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 this document in its entirety before you decide to invest in the [**REDACTED**]. *There are risks associated with any investment. Some of the particular risks in investing in the* [**REDACTED**] *are set out in "Risk Factors" of this document. You should read that section carefully before you decide to invest in the* [**REDACTED**]. *Your* [**REDACTED**] *decision should be made in light of these considerations.*

OVERVIEW

Founded in 2008, we are a next-generation contract research organization (CRO) dedicated to empowering pharmaceutical enterprises and research institutions worldwide through integrated, disease biology–driven research and development (R&D) solutions. Through this business model, we go beyond the traditional role of a CRO as an outside contractor of discrete tasks to act as a strategic R&D partner. We provide a comprehensive suite of nonclinical safety, efficacy and drug metabolism and pharmacokinetics (DMPK) studies, alongside integrated clinical trial services spanning proof-of-concept to pivotal trials, supporting our clients throughout the R&D lifecycle. During the Track Record Period, we generated substantially all of our revenue from providing nonclinical and clinical services, with an insignificant proportion derived from supplying research animals to third parties.

With a strong focus on clinical value, we have developed deep expertise and significant experience in cardiometabolic diseases, central nervous system (CNS) diseases, ophthalmology, autoimmune diseases and oncology. According to Frost & Sullivan, we are the No. 1 CRO in China for nonclinical studies in cardiometabolic diseases in terms of relevant revenue in 2025.

We believe our success is anchored in our unwavering commitment to sustained innovation and technological expertise. We have constructed one of the most comprehensive portfolios of non-human primate (NHP) disease models in China, according to Frost & Sullivan, supporting key nonclinical studies in a variety of disease areas. Building on our disease model portfolio, we rank as the third-largest CRO in China for efficacy studies by relevant revenue in 2025. Our integrated biomarker and translational medicine platforms provide immunological, cellular and molecular assays, enhanced by mass spectrometry bioanalysis with advanced sensitivity, robustness and throughput. In the meantime, we proactively monitor advances in novel therapeutic modalities across key disease areas to strategically expand our technical capabilities ahead of industry trends. We have accumulated extensive project experience in oligonucleotide therapeutics, monoclonal, bispecific and multispecific antibodies, antibody-drug conjugates (ADCs) and other advanced therapies. We also deploy new alternative methods (NAMs) to improve clinical predictivity for specific efficacy or toxicity endpoints. In addition, we have supported our clients in clinical trials involving a diverse range of advanced therapies, especially in the field of cancer treatment.

Our scientific and technological expertises have positioned us as a trusted partner for global pharmaceutical leaders seeking advanced translational research, and enabled deeper scientific engagement across a broad range of research activities. We have delivered significant R&D outcomes through collaborations with MNC clients as well as academic institutions, resulting in multiple joint publications in respected medical and scientific journals.

Through close collaboration, we have established a loyal, diverse and quality client base, including commercial-stage pharmaceutical companies, early-stage biotechs and renowned research institutions across the world. Since our establishment and up to the Latest Practicable Date, we had provided nonclinical services to more than 750 clients and clinical services to more than 130 clients, and helped our clients secure over 240 approvals from the National Medical Products Administration (NMPA) and over 50 approvals from overseas regulatory agencies. With both the Good Laboratory Practice (GLP) and the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) certifications, we can support our clients' regulatory submissions across key markets worldwide.

We are guided by a visionary and experienced management team, whose multidisciplinary expertise spans pharmaceutical science, regulatory strategy and operational management. Mr. Zhang Xuefeng, our Chairman and general manager, leads our overall strategy and management. With more than 20 years of industry experience, Mr. Zhang brings extensive expertise in drug research and development as well as business operations. Our management is supported by an efficient operational team with technical and therapeutic expertise, including more than 250 members with master's or doctoral degrees in relevant disciplines.

Guided by our management team, built upon our scientific and technological expertise and integrated service offerings, we have successfully implemented the next-gen CRO business model, which has fueled our robust business performance and profitability. Our gross profit margins in the years ended December 31, 2023, 2024 and 2025 were 46.9%, 30.0% and 34.5%, respectively, generally surpassing industry average, according to Frost & Sullivan. This demonstrates our resilient profitability and strong adaptability in an ever-evolving industry landscape.

