, ^{18}F-LNC1016 helps evaluate the growth and invasiveness of tumors.

  Clinical studies of ^{18}F-LNC1016 have shown high clinical translational value in diagnosing various tumors, such as lung cancer, glioma, breast cancer, and brain metastases, as well as in evaluating metastatic lesions and predicting the efficacy of radiotherapy and chemotherapy. ^{18}F-LNC1016 has demonstrated advantages in its preclinical and clinical studies, including high affinity, good stability and pharmacokinetic properties, and PET/CT imaging quality, supporting diagnostic assessment. We acquired all the rights and interests to ^{18}F-LNC1016 from a third party. See "Business — Material Agreements" for more details.

  As of the Latest Practicable Date, we are conducting an open-label, multi-center Phase III clinical trial comparing the diagnostic efficacy of ^{18}F-LNC1016 and ^{18}F-FDG for lymph node metastasis in non-small cell lung cancer in China.

OUR BUSINESS MODEL

Our core business model is to discover, develop and commercialize theranostic radiopharmaceuticals in oncology. Our R&D engine integrates target validation, radioisotope selection, and linker design, further strengthened by our independently developed pharmacokinetic modification technology and dual-target drug development technology, enabling enhanced pharmacokinetic properties and advancement of dual-targeted nuclear medicine drug candidates. We combine expertise in nuclear medicine with innovation in antibody fragment engineering to overcome the limitations of full-length monoclonal antibodies, generating new therapeutic and imaging opportunities for oncology indications such as breast cancer and gastric cancer. This is further reinforced by our end-to-end integration of R&D, stable radioisotope supply supported by our Controlling Shareholder, Dongcheng Biochem, and GMP manufacturing capabilities in Yantai, which together ensure continuity, scalability, and accelerated innovation in radiopharmaceuticals.

MATERIAL AGREEMENTS

^{18}F-LNC1001 Transfer Agreement

In April 2022, we entered into a technology transfer agreement ("^{18}F-LNC1001 Transfer Agreement") with Nanjing JYAMS, a wholly-owned subsidiary of Dongcheng Biochem incorporated under the laws of the PRC in March 2006 and provides radiopharmaceutical solutions for nuclear medicine clients through the radiopharmaceuticals network and cyclotron DBO solution. Pursuant to the ^{18}F-LNC1001 Transfer Agreement, we acquired the exclusive, worldwide rights and interests under patent rights and know-how (collectively, the "LNC1001 IP") of Al^{18}F-labeled PSMA-targeting inhibitor, a preclinical stage drug candidate, which were further developed by us as our Core Product ^{18}F-LNC1001.

The LNC1001 IP was originated from the Peking University Cancer Hospital and was acquired by Nanjing JYAMS from the Peking University Cancer Hospital in May 2020 ("Original Agreement"). Subsequent to our acquisition of the LNC1001 IP from Nanjing JYAMS, in October 2022, we entered into a novation agreement ("Novation Agreement") with Nanjing JYAMS and Peking University Cancer Hospital, pursuant to which all rights and obligations of Nanjing JYAMS under the Original Agreement were transferred to us (this Novation Agreement, together with the ^{18}F-LNC1001 Transfer Agreement, the "Relevant ^{18}F-LNC1001 Transfer Agreements"). Pursuant to the Novation Agreement, Nanjing JYAMS and Peking University Cancer Hospital consented to our substitution for Nanjing JYAMS as a party to the Original Agreement. All rights and obligations previously held by Nanjing JYAMS under the Original Agreement have been assumed by us. Following execution of the Novation Agreement, Nanjing JYAMS no longer retains any rights or obligations in respect of ^{18}F-LNC1001 under the Original Agreement. Any dispute arising out of or in connection with the Novation Agreement or the Original Agreement that cannot be resolved through good faith negotiation shall be submitted to the China International Economic and Trade Arbitration Commission in Beijing for arbitration. As of the Latest Practicable Date, we had no disputes with Nanjing JYAMS or Peking University Cancer Hospital under either the Novation Agreement or the Original Agreement.

The following table sets forth key terms of the Relevant ^{18}F-LNC1001 Transfer Agreements, including our rights and obligations assumed under the Original Agreement pursuant to the Novation Agreement.

