An investment in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, as well as our financial statements and the related notes, and the "Financial Information" section, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment.

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given will not be updated after the date hereof, and is subject to the cautionary statements in "Forward-looking Statements" in this document.

RISKS RELATING TO OUR BUSINESS AND THE INDUSTRY

The CRO service market is highly competitive, and we may not be successful in competing in this industry.

The CRO service market is highly competitive in China and around the world. We compete with numerous large and established Chinese domestic and multinational CROs that offer a wide range of services to meet the demands of numerous complex and challenging projects simultaneously, from drug discovery to commercial release. There are also many small to medium-sized CROs that compete for market share. We also compete with the in-house discovery, testing, development and commercial manufacturing functions of pharmaceutical and biotechnology companies. We face competition in various aspects, including price, quality of services, breadth and flexibility of services, capacity, timeliness of delivery of services, compliance with regulatory standards and client relationships.

Some of our competitors may have better brand recognition, larger scale, more financial resources, better research and technical capabilities, greater pricing flexibility, stronger sales and marketing efforts, better access to existing and new clients and longer track record. In addition, our competitors may improve the performance of their services, introduce new services with lower prices, or adapt more quickly to new technologies and market developments in client demand and requirements, any of which could reduce the demand for our services and thus reduce our revenues. Furthermore, increased competition could create pricing pressure on our services, which could reduce our revenue and profitability. We may not be able to compete effectively with existing competitors or new competitors and increased competition may adversely affect our business, financial condition and results of operations.

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.

As a "next-gen" CRO, we aim to serve as a strategic R&D partner rather than only an external contractor. However, this business model also introduces additional challenges and risks for our growth. We compete with the in-house discovery, testing, development and commercial manufacturing functions of pharmaceutical and biotechnology companies. Currently, pharmaceutical and biotechnology companies tend to procure external R&D support from quality CROs with scientific expertise, but this trend may not continue. Our clients' demand for pharmaceutical R&D services is subject to a variety of factors, including their own

financial conditions, changes in their available resources, their capacities to acquire in-house R&D support, their spending priorities, their budgetary policies and practices, their abilities to comply with applicable laws and regulations and their perception of future market trends. Consolidations in our clients' industries may also affect our clients' spending as they integrate acquired R&D operations. In addition, some clients may be unwilling to relinquish control over their R&D programs, preferring to manage such activities in-house to protect proprietary technologies, confidential information or future strategic options. Concerns regarding confidentiality, data security, and intellectual property protection may also limit their willingness to deepen collaborations. Our ability to deliver differentiated values is critical to justify closer integration. If we fail to offer relevant scientific expertise, scalable innovation platforms or operational advantages that surpass those of traditional CROs or in-house capabilities, clients may be unwilling to pursue, renew or expand their partnership with us. If our clients' demands of our services reduced due to any of above factors, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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.

The CRO industry is characterized by dynamic shifts in scientific, technological and commercial trends that drive biopharmaceutical R&D, including new therapeutic modalities, such as RNA-based drugs and antibody-drug conjugates, and evolving disease area focuses, including cardiometabolic, CNS diseases, ophthalmology, autoimmune diseases and oncology, as well as changes in regulatory requirements, client preferences and broader healthcare system trends. To remain competitive, we must continuously monitor these trends and timely adjust our service offerings, technical capabilities and business development strategies accordingly.

We may not accurately anticipate or promptly respond to these shifts. If we fail to update our technology platform or expertise to accommodate new modalities or specialized disease areas, we may lose business opportunities to competitors. Adapting to new areas typically requires substantial investment in qualified personnel, regulatory clearances, infrastructure and client relationships, which may prove more challenging, time-consuming or costly than expected.

Additionally, we may face risks of obsolescence if new technologies or service models emerge and gain rapid adoption or if certain disease areas or research priorities experience shifts due to scientific, regulatory or political factors. If we are unable to adapt our services and capabilities in a timely or cost-effective manner to align with the evolving landscape of the CRO service market, the demand for our services may stagnate or decline, which could have a material adverse effect on our growth prospects, results of operations and financial condition.

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.

We are by nature a professional services firm. Highly skilled technical personnel help us keep pace with the latest developments in R&D technologies and methodologies in the pharmaceutical industry and are critical to our success. Our business operations also rely on personnel with highly technical skills for project management, quality control, compliance, safety and health, information technology and marketing.

We intend to continue to attract and retain skilled technical personnel. However, as there is a limited supply of outstanding personnel with solid expertise and experience, and such talent is highly sought after by pharmaceutical companies, CROs and other research institutions, we have to provide competitive compensation and benefits packages to attract and retain talent. There can be no assurance that we will always be able to attract and retain the requisite number of qualified personnel to keep pace with our anticipated growth while maintaining consistent service quality. We expect our expenses for recruiting and retaining talent will continue to increase along with the growth of the CRO service market in China and around the world. In addition, we may not always be successful in training our professionals to quickly adapt to technological developments, evolving standards and changing client needs, and the quality of our services may therefore be severely affected. Any failure to attract, train or retain qualified personnel may materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

We may fail to effectively develop and market new services, which may harm our growth opportunities and prospects.

We intend to continue expanding our service offerings. For example, we have used our experience in nonclinical studies, regulatory knowledge and large client base to expand downstream into clinical services and seek to achieve synergies across our portfolio. To develop and market our new services successfully and achieve the expected benefits, including synergies between business lines, we must accurately assess and meet client needs, make significant capital expenditures, optimize our service processes to predict and control costs, hire, train and retain the necessary personnel and efficiently utilize our existing and accumulated expertise, obtain required regulatory clearances or approvals, increase client awareness and acceptance of our services, provide services of high quality and in a timely manner, price our services competitively, compete effectively with other CROs and effectively integrate client feedback into our business planning and improvement. There is no assurance that we would be able to execute our current expansion plan successfully or develop new businesses as we aim to. If we fail to effectively develop new business lines and create demand for our existing and potential clients, we will not achieve expected savings and synergies among different business lines and our future business, including our results of operations, financial condition, cash flows and prospects, could be materially and adversely affected.

If we fail to expand our facilities and business team or efficiently optimize utilization of our facilities and business team to meet rising client demands, our operating results could be adversely affected.

The future growth of our business depends on our ability to expand and efficiently utilize facilities and our business team. We intend to further invest in a new laboratory facility complex in Nanjing, China. We have made and will continue to make significant capital expenditures in expanding our facilities. Our total capital expenditures amounted to RMB142.4 million, RMB68.3 million and RMB61.9 million for the years ended December 31, 2023, 2024 and 2025, respectively. Construction of new facilities, particularly for usage in the pharmaceutical and biotechnology industry, is a complex and challenging, requiring compliance with many laws, codes and regulations, gathering of considerable resources, including labor, equipment and materials, and coordination among multiple parties, which could divert resources from our productive uses and consume significant amounts of management time. In expanding, renovating and upgrading and building any of our facilities, we may experience unforeseen delays due to funding constraints, construction disruptions or regulatory issues and we cannot assure you that our planned facilities in Nanjing will be

completed as planned. In addition, for such planned facilities, we cannot assure you that suitable additional or substitute space will be available to accommodate any of our planned expansion. Construction costs could also exceed budget, therefore adversely affect our operating results.

In addition, we may not be able to fully utilize our expanded facilities immediately, or at all. Depending on the scope of services that will be provided by the expanded facilities, we may need to obtain additional approvals, licenses, assurances, permits, registrations, certificates and qualifications from relevant authorities, make notifications to the relevant authorities or update our current approvals, licenses, assurances, permits, registration, certificates and qualifications so that we may operate the expanded facilities. If we are unable to obtain the necessary approvals, registrations, licenses, permits, assurances, certificates and qualifications from the relevant authorities (*e.g.*, if we fail to pass GLP inspection or obtain relevant certification), we may not be able to provide services to our clients or may need to make significant investments to meet the required standards. Any such delays in operating our facilities would adversely affect the utility rate.

Further, as operating our facilities requires specialized skills and practical experience, we may not be able to recruit additional staff with the relevant experience required to operate our equipment or work at our facilities immediately or at all, which would limit our ability to optimize utilization of our facilities. In that case, the costs associated with expanding and enhancing our facilities may outpace the increase in revenues resulting from the projects conducted on such facilities, resulting in sub-optimal utilization and pressure on our gross profit margin. As a result, even if our proposed expansion or enhancement plans are successful, our business, financial condition and results of operations may be adversely affected by our inability to optimize the utility rate of our facilities.

We may not be successful in developing, enhancing, adapting to or acquiring new technologies.

We operate in a market that evolves constant developments, and we must keep pace with new technologies and methodologies to maintain our competitive position. It is critical for us to continue investing significant amounts of human and capital resources to develop or acquire new technologies in order to enhance the scope and quality of our services. For example, new therapeutic modalities, research tools and alternative testing platforms are continually being developed and validated. In particular, the scientific and regulatory communities are increasingly exploring and encouraging NAMs to refine, supplement or replace traditional animal models. These developments could decrease the need for our animal research models and related nonclinical services, especially if regulators or clients increasingly favor, or require, alternative methods. For example, the FDA announced in April 2025 a plan to phase out animal testing requirements for certain drugs, and other jurisdictions may adopt similar measures that reduce or eliminate the need for animal testing in drug R&D. Even if we successfully develop and commercialize alternative platforms, it may not be sufficient to fully offset reduced sales or profits from animal research models and our nonclinical services using animal research models. In addition, while we have been investing in breeding and producing NHP models, other companies or entities may develop research models with characteristics different than the ones that we produce, and which may be viewed as more desirable by some of our clients. If we fail to realize satisfactory returns on our investments in research animals, our business, financial condition and results of operations will be materially and adversely affected.