OUR FEE MODEL

During the Track Record Period, we generated substantially all of our revenue through providing nonclinical and clinical services. We primarily adopt a fee-for-service ("FFS") model. Under this model, we typically enter into a master service agreement with the client and receive payments in accordance with a pre-agreed payment schedule set out in the agreement. See "Business—Our Business Model—Our Fee Model" for details.

Under such fee model, revenue expected from services not yet rendered under signed contracts is recorded as contracted future revenue, representing future revenue to be realized upon the completion or delivery of these services. As of December 31, 2025, our contracted future revenue was RMB979.6 million.

OUR STRENGTHS

We believe our strengths are:

- Next-generation CRO redefining the industry with integrated, disease biology–driven R&D solutions;
- Sustained innovation and technological expertise in advanced therapeutic modalities;
- High-quality customer base and extensive domestic and global project experience;
- Robust supply chain and advanced disease model capabilities; and

- Visionary and experienced management team with global-native mindset.

OUR STRATEGIES

We plan to pursue the following strategies:

- Continue to build our talent development system and recruit experienced professionals from diverse backgrounds;
- Enhance technical expertise and innovation to establish sustainable technological advantages as a next-gen CRO;
- Upgrade the NAMs platform and enhance NHP colony quality to increase translational value of nonclinical studies;
- Strengthen our end-to-end service system with integrated R&D solutions;
- Broaden our global footprint and enhance global service capabilities; and
- Promote ecosystem development and empower pharmaceutical innovation.

SALES AND MARKETING

We procure business from new clients and retain existing clients through the business development efforts of our scientists and our marketing and sales teams as well as word-of-mouth referrals by clients, which as serve as a testament to our service quality and client satisfaction. We also leverage our brand reputation, strong scientific expertise, stringent compliance management and proven track record of project execution and delivery to retain and attract clients to our service offerings across different development stages. We value our long-term relationships with key clients and aim to further deepen and broaden such relationships by identifying potential strategic alliance opportunities.

OUR FACILITIES

We are headquartered in Nanjing, China and currently operate facilities strategically located in Nanjing, Shanghai, Kunming and Wenchang in China and North Wales, Pennsylvania in the United States. We have obtained AAALAC accreditations for our animal facilities in Nanjing and Kunming and China National Accreditation Service certificate for our laboratory service facilities in Shanghai. We have also successfully obtained NMPA GLP certifications and passed FDA onsite GLP inspection for our safety assessment laboratories in Nanjing. To further expand our operations, we are establishing a new laboratory facility complex in Nanjing, China. As of the Latest Practicable Date, such facility was in pilot operation. We plan to commence full operations in the second half of 2026. See "Business—Our Facilities."

COMPETITION

The global CRO service market is highly competitive. We compete with both next-gen CROs and traditional CROs, including a substantial number of large and established multinational and Chinese domestic CROs that are able to provide a range of services to meet our clients' demands. We also face competition from in-house departments of biopharmaceutical companies. See "Industry Overview" and "Business—Competition."

OUR CUSTOMERS AND SUPPLIERS

Most of our clients are pharmaceutical and biotechnology companies, including both Chinese and global pharmaceutical companies and small- to medium-sized biotechnology companies. We provided services to 215, 208 and 208 clients in the 2023, 2024 and 2025, respectively. Our sales to the five largest customers in each year during the Track Record Period were not more than 30% of our total sales for the same year.

We procure a wide variety of supplies such as general laboratory consumables, equipment and research animals. In 2023, 2024 and 2025, purchases from our five largest suppliers accounted for 54.1%, 66.3% and 51.9% of our total purchases, respectively, and purchases from our largest supplier accounted for 35.9%, 55.6% and 46.2% of our total purchases, respectively.

PRE-[REDACTED] INVESTMENTS

Since our establishment, we have attracted certain Pre-[**REDACTED**] Investors and completed rounds of financing to raise funds for the development of our business. For further information of the principal terms of the Pre-[**REDACTED**] Investments and the identity and background of our major Pre-[**REDACTED**] Investors, see "History, Development and Corporate Structure—Pre-[**REDACTED**] Investments."

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We are applying for the Listing under Rule 8.05(3) of the Listing Rules and satisfy the market capitalization/revenue test, among other things, with reference to (i) our revenue for 2024, being RMB712.6 million, which exceeds HK$500 million as required by Rule 8.05(3) of the Listing Rules; and (ii) our expected market capitalization at the time of the Listing, which, based on the low end of the [**REDACTED**] range, would exceed HK$4 billion as required by Rule 8.05(3) of the Listing Rules.