Transfer of IP	Nanjing JYAMS shall transfer all the patent rights, know-how and technologies related to Al^{18}F-labeled PSMA-targeting inhibitor in all diagnostic and therapeutic areas and in all indications worldwide to us on an exclusive basis. We duly completed the requisite registration of such patent rights with the China National Intellectual Property Administration ("CNIPA"), and became the legal owner of such patent rights in November 2022.
Rights and obligations	We shall take control and be fully responsible for all the development, registration, manufacturing and commercialization activities of ^{18}F-LNC1001 at our sole discretion. We shall be the sole marketing authorization holder of ^{18}F-LNC1001.
Payment terms	In consideration of our acquisition of the LNC1001 IP, we shall pay Nanjing JYAMS a transfer price of RMB5 million. As of the Latest Practicable Date, we had paid all the transfer price to Nanjing JYAMS. We are obligated to pay up to RMB21 million milestone payments to the Peking University Cancer Hospital upon the achievement of certain clinical, regulatory and commercial milestones. The consideration for the Relevant ^{18}F-LNC1001 Transfer Agreements was determined through arm's-length negotiations between the parties, having regard to the preclinical stage of development of ^{18}F-LNC1001 at the time of transfer, with reference to comparable industry transactions, and the anticipated costs and risks associated with subsequent clinical development.
Governing law and dispute resolution	This agreement will be governed by the laws of the People's Republic of China. Any dispute relating to the ^{18}F-LNC1001 Transfer Agreement that is not resolved by good faith negotiation may be resolved by the People's court where our Company is located. As of the Latest Practicable Date, we had no disputes with Nanjing JYAMS or Peking University Cancer Hospital.

^{18}F-LNC1016 Transfer Agreement

On January 27, 2024, we entered into a transfer agreement ("^{18}F-LNC1016 Transfer Agreement") with Xinrui Pharmaceutical, an independent third party, pursuant to which we acquired all the rights and interests related to ^{18}F-LNC1016, including all regulatory approvals and relevant applications with the NMPA, all pertinent intellectual property rights, and all data, information and records generated from the clinical and non-clinical studies in connection with ^{18}F-LNC1016. Xinrui Pharmaceutical is a specialized manufacturer of APIs and intermediates for hypertension, hyperlipidemia, hyperglycemia, and advanced chemical intermediates.

The following table sets forth key terms of ^{18}F-LNC1016 Transfer Agreement:

Rights and obligations	Xinrui Pharmaceutical shall transfer all regulatory filings it submitted and all approvals it obtained relevant to ^{18}F-LNC1016 worldwide to us. We acquired all the rights and interests related to ^{18}F-LNC1016, including all regulatory approvals and relevant applications with the NMPA, all pertinent intellectual property rights, and all data, information and records generated from the clinical and non-clinical studies in connection with ^{18}F-LNC1016, in all diagnostic and therapeutic areas and in indications worldwide on an exclusive basis. After the acquisition of ^{18}F-LNC1016, we are responsible for all the research, development, regulatory affairs, manufacturing and commercialization activities of ^{18}F-LNC1016 globally.
Payment terms	The transfer price of ^{18}F-LNC1016 is RMB63 million, to be paid in several installments. As of the Latest Practicable Date, we had paid all the transfer price to Xinrui Pharmaceutical. The consideration for the Relevant ^{18}F-LNC1016 Transfer Agreements was determined through arm's-length negotiations between the parties, having regard to the late stage of development of ^{18}F-LNC1016 at the time of transfer, with reference to comparable industry transactions, and the anticipated costs and risks associated with subsequent clinical development.
Non-compete covenant	Xinrui Pharmaceutical shall not engage in any activities related to the development, manufacturing, use, or commercialization of ^{18}F-LNC1016 or any product with the same or similar structure as ^{18}F-LNC1016 in any region globally, nor shall it allow, authorize, license, or assist any of its affiliates or third parties in engaging in the aforementioned activities.
Termination and dispute resolution	The ^{18}F-LNC1016 Transfer Agreement will continue to be in full force and effect unless terminated due to customary termination events, including but not limited to material breach of the ^{18}F-LNC1016 Transfer Agreement. Any dispute relating to the ^{18}F-LNC1016 Transfer Agreement that is not resolved by good faith negotiation within 30 days may be resolved by the People's Court where plaintiff is located. As of the Latest Practicable Date, we had no disputes with Xinrui Pharmaceutical.

Please refer to "Business — Material Agreements" for details of the various collaboration agreements entered into with third parties during the Track Record Period and up to the Latest Practicable Date.