We may also decide to continue expanding our business by entering new markets and new geographic areas, and therefore may need to develop or adapt to new technologies and methodologies. We cannot assure you that we will be able to develop, enhance or adapt to new technologies and methodologies in a timely manner or at all. Any failure to do so could stagnate or even significantly reduce demand for our services and harm our business and prospects.

Furthermore, developing and marketing our new technologies and methodologies successfully requires us to accurately assess and meet clients' needs, make significant capital expenditures, optimize our drug discovery, development and manufacturing process to predict and control costs, hire, train and retain qualified personnel, obtain required regulatory clearances or approvals, increase client awareness and acceptance of our services, provide high-quality services in a timely manner, price our services competitively, integrate innovations into our existing system and effectively incorporate client feedback into our business planning. If there is insufficient demand for our new technologies or methodologies, our business, financial condition, results of operations and prospects could be materially and adversely affected.

In addition, alternatives to our services might be introduced to our current and potential clients through technological innovations. This could reduce or even eliminate the demand for our services. Our failure to develop, introduce or enhance our services' ability to compete with new technologies in a cost-effective and timely manner could have a material adverse effect on our business, financial condition, results of operations and prospects.

Any failure to comply with existing or future changes in laws, regulations or industry standards or any adverse actions taken by government authorities against us could negatively impact our reputation, business, financial condition, results of operations and prospects.

In many countries or regions where pharmaceutical products are intended to be ultimately sold, including China and the United States, relevant government authorities and industry regulatory bodies impose strict laws, regulations and industry standards on the safety and efficacy of such products and on how CROs should act on clients' behalf to perform such services. Given the wide range of services we perform for our clients and our broad geographic coverage, we are subject to and must comply with various applicable legal and regulatory requirements.

In particular, regulations and guidance worldwide concerning the production and use of animals for research purposes continue to evolve. Guidance is also developing in other areas that impact the biomedical research community, including transportation, mandated contingency planning, euthanasia guidance, import and export requirements of biological materials, health monitoring requirements and the use of disinfectants.

Regulatory authorities may conduct scheduled or unscheduled periodic inspections of our facilities and services to monitor our compliance with applicable rules and regulations and industry standards. Any adverse findings by such regulatory authorities, or other regulatory or legal noncompliance, could lead to immediate and severe actions against us, including, among others, findings of noncompliance, warning or untitled letters, product recalls, discontinuation or suspension of studies, required material modifications to studies, corrective actions, revocation or limitations to approvals, registrations, licenses, permits, assurances or certificates, restrictions on operations, adverse public statements or alerts, fines, injunctions and civil and criminal penalties. Any adverse findings, critical observations or other regulatory or legal noncompliance could also have significant consequences for our clients or

collaborators, which may result in claims by our clients or other commercial consequences to us. Further, regulatory authorities may from time to time change their legal and regulatory requirements. Our existing compliance procedures and business operation may not be adequate for new requirements or actions by regulatory authorities, and we may need to incur additional compliance costs and become exposed to negative findings by relevant governmental authorities. Any of these events could damage to our reputation and have a material adverse impact on our business, financial condition and results of operations. In addition, any action against us for violating the relevant regulations or industry standards, even if successfully defended or settled, could cause us to incur significant expenses, divert our management's attention and adversely affect our reputation, business, financial condition, results of operations and prospects.

Our failure to obtain or renew certain regulatory approvals, licenses, assurances, permits, registrations or certificates required for our business may materially and adversely affect our business, financial condition, results of operations and prospects.

We are subject to laws and regulations that require us to obtain and maintain various approvals, licenses, assurances, permits, registrations and certificates from relevant authorities to operate our business. See "Business—Certificates, Permits and Licenses." If we fail to obtain relevant approvals, licenses, assurances, permits, registrations or certificates necessary for our operations or fail to comply with the terms, conditions and requirements thereunder, we may face enforcement actions, including suspension or termination of approvals, licenses, assurances, permits, registrations or certificates, orders issued by relevant authorities causing operations to cease, fines and other penalties, and potential corrective measures requiring capital expenditure or remedial actions. Any such enforcement action could materially disrupt our business and operations.

Furthermore, some of these approvals, licenses, assurances, permits, registrations or certificates are subject to periodic renewal by relevant authorities, and the standards of such renewals may change from time to time. There can be no assurance that we will successfully obtain such renewals. Any failure by us to obtain the necessary renewals or otherwise maintain all approvals, licenses, assurances, permits, registrations or certificates necessary to carry out our business could severely disrupt our business and prevent us from continuing to conduct our operations, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, the interpretation or implementation of existing laws and regulations may change over time and new laws or regulations may come into force requiring us to obtain additional approvals, licenses, assurances, permits, registrations or certificates that were previously not required to operate our existing businesses, facilities or any planned future business or facilities. We may not be successful in obtaining such approvals, licenses, assurances, permits, registrations or certificates, and our ability to conduct our business may therefore be restricted, which could have a material adverse effect on our business, financial condition and results of operations.

If our service quality does not meet clients' standards or evolving needs, we may lose or fail to attract clients.

We believe our service and product quality and client satisfaction are of great importance to our business growth, and we have been focused on delivering high-quality services and products to fulfill our clients' expectations and adapt to their evolving needs. However, there can be no assurance that we will always be able to deliver the quality of services or research animals that meet our clients' standards and evolving needs. In addition, we cannot assure you

that we will be able to pass all customer audits and inspections. See "—We may not be able to continue to serve our clients if we fail to pass their audits and inspections." If our clients determine that their expenditure on our services or research animals do not generate the expected results, they may allocate their budgets to our competitors or revert the relevant work in-house and reduce or terminate their business with us. Therefore, there can be no assurance that our existing clients will continue to procure our services at current levels, or continue to use our services or research animals in the future. We may not be able to acquire new clients which procure our services or research animals at similar or higher levels than our existing clients. As a result, we may suffer from a loss of clients and may fail to attract new clients, and our ability to maintain and/or grow our revenues will be materially and adversely affected.

We may not be able to execute our development strategy or manage our growth effectively, which may materially and adversely affect our business and prospects.

We plan to continue to build our talent development system and recruit experienced professionals from diverse backgrounds, enhance technical expertise and innovation, 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. Pursuing our growth strategies has resulted in, and will continue to result in, substantial demands on capital and other resources. In addition, managing our growth and executing our growth strategies will require, among other things, our ability to continue to innovate and develop advanced technology, effectively coordinate and integrate our operations across different sites, hire, train and retain qualified personnel, implement effective cost and quality control, maintain sufficient liquidity and robust financial and management control, enhance marketing and customer support, and manage our suppliers to leverage our purchasing power. If we fail to successfully execute our growth strategies, we may not be able to maintain our growth rate and, as a result, our business, financial condition, results of operations and prospects may be materially and adversely affected.

The success of our business expansion also depends on our clients' success in advancing drug candidates through development, regulatory approval and commercial manufacturing. Any delay in regulatory approvals, lower than anticipated treatment effectiveness, unexpected side effects, low success rate or lack of patient demand may have a material impact on our business. If our growth strategy or business expansion is not successful or does not earn a satisfactory return on investment, our business, financial condition, results of operations and prospects could be materially and adversely affected.

If we are unable to successfully expand or operate in new geographic markets, our growth, results of operations and financial condition could be adversely affected.

During the Track Record Period, we generated a vast majority of our revenues from clients in China. We intend to diversify our client geographic mix to increase revenues generated by clients in overseas countries or regions. However, the legal and regulatory systems, competitive landscapes and client preferences of these markets may be different from the markets in which we currently operate. We have limited experience working with clients in markets other than China, and we may encounter unanticipated barriers and challenges in these new markets, which may result in a delay to or failure of our global expansion plans. In addition, we may invest significant time and resources in promoting brand awareness and acquiring market shares in these new markets. We may not be able to manage our costs or generate sufficient revenue to justify the time and resources spent. If our geographic expansion is unsuccessful, our business and financial condition could be adversely affected.

We may not be able to continue to serve our clients if we fail to pass their audits and inspections.

Our clients periodically review our standard operating procedures and records pertaining to our services and audit and inspect our facilities, processes and practices to ensure that our services meet their standards for discovery, testing and development of their pharmaceutical products. However, we may not be able to pass all client audits and inspections to our clients' satisfaction, which could significantly harm our reputation and result in the termination of ongoing projects by our clients, materially and adversely affecting our business, financial condition, results of operations and prospects.

The potential loss of key clients or any of our large contracts could materially and adversely affect our business, financial condition and results of operations.

We have a diverse and loyal customer base and we have developed stable relationships with many of our customers. There can be no assurance that we will be able to continue to maintain long-term relationships with our key clients. Our clients or collaborators may delay, terminate or reduce the scope of contracts for our services for a variety of reasons beyond our control, including but not limited to:

- decisions to forego or terminate a particular project;
- lack of available financing, budget limits or changing priorities;
- actions by regulatory authorities against us or our clients or collaborators, or changes to regulatory requirements;
- failure to observe the contracts or comply with the applicable laws or regulations;
- failure to satisfy applicable safety requirements or efficacy criteria;
- adverse or unexpected data results or failure to pass client audits;
- decisions to shift business to competitors or carry out the work in-house due to considerations such as price, technology, facilities, relevant experience and slowdown of economy;
- decision to terminate or suspend the R&D project due to release of a drug by any competitor of our clients that is sufficiently similar to our client's drug;
- mergers of our clients that render our services unnecessary;
- escalation of geopolitical tension; and
- force majeure events.

