An **[REDACTED]** *in our Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an* **[REDACTED]** *in our 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, results of operations, and prospects. In any such case, the* **[REDACTED]** *of our Shares could decline, and you may lose all or part of your* **[REDACTED]**.

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 is as of the Latest Practicable Date unless otherwise stated, 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 INDUSTRY

We may not be successful in our efforts to identify, discover, acquire, in-license or develop new product candidates to build or maintain our product pipeline.

As a leading China-based pharmaceutical enterprise specialized in the treatment of kidney diseases, our future growth depends in part on our ability to continuously enrich our product pipeline by identifying, discovering, acquiring, in-licensing and developing new product candidates. We will focus on the treatment of kidney diseases and seize the opportunity presented for hematologic, respiratory, cardiovascular and cerebrovascular, and dermatologic diseases, and other sub-markets, with a view to developing and bringing to the market products with strong market potential in such fields.

However, we may fail to identify, discover, in-license, acquire or develop new products or product candidates for clinical development for a number of reasons. Those we identify may eventually be unmarketable or unlikely to receive regulatory approval. Drug development programs require substantial technical, financial, and human resources whether or not we ultimately are successful. In addition, if we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing, or other royalty arrangements when it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

Regardless of whether we develop new product candidates in-house or through collaborative drug development, our drug development efforts may initially show promise in identifying potential indications and/or product candidates, yet fail to yield results for clinical development for a number of reasons, including:

- potential product candidates may, after further study, be shown to have serious adverse effects or other characteristics that indicate they are unlikely to be effective products; or
- it may take greater human and financial resources to identify additional therapeutic opportunities for our product candidate(s) or to develop suitable potential product candidates, thereby limiting our ability to diversify and expand our portfolio.

Accordingly, there can be no assurance that we will ever be able to identify additional therapeutic opportunities for our product candidate(s), develop suitable potential product candidates through in-house drug development team, or enter into collaboration under favorable commercial terms or at all. Even if we are able to identify, discover, or develop the product candidates that we target, we cannot assure you that the product will be successfully commercialized. We may focus our efforts and resources on potential product candidates or other potential programs that ultimately prove to be unsuccessful.

Our failure to successfully introduce new products could materially and adversely affect our operations and financial performance. Our results of operations are significantly affected by the composition and evolution of our product portfolio, and the profit margin of each product varies. Our

ability to develop and commercialize new products, replenish our pipeline with additional product candidates in our core therapeutic areas, introduce new products, and further diversify our portfolio has had, and will continue to have, a significant impact on our business prospects. In particular, our revenue increased from RMB887.4 million in 2023 to RMB901.8 million in 2024, and further to RMB1,680.0 million in 2025, and this growth was driven in significant part by the expansion of and upgrade to our product portfolio. If we are unable to continue to expand our product offerings, we may be unable to sustain our historical revenue growth or offset declines in sales of our existing products as they mature or face increased competition. Furthermore, as we operate in a highly competitive industry, if we are unable to introduce new competitive products in a timely manner, we could face significant pricing pressure or find it commercially unfeasible to bring such products to market. Any of the above could have a material adverse effect on our business, prospects, financial condition, and results of operations.

Our products and the third-party products that we sell and/or promote may become subject to centralized procurement, national or other third-party reimbursement practices, healthcare reform initiatives, or unfavorable pricing regulations.

In China, the pricing of prescription pharmaceutical products is continuously influenced by policies such as government centralized procurement. For example, centralized procurement in China has strong bargaining power over pricing of pharmaceutical products, often resulting in downward pressure on drug prices.

As of the Latest Practicable Date, among our major products, the generic names of two drugs acquired by us as part of the Kyowa Kirin China Acquisition (namely, cinacalcet hydrochloride tablet and benidipine hydrochloride tablet) and the generic name of one of our CSO products have been included in the national centralized procurement catalog, which may adversely affect the pricing and margins of these products; some of the CSO products that we sell and/or promote are subject to regional or provincial centralized procurement. Products included in centralized procurement are typically those already covered by the NRDL, high-volume products, or mature products facing intense homogeneous competition. While most of our major products are innovative drugs that are generally not subject to such procurement impact, there can be no assurance that centralized procurement policies will not be expanded in scope to cover a broader range of products in the future, including innovative or exclusive products in our portfolio.

