FURTHER INFORMATION ABOUT OUR COMPANY

Establishment of our Company

Our Company was established as a limited liability company in the PRC on January 6, 2021, and was converted into a joint stock limited company with limited liability on December 20, 2024 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company is RMB99,400,963.

Our Company has established a place of business in Hong Kong at 40th Floor, Tai Sin Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on May 19, 2026. Ms. Zheng Hongyi (鄭泓懌) has been appointed as the authorized representative of our Company in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in "Appendix III — Summary of Articles of Association".

Changes in Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure — Corporate Development and Major Shareholding Changes" and "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments", there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this Document.

Changes in Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiary are set out in the Accountants' Report in Appendix I to this Document.

On October 21, 2024, LNC PHARMA PTE. LTD. increased its issued shares from 100 shares to 9,000,000 shares.

Save as disclosed above, there had been no other alterations of share capital of our subsidiaries within the two years preceding the date of this Document.

Resolutions of our Shareholders

Pursuant to the Shareholders' meeting held on September 18, 2025, the following resolutions, among other things, were (subject to the relevant regulatory approval, filing and registration) duly passed:

(a) the [**REDACTED**] by our Company of the H Shares of nominal value of RMB1.00 each and such H Shares being [**REDACTED**] on the Hong Kong Stock Exchange;

(b) the number of H Shares to be [**REDACTED**] shall not be more than 25% of the total issued share capital of our Company as enlarged by the [**REDACTED**], and the grant to the [**REDACTED**] (or their representatives) of the [**REDACTED**] of not more than 15% of the number of H Shares [**REDACTED**] pursuant to the [**REDACTED**];

(c) upon completion of the [**REDACTED**], [**REDACTED**] Unlisted Shares in aggregate will be converted into H Shares on a one-for-one basis;

(d) authorization of the Board and its authorized persons to handle matters relating to, among other things, the [**REDACTED**], the [**REDACTED**] and [**REDACTED**] of the H Shares;

(e) subject to the completion of the [**REDACTED**], the granting of a general mandate to the Board to repurchase H Shares [**REDACTED**] on the Stock Exchange with an aggregate number of not exceeding 10% of the number of the total [**REDACTED**] H Shares (excluding any treasury shares and any Shares which may be allotted and issued under the 2023 Share Option Scheme) as at the date of the resolution granting the general mandate;

(f) subject to the completion of the [**REDACTED**], the granting of a general mandate to the Board to allot, issue Shares, or sell and/or transfer Shares out of treasury that are held as treasury shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the Shares in issue (excluding any treasury shares and any Shares which may be allotted and issued under the 2023 Share Option Scheme) as at the date of the resolution granting the general mandate; and

(g) subject to the completion of the [**REDACTED**], the conditional adoption of the Articles of Association, which shall become effective on the [**REDACTED**] and the authorization of the Board to amend the Articles of Association in accordance with relevant laws and regulations and upon the request from the Stock Exchange and relevant PRC regulatory authorities.

Explanatory Statement on Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this Document concerning the repurchase of our own securities.

(a) Reasons for repurchase

The Board considered that the repurchase of the Shares would be beneficial to and in the best interests of the Company and its Shareholders as a whole. It can strengthen the investors' confidence in the Company and promote a positive effect on maintaining the Company's reputation in the capital market. Such repurchases will only be made when the Board believes that such repurchases will benefit the Company and its Shareholder as a whole.

Following a repurchase of Shares, the Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

(b) Exercise of the general mandate to repurchase Shares

Subject to the passing of the special resolution approving the grant of the general mandate to repurchase H Shares at annual general meetings, the Board will be granted general mandate to repurchase H Shares until the end of the relevant period. The general mandate to repurchase Shares would expire on the earlier of:

(i) the conclusion of the next annual general meeting of the Company of which time it shall lapse unless, by special resolutions passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

(ii) the revocation or variation of the mandate under the resolution by a special resolution at any general meeting of the Company.