RISK FACTORS

There are certain risks and uncertainties involved in investing in our H Shares, some of which are beyond our control. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include: (i) the CRO service market is highly competitive, and we may not be successful in competing in this industry; (ii) we rely on our clients' demand for the types of CRO services we provide. Any reduction in such demand could have a material adverse effect on our business, financial condition, results of operations and prospects; (iii) if we are unable to successfully adapt to or capitalize on the evolving trends in the CRO service market that underpin demand of the time, our growth, profitability, results of operations and financial condition could be adversely affected; (iv) our success depends on our ability to attract, train and retain skilled technical personnel. If we lose their services, our business and prospects could be severely disrupted; and (v) our results of operations are subject to biological asset fair value adjustments, which are non-cash in nature and can be highly volatile and are subject to a number of factors.

SUMMARY OF KEY FINANCIAL INFORMATION

This summary historical financial information set forth below is derived from, and should be read in conjunction with, our consolidated financial information, together with the accompanying notes, set forth in "Appendix I—Accountants' Report" to this document, as well as the information set forth in "Financial Information" of this document. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards.

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

	For the year ended December 31,								
	2023			2024			2025		
	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total
	(Renminbi in thousands)								
Revenue	767,228	–	767,228	712,601	–	712,601	749,993	–	749,993
Cost of sales	(383,161)	(24,224)	(407,385)	(460,560)	(38,227)	(498,787)	(403,544)	(87,412)	(490,956)
Gross profit	384,067	(24,224)	359,843	252,041	(38,227)	213,814	346,449	(87,412)	259,037
(Losses)/gains arising from changes in fair value of biological assets	–	(17,253)	(17,253)	–	(57,722)	(57,722)	–	288,354	288,354
Selling and marketing expenses	(17,431)	–	(17,431)	(14,830)	–	(14,830)	(13,129)	–	(13,129)
Administrative expenses	(147,746)	–	(147,746)	(162,797)	–	(162,797)	(205,472)	–	(205,472)
Research and development expenses	(45,702)	–	(45,702)	(48,630)	–	(48,630)	(41,420)	–	(41,420)
Profit/(loss) from operations	209,394	(41,477)	167,917	50,240	(95,949)	(45,709)	103,140	200,942	304,082
(Loss)/profit before taxation	15,871	(41,477)	(25,606)	(156,860)	(95,949)	(252,809)	(107,269)	200,942	93,673
(Loss)/profit for the year	(13,967)	(37,979)	(51,946)	(165,602)	(86,386)	(251,988)	(111,640)	191,603	79,963
(Loss)/profit for the year attributable to:									
Equity shareholders of the Company			(53,504)			(231,725)			18,448
Non-controlling interests			1,558			(20,263)			61,515

Non-IFRS Measures

The following tables reconcile our non-IFRS measures with their corresponding figures presented in accordance with IFRS Accounting Standards for the years indicated. For details, see "Financial Information—Results of Operations–Non-IFRS Measures."

	For the year ended December 31,		
	2023	2024	2025
	(Renminbi in thousands)		
(Loss)/profit for the year	(51,946)	(251,988)	79,963
Adjusted for:			
Equity-settled share-based payment expenses	31,318	40,838	48,976
Changes in carrying amount of redemption liabilities	195,940	205,700	206,098
Listing expenses	–	–	21,662
Effect of corresponding income tax	(4,710)	(6,908)	(11,642)
Adjusted profit/(loss) for the year	**170,602**	**(12,358)**	**345,057**

	For the year ended December 31,		
	2023	2024	2025
	(Renminbi in thousands)		
(Loss)/profit for the year	(51,946)	(251,988)	79,963
Adjusted for:			
Income tax	26,340	(821)	13,710
Changes in carrying amount of redemption liabilities	195,940	205,700	206,098
Net finance costs	(25,748)	(22,175)	(16,059)
Depreciation charge			
– property, plant and equipment	43,075	61,145	56,826
– right-of-use assets	13,640	14,108	12,567
Amortization cost of intangible assets	2,029	2,495	2,508
EBITDA	**203,330**	**8,464**	**355,613**