RESEARCH AND DEVELOPMENT

We are dedicated to enhancing our pipeline by leveraging our in-house research and development capabilities, from early-stage drug discovery to clinical development. As of the Latest Practicable Date, our research and development team consisted of 126 employees, 65.9% of which have a master's degree or higher and 25 are our key R&D staff. We also work with CROs to support our preclinical and clinical studies in China. Our research and development team members have extensive preclinical and clinical development experience, focusing on nuclear medicine. In 2024 and 2025, our total research and development costs (including our capitalized development costs in progress) were RMB234.7 million and RMB188.8 million, respectively, the research and development costs (including our capitalized development costs in progress) attributable to our Core Products, ^{18}F-LNC1001, ^{18}F-LNC1005 and ^{177}Lu-LNC1011 and ^{18}F-LNC1007 amounted to RMB92.7 million and

RMB81.9 million, representing approximately for 39.5% and 43.4% of the total research and development costs (including our capitalized development costs in progress) for the respective years. In 2024 and 2025, our total research and development costs accounted for approximately 88.1% and 79.9% of our operating expenses (being the research and development costs and administrative expenses) for the same years, respectively.

For more details, see "Business — Our R&D Platform."

CHEMISTRY, MANUFACTURING, AND CONTROLS (CMC)

Our CMC team consisted of 65 members as of the Latest Practicable Date. Our CMC team provides support throughout the drug development process. The team is mainly responsible for upstream and downstream process development, formulation development, analytical development, process characterization and validation, pilot manufacturing, quality study, product analysis, quality control (QC) and quality assurance (QA). We also have a registration management team mainly responsible for the management of R&D projects, registration filings, applications for governmental research projects, as well as management of intellectual properties. As of the Latest Practicable Date, our registration management team consisted of 13 members.

We currently collaborate with CMOs/CDMOs for the manufacturing of our drug candidates for preclinical studies and clinical trials. We have adopted procedures to ensure that production qualifications, facilities and processes of CMOs/CDMOs comply with the relevant regulatory requirements and our internal guidelines. We selected our CMOs/CDMOs by carefully reviewing and considering various factors, including their qualifications, expertise, production capacity, geographic proximity, reputation and costs.

Considering the strategic benefits of owning self-sufficient manufacturing facilities, we intend to build our GMP-compliant manufacturing capacity to conduct the manufacturing of our drug candidates for preclinical studies and clinical trials and the commercial-scale manufacturing of our future drug products, aiming for improved efficiency and cost-effectiveness. We have completed the construction of our new manufacturing facility occupying a site area of approximately 4,886 square meters in Yantai, Shandong province, which is designed to meet the stringent cGMP standards. As of the Latest Practicable Date, our new manufacturing facility is under the stage of pilot production and our facility will be capable of a maximum annual production throughput of 7.674×10^{14} Bq upon commencement of full operations.

COMMERCIALIZATION

As of the Latest Practicable Date, we had not obtained marketing approval for any of our drug candidates and had not generated revenue from product sales. Anticipating the potential commercialization of our late-stage drug candidates within the next two years, we plan to leverage the extensive experience, industry connections and network of our Controlling Shareholder, Dongcheng Biochem, to establish commercialization infrastructure and market access. Our initial strategy is to collaborate with third parties such as contract sales organizations to benefit from their established sales networks and regulatory expertise, while in parallel building a small-scale in-house commercialization team to develop tailored marketing strategies, product positioning and patient support initiatives. We intend to focus our initial commercialization efforts on Class III Grade A hospitals in tier-one cities in China, and progressively expand to hospitals in second- and third-tier cities as well as additional markets based on product acceptance and indication expansion. We are committed to balancing innovation with patient access by setting prices that reflect the clinical value and therapeutic benefits of our products, while working closely with healthcare systems and payers to facilitate appropriate reimbursement and broad patient access. As of the Latest Practicable Date, we do not have near-term plans to pursue commercialization in overseas markets.

INTELLECTUAL PROPERTY

We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned (i) 25 issued patents in China, (ii) three issued patents in the U.S., (iii) 41 issued patents in other jurisdictions, including Australia, Canada, Japan, Korea, Russia, Singapore, Taiwan and South Africa, and (iv) 70 pending patent applications, including 15 in China, seven in the U.S., six under the Patent Cooperation Treaty (PCT) which have not been submitted to any individual jurisdiction for national-phase entry, and 42 in other jurisdictions.