The evolving requirements on centralized procurement may affect our operations and financial performance: in several respects. If any of portfolio drugs become subject to centralized procurement, we may be required to offer substantially lower prices to secure procurement volumes, which would directly reduce our revenue per unit and compress our profit margins. Furthermore, under the CSO model, any expansion of centralized procurement to cover additional CSO products could reduce the promotion service fees payable to us by the relevant product owners or MAHs due to the compression on their revenue per unit and profit margins. Additionally, the ongoing implementation of centralized procurement programs may alter hospital-level prescribing patterns and procurement volumes, which in turn may adversely affect the purchasing behavior of our distributor customers. In addition, to the extent that centralized procurement results in downward pricing pressure on competing products bearing the same generic name as our products, we may face intensified price competition and be compelled to reduce our own selling prices to remain competitive, even if our specific branded products are not themselves directly included in the centralized procurement catalog.

Additionally, our commercialized products and the third-party CSO products may also become subject to reimbursement practices, healthcare reform initiatives, or unfavorable price regulations. Our ability to generate substantial revenue from our products or successfully commercialize any product candidate will depend in part on whether these products will be included in the NRDL, as well as the extent to which reimbursement for these products will be available from third-party payors such as private health insurers and other organizations. As of the date of this document, among our major products, five of our acquired products and seven of our CSO products are included in the NRDL. Inclusion in the NRDL generally requires a pricing negotiation process based on factors such as clinical

value, competition, and cost-effectiveness, and typically results in a reduction of the product's selling price in exchange for expanded patient access and higher sales volume. While we believe the benefits of NRDL inclusion significantly outweigh the associated costs, such price reductions directly reduce our revenue per unit and may compress our gross profit margins for the affected products. In addition, if the prices negotiated upon NRDL inclusion or renewal are lower than anticipated, or if subsequent NRDL adjustments result in further price reductions, our revenue and profitability could be materially and adversely affected.

Government authorities and third-party payors have the discretion to decide which medications they will pay for and establish reimbursement levels. We cannot assure you that reimbursement will be available for any future product candidates that we commercialize and, if available, what the level of reimbursement will be. The availability and extent of reimbursement may impact the demand for, or the price of, our products. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any future product candidate. The relevant government authorities in China have implemented policies that aim to further increase the affordability of pharmaceutical products. See "Regulatory Overview—Other Laws and Regulations in Relation to Medical Industry" for further details. In the future, the relevant authorities may continue to implement policies which limit the prices that hospitals, clinics, and other medical practitioners can charge for our products, which in turn would limit the prices that we can charge them and adversely affect our profitability.

Other reform measures on the tender process or pricing policies may also result in downward adjustments to our product prices, and may in turn adversely affect our revenue and profitability. As China's healthcare system as a whole has undergone continuous reform in recent years in respect of insurance coverage, access to medical products and services, and the role of the private sector in product development, we cannot predict if or when any changes to pricing or reimbursement policies will be introduced. Any negative developments in respect of the above could have a material adverse effect on our business, financial condition, and results of operations.

Our products and the third-party products that we sell and/or promote may fail to achieve the degree of market acceptance by physicians, patients, third-party payors, and others in the medical community necessary for commercial success.

Our products and product candidates, even if they receive regulatory approval, and the third-party products that we sell and/or promote, may not achieve sufficient market acceptance among physicians, patients, and other participants in the medical community. If such products fail to achieve adequate level of acceptance, we may be unable to generate sufficient revenue to achieve or sustain profitability. The degree of market acceptance depends on a number of factors, including the clinical indications for which such products are approved; the perceived safety and efficacy of such products relative to existing therapies and other alternatives; the prevalence and severity of any side effects; product labeling requirements and any limitations or warnings approved by the NMPA; the timing of market introduction relative to competing products; the cost of treatment in relation to alternatives; the availability of adequate coverage and reimbursement under the NRDL and the willingness of patients to pay out-of-pocket in the absence thereof; the relative convenience and ease of administration; and the effectiveness of our sales and marketing efforts.

We may not realize the benefits of licensing or collaboration arrangements, and disputes may arise between us and our collaboration partners.