We recorded profits for the year of RMB80.0 million in the year ended December 31, 2025. We recorded losses for the year of RMB51.9 million and RMB252.0 million in the years ended December 31, 2023 and 2024, respectively. During the Track Record Period, our profit/(loss) for the year was primarily affected by (losses)/gains arising from changes in the fair value of biological assets and changes in the carrying amount of redemption liabilities. In 2025, we recognized gains arising from changes in fair value of biological assets of RMB288.4 million. In 2023 and 2024, we recognized losses arising from changes in fair value of biological assets of RMB17.3 million and RMB57.7 million, respectively. We remeasure the biological assets at the end of each period at fair value less costs of disposal and recognize gains or losses arising from changes in the fair value of biological assets. Our changes in carrying amount of redemption liabilities amounted to RMB195.9 million, RMB205.7 million and RMB206.1 million, in 2023, 2024 and 2025, respectively.

Our sources of revenue primarily encompass (i) nonclinical study services, (ii) clinical trial services and (iii) sale of research animals. Certain of our nonclinical study projects comprise multiple studies, and for such projects we generally recognize revenue at a point in time upon completion of individual studies. For certain nonclinical study projects and all clinical trial projects, we recognize revenue over time, as our performance does not create an asset with an alternative use and we have an enforceable right to payment for performance completed to date or the customer simultaneously receives and consumes the benefits provided by our performance. For the years ended December 31, 2023, 2024 and 2025, we undertook 1,121, 1,052 and 1,079 nonclinical studies and 451, 448 and 495 clinical projects, respectively. During the Track Record Period, we generated majority of our revenue from fees received from providing pharmacological efficacy and safety assessment services in connection with nonclinical studies. We also generated revenue from providing clinical trial services. We recorded revenue of RMB767.2 million, RMB712.6 million and RMB750.0 million for the years ended December 31, 2023, 2024 and 2025, respectively. The table below sets forth a breakdown of our revenue by business segment for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(Renminbi in thousands, except for percentages)					
Rendering of services						
Nonclinical study services	593,613	77.4	530,533	74.4	540,059	72.0
Clinical trial services	144,419	18.8	168,850	23.7	192,285	25.6
Sale of goods						
Sales of research animals	26,824	3.5	12,596	1.8	16,923	2.3
Others[(1)]	775	0.1	622	0.1	726	0.1
Revenue from other sources						
Rental income from operating leases	1,597	0.2	–	–	–	–
Total	**767,228**	**100.0**	**712,601**	**100.0**	**749,993**	**100.0**

Note:

(1) Others mainly refer to revenue generated from sales of animal feed and beddings.

During the Track Record Period, our overall gross profit margin fluctuated, primarily due to (i) fluctuations in the gross profit margin of our nonclinical study services, and (ii) an increased revenue contribution from clinical trial service, which generally has a lower profit margin. The gross profit margins for our nonclinical study services was higher than that for our clinical trial services as we possess core strengths in our nonclinical business, particularly in our research model portfolio. The following table sets forth our gross profit and gross margins by business segment for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(Renminbi in thousands, except for percentages)					
Rendering of services						
Nonclinical study services	313,319	52.8%	175,678	33.1%	211,312	39.1%
Clinical trial services	39,794	27.6%	34,700	20.6%	42,899	22.3%

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(Renminbi in thousands, except for percentages)					
Sale of goods						
Sales of research animals	6,031	22.5%	3,296	26.2%	4,630	27.4%
Others[(1)]	135	17.4%	140	22.5%	196	27.0%
Revenue from other sources						
Rental income from operating leases	564	35.3%	–	–	–	–
Total	**359,843**	**46.9%**	**213,814**	**30.0%**	**259,037**	**34.5%**

Note:

(1) Others mainly refer to gross profit and gross margin of sales of animal feed and beddings.

For further details, see "Financial Information—Discussion of Selected Items from the Consolidated Statements of Profits or Loss and Other Comprehensive Income."

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

	As of December 31,		
	2023	2024	2025
	(Renminbi in thousand)		
Total non-current assets	1,591,835	1,619,992	1,765,418
– Biological assets	319,587	703,082	986,466
Total current assets	962,771	1,341,413	1,810,532
– Biological assets	176,169	126,170	363,679
Total current liabilities	2,784,574	3,400,714	3,568,982
– Redemption liabilities	2,417,994	2,623,694	2,822,986
Net current liabilities	(1,821,803)	(2,059,301)	(1,758,450)
Total non-current liabilities	44,475	43,273	33,595
Net liabilities	(274,443)	(482,582)	(26,627)
Capital and Reserves			
Share capital	444,131	444,131	444,131
Reserves	(740,849)	(937,105)	(868,065)
Total deficit attributable to equity shareholders of the Company	(296,718)	(492,974)	(423,934)
Non-controlling interests	22,275	10,392	397,307
Net deficit	(274,443)	(482,582)	(26,627)

During the Track Record Period, our biological assets primarily consisted of NHPs hosted at our Hainan and Kunming facilities, including those used for nonclinical studies, which we classified as current assets, and those for breeding purposes which we classified as non-current assets.