Furthermore, we need to complete registration and approval procedures with relevant government authorities for the actual grant of the repurchase mandate to the Board, as applicable. The exercise in full of the general mandate to repurchase H Shares (on the basis of [**REDACTED**] H Shares in issue as of the [**REDACTED**] and no H Shares will be allotted and [**REDACTED**] or repurchased by the Company on or prior to the date of the next annual general meeting to be held after the [**REDACTED**]) would result in a maximum of [**REDACTED**] H Shares being repurchased by the Company during the relevant period, being the maximum of 10% of the H Shares in issue (excluding any treasury shares and any Shares which may be allotted and issued under the 2023 Share Option Scheme) as of the [**REDACTED**].

(c) Source of funds

In repurchasing its Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its Shares. Any shares to be repurchased will be cancelled or kept as treasury shares if allowed by the Articles of Association and applicable laws and regulations. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(d) Suspension of repurchase

A listed company shall not repurchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances.

(e) Close associates and core connected persons

None of our Directors or, to the best of their knowledge having made all reasonable inquiries, any of their close associates have a present intention, in the event the general mandate to repurchase Shares is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the general mandate to repurchase Shares is approved.

A listed company shall not knowingly purchase its shares on the Stock Exchange from a core connected person (namely a director, supervisor, chief executive or substantial shareholder of the company or any of its subsidiaries, or a close associate of any of them), and a core connected person shall not knowingly sell their interest in shares of the company to it.

(f) Status of repurchased Shares

Subject to the Articles of Association, the Listing Rules and any other applicable laws and regulations, the Shares repurchased by the Company will be cancelled or kept as treasury shares.

(g) Takeover implications

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the general mandate to repurchase Shares.

(h) Interim measures

For any treasury shares of the Company deposited with [**REDACTED**] pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

(i) procuring its broker not to give any instructions to [**REDACTED**] to vote at general meetings for the treasury shares deposited with [**REDACTED**];

(ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from [**REDACTED**], and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; or

(iii) taking any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

(i) General

The Company did not hold any treasury shares as of the Latest Practicable Date and will not hold any treasury shares upon [**REDACTED**].

If the general mandate to repurchase Shares were to be carried out in full at any time, there may be a material and adverse impact on our working capital or gearing position (as compared with the position disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the general mandate to repurchase Shares to such an extent as would have a material and adverse effect on our working capital or gearing position.

Our Directors have undertaken to the Stock Exchange that they will exercise the general mandate to repurchase Shares in accordance with the Listing Rules and the applicable laws in the PRC. Neither the Explanatory Statement on Repurchase of Our Own Securities nor the proposed share repurchase has any unusual feature.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contract

We have entered into the following contract (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this Document that is or may be material:

(a) [**REDACTED**].

Intellectual Property Rights

As of the Latest Practicable Date, our Group has registered, or has applied for the registration of the following intellectual property rights which we consider to be material to our Group's business.

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark Registered	Owner	Registration Number	Class	Place of Registration	Registration Date	Expiry Date
1	LNCYT	The Company	71262678	35	PRC	October 21, 2023	October 20, 2033
2	LNCYT	The Company	71268330	42	PRC	November 7, 2023	November 6, 2033
3	LNCYT	The Company	80934391	10	PRC	March 7, 2025	March 6, 2035
4	LANACH	The Company	71254332	5	PRC	October 28, 2023	October 27, 2033
5	蓝纳成	The Company	69053672	5	PRC	July 7, 2023	July 6, 2033
6	蓝纳成	The Company	69056351	35	PRC	July 7, 2023	July 6, 2033
7	蓝纳成	The Company	69055610	42	PRC	July 7, 2023	July 6, 2033
8	蓝纳成	The Company	80941742	10	PRC	March 14, 2025	March 13, 2035
9	蓝纳成	The Company	306638824	5, 10, 35, 42	Hong Kong	August 13, 2024	August 12, 2034
10		The Company	69058494	5	PRC	July 7, 2023	July 6, 2033
11		The Company	69058507	35	PRC	July 7, 2023	July 6, 2033
12		The Company	69062909	42	PRC	June 28, 2023	June 27, 2033
13		The Company	80943568	10	PRC	March 14, 2025	March 13, 2035
14		The Company	306638833	5, 10, 35, 42	Hong Kong	August 13, 2024	August 12, 2034
15	东诚蓝纳成 DONGCHENG LANNACHENG	The Company	59095690	5	PRC	March 7, 2022	March 6, 2032
16	东诚蓝纳成 DONGCHENG LANNACHENG	The Company	59088754	35	PRC	March 7, 2022	March 6, 2032
17	东诚蓝纳成 DONGCHENG LANNACHENG	The Company	59083772	42	PRC	March 7, 2022	March 6, 2032