As of the Latest Practicable Date, (i) for our Core Product ^{18}F-LNC1001, we had one issued patent granted in China and five pending patent applications, including four in China and one under PCT which has not been submitted to any individual jurisdiction for national phase entry; (ii) for our Core Product ^{18}F-LNC1005, we had three issued patents granted and one patent application in China; (iii) for our Core Product ^{177}Lu-LNC1011, we had two issued patents, including one in China and one in Taiwan and 14 pending patent applications, including one in China, one in U.S., and 12 in other jurisdictions; and (iv) for our Core Product ^{18}FLNC1007, we had 13 issued patents granted, including two in China, one in U.S. and ten in other jurisdictions, and six pending patent applications, including one in U.S. and five in other jurisdictions. The patents granted to, or under application by, our Company cover all material aspects of our Core Products.

In line with prevailing market practice in the biotech industry, we have obtained issued patents and filed pending applications in certain overseas jurisdictions to safeguard our innovations and intellectual property globally and to maintain a broader patent portfolio that may enhance our valuation and attractiveness to potential collaborators. Such filings do not, in themselves, reflect any current intention to expand into overseas markets.

OUR SUPPLIERS AND RAW MATERIALS

Suppliers

During the Track Record Period, our suppliers primarily consisted of CROs, CMO/CDMOs, and suppliers of equipment, devices and construction services. We select our suppliers by considering their product/service quality, costs, capability, delivery standards, industry reputation and compliance with relevant regulations and industry standards. For the years ended December 31, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB189.9 million and RMB131.8 million, respectively, representing 68.2% and 54.0% of our total purchases for the respective years; purchases attributable to our single largest supplier, Dongcheng Biochem, our Controlling Shareholder, in each year during the Track Record Period were RMB99.9 million and RMB94.3 million, respectively, accounting for 35.9% and 38.7% of our total purchases for the respective years. Our suppliers generally provide us credit terms of 30 to 120 days. For more details, see "Business — Our Suppliers and Raw Materials."

Raw Materials Procurement

During the Track Record Period, we have procured raw materials and consumables for the pilot manufacturing of our drug candidates for clinical trials from qualified suppliers. The principal raw materials that we used include products in relation to ^{225}Ac, ^{177}Lu and ^{18}F, among others. During the Track Record Period, we did not experience any significant fluctuations in raw material prices or delays that had a material impact on our results of operations or financial position. The raw materials for our drug candidates to be used in clinical trials as well as materials for our laboratory use are generally readily available in the market through multiple suppliers.

OUR STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors: (i) we are a key player in China's nuclear medicine industry, capitalizing on opportunities in the rapidly growing market; (ii) we have a comprehensive radiotheranostics portfolio in China, delivering precise medicine in solid tumor treatment; (iii) we have integrated R&D engine driving the discovery and development of nuclear medicine drug candidates; (iv) we have synergies in radioisotope supply and manufacturing to enhance the accessibility and affordability of nuclear medicine; and (v) we boast management and advisory team with profound industry expertise and global expertise. For more details, see "Business — Our Strengths."

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following strategies: (i) advance the development of our Core Products towards commercialization; (ii) develop our other drug candidates to maximize their clinical value; (iii) continuously enrich our differentiated pipeline through fundamental research and translational medicine to advance cancer diagnosis and treatment; and (iv) strengthen our end-to-end operation capabilities from manufacturing to commercialization. For more details, see "Business — Our Strategies."

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 historical financial information, including the accompanying notes, set forth in the Accountant's 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 summary data from our consolidated statements of profit or loss and other comprehensive expenses for the years indicated:

	For the Year Ended December 31,	
	2024	**2025**
	(RMB in thousands)	
Other income and gains	11,279	5,563
Research and development costs	(114,658)	(125,855)
Administrative expenses	(15,435)	(31,741)
Finance costs	–	(849)
Loss before tax	**(118,814)**	**(152,882)**
Income tax expense	–	–
Loss for the year	**(118,814)**	**(152,882)**
Other comprehensive loss that may be reclassified to profit or loss in subsequent period		
Exchange difference on translation of a foreign operation	(232)	(133)
Other comprehensive loss for the year, net of tax	**(232)**	**(133)**
Total comprehensive loss for the year	**(119,046)**	**(153,015)**

Our net loss increased from RMB118.8 million in 2024 to RMB152.9 million in 2025, mainly due to an increase in administrative expenses, resulting from (i) an increase of RMB7.8 million in staff costs resulting from team expansion, and (ii) an increase of RMB7.8 million in our professional service fees primarily in connection with our proposed **[REDACTED]** and our recruiting fees.