During the Track Record Period, changes in the fair value of our biological assets were mainly driven by fluctuations in market prices and quantities of NHPs. The fair value of our NHP research animals increased from RMB492.5 million as of December 31, 2023 to RMB826.4 million as of December 31, 2024 and further to RMB1,347.0 million as of December 31, 2025, primarily due to our purchase of new NHPs for breeding purposes and the continued expansion of our Hainan facility. As of December 31, 2023, 2024 and 2025, we owned 5,981, 13,274 and 18,809 NHPs in total, respectively. During the same periods, the market price of three-to-five-year-old cynomolgus monkeys decreased from RMB112,500 per head as of December 31, 2023 to RMB81,500 per head as of December 31, 2024, and then increased to RMB102,000 per head as of December 31, 2025. For further details, see "Financial Information—Discussion of Selected Items from the Consolidated Statements of Financial Position—Biological Assets."

Our biological assets were independently valued by United Assets & Real Estate Appraisal Co., Ltd., which is an independent professional appraiser not connected with us and has experience in valuation of biological assets. See "—Valuation of Biological Assets" below.

Our redemption liabilities were in relation to the special rights granted to our Pre-[**REDACTED**] Investors for their Pre-[**REDACTED**] Investments into us. We recognized redemption liabilities of RMB2,418.0 million, RMB2,623.7 million and RMB2,823.0 million as of December 31, 2023, 2024 and 2025, respectively. Our redemption liabilities will be reclassified from liabilities to equity as a result of the termination of special rights upon Listing.

For further details, see "Financial Information—Discussion of Selected Items from the Consolidated Statements of Financial Position."

Our net liabilities increased from RMB274.4 million as of December 31, 2023 to RMB482.6 million as of December 31, 2024, primarily due to loss for the year of RMB252.0 million in the year ended December 31, 2024, partially offset by equity-settled share-based transactions of RMB40.8 million in the same period. Our net liabilities then decreased to RMB26.6 million as of December 31, 2025, primarily due to capital contribution from non-controlling shareholders of subsidiaries of RMB321.6 million and profit for the year of RMB80.0 million in 2025.

The following table sets forth a summary of our cash flows for the years indicated.

	Year ended December 31,		
	2023	2024	2025
	(Renminbi in thousands)		
Net cash used in operating activities	(65,951)	(251,574)	(140,045)
Net cash (used in)/generated from investing activities	(578,680)	117,551	235,696
Net cash generated from financing activities	211,151	246,083	140,292
Net (decrease)/increase in cash and cash equivalents	(433,480)	112,060	235,943
Cash and cash equivalents at the beginning of the year	689,953	256,768	369,252

	Year ended December 31,		
	2023	2024	2025
	(Renminbi in thousands)		
Effect of foreign exchange rate changes	295	424	(4,377)
Cash and cash equivalents at the end of the year	256,768	369,252	600,818

Our net cash used in operating activities in the years ended December 31, 2023, 2024 and 2025 was primarily attributable to our continued investment in building up our NHPs for breeding and the impact of market conditions on our nonclinical study service business. We have made significant cash payments for the purchase of NHPs for breeding in each period, which are recorded as biological assets and are not expensed in the same period. In particular, in the years ended December 31, 2023, 2024 and 2025, we made cash payments of RMB235.6 million, RMB362.7 million and RMB437.4 million, respectively, for the purchase of NHPs for breeding. Excluding cash payments for NHPs for breeding, we recorded net cash generated from operating activities in each period. After excluding this impact, the decrease in net cash generated from operating activities from the year ended December 31, 2023 to the same period in 2024 was mainly due to (i) lower gross profit margins of our nonclinical study projects as competition intensified, and (ii) an increase in trade receivables as certain nonclinical toxicology client gained stronger bargaining power on payment terms, resulting in longer collection periods. After excluding cash payments for NHPs for breeding, we recorded an increase in net cash generated from operating activities from 2024 to 2025. For further details, see "Financial Information—Liquidity and Capital Resources—Cash Flows."