No.	Trademark Registered	Owner	Registration Number	Class	Place of Registration	Registration Date	Expiry Date
18	东诚蓝纳成 DONGCHENG LANNACHENG	The Company	80928769	10	PRC	March 14, 2025	March 13, 2035
19	LNCRLT	The Company	81025795	5	PRC	March 7, 2025	March 6, 2035
20	LNCRLT	The Company	81028258	10	PRC	March 7, 2025	March 6, 2035
21	LNCRLT	The Company	81012589	35	PRC	March 7, 2025	March 6, 2035
22	LNCRLT	The Company	81007884	42	PRC	March 7, 2025	March 6, 2035
23	LNCRLT	The Company	306681178	5, 10, 35, 42	Hong Kong	September 27, 2024	September 26, 2034
24	前康影	The Company	84868698	5	PRC	October 21, 2025	October 20, 2035
25	前康影	The Company	84879682	10	PRC	October 28, 2025	October 27, 2035
26	前康影	The Company	84876354	35	PRC	October 28, 2025	October 27, 2035
27	前康影	The Company	84856197	42	PRC	October 21, 2025	October 20, 2035

Patents

For material patents and patent applications of our Group as of the Latest Practicable Date, please refer to the paragraph headed "Business — Intellectual Property" for more details.

Domain Names

As of the Latest Practicable Date, we have the following registered internet domain names which we consider to be or may be material to our business:

No.	Domain Name	Registered Owner
1.	dc-lnc.com	The Company
2.	lannacheng.com	The Company

Save as the above, as of the Latest Practicable Date, there were no other intellectual property rights which were material to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

Interests and short positions of our Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

Save as disclosed in the section headed "Substantial Shareholders" and below, as of the Latest Practicable Date and immediately following the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised and no further Shares are issued under the 2023 Share Option Scheme), so far as our Directors are aware, none of our Directors and chief executives has any interests and short positions in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) (i) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or (ii) which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Interests in associated corporations

Name of associated corporation	Name of shareholders of associated corporation	Percentage of interests in associated corporation
Dongcheng Biochem	Mr. Luo Zhigang (羅志剛)	0.60%
Mitro (Yantai) Biotech Co., Ltd. (米度(煙臺)生物技術有限公司)	Mr. Luo Zhigang	2.11%

Interests of the substantial Shareholders in the Shares

Save as disclosed in "Substantial Shareholders", immediately following the completion of the [**REDACTED**] and without taking into account any H Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any Shares to be issued under the 2023 Share Option Scheme, our Directors are not aware of any other person who will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to us and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

Interests of the substantial shareholders in other members of our Group

As of the Latest Practicable Date, our Directors are not aware of any persons who would, immediately following the completion of the [**REDACTED**], be directly or indirectly interested in 10% or more of the issued voting shares of the other members of our Group (other than our Company).

Particulars of Directors' Service Contracts and Appointment Letters

We [have entered] into a service contract or a letter of appointment with each of our Directors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on arbitration.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

Remuneration of Directors

Save as disclosed in "Director and Senior Management" and Note 8 to the Accountants' Report set out in Appendix I for the two financial years ended December 31, 2024 and 2025, none of our Directors received other remunerations of benefits in kind from us.

Under the arrangement currently in force, we estimate that the aggregate remuneration payable to, any benefits in kind receivable by, our Directors by any member of our Group in respect of the year ending December 31, 2026 is approximately RMB5.2 million.

Save as disclosed above, there is no arrangement under which any Director has waived or agreed to waive any remuneration or benefits in kind during the Track Record Period.

Disclaimers

Save as disclosed in this Document:

(a) save as disclosed in "History, Development and Corporate Structure," none of our Directors has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this Document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group; and

(b) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to the business of our Group taken as a whole.