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,	
	2024	**2025**
	(RMB in thousands)	
Total non-current assets	278,966	408,954
Total current assets	45,229	263,680
Total current liabilities	64,443	68,543
Net current (liabilities)/assets	(19,214)	195,137
Total assets less current liabilities	259,752	604,091
Total non-current liabilities	–	12,596
Net assets	259,752	591,495

During the Track Record Period, our other intangible assets consisted of (i) development costs in progress, (ii) patents, and (iii) software. We had other intangible assets of RMB137.8 million and RMB200.5 million as of December 31, 2024 and 2025, respectively.

Our net current assets decreased from RMB195.1 million as of December 31, 2025 to RMB141.9 million as of April 30, 2026, primarily attributable to a decrease in cash and cash equivalents.

We recorded net current liabilities of RMB19.2 million as of December 31, 2024, as compared to net current assets of RMB195.1 million as of December 31, 2025, primarily attributable to an increase in cash and cash equivalents.

See "Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position" for details.

Summary of Consolidated Statements of Cash Flows

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

	For the Year Ended December 31,	
	2024	**2025**
	(RMB in thousands)	
Net cash flows used in operating activities	(132,001)	(143,288)
Net cash flows used in investing activities	(179,659)	(93,913)
Net cash flows from financing activities	308,403	450,969
Net increase/(decrease) in cash and cash equivalents	(3,257)	213,768
Cash and cash equivalents at beginning of the year	45,875	42,540
Effect of foreign exchange rate changes, net	(78)	234
Cash and cash equivalents at end of the year	**42,540**	**256,542**

Our primary use of cash during the Track Record Period was to fund our research and development activities. We recorded net cash flows used in operating activities of RMB132.0 million and RMB143.3 million in 2024 and 2025, respectively. During the Track Record Period, we primarily funded our working capital requirements through equity financing. Our management closely monitors use of cash and cash equivalents and strives to maintain a healthy liquidity for our operations. Going forward, we expect our liquidity requirements will be satisfied by a combination of existing cash and cash equivalents, [**REDACTED**] from the [**REDACTED**], and revenue generated from sales of our successfully commercialized drugs. With the continuing expansion of our business, we may require further funding through public or private [**REDACTED**], or other sources. For more details, see "Financial Information — Liquidity and Capital Resources — Cash Flows."

Our Directors are of the opinion that, taking into account the financial resources available to us, including cash and cash equivalents of RMB188.5 million as of April 30, 2026 and the estimated [**REDACTED**] from the [**REDACTED**], and considering our cash burn rate, we have available sufficient working capital to cover at least 125% of our costs, including research and development costs, administrative expenses, and other operating costs, for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities and capital expenditures. We had cash and cash equivalents of RMB188.5 million as of April 30, 2026. We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] million in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the low end of the [**REDACTED**]. Assuming an average

cash burn rate going forward of 1.3 times the level during the year ended December 31, 2025, we estimate that our cash and cash equivalents as of April 30, 2026 will be able to maintain our financial viability for [**REDACTED**] months, or, if we take into account the estimated [**REDACTED**] from the [**REDACTED**], [**REDACTED**] months. We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing no earlier than six months after the completion of the [**REDACTED**].

Key Financial Ratios

Our current ratio was 0.7 and 3.8 as of December 31, 2024 and 2025, respectively. The current ratio is calculated by dividing the current assets by current liabilities. For more details, see "Financial Information — Key Financial Ratios."

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.

OUR CONTROLLING SHAREHOLDER

The [**REDACTED**] of our Company constitutes a [**REDACTED**] from Dongcheng Biochem, a company listed on the Shenzhen Stock Exchange (stock code: 002675) as defined under the CSRC Spin-Off Rules.

As of the Latest Practicable Date, Dongcheng Biochem held approximately 43.95% of the issued share capital of our Company. Immediately upon completion of the [**REDACTED**], without taking into account any Shares which may be [**REDACTED**] upon the exercise of the [**REDACTED**] and the Shares to be [**REDACTED**] under the 2023 Share Option Scheme, Dongcheng Biochem will control approximately [**REDACTED**]% of the issued share capital of our Company. Accordingly, Dongcheng Biochem is considered as our Controlling Shareholder upon the completion of the [**REDACTED**]. For details, please refer to "Relationship with our Controlling Shareholder."

PRE-[REDACTED] INVESTORS

From June 2022 to July 2025, our Company conducted a series of capital increases for financings. For further details of the identity and background of the Pre-[**REDACTED**] Investors and the principal terms of the Pre-[**REDACTED**] Investments, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments".