Our contracts may be terminated, delayed or altered for a variety of reasons such as the reasons mentioned above in the normal course of business. Losses or delays of multiple contracts or a large contract or a significant reduction in our key clients' spending on our services could adversely affect our business, financial condition and results of operations.

Our contracted future revenue might not be indicative of our future revenue, and we may not be able to realize all of the anticipated future revenue associated with our contracted future revenue without any material delay.

As of December 31, 2025, the contracted future revenue for our services was RMB979.6 million, which represents future revenue from services not yet completed or performed under all signed contracts or clients' work orders (that may be terminated by a client at any time). This figure was based on the assumption that the relevant contracts will be performed in accordance with their terms without early termination by the parties. Any modification, termination or suspension of these contracts, especially with regard to any one or more sizeable contracts, may have a substantial and immediate adverse effect on the contracted future revenue, resulting in reduction or delay of such revenue. To the extent projects are delayed due to various factors such as delays in schedule, government policies beyond our control and force majeure events, the timing of our revenue recognition, which is conditional upon our delivery of services pursuant to the terms of our client contracts and work orders, would also be affected. Specifically, the amount of our contracted future revenue may decrease and the timing of our revenue recognition associated with such contracted future revenue may be delayed. The contracted future revenue only reflects an estimate of the remaining consideration we are entitled to receive under the executed service contracts. We cannot guarantee that such estimate, whether for the amount or expected time of payments, is accurate. The extent to which our contracted future revenue will generate revenue depends on many factors, including the size, complexity and duration of the projects, modifications and terminations to our existing service contracts, or change in the scope of work during the course of a project. You should not rely on the contracted future revenue or consider it as a reliable indicator of our future revenue. Moreover, there is no standardized accounting practice for calculating contracted future revenue, and approaches to estimating contracted future revenue value may vary considerably between industry players. As a result, we advise caution on any reliance on an analysis of contracted future revenue between us and competitors as a reliable like-for-like comparison of value.

Any deterioration in the performance of our associates could have an adverse impact on our business, financial condition and results of operations.

We have invested in certain other businesses in which we hold minority equity interests. We refer to these businesses in which we have invested as our associates. We initially recognize our investment in associates at cost and include our share of the profit or loss and other comprehensive income of these associates in our consolidated financial statements. Our associates primarily include Shanghai Harborside Medical Technology Co., Ltd. (上海瀚賽醫療科技有限公司), in which we held a 42.069% equity interest as of the Latest Practicable Date. As of December 31, 2023, 2024 and 2025, we had interests in associates of RMB38.0 million, RMB40.6 million and RMB40.8 million, respectively. We believe that the success of our strategic investments depends on a number of factors, including the financial resources of the other shareholders, their willingness and ability to honor their contractual commitments, the manner in which other shareholders in these companies exercise control or other governance rights and the extent to which they cooperate in operational and strategic decisions with respect to the relevant projects. Any deterioration in the performance of these associates in providing services could adversely affect their business, financial position and results of operations, which could have an adverse impact on our income from investments in these entities, and could have an adverse impact on our ability to attract clients for our own services in the future.

Some of our service contracts are contingent on successful completion of mutually agreed milestones, and we may bear financial risks related to our failures to accomplish such milestones on schedule.

We generate fee income for the services we provide. Under certain contracts, we are entitled to service fees upon completion of contractual milestones, either in the form of critical points in the studies or delivery and acceptance of the study results and/or other deliverables. Therefore, if we fail to deliver services in accordance with our contractual requirements to reach specified milestones, we could be subject to significant costs or liability and our reputation could be harmed. Furthermore, in pricing our contracts, we take into consideration the scope of the services required, the product candidate under study, estimated costs and expenses of the required services, estimated time commitment, necessary internal resources and the pricing of similar services offered by competitors. However, our evaluation of these factors may be inaccurate or incorrect. If we underprice our contracts or experience cost overruns, we may incur losses, and our business, financial condition, results of operations, cash flows and prospects would be adversely affected.

The fees we generate from performing our service contracts may not be sufficient to cover the relevant expenses.

In pricing our services, we generally consider factors such as scope of the services required, the underlying drug candidate, the estimated costs and expenses of the required services, the estimated amount of time to be allocated to the project and the prices charged by our competitors for similar services. However, our evaluation of these factors may not be accurate, or we may underprice for reasons such as competition and client relationship, or we experience cost overruns for reasons out of our control. In such cases, we will incur losses from our contracts, and our profitability will be adversely affected.

In addition, for some of our project-based contracts, we recognize revenue upon completion of mutually agreed milestones. See "—Some of our service contracts are contingent on successful completion of mutually agreed milestones, and we may bear financial risks related to our failures to accomplish such milestones on schedule." As a result, if we fail to deliver services to meet specified milestones, we may not be able to cover the value of our services, therefore we could be subject to significant costs or liabilities, and our reputation could be harmed.

In providing our services, we may fail to fulfill our contractual obligations, which could materially and adversely affect our business.

The services we provide are complex and often time sensitive. We may make material mistakes, including in managing and conducting a project, or in preserving, processing or analyzing client data, which could negatively impact or obviate the usefulness of results of the project or cause the results of the project to be inaccurate. In such an event, we may not be able to fulfill our contract liabilities. As a result, we may incur significant costs of re-performing the project, delay the delivery of our services which may be late for time-sensitive projects and could be subject to contractual liability to our clients. Any of the above could have an adverse impact on our business and reputation, financial condition and results of operations.

We may have difficulty in recruiting patients and volunteers for our clinical trials. The trial results may be adversely affected if the dropout rate is higher than anticipated.

Our clinical trial services require patient recruitment, treatment and follow-up observations. Identifying, recruiting and enrolling participants for clinical trials is critical to our services, and we may not be able to identify, recruit and enroll a sufficient number of patients and volunteers with the required or desired characteristics to complete our contracted clinical trials in a timely manner. Competing trials for similar products may also limit the number of eligible participants for our clinical trials. The timing of our clinical trials depends on our ability to recruit patients and volunteers to participate as well as to subsequently administer the drug to these patients and volunteers and complete follow-ups. We may also experience enrollment delays due to increased or unforeseen regulatory, legal and logistical requirements imposed by certain clinical trial sites. Any delays in our planned clinical trials could result in increased costs, delays in advancing product candidates and testing their effectiveness or in termination of the clinical trials altogether.

In addition, the dropout rate of patients and volunteers may be higher than anticipated. A patient or volunteer who withdraws prior to trial completion will be considered as a "non-responder" in the pre-defined analysis. Therefore, a higher than anticipated dropout rate lowers the chance of proving statistical significance, which could adversely affect clinical trial results.

We depend on a stable and adequate supply of equipment, research animals, consumables and other goods and services from our suppliers.

Our business operations require a substantial amount of high-tech equipment, high-quality research animals, standard consumables and other goods and services to deliver our services. During the Track Record Period, while a large amount of the research animals used for our nonclinical services were sourced from our own animal facilities, we also procured research animals from third-party suppliers. In the event of significant price increases for such supplies, we may have to incur additional costs or pass the increased costs to our clients. However, we may not be able to raise the prices of our services and products sufficiently to cover increased costs, which could have an adverse effect on our profitability.

In addition. the total amount purchased from our five largest suppliers amounted to RMB325.7 million, RMB546.5 million and RMB469.1 million in the years ended December 31, 2023, 2024 and 2025, respectively, accounting for 54.1%, 66.3% and 51.9% of our total procurements in the same years, respectively, and purchase from our largest supplier accounted for 35.9%, 55.6% and 46.2%, of our total purchases, respectively. Specifically, our largest supplier in the years ended December 31, 2023, 2024 and 2025 is a company primarily engaged in agricultural activities in Cambodia, from which we procured a large amount of NHPs for breeding purpose. We cannot assure you that we will be able to secure a stable supply of our supplies. Our suppliers may reduce or cease their supply to us at any time in the future. In addition, we cannot assure you that our suppliers have obtained and will be able to renew all licenses, permits and approvals necessary for their operations or comply with all applicable laws and regulations. Failure to do so by them may lead to interruptions in their business operations, which in turn may result in a shortage of products and services supplied to us. If the supply of materials and research animals are interrupted, our services would be delayed or terminated. If any such event occurs, our operations and financial position will be adversely affected.

We rely significantly on adequate maintenance of our research animals.

During the Track Record Period, we performed nonclinical studies on research animals at our Kunming facilities. To satisfy the needs of our nonclinical studies, we host and bred NHPs at our Kunming and Hainan facilities and purchase quality research animals from third-party suppliers with proper quarantine and quality certifications. Our research animals must be free of certain infectious agents, such as certain viruses and bacteria, because the presence of these contaminants can distort or compromise the quality of research results and could adversely impact human or animal health. The reproductive capacity and vitality of our breeding stock of NHPs also have a material impact on our NHP populations. The presence of these infectious agents in our animal facilities and certain service operations could disrupt our contaminant-free research model production and maintenance as well as our nonclinical studies, harm our reputation for contaminant-free production and result in decreased sales of our services and research animals. There also exists a risk that contamination from research animals that we produce may affect our clients' facilities, with similar impact to them for which we could be liable for damages. In some cases, we may produce or import research animals carrying infectious agents capable of causing disease in humans. In the case of such contamination or undiagnosed infection, there could be a possible risk of human exposure and infection and liability for damages to infected persons.