We have entered into, and may continue to seek, licensing or collaboration arrangements with third parties whose products complement our business development strategy. We face significant competition in seeking appropriate partners, and any agreement we enter into may not result in the anticipated benefits. These relationships may require us to incur significant costs, increase expenditures, or issue securities that dilute our existing Shareholders. Our collaboration arrangements also involve numerous risks and are subject to significant business, economic, and competitive uncertainties beyond our control. Disputes may arise between us and our collaboration partners, including breaches of license agreements by either party, which could result in termination of such agreements and prevent us from

developing and commercializing our in-licensed product candidates. Such disputes may cause delays or termination of drug development, or result in costly litigation or arbitration that diverts management attention and resources. If we fail to obtain licenses or enter into collaboration arrangements, our growth potential will be adversely affected.

Failure to maintain an adequate and stable supply of products or other materials may cause us to lose sales or disrupt our operations.

As of the Latest Practicable Date, the materials of all our products had been procured from third parties. Our ability to maintain an adequate and stable supply of products or other materials is impacted by factors beyond our control, including the production capacity of our suppliers, changing reimbursement policies, and launches of competing products. We cannot assure you that we can accurately predict market trends and events and maintain adequate levels of inventory at all times. Such inventory under-stock may cause us to lose sales and our business, financial condition, results of operations, and prospects may also be materially and adversely affected.

In addition, any significant disruption in our supplier relationships could harm our business. Our suppliers may not be able to keep up with our growth needs or may reduce or cease their supply of materials to us at any time. We also 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, and failure to do so by them may lead to interruption in their business operation, which in turn may result in shortage of materials. Any interruption in our supply of materials would force us to identify replacement suppliers, which may not be available to us on commercially favorable terms or at all. This in turn could have a material adverse effect on our business, financial condition, and results of operations.

Moreover, we rely on third-party pharmaceutical companies to which we provide promotion services. We have limited control over their manufacture process, delivery arrangement and supply chain management. In particular, the occurrence of any industry downturn, natural disaster or catastrophic event could interrupt their manufacturing or delivery of the relevant products, resulting in inadequate or delayed supply to us or to our designated distributors. Any potential inadequate or delayed supply may force us or our designated distributors to deliver the relevant products on a delayed basis, cancel product orders or cease product offering. Consequently, our results of operations could be adversely affected, our reputation and our relationships with our distributors could be harmed, and we could be potentially exposed to litigation and damage claims. Besides, our business may be materially and adversely affected if these third-party pharmaceutical companies distribute the relevant products in our designated geographic areas in violation of the terms of our agreements with them.

We operate in a competitive industry and may fail to compete effectively.

The pharmaceutical industry is highly competitive and characterized by extensive R&D, rapid technological innovation, and evolving industry standards. We face competition across multiple dimensions, including the quality and efficacy of products, breadth of product portfolio, intellectual property protection, and pricing. Certain of our competitors may possess greater financial and research resources, more established sales and marketing operations, and stronger brand recognition. In addition, generic and biosimilar competitors may rely on abbreviated regulatory approval pathways and lower development costs, enabling them to offer more aggressive pricing and erode our market share.

If we are unable to introduce new competitive products in a timely manner, or if competitors develop products targeting the same indications before us, we could face significant pricing pressure or find it commercially unfeasible to bring such products to market, any of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Our strategic acquisitions or investments may not be successful, and we may not realize anticipated strategic benefits and financial returns from such transactions.

We have engaged in and intend to continue to seek opportunities in strategic acquisitions and other investments to expand the size of our business operations, product portfolio and enhance our competitiveness in the industry. The success of our acquisitions depends on a number of factors, some of which are beyond our control. Investments and/or acquisitions may expose us to a number of risks, undisclosed issues or legal liabilities, such as diversion of management attention from our existing business, potential loss of our key employees or the key employees of any business that we acquire, unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the investments and/or acquisitions, and decline in the value of invested/acquired assets or companies. These risks could prevent us from realizing the benefits anticipated to result from the investments or acquisitions, and could have a material adverse effect on our ability to grow our business, financial condition and results of operations.

In addition, when evaluating potential acquisition or investment targets, we are required to make judgments regarding the valuation of the businesses, assets, and brands to be acquired, which involves significant estimation and inherent uncertainty. The valuations of target businesses and their associated brands may be based on assumptions regarding future revenue growth, market conditions, competitive dynamics, regulatory developments, discount rates, and other forward-looking factors that are difficult to predict with certainty. If any of these assumptions prove to be inaccurate or overly optimistic, we may pay consideration for an acquisition or investment that exceeds the actual fair value of the acquired business or brand, which may result in impairment losses or write-downs that could materially and adversely affect our financial condition and results of operations.