PRE-[REDACTED] EQUITY INCENTIVE PLANS

The following is a summary of the principal terms of the Pre-[**REDACTED**] Equity Incentive Plans, including 2021 Employee Incentive Plan and 2023 Share Option Scheme. The terms of the Pre-[**REDACTED**] Equity Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules as each of the Pre-[**REDACTED**] Equity Incentive Plans does not involve the grant of new awards or options by our Company after the [**REDACTED**].

2021 Employee Incentive Plan

Our Company adopted the 2021 Employee Incentive Plan on September 26, 2021 which was further amended and approved on September 18, 2025. The 2021 Employee Incentive Plan will not cause any dilution of the shareholding of our Shareholders after the [**REDACTED**] given all underlying Shares of the granted under the 2021 Employee Incentive Plan have been issued to Yantai Dinglan (the "**Employee Incentive Platform**"). The following is a summary of the principal terms of the 2021 Share Option Scheme:

Purpose

To strengthen the incentive mechanism of the Company, enhance the engagement and creativity of the employees, promote the R&D projects of our Group, and promote common development of the employees and our Company, the Company has adopted the 2021 Employee Incentive Plan.

Administration

The management committee is authorized by the Board to specifically design and be responsible for the affairs and management of the Employee Incentive Platform. The management committee is responsible for handling and implementing various tasks, including but not limited to:

- determining the framework for awards grant arrangements, including but not limited to several batches of grants, the time for each batch of grants, and the total grant amount for each batch of options;
- determining the awards grant conditions, exercise conditions, exercise price, and exercise period of options;
- determining the scope of eligible candidates (and the conditions that need to be met), and the list of participants; and
- other duties specified under the scheme or authorized by the Board.

Eligible Participants

The incentive participants shall be employees, current directors, or other external personnel who have significant value and contribution to the development of the Company, proposed by the human resources department and approved by the management committee. Eligible candidates include but are not limited to the following individuals: (1) current directors, senior management, and current employees who have made historical contributions to the Company; (2) current directors, senior management, and current employees who are expected to contribute to the Company in the future; and (3) other outstanding talents introduced according to the Company's development needs.

Total Number of the Underlying Shares

Participants shall be interested in a total of 6,000,000 Shares (the "**Incentive Awards**") through holding the partnership interests in Yantai Dinglan, representing 6.04% of the share capital of our Company in issue immediately prior to the [**REDACTED**].

Subscription Price and Payment of Contribution

Under the 2021 Employee Incentive Plan, participants who were granted Incentive Awards exercised their rights at a price of RMB1.0 per Share.

Grantees shall make payment in accordance with the provisions of the grant agreement during the term of the 2021 Employee Incentive Plan, in the manner and at the time specified in the grant agreement.

Form of Awards under the 2021 Employee Incentive Plan

The participants shall subscribe for partnership interests of the Equity Incentive Platform, as partners according to the number of awards granted under the 2021 Equity Incentive Scheme, thereby indirectly holding the Shares and/or restricted Shares of our Company by virtue of their capacity as partners of the relevant Equity Incentive Platform.

Grant Period and Transfer Restrictions

The participants under the 2021 Employee Incentive Plan shall comply with the grant period and transfer restrictions set forth in the grant agreement. Without the prior written consent of the management committee, participants shall not directly or indirectly transfer, sell, gift or dispose of their interests in Yantai Dinglan in any other way, nor shall they mortgage, pledge or set any other encumbrances in any other way.

Lock-up Periods and Restrictions

Without the prior written consent of the management committee, the participants shall not directly or indirectly transfer, sell, gift or dispose of the Incentive Awards obtained from exercising their rights in any other way, nor shall they mortgage, pledge or create any other encumbrance in any other way.

The participants shall comply with the lock-up period and restriction requirements under the relevant laws and regulations.

Exit Mechanism of Incentive Equity

If the following reasons are triggered, the grantor of Incentive Awards has the right to make repurchase requests to the participants at an appropriate time:

- If the company terminates its labor/service relationship due to major negligence such as violating the law, violating professional ethics, leaking company secrets, dereliction of duty or misconduct that damages the company's interests or reputation, the grantor has the right to demand the repurchase of all or part of the property shares, or request the transfer to a designated party, at a price equal to the exercise price of the participants. In this case, the company reserves the right to claim compensation from the participants and has the priority to deduct it from the proceeds of the transfer of their incentive shares.