A contamination may require extended quarantine as required by applicable regulations or industry standards with subsequent reduced sales as a result of lost client orders, as well as the potential for complete inventory loss and disinfection of the affected quarantine rooms. Contamination is unanticipated and difficult to predict and could adversely impact our financial results. If it occurs, contamination typically requires cleaning up, renovating, disinfecting, retesting and restarting production or services. Such clean-ups may result in inventory loss, clean-up and start-up costs and reduced sales as a result of lost client orders. In addition to microbiological contaminations, the potential for genetic mix-ups or mis-matings also exists and may require us to restart the applicable colonies, and would likely result in inventory loss, additional start-up costs and possibly reduced sales. Contamination may also expose us to compensation liabilities for client damages that exceed the contractual indemnification obligations.

Furthermore, the well-being of research animals is regulated by international laws and standards. Any failure to comply with applicable animal welfare regulations, including improper handling or maintenance, could lead to regulatory penalties, reputational harm, suspension of facilities or withdrawal of our licenses.

If we are unable to maintain a stable, healthy and appropriately controlled research animals population, or if we experience any material event affecting the health or availability of these animals, our business, financial condition, results of operations and prospects could be adversely affected.

Animal testing may expose us to potential liabilities and oppositions by special-interest groups, which might disrupt our facilities or tarnish our reputation.

A substantial portion of our nonclinical studies utilize research models in the assessment of the safety and efficacy of drug candidates, primarily including NHPs and rodents. We must conduct these activities in compliance with applicable laws and regulations in the jurisdictions in which those activities are conducted. If our equipment, facilities, laboratories or processes fail to comply with applicable standards, relevant authorities may issue inspection report documenting the deficiencies and setting deadlines for any required corrective actions. For non-compliance, relevant authorities may impose fines, confiscate research animals, or limit,

suspend, terminate or revoke licenses, permits, authorizations, assurances or certificates necessary for the conduct of our business. Any determination of non-compliance, report or other action by a regulatory authority could adversely affect our business, financial condition and results of operations.

In addition, certain special-interest groups object to the use of animals for research purposes. Any threats directed against our animal research activities or any negative media attention could impair our ability to operate our business efficiently. Although we have not experienced such opposition or negative media attention directed to our facilities, we cannot assure you that this will not happen in the future. In addition, if regulatory authorities were to mandate a significant reduction in safety testing procedures that utilize research animals, as has been advocated by certain groups, our business could be materially and adversely affected.

Illegal actions, misconduct or any failure by our suppliers to provide satisfactory products or services could materially and adversely affect our business, reputation, financial condition and results of operations.

Our reputation and operations may be harmed by illegal actions or unsatisfactory performance by suppliers that are outside of our control. Separately, claims might be raised against us due to failure of our suppliers to ensure the high quality of their goods and services that interrupt our operations that delay our scheduled project timetable. In the event that we become subject to claims caused by actions taken by our suppliers, we may attempt to seek compensation from the relevant parties. However, such attempts may not be successful and such compensation may be limited, and we may have to bear such losses at our own cost. This could have a material and adverse effect on our business, financial condition and results of operations.

Our clients may be affected by ongoing and potential regulatory reforms that may reduce demand for our services and negatively impact our profitability.

Numerous government authorities have adopted various healthcare reforms and may undertake, or are in the process of undertaking, efforts to control growing healthcare costs through legislation, regulation and voluntary agreements with healthcare providers and pharmaceutical companies, including many of our clients. The evolving regulatory framework indicates a trend of self-review requirements for the pharmaceutical companies of their own drug applications and data, which in turn raises higher standards of our services provided to our clients. See "Regulatory Overview." The full effects of ongoing reforms and any subsequent healthcare policies on the pharmaceutical industry are unpredictable. Any of the above may affect the demand for our services and adversely affect our business, financial condition and results of operations.

Providing pharmaceutical CRO services exposes us to product liability risks and other potential liabilities.

In providing our pharmaceutical CRO services, we may face product liability risks if the therapies we help develop or test are subject to product liability claims. Our liability is not always capped under our service agreements and in certain cases, the product liability cap is not applicable for claims relating to personal injuries or death. We provide services in various stages of the R&D process of drugs that are intended ultimately to be used in humans, either in clinical trials or as marketed products. If any of these drugs harms people due to our negligence, willful misconduct, unlawful activities or material breach, we may be subject to litigation and may be required to pay damages. Damages awarded in a product liability action could be substantial and could have a material and adverse impact on our reputation, business,

financial condition, results of operations and prospects. Although we currently maintain clinical trials liability insurance, our insurance coverage may be inadequate or may become unavailable on terms acceptable to us.

Overseas markets where our services are and may in the future be provided and where the relevant drug candidates are located or may be sold, including the U.S., may have similar or more onerous pharmaceutical product regulatory regimes, as well as more litigious environments that may further expose us to the risk of product liability claims. Even if we are able to successfully defend ourselves against any such product liability claims, doing so may divert our management's attention and resources.

Our service contracts may contain provisions that run counter to our interests or expose us to potential liability.

Our service contracts generally provide that a client can terminate the agreement or any work order under the agreement without cause by giving prior written notice. If a client terminates a service contract without cause, typically we are only entitled to receive service fees earned up to the date of termination, costs already incurred or irrevocably committed and an additional liquidated damages. As a result, the risk of early termination, whether due to changes in client priorities, insufficient trial results or external factors, generally remains with us, and our ability to recover lost opportunity or expected profits is limited.

In addition, while our contracts seek to limit our liability, generally capping damages, excluding consequential losses and stating payment obligations irrespective of research outcomes, these protections may not always be enforceable or sufficient. We may be exposed to claims for damages or losses, particularly if clients allege breach of contract, professional negligence, regulatory non-compliance, or data inaccuracy. If we are found liable or are unable to recover due payments, we could suffer financial loss, reputational harm and a diversion of management resources.

There can be no assurance that our contractual protections will always be sufficient, that we will not face significant liability arising from trial failure or abortion or dissatisfied clients, or that we will always collect service fees when results fall short of expectations. For example, while our contract typically states that payment is not contingent on successful outcomes or the achievement of specific milestones, in the event that a project fails to achieve the scientific aims or desired results, dissatisfied clients may refuse to pay, seek to renegotiate terms or challenge invoices, leading to protracted commercial disputes or collection actions. Enforcement of our contractual rights in such cases can be costly, time-consuming and subject to legal uncertainties. Any such events could materially and adversely affect our business, financial condition, results of operations and prospects.

RISKS RELATING TO OUR FINANCIAL POSITION

We recorded net losses as well as net liabilities and net current liabilities during the Track Record Period.

Primarily affected by certain non-operating items, such as redemption liabilities, we recorded losses for the year of RMB51.9 million and RMB252.0 million in the years ended December 31, 2023 and 2024, respectively, as well as net liabilities of RMB274.4 million, RMB482.6 million and RMB26.6 million and net current liabilities of RMB1,821.8 million, RMB2,059.3 million and RMB1,758.5 million as of December 31, 2023, 2024 and 2025, respectively. While we recorded a profit for the year of RMB80.0 million in the year ended December 31, 2025, we cannot assure you that we will be able to sustain profitability in the

future. We may also record net current liabilities in the future, which may expose us to liquidity risks and constrain our operational flexibility. If we experience a shortfall in cash flow generated from operations, our liquidity position may be materially and adversely affected, which may adversely affect our results of operations and financial position.

We had net operating cash outflows during the Track Record Period, and we may need to obtain additional financing to fund our operations.

We recorded net operating cash outflow of RMB66.0 million, RMB251.6 million and RMB140.0 million in the years ended December 31, 2023, 2024 and 2025, respectively, primarily because we procured a substantial amount of NHPs to expand our NHP populations. We cannot assure you that we will be able to maintain robust cash flow from operating activities. Our recent cash outflow may limit our ability to execute strategic plans efficiently, including promptly investing in new ventures, acquiring necessary resources and accelerating expansion efforts. Furthermore, we cannot assure you that we will not experience liquidity problems in the future. If we fail to maintain sufficient cash and financing, we may not have adequate cash flows to fund our business, operations and capital expenditures, which could have a material and adverse impact on our business, results of operations and financial condition.

We may be exposed to liquidity risk due to a long cash conversion cycle.

We had recorded relatively long inventory and contract costs turnover days and trade and bill receivables and contract assets turnover days and relatively short trade payables turnover days, which may lead to delays in converting our revenue into cash. Our cash conversion cycle was 201 days, 202 days and 225 days for the years ended December 31, 2023, 2024 and 2025, respectively. The cash conversion cycle is calculated by adding inventory and contract costs turnover days and trade and bill receivables and contract assets turnover days, then subtracting trade payables turnover days. We had relatively long cash conversion cycle, primarily because (i) the strong bargaining power of our customers led to longer receivable collection period, and (ii) we strategically maintained a high level of NHP stock. A long cash conversion cycle may increase our reliance on working capital or external financing to support our operations and growth. If we are unable to manage our inventory and receivables efficiently or to secure adequate financing on acceptable terms, our liquidity position, financial condition, and results of operations could be materially and adversely affected.

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.