Furthermore, we may not be able to realize the anticipated benefits, synergies, cost savings, or operational efficiencies that we expected at the time of an acquisition or investment. The realization of such benefits depends on, among other things, our ability to successfully integrate the acquired business's operations, personnel, technologies, products, and information systems with our own, retain and motivate key employees of the acquired business, achieve expected economies of scale, leverage existing sales and distribution networks for the products or brands of the acquired business, and maintain relationships with the customers, suppliers, and partners of the acquired business. Achieving anticipated synergies may also require significant additional investment, take longer to accomplish than originally estimated, or may not be achievable at all. Any failure or delay in realizing anticipated benefits, synergies, cost savings, or efficiencies from our acquisitions or investments could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We may face challenges in fully realizing the anticipated benefits of the acquisitions. In 2024, our Group acquired the entire equity interest in WinHealth China from Kyowa Kirin. We may need to make adjustments to certain aspects of its business operations as necessary. We cannot assure that these changes will not affect the business operations of WinHealth China. In addition, the integration of WinHealth China into our existing operations may be subject to unforeseeable delays or even the risk of failure due to various reasons which may be beyond our control, including, among others, regulatory changes, discovery of unforeseen or hidden liabilities, and unforeseen difficulties in integrating WinHealth China with our existing operational infrastructure. Such delays or failure in the integration may increase our integration costs, strain our capacity at other locations, and divert our management attention and resources from our existing business. Our existing operations may also not be able to generate sufficient revenues to offset the costs and expenses in connection with the delays in, or failure of, integrating our acquisitions. Any difficulties encountered in the acquisition and integration process may have an adverse effect on our ability to manage our business and harm our results of operations, financial condition and prospects.

Drug owners, manufacturers, or MAHs from whom we acquire or license drugs may impose constraints on our manufacturing and distribution activities, which could limit our operational flexibility and adversely affect our business.

Our portfolio drug products are acquired from, licensed by, or sourced through third-party drug owners, manufacturers, and MAHs. As of the Latest Practicable Date, our product portfolio included five drugs obtained as part of the Kyowa Kirin China Acquisition, four drugs licensed-in by us on an exclusive basis in China, and 19 third-party CSO drugs. Our agreements with these counterparties typically contain provisions that impose constraints on our manufacturing, supply, distribution, and commercialization activities, which may limit our operational flexibility. These provisions typically include territorial restrictions, exclusive supply obligations, non-compete and confidentiality undertakings, pricing constraints, and performance commitments.

For example, for our acquired products, we generally procure bulk drug product exclusively from Kyowa Kirin under a long-term supply arrangement, are required to restrict any diversion outside of China, and complete only secondary packaging domestically, effectively limiting our ability to independently manufacture these products or source alternative supply. For our in-licensed products, we generally acquire finished products directly from global pharmaceutical companies who retain control over the manufacturing process and finished product supply, and our license agreements may impose territorial restrictions and other conditions that circumscribe the scope and manner of our commercialization activities. For CSO products, product owners or MAHs control the product supply and authorize us to sell and/or promote under their MAH status, and we have limited control over the manufacture process, delivery arrangements, and supply chain management of such counterparties.

Accordingly, we face a number of risks that could adversely affect our business. Because each product can typically only be procured from its rights holder, MAH, or designated manufacturer, we may be unable to independently source alternative supply in response to disruptions or to increase production capacity or reduce procurement costs without the consent of the relevant counterparty. Drug owners, manufacturers, or MAHs may impose or tighten restrictions on the volume, timing, geographic scope, or pricing of products they supply or license to us, may prioritize their own operations or other commercial partners over our requirements, or may alter their strategies, terminate or decline to renew agreements, or impose less favorable renewal terms. Territorial restrictions may also prevent us from expanding distribution into new markets or channels without prior counterparty consent, and changes in the business strategies of drug owners, including decisions to shift manufacturing to alternative facilities or consolidate product lines, could result in supply interruptions, increased costs, or reduced product availability.

If any of the above risks materialize, we may experience disruptions in our product supply, be unable to meet market demand, lose sales, or face reputational harm, any of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Our profitability may be adversely affected by fluctuations in our cost of sales, selling and distribution expenses, research and development expenses, and administrative expenses.