- Participants who voluntarily resign or are laid off without any negligence, illegal or disciplinary behavior, as well as those who resign due to retirement, death, or loss of labor capacity. If the participant resigns within 2025, the grantor has the right to request the repurchase of all or part of the property shares, or to request the transfer to a designated party, at a price equal to the exercise price of the participant. If the participant resigns within 2026, the grantor has the right to request the repurchase of all or part of the property shares, or to request the transfer to a designated party, at a price equal to the exercise price of the participant plus 5% interest from the previous year. If the participant resigns after January 1, 2027, all property shares will be held by the participant.

- The participant meets the requirements for the service period, but fails the key performance indicator (the "**KPI**") assessment. If the KPI assessment for the year 2025 fails, the grantor has the right to request the purchase of all or part of the property shares obtained from the accelerated exercise of 30% of the second phase of foreign exchange, or to request the transfer to the developing party. If the KPI assessment for the year 2026 fails, the grantor has the right to request the purchase of all or part of the property shares obtained from the accelerated exercise of 40% of the third phase of foreign exchange, or to request the transfer to a designated party. The above repurchase prices do not include the exercise price of participants plus a 5% interest from the previous year.

Partnership interests in the Employee Incentive Platform

As of the date of this Document, all partnership interests in the 2021 Employee Incentive Plan has been subscribed by and fully paid up by the eligible participants. As of the date of this Document, all Incentive Awards were granted to, and subscribed for by the participants. No further awards will be granted after the date of this Document and the 2021 Employee Incentive Plan will not cause any dilution of the shareholding of our Shareholders after the [**REDACTED**].

Details of the Incentive Awards granted to the participants under the 2021 Employee Incentive Plan are set out below:

Name	Position(s)	Approximate partnership interests in the Employee Incentive Platform	Approximate number of Shares corresponding to Incentive Awards granted[1]	Approximate shareholding percentage of total issued Shares immediately prior to the [REDACTED]
Wu Xiaoming	Executive Director and general manager	34.00%	2,040,000	2.05%
Luo Zhigang	Chairman of the Board and non-executive Director	15.17%	910,440	0.92%
Zhang Jingjing[2] (張靜靜)	Consultant	10.00%	600,000	0.60%
He Tian (何田)	Production technology director	9.00%	540,000	0.54%
Dr. Chen[2]	Consultant	8.83%	529,560	0.53%
Wen Xuejun (文雪君)	Translational medicine director	5.00%	300,000	0.30%
Yang Hongzhang (楊鴻章)	Early R&D director	5.00%	300,000	0.30%
Jia Fengyan (賈風燕)	R&D quality director	3.00%	180,000	0.18%
Liu Junni (劉軍妮)	Quality control manager	3.00%	180,000	0.18%

Name	Position(s)	Approximate partnership interests in the Employee Incentive Platform	Approximate number of Shares corresponding to Incentive Awards granted[(1)]	Approximate shareholding percentage of total issued Shares immediately prior to the [REDACTED]
Yang Qingbao (楊清寶)	General operations director	3.00%	180,000	0.18%
Li Ji	Executive Director, Board secretary and joint company secretary	3.00%	180,000	0.18%
Ma Weiwei (馬偉偉)	Domestic registration and project management director	1.00%	60,000	0.06%

(1) For illustrating the indirect interests of grantees in the Shares, the number of Shares is presented and calculated by multiplying their respective percentage of partnership interests in the relevant Employee Incentive Platform by the total number of Shares held by the relevant Employee Incentive Platform.

(2) The Incentive Awards were granted to the relevant consultants to reward the contribution made by the relevant consultants to our Group.

2023 Share Option Scheme

Our Company adopted the 2023 Share Option Scheme on December 31, 2023 which was further amended and approved on September 18, 2025. The following is a summary of the principal terms of the 2023 Share Option Scheme:

Objective

To strengthen the incentive mechanism of the Company, enhance the engagement and creativity of the employees, promote the R&D projects of our Group, and promote common development of the employees and our Company, the Company has adopted the 2023 Share Option Scheme.