We maintain biological assets, primarily consisting of NHPs hosted at our Kunming and Hainan facilities, primarily for scientific research and breeding purposes, including (i) those used for nonclinical studies we classify as current assets, and (ii) those maintained for the purposes of breeding we classify as non-current assets. As of December 31, 2023, 2024 and 2025, we had biological assets of RMB495.8 million, RMB829.3 million and RMB1,350.1 million, respectively. We measure biological assets upon initial recognition and at the end of each reporting period at their fair value less costs of disposal. Fair value gains or losses with respect to our biological assets are attributable to age, gender, health status and breeding useful life and changes in the market prices.

The fair value measurements of our biological assets fall into level 3 of the fair value hierarchy. In valuing our biological assets, our independent appraiser has relied on a number of major parameters and assumptions which may vary from time to time, such as classification of the biological assets according to their age and unit market price, as well as economic conditions affecting the biological assets. See "Financial Information—Valuation of Biological Assets" for details.

The fair value of our biological assets could be affected by factors including the accuracy of those parameters and assumptions, as well as the quality of our biological assets and changes in the research model industry. Therefore, the resulting adjustments can be highly volatile. While these assumptions as adopted in the valuation process have been in line with the actual results, we cannot assure you that there will be no significant deviation in the future. In addition, market prices for our biological assets are highly volatile and susceptible to significant fluctuations from period to period. As a result of revaluations of our biological assets from period to period, our financial position and results of operations may change significantly from period to period. In addition, an increase or decrease in market prices for biological assets will, among others, increase or reduce our total cost of services and gains or losses arising from changes in fair value which makes our reported profit more volatile. We recorded gains arising from changes in fair value of biological assets of RMB288.4 million in the year ended December 31, 2025, and losses arising from changes in fair value of biological assets of RMB17.3 million and RMB57.7 million in the years ended December 31, 2023 and 2024, respectively. As gains recognized do not generate any cash inflow for our operations, you should consider our profit and margins without taking into account the effects of these biological asset fair value adjustments when evaluating our results of operations and profitability.

We are exposed to inventory and contract cost management risks and may face inventory excess, obsolescence, impairment or shortage.

Our inventories and contract costs mainly consist of raw materials and consumables and contract fulfillment costs, representing the costs incurred to fulfill customer contracts for which relevant revenue has not been recognized. As of December 31, 2023, 2024 and 2025, we had inventories and contract costs of RMB172.0 million, RMB161.6 million and RMB215.3 million, respectively. Our inventory and contract costs turnover days for the years ended December 31, 2023, 2024 and 2025 were 159 days, 122 days and 140 days, respectively. See "Financial Information—Discussion of Selected Items from the Consolidated Statements of Financial Position—Inventories and Contract Costs." We maintain sufficient inventory levels to ensure our clients' demand can be met, while avoiding excess inventory. Failure to forecast client demand or respond to any unexpected event negatively affecting the demand of our services could expose us to inventory obsolescence or result in a decline in inventory value or inventory write-downs. On the other hand, inaccurate sales forecast or supply shortage may lead to inventory shortage and result in our inability to meet client demand. Failure in managing our inventory could have a material and adverse impact on our business, results of operations and financial condition.

Delay of or failure to make payment by our clients could harm our cash flows and profitability.

We generally grant our clients credit terms of up to 90 days. As of December 31, 2023, 2024 and 2025, our trade and bill receivables were RMB102.1 million, RMB171.2 million and RMB129.8 million, respectively. Deterioration in our clients' cash flow, working capital, financial condition or results of operations may cause delayed or non-payment of trade receivables owed to us. We are also subject to credit risk arising from our contract assets. As

of December 31, 2023, 2024 and 2025, our contract assets were RMB63.4 million, RMB74.2 million and RMB77.0 million, respectively. We may not be able to bill all or any of the contract assets to our clients or may not be able to bill such clients within the expected timeline. As a result, our clients may not pay us in accordance with the terms of the agreed payment schedule. Any substantial default or delay of a client's payment obligations may materially and adversely affect our working capital, financial condition and results of operations.

We are exposed to risks associated with our redemption liabilities.

Our redemption liabilities arise from equity shares we issued to our Pre-[**REDACTED**] Investors with certain special rights, including the right to require our Company to redeem all or part of the shares if triggering events occur, including non-completion of a qualified [**REDACTED**] by a predetermined date. In the years ended December 31, 2023, 2024 and 2025, we recorded losses from changes in carrying amount of redemption liabilities of RMB195.9 million, RMB205.7 million and RMB206.1 million, respectively. We derecognize the redemption liabilities only when our redemption obligations are discharged, canceled or have expired, and then we reclassify the carrying amount to equity. As of the Latest Practicable Date, all special rights granted to Pre-[**REDACTED**] Investors had ceased to be effective but may resume automatically in certain circumstances. If we fail to complete a qualified [**REDACTED**] by the predetermined date or other triggering events occur, we may be required to redeem these shares, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We may need additional capital and may not be able to obtain the funding in a timely manner or on acceptable terms or at all.

To expand our capacity, pursue acquisitions, develop new services and remain competitive, we may require additional capital. Particularly, our planned facilities requires significant amounts of capital. We expect to satisfy such capital commitments using part of the net proceeds from the [**REDACTED**]. Financing may be unavailable in amounts or on terms acceptable to us. Our ability to obtain additional capital depends on factors such as our future financial condition, results of operations and cash flows, general market conditions for capital-raising activities by CROs, and economic, political and other conditions in China and the U.S. The sale of additional equity or equity-linked securities could dilute existing shareholders, while incurring indebtedness would increase debt service obligations and could impose operating and financing covenants restricting our operations or our ability to make acquisitions or pay dividends. Any failure to acquire sufficient additional capital to meet our capital requirements may materially and adversely affect our business, financial condition and results of operations.

We may not be able to utilize all of our deferred tax assets, which may affect our financial position in the future.

As of December 31, 2023, 2024 and 2025, our deferred tax assets amounted to RMB8.5 million, RMB20.0 million and RMB31.7 million, respectively, which are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. If we suffer significant losses in the future, we may not be able to utilize all of our deferred tax assets.

Our results of operations, financial condition and prospects may be adversely affected by fair value changes and credit risk associated with our financial assets at FVPL.

Our financial assets at FVPL include wealth management products managed by financial institutions in the PRC and unlisted equity investments. As of December 31, 2023, 2024 and 2025, we had financial assets at FVPL of RMB110.0 million, RMB80.0 million and RMB46.0 million, respectively. Changes in the fair value of the wealth investment products are reflected in our consolidated statements of profit or loss. If we incur fair value losses for wealth management products we invest in, our results of operations and financial condition may be adversely affected.

The discontinuation of any of the government grants or preferential tax treatment currently available to us could adversely affect our financial condition, results of operations and prospects.

We recorded government grants, under other income and net gains, and received preferential tax treatment during the Track Record Period. Our eligibility to receive these government grants and preferential tax treatment requires that we continue to qualify for them. The incentives are provided to us at the discretion of the central government or relevant local government authorities, which could determine at any time to eliminate or reduce these incentives, generally with prospective effect. Since our receipt of the government grants is subject to periodic time lags and inconsistent government practice, as long as we continue to receive these financial incentives, our net income in a particular period may be higher or lower relative to other periods depending on the potential changes in these financial incentives in addition to any business or operational factors that we may otherwise experience. The discontinuation of government grants currently available to us could have an adverse effect on our financial condition, results of operations, cash flows and prospects.

Share-based compensation may cause shareholding dilution to our existing Shareholders and have an adverse effect on our financial performance.

We implemented share incentive plans during the Track Record Period. In the years ended December 31, 2023, 2024 and 2025, we incurred equity-settled share-based payment expenses of RMB31.3 million, RMB40.8 million and RMB49.0 million, respectively. See "Appendix VI—Statutory and General Information—D. Employee Incentive Scheme" for details of the share incentive plans. We may grant additional share-based compensation in the future, which may dilute the shareholding percentage of our existing Shareholders. Expenses incurred with respect to such share-based payment may also increase our operating expenses and therefore have a negative effect on our financial performance.

RISKS RELATING TO OUR OPERATIONS

We may undertake acquisitions or joint ventures or make equity investments that may not be successful, and we may fail to successfully integrate our acquisitions or investments with our business.

Historically, we have grown our business in part through acquisitions to expand our business offerings and geographic presence. To further expand our business and strengthen our market position, we may form strategic cooperation or make strategic investments and acquisitions to fuel business growth. Acquisitions involve numerous risks, including difficulties in integrating the operations and personnel of the acquired companies, distraction of management from overseeing our existing operations, difficulties in executing new business initiatives, entering markets or lines of business in which we have no or limited direct prior

experience, the possible loss of key employees and clients and difficulties in achieving the synergies we anticipated or levels of revenue, profitability, productivity or other benefits we expected. These transactions may also cause us to (i) significantly increase our interest expense, leverage and debt service requirements if we incur additional debt to pay for an acquisition or investment, (ii) issue Shares that would dilute our current Shareholders' percentage ownership, or (iii) incur asset write-offs and restructuring costs and other related expenses or recognize impairment loss on goodwill. For example, we recorded goodwill of RMB88.7 million as of each of December 31, 2023, 2024 and 2025 in connection with our acquisition of TriApex Biotechnology, Kunming Yaling, Kunming Biomed and Jiangsu Yadong in 2021. Any significant goodwill impairment for our acquired companies will adversely affect our business, financial condition and prospects. Acquisitions, joint ventures and strategic investments involve numerous other risks, including potential exposure to unknown liabilities of acquired or investee companies and restrictions under regulations relating to anti-monopoly. There can be no assurance that our acquisitions, joint ventures and other strategic investments will be successful and will not have a material and adverse impact on our business, results of operations and financial condition.