Our profitability is affected by our cost structure, which primarily consists of cost of sales, selling and distribution expenses, research and development expenses, and administrative expenses. Within cost of sales, procurement costs relating to the purchase of pharmaceutical products represent the largest component. Fluctuations in procurement costs, including changes in supplier pricing, product mix, and inventory impairment, affect our gross profit and overall financial performance.

Compared to our ability to control our cost of sales, our ability to effectively control our operating expenses has a greater impact on our profitability. Labor cost is a significant component of our overall operating expenses. In addition, to incentivize and reward the eligible persons who have contributed to the development of our Group, we have adopted the Pre-**[REDACTED]** Share Incentive Plan. Expenses incurred with respect to any share-based payment made under such Share Schemes may

increase our operating expenses in the future. We cannot assure you that there will be no further increase in labor cost. If we fail to effectively manage our cost of sales and operating expenses, there may be a material and adverse effect on our results of operations and financial condition.

The development process of pharmaceutical products is typically lengthy, costly, and with an uncertain outcome, and there is no assurance that our product candidate under development will receive regulatory approval.

As of the Latest Practicable Date, we had one major product candidate in the clinical stage in China. Before we can proceed to commercialize such product candidate, regulatory approval must first be obtained from the NMPA. There are comprehensive and stringent review procedures in respect of pharmaceutical product candidates; as a result, the process of developing and obtaining regulatory approvals for pharmaceutical products is typically lengthy, costly, and has no assured outcome.

Marketing approvals for pharmaceutical products are usually contingent on successful completion of clinical trials, which are expensive, difficult to design, and can take many years to complete. Commencement of a clinical trial is subject to the finalization of the trial design based on ongoing discussions with the NMPA. After commencement, the clinical trial could be suspended or terminated by us, the Institutional Review Board (the "**IRBs**"), ethics committees, the data safety monitoring board, or the NMPA, for a variety of reasons beyond our control. In particular, our product candidate could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including insufficient or slower-than-expected patient enrollment, inability to identify and maintain a sufficient number of trial centers, failure to demonstrate to the satisfaction of the NMPA or other relevant regulatory authorities that a product candidate is safe and effective for its proposed indication, non-compliance by contract research organizations ("**CROs**") or investigators with good clinical practice ("**GCP**") requirements, as well as feedback from regulatory authorities or clinical trial results that might require protocol modifications or render our clinical data insufficient for approval.

Even if our product candidate demonstrates favorable results in early clinical trials, we cannot assure you that the results of late-stage clinical trials will be favorable enough to support the continued development of our product candidate. In addition, the outcomes of early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Such variability in safety and/or efficacy results may be caused by numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations (including genetic differences, patient adherence to the dosing regimen, and other trial protocols), and the rate of dropout among clinical trial participants. Clinical data are also often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in clinical trials have nonetheless failed to obtain regulatory approval of their product candidates. We cannot assure you that any of our product candidates, regardless of whether they have achieved favorable early-stage results or favorable overseas clinical trial results, will achieve similar success in later clinical trial stages in China, or in post-clinical trials.

If we experience delays in clinical development or in obtaining regulatory approvals, our drug development costs will increase, and our competitors may bring products to market before us, impairing our ability to successfully commercialize our product candidates. In addition, if the results of clinical trials are not positive or raise safety concerns, the product candidate may be approved with a narrower label than desired, or approval may be contingent on post-marketing clinical trials. We may also be required to add labeling statements such as boxed warnings or contraindications, or to develop risk management plans to mitigate risks. For the above reasons, we cannot assure you that our product candidates will successfully progress through the development process or become commercially viable products, and any such failure could have a material adverse effect on our business, prospects, financial condition, and results of operations.

We incurred net loss for the years ended December 31, 2023 and 2025.

For the years ended December 31, 2023 and 2025, we had net loss of RMB17.0 million and RMB79.0 million respectively. We had net losses in 2023 primarily because of the impact of substantial selling and distribution and administrative expenses, finance costs and fair value changes on financial instruments issued to investors and other expenses. We had net losses in 2025 primarily because of the impact of fair value change in financial instruments issued to investors.