Administrations

The 2023 Share Option Scheme are subject to Shareholders' approval in general meeting. Our Board is authorized for the alteration and implementation of the 2023 Share Option Scheme.

Eligibility

The incentive participants shall be current directors, senior management and current employees, or other external personnel who have significant value and contribution to the development of the Company, proposed by the human resources department and approved by the Board. Eligible candidates include but are not limited to the following individuals: (1) current directors, senior management, and current employees who have made historical contributions to the Company; (2) current directors, senior management, and current employees who are expected to contribute to the Company in the future; and (3) other outstanding talents introduced according to the Company's development needs.

Class of Shares

The underlying Shares under the 2023 Share Option Scheme are H Shares to be [**REDACTED**] to the specified participants by the Company subsequent to the [**REDACTED**]. The Company will not grant any share option under the 2023 Share Option Scheme after [**REDACTED**].

Date of Grant

The date of grant of the 2023 Share Option Scheme is July 1, 2024.

Vesting Schedules

The vesting schedules of the options granted under the 2023 Share Option Scheme are as follows: upon the completion of the [**REDACTED**], (i) 30% to be vested after six financial years after the grant date; (ii) the 30% to be vested after seven financial years after the grant date and (iii) 40% to be vested after eight financial years after the grant date. The actual amount of options to be vested under 2023 Share Option Scheme are subject to the achievement of certain performance targets of the relevant grantees as further described below.

Performance Targets and Vesting Conditions

The grantees should achieve a KPI score of 85 in the Company's job performance assessment in order to meet the exercise conditions. If the assessment score is lower than 85 points in any of the first five financial years after the grant date , the board of directors has the discretion to determine whether any portion of the unvested options shall be cancelled; If the assessment score for each of the sixth, the seventh and the eighth financial year after the grant date is lower than 85 points, vesting condition in the relevant year is not satisfied and the portion of the options to be vested in the relevant year will be cancelled.

Exercise Period

The participants under the 2023 Share Option Scheme shall comply with the exercise period determined by the Board set forth in the grant agreement.

Exercise Price

The exercise price of the options under the 2023 Share Option Scheme is RMB10.2 per Share.

Basis of Determination of the Exercise Price

The exercise price is determined based on 50% of the fair price per share (Series B financing price) of RMB20.46 at the time of implementation of the 2023 Share Option Scheme, and shall not be lower than the net asset value per share of the Company at the time of implementation.

Before the incentive object completes the exercise of rights, if the Company engages in capital reserve conversion to share capital, distribution of stock dividends, share splitting or reduction, rights issue, dividends and other matters, the exercise price will be adjusted accordingly by the Board.

Lock-up Periods and Restrictions

Without the prior written consent of the Board, the participants shall not directly or indirectly transfer, sell, gift or dispose of the Shares obtained from exercising their rights in any other way, nor shall they mortgage, pledge or create any other encumbrance in any other way. The participants shall comply with the lock-up period and restriction requirements under the relevant laws and regulations.

Details of the Grantees and the Outstanding Share Options

As of the Latest Practicable Date, the number of underlying Shares pursuant to the outstanding share options granted under the 2023 Share Option Scheme amounted to 3,665,200 Shares, representing approximately [**REDACTED**]% respectively of the [**REDACTED**] Shares immediately following the completion of the [**REDACTED**] (assuming that all options granted under the 2023 Share Option Schemes are exercised; (2) the [**REDACTED**] is not exercised and (3) no further Shares are [**REDACTED**] under the 2023 Share Option Scheme).

Assuming full vesting and exercise of all outstanding share options granted under the 2023 Share Option Scheme, the shareholding of our Shareholders immediately following completion of the [**REDACTED**] (assuming that (1) all options granted under the 2023 Share Option Scheme are exercised; and (2) the [**REDACTED**] is not exercised), will be diluted by approximately [**REDACTED**]%. The consequent impact on the earnings per Share for the years ended December 2023 and 2024 is nil and nil, respectively, being the incremental impact to diluted earnings per Share, since the options would not be included in the calculation of diluted earnings per Share due to anti-dilution.