Our reputation and brand are key to our business success. Negative publicity may adversely affect our reputation, business, financial condition and growth prospects.

Any negative publicity concerning us, our shareholders, directors, officers, employees, affiliates or subsidiaries, even if untrue, could adversely affect our brand image, reputation, business prospects, financial condition and results of operations. As we rely on client referrals and word-of-mouth marketing, if our reputation is impaired, it could be difficult, expensive and time-consuming to restore, and existing or potential clients may be reluctant to engage us, resulting in loss of business. Damage to our reputation could also adversely affect our recruitment and retention efforts, harm the value and effectiveness of our brand name, reduce investor confidence in us, and adversely affect the price of our Shares.

We are subject to risks associated with international trade policies, geopolitics and trade protection measures, tariffs, and our business, financial condition and results of operations could be adversely affected.

We have continued to expand our overseas client base and derived an increasing portion of our revenue from overseas clients. Our operations may be negatively affected by any deterioration in the political and economic relations among countries. As a CRO, we did not experience any export control restrictions in our business operations during the Track Record Period and do not expect to experience any material export control restrictions in the short-term. Accordingly, our Directors are of the view that the U.S. export control restrictions have not had and are not expected to have a material adverse impact on our Group. However, we cannot guarantee that we will not be adversely affected by export controls and other geopolitical challenges, including, but not limited to, economic and labor conditions, increased tariffs, duties, taxes and other costs and political instability. Furthermore, concerns over inflation, energy costs, geopolitical frictions, capital market volatility and liquidity issues may create difficult operating condition in the future.

Significant political, trade or regulatory developments in the jurisdictions where we operate, such as those resulting from the current U.S. government, are difficult to predict and may affect us. Similarly, changes in U.S. policy could give rise to circumstances affecting our business operations, including economic downturns and geopolitical events. Changes in U.S. government policy have affected and may continue to affect, among other things, the U.S. and global economy, trade relations, the regulatory environment, inflation and other areas.

As we procure certain laboratory consumables and biological specimens from suppliers in the U.S, our business may also be impacted by the imposition of tariffs by the U.S. and any resulting retaliatory tariffs in the countries in which we operate. In the years ended December 31, 2023, 2024 and 2025, our procurement from suppliers in the United States amounted to RMB0.3 million, RMB3.4 million and RMB3.5 million, and we incurred corresponding tariff expenses of RMB32,000, RMB0.2 million and RMB0.2 million, respectively. Accordingly, given our limited direct procurement from the U.S. and we did not export any products that are subject to tariff to the U.S., the impacts of the increased tariffs by the U.S. and the countermeasures taken by China on our business operations were limited as of the Latest Practicable Date. As of the Latest Practicable Date, we had not received any order cancellation or material pricing adjustments from our customers due to the increased tariffs. Accordingly, we have not experienced any material indirect impact from our customers in relation to the increased tariffs. The uncertainty surrounding potential changes in U.S. trade policies, particularly regarding tariffs on Chinese imports, could adversely affect our business operations and financial performance. Any substantial increases in tariffs or trade restrictions implemented by the U.S. administration could lead to retaliatory measures by China, potentially disrupting global supply chains. If we are unable to successfully manage the impact and the increased costs resulting from the increased tariffs, our business, financial condition and results of operations could be materially and adversely affected.

We may not be successful in protecting our own or clients' intellectual property or other confidential information, which may subject us to legal liabilities and harm our reputation, business and competitive position.

We rely on a combination of trade secrets, know-how and continuous technological innovation to maintain our competitive position. Much of this knowledge is not protected by patents and can be difficult to safeguard. Due to the nature of our services, we also have access to a significant amount of intellectual property owned by our clients, and our clients typically retain ownership of all such intellectual property, including those arising from the services we provide. Our service agreements with our clients would typically require us to exercise all reasonable precautions to protect the integrity and confidentiality of our clients' confidential information.

Notwithstanding our efforts to protect intellectual property and confidential information, employees or other third parties may misappropriate or disclose confidential information, intentionally or inadvertently, and we may not have adequate remedies in all circumstances. Enforcing our rights, including through litigation or other proceedings, could be costly, time-consuming and uncertain in outcome, particularly in jurisdictions where legal protection for intellectual property and trade secrets is less robust. Any failure to protect our proprietary information or our clients' intellectual property and other confidential information, or any successful challenge to our rights, could result in loss of competitive advantages, damage to our reputation and exposure to contractual, regulatory or other liabilities, which could adversely affect our business, financial condition and results of operations.

Failure to successfully obtain, maintain and enforce intellectual property rights and defend against challenges to our intellectual property rights could adversely affect us.

Unauthorized use of any of our intellectual property rights may materially and adversely affect our business and reputation. We are endeavored to protect our intellectual property rights by various means including registering our trademarks, copyrights and patents and filing patent applications in accordance with applicable laws and regulations both in China and the United States. Nevertheless, third parties may obtain and use our intellectual property rights without due authorization.

If we are unsuccessful in obtaining trademark protection for our primary brands, we may be required to change our brand names, which could materially adversely affect our business. Moreover, as our services advance, our reliance on our trademarks to differentiate us from our competitors will increase, and as a result, if we are unable to prevent third parties from adopting, registering or using trademarks and trade dress that infringe, dilute or otherwise violate our trademark rights, our business could be materially adversely affected.

Many companies have encountered significant problems in protecting and defending intellectual property rights in certain jurisdictions. The legal systems of some countries do not favor the enforcement of patents, trade secrets and other intellectual property, which could make it difficult for us in those jurisdictions to defend the infringement or misappropriation of our patents or other intellectual property rights, or the marketing of competing products in violation of our proprietary rights.

We may not prevail in all lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful and sufficient. Accordingly, our efforts to enforce our intellectual property rights and proprietary rights around the world may be insufficient to obtain a significant commercial advantage from the intellectual property that we develop or license. Further, such litigation may require a significant expenditure of cash and may divert our management's attention from our operations, which could harm our business, financial condition and results of operations. An adverse determination in any such litigation could materially impair our intellectual property rights and may harm our business, prospects and reputation.

We are subject to environmental protection and health and safety laws and regulations and may incur significant compliance costs and liabilities, including but not limited to consequences of accidental contamination, biological or chemical hazards or personal injury.

Our operations are subject to national and local laws on environmental protection and on the use of highly toxic and hazardous chemicals. Because the requirements imposed by such laws and regulations may change and more stringent laws or regulations may be adopted, we may be unable to comply with, or to accurately predict the potentially substantial cost of complying with, these laws and regulations. Failure to comply could result in substantial fines, potentially significant monetary damages or suspensions of our business operations, and any failure to control the use or discharge of hazardous substances could have a material and adverse impact on our business, financial condition and results of operations.

In addition, we cannot fully eliminate the risk of accidental contamination, biological hazards or personal injury at our facilities. In the event of any accident, we could be held liable for damages and clean-up costs that could be burdensome to our business, suffer reputational damage and lose clients. We may also be forced to close or suspend operations at certain of our affected facilities temporarily or permanently. Any such accident could have a material and adverse impact on our reputation, business, financial condition and results of operations.

Our business depends on the continuing efforts of our key personnel performing vital functions.

Our business operations depend on the continuing efforts of our management, particularly the members of our senior management team. If one or more members of our management are unable or unwilling to continue their employment with us, we may not be able to replace them in a timely manner, or at all. We may incur additional expenses to recruit and retain qualified replacements. In addition, members of our management may join a competitor or form a

competing company. There can be no assurance that we will be able to successfully enforce our contractual rights included in employment agreements with our management. As a result, our business may suffer the loss of services of one or more members of our management, which in turn could have a material and adverse impact on our future prospects, business, results of operations and financial condition.

We depend on the continued availability and effectiveness of our IT systems and other infrastructure, which may face security risks, including cybersecurity risks.

We rely on complex information technology systems and other infrastructure, including systems operated by third-party providers and in some cases accessed by clients, to manage our operations and deliver our services. These systems are vulnerable to disruption, failure or unauthorized access from events such as system or network outage, cyber-attacks, malware, physical or electronic break-ins, power or telecommunications failures and other force majeure events. Any such incident, or delays or deficiencies in upgrading or implementing systems, could interrupt our operations, impede data processing and service delivery, and result in corruption, loss or unauthorized disclosure of confidential proprietary, personal, or other information, including personal health information. This could lead to increased costs, contractual disputes, regulatory or other legal actions, damage to our reputation and loss of clients. While we maintain security measures and disaster recovery plans, we cannot assure you they will prevent or mitigate all such events, any of which could materially and adversely affect our business, financial condition and results of operations.

The enforcement of labor related regulations may adversely affect our business, financial condition and results of operations

We have been subject to strict regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including pensions, housing funds, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. Our plan to streamline and rationalize our pool of employees or otherwise change our current employment or labor practices may be limited by the PRC Labor Contract Law and its implementation rules, as well as any future changes to labor laws and regulations. We may need to change or adapt our labor practices from time to time in response to new labor laws, regulations, rules and policies, but we may not be able to do so in a timely and efficient manner. Failure to do so may adversely affect our businesses and results of operations.