In addition, we recorded a net profit of RMB8.6 million in 2024, partially due to the recognition of a one-off gain income (under other income and gain) of RMB27.5 million from the transfer of a product right of a drug product to a third party in 2024. Such gain income was of non-recurring nature.

Our future profitability will depend on a variety of factors, including the expansion and performance of our existing business, competitive landscape, customer preference, and macroeconomic and regulatory environment. Our revenues may not grow sufficiently to offset increases in our costs and expenses, and we may continue to incur losses and cannot assure you that we will eventually achieve our intended profitability. In addition, net outflows of operating cash could impair our ability to make necessary capital expenditures, constrain our operational flexibility, and adversely affect our ability to meet our liquidity requirements. If we are unable to maintain adequate working capital, there may be a material adverse effect on our business, financial condition, results of operations, and prospects.

We had net liabilities and net current liabilities during the Track Record Period.

We recorded net liabilities of RMB530.8 million, RMB532.1 million and RMB489.9 million, respectively, as of December 31, 2023, 2024 and 2025. We also had net current liabilities of RMB793.9 million, RMB854.5 million and RMB869.1 million, respectively, as of December 31, 2023, 2024 and 2025, primarily due to instruments to investors as well as our reliance on bank borrowings to finance our operations and acquisitions. See "Financial Information — Description of Major Line Items in Our Consolidated Statements of Financial Position — Current assets and current liabilities" for further details. We cannot assure you that we will not have a net liabilities or net current liabilities position in the future. If we continue to record net current liabilities or net liabilities, we may face liquidity risk which could restrict our ability to make necessary capital expenditure or develop business opportunities, and our business, results of operations, and financial condition could be materially and adversely affected.

Failure to maintain optimal inventory levels could increase our inventory holding costs.

We had inventories of RMB146.6 million, RMB180.7 million and RMB302.0 million, respectively, as of December 31, 2023, 2024 and 2025. Our inventory turnover days were 228 days, 239 days and 137 days, respectively, for the years ended December 31, 2023, 2024 and 2025. See "Financial Information — Description of Major Line Items in Our Consolidated Statements of Financial Position — Current assets and current liabilities" for further details. If we fail to estimate the sales of our products and the third-party products that we sell and/or promote or our consumption of supplies, we may be exposed to increased inventory risks due to the accumulation of excess inventory of our products, the third-party products that we sell and/or promote or supplies as a result of reasons such as slow-moving inventory. An unexpected decrease in the market demand for the products we sell could lead to excessive or obsolescent inventory, and we may be forced to offer discounts to dispose of slow-moving inventory, which in turn may materially and adversely affect our financial condition and results of operations.

Our historical operational and financial performance may not be indicative of our future performance, and we may not be able to sustain similar growth in the future.

We have experienced steady financial growth during the Track Record Period. Our revenue increased from RMB887.4 million for the year ended December 31, 2023 to RMB901.8 million for the year ended December 31, 2024, and further to RMB1,680.0 million for the year ended December 31, 2025. However, you should not rely on the revenue growth of any prior period as an indication of our

future performance, as our operational and financial growth is not necessarily indicative of results that we may achieve in the future. There are a wide array of factors that will affect our performance and growth, including the overall economy, market acceptance of our products and the third-party products that we sell and/or promote, competitive products and technologies, and pricing pressures, many of which are beyond our control. We cannot assure you that we will be able to maintain our growth at the same rate as we did in the past, or avoid any decline in the future.

Our products and product candidate(s) as well as the third-party products that we sell and/or promote may cause undesirable side effects or other adverse events.

The use of our products, product candidates and the third-party products that we sell and/or promote could be associated with side effects or adverse events, which may be observed at any time, including during clinical trials or after commercialization. Because clinical trials assess only a sample of the potential patient population for a limited duration, severe side effects may only be uncovered when a significantly larger number of patients become exposed to the product. If undesirable side effects are identified, regulatory authorities may withdraw or limit existing approvals, impose additional labeling requirements, warnings or restrictions, require us to develop risk evaluation and mitigation plans, or revoke approvals for the relevant products or production facilities. We may also become subject to regulatory investigations, government enforcement actions, and more frequent or more stringent regulatory inspections. In addition, we may decide, or be required, to remove or recall such products from the market, and we could be sued and held liable for harm caused to patients. Any of the foregoing could result in significant costs, adverse publicity, and reputational harm.