Details of the grantees and the corresponding options granted to the relevant grantees under the 2023 Share Option Scheme are set out below:

Name	Position(s)	Date of Grant	Vesting Period	Exercise Period	Exercise Price	Number of Shares Underlying the Outstanding Options	Approximately of issued Shares immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the 2023 Share Option Scheme)
Luo Zhigang	Chairman of the Board and non-executive Director	July 1, 2024	Note 2	Note 3	RMB10.2	1,832,600	**[REDACTED]**%
Wu Xiaoming	Executive Director and general manager	July 1, 2024	Note 2	Note 3	RMB10.2	1,832,600	**[REDACTED]**%

Notes:

* *For address of each grantee, please refer to "Directors and Parties Involved in the* **[REDACTED]**.*"*

(1) There is no consideration paid for the acceptance of the options.

(2) For vesting period, please refer to "— Pre-**[REDACTED]** Equity Incentive Plan — 2023 Share Option Scheme — Vesting Schedules" in this section for details.

(3) The options granted under the 2023 Share Option Scheme can be exercised within 20 business days after vesting.

No further options are expected to be granted under the 2023 Share Option Scheme.

An application has been made to the Stock Exchange for the **[REDACTED]** of and permission to deal in the H Shares which may be allotted and **[REDACTED]** upon the exercise of the outstanding options pursuant to the Pre-**[REDACTED]** Share Option Schemes.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to be imposed on our Company or any of our subsidiaries.

Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and, so far as we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred any material preliminary expenses.

Promoter

All of the promoters of the Company are the then Shareholders as at July 31, 2024 immediately before our conversion into a joint stock limited liability company. Save as disclosed in this Document, within the two years immediately preceding the date of this Document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the [**REDACTED**] or the related transactions described in this Document.

Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the seller and purchaser is HK$1.00 for every HK$1,000 (or part thereof) of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

No Material Adverse Change

Our Directors confirm that up to Latest Practicable Date, there has been no material adverse change in our financial, operational or trading positions or prospects since December 31, 2025, being the end of the period reported on as set out in the Accountants' Report included in Appendix I to this Document.

Qualifications of Experts

The qualifications of the experts who have given opinions or advice in this Document are as follows:

Name	**Qualification**
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) of the regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
Zhong Lun Law Firm	PRC legal adviser
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Consents of Experts

Each of the experts as referred to "— Qualifications of Experts" in this Appendix has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its report and/or letter and/or opinion and/or references to its name included herein the form and context in which it is respectively included.

Sole Sponsor

The Sole Sponsor satisfies the independence criteria applicable to the sponsor set out in Rule 3A.07 of the Listing Rules. The total amount of sponsor's fee is US$500,000, all of which remained payable as of the Latest Practicable Date. The Sole Sponsor has made an application on our Company's behalf to the Listing Committee of the Stock Exchange for the granting of the approval for the [**REDACTED**] of, and permission to deal in, all the H Shares in [**REDACTED**] and to be [**REDACTED**] as mentioned in this Document. All necessary arrangements have been made for the H Shares to be admitted into [**REDACTED**].

Restriction on Share Repurchase

For details of the restrictions on share repurchases by our Company, see "Appendix III — Summary of Articles of Association."

Binding Effect

This Document shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

Bilingual Document

The English and Chinese language versions of this Document are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Miscellaneous

Save as otherwise disclosed in this Document:

(a) within the two years preceding the date of this Document: (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued, or is proposed to be fully or partly paid either for cash or a consideration other than cash; (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; (iii) no [**REDACTED**], discounts, [**REDACTED**] or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share of our Company or any of our subsidiaries; and (iv) no [**REDACTED**] has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company;

(b) there are no founder, management or deferred shares or any debentures in our Company or any of our subsidiaries;

(c) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;

(d) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this Document;

(e) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(f) our Company has no outstanding convertible debt securities or debentures;

(g) there is no arrangement under which future dividends are waived or agreed to be waived;

(h) none of our equity and debt securities is [**REDACTED**] or dealt with in any other stock exchange nor is any [**REDACTED**] or permission to deal being or proposed to be sought;

(i) our Company is a joint stock limited company and is subject to the PRC Company Law; and

(j) our Company has adopted a code of conduct regarding Directors' securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.