Key Financial Ratios

The following table sets forth certain of our key financial ratios as of the dates or the year indicated. For definitions of these financial ratios, see "Financial Information—Key Financial Ratios."

	As of/Year ended December 31,		
	2023	2024	2025
Gross profit margin *(%)*	46.9	30.0	34.5
Net (loss)/profit margin *(%)*	(6.8)	(35.4)	10.7
Adjusted net profit/(loss) margin (non-IFRS measure) *(%)*	22.2	(1.7)	46.0
EBITDA margin (non-IFRS measure) *(%)*	26.5	1.2	47.4
Current ratio *(times)*	0.3	0.4	0.5

VALUATION OF BIOLOGICAL ASSETS

Information about the Independent Appraiser of Our Biological Assets

We have engaged United Assets & Real Estate Appraisal Co., Ltd., an independent appraiser, to determine the fair values of our biological assets as of December 31, 2023, 2024 and 2025. United Assets & Real Estate Appraisal Co., Ltd. holds the Asset Appraisal Qualification Certificate issued by the Ministry of Finance of the People's Republic of China, the Qualification Certificate for Securities and Futures-Related Business Appraisal jointly issued by the Ministry of Finance of the People's Republic of China and the China Securities Regulatory Commission, and the Registration Certificate for Real Estate Appraisal Company in the People's Republic of China issued by the Fuzhou Housing Security and Real Estate

Administration. The key appraisers of our Independent Biological Assets Appraiser are Mr. Li Xiang, Ms. Li Xiaoli, Mr. Zhang Meng, Mr. Sun Jianbo, Mr. Liu Mingze and Mr. Li Xu. For details of these key appraisers' qualifications and experience, see "Financial Information—Valuation of Biological Assets—Information about the Independent Appraiser of Our Biological Assets."

Based on market reputation, track record in biological asset valuation and relevant background research, our Directors and the Joint Sponsors are satisfied that our Independent Biological Assets Appraiser is independent from us and is competent in conducting a valuation on our biological assets.

Valuation Methodology

During the Track Record Period, our biological assets mainly consisted of NHP research animals, for which we engaged our Independent Biological Assets Appraiser to measure their fair value. Our other biological assets were not material to our financial results during the Track Record Period. In arriving at the assessed value, we adopted two generally accepted approaches, namely, the market approach for NHP research animals aged five years or below and depreciated replacement cost approach for NHP animals aged above five years. For further details, see "Financial Information—Valuation of Biological Assets—Valuation Methodology."

Key Assumptions and Inputs

The key input and assumption made for valuing our biological assets include the following,

- Classification of biological assets by age, gender, species and intended use;
- Quantity and condition of each category of biological assets as of each valuation date;
- Recent sales price and procurement data for similar biological assets at each valuation date;
- Estimated productive lifespan and typical reproductive cycles;
- Cost for raising, expected culling rate and disposal costs;
- Applicable taxes, selling expenses and other deductions applied to market prices in deriving the fair values;
- Replacement costs and remaining productive capacities of breeding animals, including assumptions on the economic useful life and the number of reproductive cycles; and
- Unrealized profits to be deducted from the projected selling prices of immature biological assets.

The following factors form an integral part of the bases of our Independent Biological Assets Appraiser's opinion,

- assumptions on the market and the asset that are considered to be fair and reasonable;
- consideration and analysis on the micro and macro economy affecting our biological assets;

- review of the operational conditions of our breeding bases, including husbandry practices, facilities and health management of the biological assets;
- analytical review of the biological assets;
- assessment of the marketability of different categories of biological assets and the availability of observable market prices and transactions;
- the assumption that our group and the biological assets will continue as a going concern and that the macroeconomic, social and tax environments in which we operate remain broadly stable;
- the assumption that the information, including quantity, age, health status and cost information, relating to our biological assets provided by us is true, accurate and complete; and
- the fact that the valuation has been prepared for financial reporting purposes as of specific valuation dates and is based on financial analysis only, without taking into account commercial, legal, tax or regulatory considerations beyond those reflected in the financial information.