If any serious adverse events are caused by our products and the third-party products that we sell and/or promote, we cannot assure you that we will be able to resolve such events to the satisfaction of the NMPA or any other relevant regulator in a timely manner or at all. Furthermore, regulatory authorities may require us to cross-report certain information about adverse medical events involving our product candidates to relevant regulators in other jurisdictions within a specified time frame. If we fail to comply with such reporting obligations in a timely manner for any reason, we could be subject to disciplinary or other actions by regulators, including criminal liability, civil penalties, product seizure, and/or delays in approval or clearance of future product candidates.

Given the nature of our business, we are exposed to product liability claims alleging that our products and the third-party products that we sell and/or promote have resulted in or could result in an unsafe condition or injury to patients. We may also be exposed to other liability lawsuits, such as tort or regulatory claims. Such lawsuits could be costly to defend, result in significant damages in excess of any applicable insurance caps, reduce sales, and divert management's time, attention, and resources. Even claims without merit could subject us to adverse publicity, harm our reputation, and require us to incur significant legal fees.

Furthermore, products may be subject to off-label use. Even though the NMPA and other regulatory authorities actively enforce laws and regulations prohibiting the promotion of off-label use, there remains a risk that pharmaceutical products may be prescribed for patient populations, dosages, or dosage forms that have not been approved by the relevant authorities. Such off-label use may render the products less effective or entirely ineffective and may cause adverse events, which could generate negative publicity and significantly harm our reputation, brand, commercial operations, and financial condition. Any of the above negative developments could prevent us from achieving or maintaining regulatory approval or market acceptance of the affected product candidate(s), as well as substantially increase the costs of commercializing our product candidate(s) even if approved, which in turn could have a material adverse effect on our business, financial condition, and results of operations.

If our products, or the third-party products that we sell and/or promote, are not produced to the necessary quality standards, our business and reputation could be harmed, and our revenue and profitability could be adversely affected.

Our products and manufacturing processes are required to meet certain quality standards. We may not be able to detect or cure product defects due to factors largely outside our control, including manufacturing errors, technical or mechanical malfunctions, human error or malfeasance by quality control personnel, tampering by third parties, and quality issues with raw materials. In addition, when we expand production capacity or acquire other pharmaceutical companies, we may not be able to ensure consistent quality across existing and new facilities without incurring substantial costs.

Failure to detect quality defects or prevent defective products from reaching end-users could result in patient injury or death, product recalls or withdrawals, license revocation, regulatory fines, product liabilities, or other problems that could seriously harm our reputation and business, and materially and adversely affect our revenue and profitability. We also have limited control over the quality of third-party products that we sell and/or promote. If such products are found defective or not produced to the necessary quality standards, our reputation and business could be harmed and we could be exposed to liability, which may materially and adversely affect our results of operations.

If we suffer substantial disruption to our production facilities or encounter problems in manufacturing our products, our business and results of operations could be adversely affected.

The continued operation of our production facilities may be substantially disrupted by factors largely outside our control, including natural disasters, fire, power outages, mechanical breakdowns, terrorist attacks, loss of licenses or permits, changes in governmental planning, and regulatory changes. Problems may also arise during manufacturing due to equipment malfunction, failure to follow specific protocols, issues with raw materials, or delays related to the construction or expansion of production facilities. If our production is substantially disrupted, we may not be able to replace the affected equipment or inventories, or secure alternative production arrangements, in a timely and cost-effective manner, and our insurance coverage may not be sufficient to cover such losses. As a result, any significant disruption to our production facilities may prevent us from fulfilling our contractual obligations or meeting market demand, and could adversely affect our business, revenue, and profitability.

If we fail to increase our production capacity, our business prospects could be adversely affected.

We plan to increase our production capacity by constructing new production facilities, new production workshops and new production lines. Please see "Business — Production, Procurement and Inventory of Our Products — Production facilities" for more details. However, our ability to successfully implement our expansion plan for increasing our production capacity is subject to a number of risks and uncertainties, including, but not limited to, our ability to obtain the requisite permits, licenses and approvals for the construction and operation of the new production facilities, production workshops and production lines, the risk of construction delays and delays in equipment procurement, as well as our ability to timely recruit sufficient qualified staff to support the increase in our production capacity. Consequently, there can be no assurance that we will be able to increase our production capacity in the manner we contemplate, or at all. In the event we fail to increase our production capacity, we may not be able to capture the potential growth in demand for our products, each of which could adversely affect our results of operations and business prospects. Moreover, our plans to increase our production capacity require significant capital investment, and the actual costs of our expansion plan may exceed our original estimates, which could adversely affect the return on our expenditures. Our expansion plans may also increase our operating costs, such as higher staff costs as well as depreciation and utility costs, which may adversely affect our results of operations and financial condition.