The PRC Labor Contract Law (《中華人民共和國勞動合同法》) and the Interim Provisions on Labor Dispatch (《劳務派遣暫行規定》) imposed certain restrictions on the use of dispatched labor including but not limited to the form of employment, numbers of dispatched workers. During the Track Record Period, we had not been subject to any administrative penalties in connection with PRC labor laws and regulations. However, we cannot assure you that our historical and current labor-related practices, including our labor dispatch arrangement with third-party agents to make the payment of social insurance and housing provident fund on behalf of us for certain of our staff, will be deemed in full compliance with relevant PRC laws and regulations by PRC government authorities. In the event of us being deemed as noncompliant with the relevant laws and regulations, we may be required to rectify within a prescribed time period and to pay fines, late payment fees and/or other penalties if we fail to do so.

In accordance with applicable PRC laws and regulations, we are obliged to contribute to social insurance and housing provident funds for our employees. During the Track Record Period, we did not fully contribute to social insurance and housing provident funds for some

of our employees and engaged third-party agents to make the payment of social insurance and housing provident fund on behalf of us for certain employees. Our PRC Legal Advisers have advised us that, under the Regulations on Administration of Housing Provident Fund (《住房公積金管理條例》), if we fail to pay housing provident fund contributions within the prescribed deadlines, we may be subject to an order by the relevant people's court to make such payments. According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), for outstanding social insurance fund contributions that we did not fully pay within the prescribed deadlines, the relevant PRC authorities may demand that we pay the outstanding social insurance contributions within a stipulated deadline and we may be liable for a late payment fee equal to 0.05% of the outstanding contribution amount for each day of delay. If we fail to repay the outstanding social insurance contributions within the stipulated period, we may be liable to a fine of one to three times the outstanding contribution amount. As advised by our PRC Legal Advisers, the risk of the relevant government authorities requiring us to pay the shortfall of contributions to social insurance and the housing provident fund and imposing material administrative penalties on us based on current laws and regulations is remote, provided that there are no substantial changes to the current policies, regulations, enforcement or supervisory requirements of relevant PRC authorities, and we rectify such shortfall in a timely manner after receiving notices from the relevant PRC authorities. As of the Latest Practicable Date, we had not received any order of correction from the competent authority as a result of any such arrangement. However, we cannot assure you that the competent authority will not require us to rectify any non-compliance or to pay any penalty related thereto.

Any litigations, legal disputes, claims or administrative proceedings against us could be costly and time-consuming to defend or settle.

We may from time to time be involved in contractual disputes, legal and administrative proceedings, and claims arising out of the ordinary course of business or pursuant to governmental or regulatory enforcement activity. Any future legal proceeding might result in us incurring substantial costs and divert our management's attention and resources. Furthermore, any litigation, legal disputes, claims or administrative proceedings that are initially not material may escalate and become material to us due to a variety of factors, such as changes in the facts and circumstances of the cases, the likelihood of loss, the monetary amount at stake and the parties involved. Laws, regulations and legal actions could also have significant regulatory consequences and result in regulatory enforcement actions. In particular, any claim could result in unanticipated liability to us if such claim is outside the scope of the indemnification arrangement we have with our clients, that our clients do not abide by the indemnification arrangement as required or that the liability exceeds the amount of any applicable indemnification limits. Any of such scenarios could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to risks involving personal safety, property loss and operational disruption in the course of our production and operation processes.

During our production and operations, we implement and require employees to adhere to safety measures and procedures in line with applicable laws, regulations and internal policies. However, our operation processes involve physical interaction with live animals, exposure to biological materials and frequent use of specialized equipment and chemicals, which may be dangerous. Even with high safety standards, work accidents may still occur. Such dangers may result in personal safety issues, damage to property and equipment and operational disruption, which may cause personal damages claims, third-party claims, cessation of business, administrative penalties, civil or criminal liabilities. There is no assurance that our staff will strictly follow those policies all the time. In addition, there is no guarantee that any such work accidents will not occur. If any such accident occurs, we may be subject to penalties and liable

for claims from third parties. If we fail to protect third parties or ourselves from such potential liabilities, we may incur significant costs, which would have a material and adverse effect on our business, financial condition and results of operations. Moreover, the occurrence of such accidents may also result in negative publicity and adversely affect our reputation.

We have limited insurance coverage, and any claims beyond our insurance coverage may result in us incurring substantial costs.

We maintain certain insurance policies to cover potential, physical injuries or medical expenses that occur on our premises. We consider our insurance coverage to be in line with what we believe to be customary in our industry. However, we cannot assure you that our insurance coverage in terms of amount, scope and benefit is sufficient. In addition, as the insurance industry in China is still at an early stage of development, insurance companies in China generally offer limited business-related insurance products and such products typically command a high premium that may not be justifiable from a cost benefit perspective. Consistent with industry norm, we do not have any business disruption insurance or key-man life insurance. Therefore, we are exposed to various risks associated with our business and operations. Such risks include, among others, loss of key management and personnel, business interruption, litigation or legal proceedings, or force majeure events. Our business, financial condition and results of operations may be materially and adversely affected as a result.

Our business may be materially and adversely affected by force majeure events or other issues beyond our control.

Force majeure events, natural disasters, public health incidents, acts of war, terrorism or other factors beyond our control could adversely affect the economies, infrastructure and lives of people in the regions in which we operate. Severe natural disasters could result in loss of life, injury, destruction of assets and disruption to our business and operations. Acts of war or terrorism could also injure our employees, cause loss of life, disrupt our business operations and impair our markets. Any of these factors, as well as other factors beyond our control, could materially and adversely affect the overall business sentiment and environment, lead to uncertainty in the regions in which we operate, cause our business to suffer losses that we cannot predict and have a material and adverse impact on our business, results of operations and financial condition.

If we fail to comply with anti-bribery or anti-money laundering laws, our reputation may be harmed, and we could be subject to significant penalties and expenses that could have a material adverse effect on our business, financial condition and results of operations.

We are subject to the anti-bribery and anti-money laundering laws of the jurisdictions in which we operate. In addition, many of our clients require us to follow strict anti-bribery and anti-money laundering policies as part of doing business with us. Our procedures and controls to monitor anti-bribery and anti-money laundering compliance may fail to protect us from reckless or criminal acts committed by our employees or agents. If we fail to comply with applicable anti-bribery laws and anti-money laundering, our reputation could be harmed, clients could cancel or not renew contracts for our services and we could incur criminal or civil penalties, other sanctions and significant expenses, which could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO THE JURISDICTIONS IN WHICH WE OPERATE

Changes in economic, political and social conditions, as well as government policies, laws and regulations, and industry practice guidelines in the jurisdictions where we operate could have a material and adverse effect on our business, financial conditions, results of operations and prospects.

Our business, financial conditions and results of operations may be influenced by the general political, economic and social conditions in the countries where we operate. Governments worldwide have implemented, and may continue to introduce, among others, various policies and measures to encourage the economic growth and guide the allocation of resources. The CRO industry in general is affected by macro-economic factors, including international, national, regional and local economic conditions. Any changes in these factors may have a material and adverse effect on our business, financial condition and results of operations.

As we have been expanding our overseas operations, we are exposed to diverse regulatory environments and macroeconomic volatility. There is no guarantee that we can achieve growth in revenue from overseas clients in the future due to a variety of factors, such as regulatory changes, high compliance standards and fluctuating trade policies.

Failure to comply with existing or future laws and regulations related to privacy or data security, especially in the context of our clinical trial services, could subject us to significant penalties, liabilities and reputational damage and could adversely affect our business, financial condition and results of operations.

The regulatory framework for the collection, use, safeguarding, sharing, transfer and other processing of personal information in China is rapidly evolving and is likely to remain uncertain for the foreseeable future. There are numerous laws that protect the confidentiality of individually identifiable patient health information, including patient records, and restricting the use and disclosure of that protected information. Regulatory authorities may continue to introduce additional legislative and regulatory proposals concerning personal data protection.

The Standing Committee of the NPC promulgated the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》), which became effective on November 1, 2021, sets forth detailed rules on handling personal information and legal responsibilities and also strengthens the punishment for illegal process of personal information. Under the Personal Information Protection Law of the PRC, healthcare relevant personal information, including the information collected during clinical trials, shall be deemed as "sensitive personal information" and shall be under strict protection. Furthermore, GCP requires that the privacy of trial participants and the confidentiality of the relevant information shall be protected.

During clinical trials, we and our hospital partners routinely collect and maintain medical data, treatment records and other personal details of enrolled participants. Although we have taken measures to maintain the confidentiality of such information, we cannot assure you that such measures are effective in ensuring compliance with the relevant laws and regulations or that we and our hospital partners are able to prevent the enrolled participants' private or medical records being divulged without their consent. In some cases, our clinical trials also involve professionals from third-party institutions working on-site with our staff and enrolled participants. We cannot ensure that such persons will always comply with our data privacy measures. Any failure to protect the confidentiality of participants' medical records and personal data, or any restriction on our liability from our use of medical data, could have a material adverse effect on our business, financial condition and results of operations.

Moreover, the Data Security Law of the PRC (《中華人民共和國數據安全法》) which has taken effect on September 1, 2021, provides that relevant authorities will establish the measures for the cross-border transfer of import data, if any company violates the Data Security Law of the PRC to provide important data outside China, such company may be punished by administration sanctions, including penalties, fines, and/or may suspension of relevant business or revocation of the business license. The Outbound Data Transfer Security Assessment Measures (the "Outbound Data Transfer Security Assessment Measures") (《數據出境安全評估辦法》) was published on July 7, 2022 and became effective on September 1, 2022, which specifies that data processors who intend to provide important data and personal information reaching certain thresholds that are collected and generated in the operation within the territory of the PRC to overseas shall be subject to security assessment. The Outbound Data Transfer Security Assessment Measures further stipulate the process and requirements for the security assessment.