Sensitivity Analysis

The estimated fair value of non-human primates increases/decreases as a result of an increase/decrease in the average market prices of NHP research animals aged three to five years old. As of December 31, 2023, 2024 and 2025, if market price increased/decreased by 10%, the estimated fair value of biological assets would have increased/decreased by RMB28.1 million, RMB32.6 million and RMB114.3 million, respectively.

[**REDACTED**]

The statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has been completed and [**REDACTED**] H Shares are newly issued in the [**REDACTED**], and (ii) [**REDACTED**] Shares are issued and outstanding following the completion of the [**REDACTED**]:

	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]	**Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]**
Market capitalization[(1)]	HK$[**REDACTED**] million	HK$[**REDACTED**] million
Unaudited [**REDACTED**] adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share[(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the Conversion and the [**REDACTED**].

(2) The unaudited [**REDACTED**] adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share is arrived at after the above adjustment and on the basis that a total of [**REDACTED**] Shares (excluding 57,131,000 Shares held for employee incentive scheme) were

in issue immediately following the completion of the [**REDACTED**] assuming the [**REDACTED**] had been completed on December 31, 2025 without taking into account of any Shares which may be issued upon the exercise of the [**REDACTED**] and any shares to be issued pursuant to the share incentive scheme.

For the calculation of the unaudited [**REDACTED**] adjusted net tangible assets per Share attributable to our Shareholders, see Appendix II in this document.

DIVIDEND

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders. As confirmed by our PRC Legal Adviser, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after, (i) all our historically accumulated losses have been made up for, and (ii) we have allocated sufficient net profit to their statutory common reserve fund as described above.

FUTURE PLANS AND USE OF PROCEEDS

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the midpoint of the range of the [**REDACTED**] stated in this document), we estimate that we will receive net proceeds of approximately HK$[**REDACTED**] million from the [**REDACTED**] after deducting the [**REDACTED**] commissions and other estimated expenses in connection with the [**REDACTED**] (assuming the [**REDACTED**] is not exercised). We intend to use our proceeds for the purposes and in the amounts set forth below.

(i) Approximately [30.0]%, or HK$[**REDACTED**] million, will be allocated to capacity expansion and facility upgrades.

(ii) Approximately [20.0]%, or HK$[**REDACTED**] million, will be allocated to continue expanding and strengthening our NAMs platform and building collaborations with leading academic institutions and innovative pharmaceutical companies.

(iii) Approximately [10.0]%, or HK$[**REDACTED**] million, will be allocated to establish a translational science and innovation center, further reinforcing our technical expertise and innovative capabilities.

(iv) Approximately [15.0]%, or HK$[**REDACTED**] million, will be used to establish an international business development (BD) team and employee development framework.

(v) Approximately [15.0]%, or HK$[**REDACTED**] million, will be used for potential acquisition of suitable CRO companies and related assets in China and overseas.

(vi) Approximately [10.0]%, or HK$[**REDACTED**] million, will be used for working capital and general corporate purposes.

For details, please see "Future Plans and Use of Proceeds."

LISTING EXPENSES

Listing expenses represent professional fees, [**REDACTED**] commission and other fees incurred in connection with the [**REDACTED**]. Listing expenses to be borne by us are estimated to be approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million), comprising: (i) [**REDACTED**] fees of RMB[**REDACTED**] million (HK$[**REDACTED**] million); and (ii) [**REDACTED**] related expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), which are further categorized into: (a) fees and expenses of legal advisers and accountants of RMB[**REDACTED**] million (HK$[**REDACTED**] million); and (b) other fees and expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), assuming the [**REDACTED**] is not exercised and based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] range), approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) of which was charged or is expected to be charged to our consolidated statements of profit or loss, and approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) of which is expected to be deducted from equity upon the completion of the [**REDACTED**]. The listing expenses are expected to represent approximately [**REDACTED**]% of the gross proceeds of the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range) and that the [**REDACTED**] is not exercised. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS

Since December 31, 2025 and up to the Latest Practicable Date, we have developed more than 20 new clients.

Financial Performance

For the five months ended May 31, 2026, based on our internal financial data, our revenue increased by over 15% compared to the same period in 2025.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 (being the end date of the period reported on in the Accountants' Report in Appendix I to this document) and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.

CSRC FILING

We submitted a filing to the CSRC for application of listing of the H Shares on the Stock Exchange and the [**REDACTED**] on [●]. The CSRC [confirmed] our completion of filing on [●].