DIVIDEND

We did not declare or pay any dividend during the Track Record Period. We did not have a formal dividend policy or pre-determined dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future.

[**REDACTED**] should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, and other factors that our Directors may deem relevant.

Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As advised by our PRC Legal Advisor, taking into account the aforesaid, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders in a given year, in view of our accumulated losses, or even if we become profitable, as we will only be able to declare or pay dividends out of our distributable profits until (i) the accumulated losses are covered by our after-tax profits, and (ii) sufficient statutory and other reserves are drawn in accordance with the relevant laws, regulations and our constitutional documents.

In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future.

[**REDACTED**]

USE OF [REDACTED]

We estimate that the aggregate [**REDACTED**] from the [**REDACTED**] will be approximately HK$[**REDACTED**] million, after deducting estimated [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document. We currently intend to apply these [**REDACTED**] for the following purposes: (i) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to fund the research and development of our Core Products, namely, ^{177}Lu-LNC1011, ^{18}F-LNC1005, ^{18}F-LNC1001 and ^{18}F-LNC1007; (ii) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to fund research and development of our other existing pipeline assets; (iii) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to fund the planned commercialization of our drug candidates following their approval for sale; (iv) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to further refine and enhance our targeted radiopharmaceutical drug technology platform; and (v) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for working capital and general corporate purposes. For more details, please see "Future Plans and Use of [**REDACTED**]."

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] million (including [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per H Share), which represent [**REDACTED**]% of the gross [**REDACTED**] from the [**REDACTED**], assuming no H Shares are [**REDACTED**] pursuant to the [**REDACTED**]. The above [**REDACTED**] are comprised of (i) [**REDACTED**]-related expenses of HK$[**REDACTED**] million, and (ii) non-[**REDACTED**]-related expenses of HK$[**REDACTED**] million, including (a) the legal advisors and the reporting accountants expenses of HK$[**REDACTED**] million, and (b) other fees and expenses of HK$[**REDACTED**] million. During the Track Record Period, we incurred [**REDACTED**] of HK$[**REDACTED**]

million, HK$[**REDACTED**] million of which was charged to our consolidated statements of profit or loss, and HK$[**REDACTED**] million of which was attributable to the [**REDACTED**] of Shares and will be deducted from equity. We expect to incur additional [**REDACTED**] of approximately HK$[**REDACTED**] million after the Track Record Period, approximately HK$[**REDACTED**] million of which is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] million of which is attributable to the [**REDACTED**] of Shares and will be deducted from equity upon [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

IMPACT OF COVID-19

As of the Latest Practicable Date, we had not experienced any material disruptions in our operations as a result of COVID-19. During the COVID-19 pandemic, we continued to advance the CMC and non-clinical studies for ^{18}F-LNC1001 and ^{18}F-LNC1005. Through internal coordination, resource planning and cooperation with partners to secure the supply of critical materials, including laboratory animals, we were able to address external challenges and maintain the progress of our R&D activities. Consequently, we obtained IND approvals for ^{18}F-LNC1001 and ^{18}F-LNC1005 from the NMPA in July and December 2022, respectively.

With the adjustment of pandemic control policies and the gradual weakening of the global impact of COVID-19, our Directors do not expect the pandemic to have a material adverse impact on our future business operations. See also "Risk Factors — Risks Related to Our Operations — We may be subject to disasters, health epidemics, acts of war, terrorism, business disruptions and other force majeure events, which may have a material adverse effect on our business, financial condition, results of operations and prospects."

RECENT DEVELOPMENTS

Business Updates

Since the end of the Track Record Period, we have been continuously developing our business and advancing our pipeline. In January 2026, we completed the patient enrollment of Phase II portion of the Phase I/II clinical trial of ^{177}Lu-LNC1011 in China. In February 2026, we entered into a strategic collaboration agreement with Shenzhen Kangti Biopharma Technology Co., Ltd. ("Kangti"), a PRC-based biopharmaceutical company and an independent third party, pursuant to which Kangti and us agreed to jointly identify and develop nanobody candidates targeting novel targets as well as radionuclide drug conjugates based on such nanobodies. In February 2026, we initiated the Phase I portion of the Phase I/II clinical trial of ^{225}Ac-LNC1011 in China.

No Material Adverse Change

Our Directors confirm that, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 and up to the date of this document and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report set out in Appendix I to this document.