Compliance with these and any other applicable laws, regulations, standards and obligations relating to data privacy, security and transfers is a rigorous and time-intensive process and may cause us to incur additional operational costs or require us to modify our data processing practices and processes. Any change in such laws and regulations may also affect our ability to use medical data for purposes that were previously permitted. If we or our third-party vendors, collaborators, contractors and consultants fail to comply with any such laws or regulations, we may face proceedings against us by data protection authorities and governmental entities, which could subject us to significant fines, penalties, judgments, negative publicity and reputational damage, and may otherwise materially and adversely affect our business, financial condition and results of operations.

Changes in currency conversion policies may adversely affect the value of your investment.

We may convert a portion of our revenue into other currencies to meet our foreign currency obligations, such as payments of operating costs and expenses. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends, or otherwise satisfy our foreign currency-denominated obligations. Under existing PRC foreign exchange regulations, the foreign exchange expenditure under the current items shall be paid by an institution with its self-owned foreign exchange upon valid documents or with the foreign exchange purchased from any financial institution operating the foreign exchange sale or settlement business in accordance with the administrative provisions of the foreign exchange administrative department of the State Council on the payment and purchase of foreign exchange. In addition, the foreign exchange expenditure under the capital items shall be paid by an institution with its self-owned foreign exchange upon valid documents or with the foreign exchange purchased from any financial institution operating the foreign exchange sale or settlement business in accordance with the administrative provisions of the foreign exchange administrative department of the State Council on the payment and purchase of foreign exchange. If the administrative provisions require the approval of a foreign exchange administrative organ, the approval must be obtained before making foreign exchange payments. According to relevant foreign exchange rules, where any material imbalance in international receipts and payments occurs or may occur, the PRC government may implement necessary safeguards and other measures. There can be no assurance that regulations regarding the remittance of RMB into or out of the PRC will not change in the future.

Our operations are subject to tax laws and regulations in the jurisdictions in which we operate or have presence.

The PRC EIT Law imposes a tax rate of 25% on business enterprises. We are entitled to certain preferential tax treatments. To the extent there are any changes in the laws and regulations governing preferential tax treatment or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, the PRC government may amend or restate regulations on income, withholding, value-added, and other taxes. Non-compliance with the PRC tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to PRC tax laws and regulations and tax penalties or fines could affect our businesses, financial condition and results of operations.

We also operate in overseas markets and are subject to various taxes. Because the tax environment can be different in different jurisdictions and the regulations regarding various taxes, including but not limited to corporate income tax, are complex, our international operations may expose us to risks associated with the overseas tax policy changes. Dealing with such regulatory complexities and changes may require us to divert more managerial and financial resources, which in turn could affect our results of operations.

Holders of our H Shares may be subject to income tax obligations in China.

Under the current tax laws and regulations in China, non-Chinese resident individuals and non-Chinese resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of our H Shares.

Non-Chinese resident individuals are required to pay individual income tax at a rate of 20% under IIT law for the interests, dividends and bonuses they obtain from China. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. Pursuant to applicable regulations, Chinese companies issuing shares in Hong Kong may generally, when distributing dividends, withhold individual income tax at the rate of 10%. However, withholding tax on distributions paid by us to non- Chinese individuals may be imposed at other rates pursuant to applicable tax treaties (and up to 20% if no tax treaty is applicable) if the identity of the individual holder of H shares and the tax rate applicable thereto are known to us. Whether gains realized upon disposition of H shares by non- Chinese individuals are subject to Chinese individual income tax shall be determined in accordance with the relevant laws and regulations in effect at that time.

For non Chinese-resident enterprises that do not have establishments or premises in China, and for those who have establishments or premises in China but whose income is not related to such establishments or premises under the EIT law, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of Shares are ordinarily subject to China enterprise income tax at a rate of 10% pursuant to the EIT Law and other applicable Chinese tax regulations and statutory documents, which may be reduced or eliminated under special arrangements or applicable treaties between China and the jurisdiction where the non-resident enterprise resides. Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-Chinese resident enterprise holders of our H Shares. Non-Chinese resident enterprises that are entitled to be taxed at a reduced rate

under an applicable income tax treaty will be required to apply to the China tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, payment of any such refund will be subject to the China tax authorities' verification.

If there is any change to applicable tax laws and regulations or in the interpretation or application of such laws and regulations, the value of your investment in our H Shares may be materially affected.

Payment of dividends is subject to laws and regulations in the PRC.

Under the PRC laws, dividends may be paid only out of distributable profits. Our distributable profits represent our distributable net profits less appropriations to statutory surplus reserve, general reserve, and discretionary surplus reserve (as approved by our Shareholders' meeting). Our distributable net profit represents the lowest of (i) our net profit attributable to our equity holders for a period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under PRC GAAP, and (ii) our net profit attributable to our equity holders for the period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under IFRS Accounting Standards. As a result, we may not have sufficient distributable profits to make dividend distributions to our Shareholders in the future, including in respect of periods where we register an accounting profit. Any distributable profits that are not distributed in a given year are retained and available for distribution in subsequent years.

Investors may experience difficulties in effecting service of legal process and enforcing judgments against us and our Directors and senior management.

Substantially all of our assets are located in China and the majority of our executive Directors and senior management reside in China. Therefore, it may be difficult for investors to directly effect service of legal process within Hong Kong or elsewhere outside of China upon us or our Directors or senior management.

Pursuant to the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) effective on January 29, 2024, promulgated by the Supreme People's Court, a party with an enforceable final court judgment rendered by any designated people's court of the PRC or any designated Hong Kong court with respect to any civil and commercial cases excluding certain types of which, may apply for recognition and enforcement of the judgment in the relevant people's court of the PRC or Hong Kong court. The PRC has not entered into a treaty for the reciprocal recognition and enforcement of court judgments with the United States and many other jurisdictions. In accordance with applicable laws, regulations and interpretations, a court judgment obtained in other jurisdictions may be recognized and enforced in the PRC or Hong Kong in consideration of the treaties providing for the reciprocal enforcement of judgments of courts between the PRC and the country where the judgment was made. However, there can be no assurance that all final judgments will be recognized and effectively enforced by the relevant courts.

RISKS RELATING TO THE [REDACTED]

There has been no prior public market for our H Shares and the liquidity and market price of our H Shares may be volatile.

Prior to the [**REDACTED**], there was no public market for our H Shares. We cannot assure you that a public market for our H Shares with adequate liquidity will develop and be sustained following the completion of [**REDACTED**]. The [**REDACTED**] may differ significantly from the market price of the H Shares following the [**REDACTED**]. We have applied to the Stock Exchange for the listing of, and permission to deal in, the H Shares (including any H Shares which may be issued pursuant to the exercise of the [**REDACTED**]). In addition, certain part of the H Shares in issue as of the date of this document will be subject to a lock-up period from the Listing Date, which may significantly affect the liquidity and trade volume of our H Shares in the short term following the [**REDACTED**]. A listing on the Stock Exchange, however, does not guarantee that an active and liquid trading market for the H Shares will develop, or if it does develop, that it will be sustained following the [**REDACTED**], or that the market price of the H Shares will not decline following the [**REDACTED**]. If an active public market for our H Shares does not develop following the completion of the [**REDACTED**], the market price and liquidity of our H Shares could be materially and adversely affected.

There can be no assurance that we will declare and distribute any dividends in the future.

No dividends had been paid or declared by our Company during the Track Record Period and there can be no assurance that we will declare and distribute any amount of dividends in the future. The declaration, payment and amount of any future dividends are subject to the discretion of our Directors, and subject to the approval at a Shareholders' meeting. We may not have sufficient or any profits to enable us to distribute dividends to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable.

There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various independent third-party sources contained in this document.

This document, particularly the sections headed "Business" and "Industry Overview," contains information and statistics relating to the CRO service market. Such information and statistics have been derived from a third-party report commissioned by us and publicly available sources. The information from official government sources has not been independently verified by us, the Joint Sponsors, the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**] or any other party involved in the [**REDACTED**], and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics included in this Document being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. You should consider carefully the importance placed on such information or statistics.

Any possible conversion of our Unlisted Shares into H Shares in the future could increase the number of our H Shares in the market and negatively impact the market price of our H Shares.

Potential conversion of Unlisted Shares into H Shares may result in an increase in the number of our H Shares available in the market, which could, in turn, affect the price of our H Shares. Our remaining Unlisted Shares may also be converted into H Shares upon completion of required procedures in the future, and such converted shares may be listed or traded on an overseas stock exchange, provided that, prior to the conversion and trading of such converted shares, any requisite filings with relevant PRC regulatory authorities shall be completed. However, the PRC Company Law provides that in relation to the [**REDACTED**] of a company, the shares of that company which are issued prior to the [**REDACTED**] shall not be transferred within one year from the date of listing of the [**REDACTED**]. Therefore, upon completing the requisite filing, our Unlisted Shares may be traded, after the conversion, in the form of H Shares on the Stock Exchange one year after this [**REDACTED**], which at that time could further increase the number of our H Shares available in the market and may negatively impact the market price of our H Shares.

Forward-looking information in this document is subject to risks and uncertainties.

This document contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those expressed or implied. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events, or otherwise. Accordingly, you should not place undue reliance on any forward-looking information and should read them together with the risks described in this section and the cautionary statements in "Forward-looking Statements."

You should read the entire document carefully and should not rely on any information contained in press articles or other media regarding us and the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [**REDACTED**]. Prior to the publication of this document, there may have been or may be press and media coverage regarding us and the [**REDACTED**]. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.