Our anti-influenza product Tamiflu® is subject to seasonality.

The seasonality of the operations is primarily driven by the influenza season, during which demand for the anti-influenza product Tamiflu® tends to increase, typically peaking between November and March, while other products generally do not exhibit significant seasonal fluctuations. Our revenue from sales of Tamiflu® was RMB103.7 million in 2024 and RMB481.0 million in 2025, representing 11.5% to approximately 28.6% of our total revenue for the respective years.

We expect the impact of seasonality on sales of Tamiflu® to continue in the future. However, the seasonal trends that we have experienced in the past may not apply to, or be indicative of, our future operating results. The timing and severity of influenza outbreaks are inherently unpredictable and may vary significantly from year to year. Any failure to anticipate seasonal demand patterns and manage our inventory levels accordingly could result in excess inventory write-downs or supply shortages. Fluctuations in sales of Tamiflu® due to seasonality may materially and adversely affect the predictability of our results of operations, our business, financial condition and prospects.

We have engaged third parties to conduct certain aspects of our clinical trials.

As is common practice in the industry, we have engaged and plan to continue to engage third-party CROs, investigators, and hospitals to monitor and conduct certain aspects of our ongoing clinical programs. Outsourcing these functions involves the risk that third parties may not perform to our standards, may not produce results in a timely manner, or may fail to perform at all.

The staff of CROs, investigators, and hospitals engaged by us are not our employees and we cannot control whether or not they devote sufficient time, resources, and oversight to our ongoing clinical programs. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol and legal, regulatory, and scientific standards. Regulatory authorities enforce these requirements through periodic inspections of trial sponsors, investigators, and trial sites; the fact that we have engaged third parties to conduct our clinical trials does not relieve us of our regulatory responsibilities. If we or any of our CROs, investigators, or hospitals fail to comply with applicable GCP requirements, the data generated in the clinical trials may be deemed unreliable.

In addition, we may not be able to reach agreements on acceptable terms with prospective CROs, investigators, or hospitals, the terms of which can be subject to extensive negotiation and may vary significantly among different parties. The use of third-party service providers also requires us to disclose proprietary information to these parties, which could increase the risk that this information will be misappropriated. If CROs, investigators, or hospitals do not successfully carry out their contractual duties or obligations or meet expected deadlines, our clinical trials may be extended, delayed, or terminated. If any of our relationships with our third-party service providers is terminated, we may not be able to enter into arrangements with alternative third-party service providers timely or to do so on commercially reasonable terms, and we may not be able to meet our desired clinical development timelines. Any of the above could result in a material adverse effect on our business, financial condition, and results of operations.

Our revenue is concentrated among a few major customers, which may subject us to customer concentration risks.

For 2023, 2024 and 2025, our revenue from the five largest customers in each year during the Track Record Period in aggregate amounted to RMB486.8 million, RMB539.0 million and RMB972.8 million, representing 54.8%, 59.8% and 57.9% of our total revenue for the respective years. In the same years, revenue generated from our largest customer in each year was RMB159.7 million, RMB170.4 million and RMB369.1 million, representing 18.0%, 18.9% and 22.0% of our total revenue for the respective years. See "Business — Major Customers and Suppliers — Major customers". Our continued success requires us to maintain our existing customers. There are a number of factors, other than our performance, that could cause the loss of, or decrease in the volume of business from, our customers. We cannot assure you that we will continue to maintain the business cooperation with these customers

at the same level, or at all. The loss of any of our major customers, or a significant decrease in their procurement of our products or services could materially and adversely affect our business and results of operations.

We depend on a limited number of suppliers, which may subject us to supplier concentration risks.

For 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period in aggregate amounted to RMB317.6 million, RMB230.6 million and RMB832.8 million, accounting for 65.4%, 61.9% and 81.1% of our total purchases for the respective years. In the same years, purchases from our largest supplier in each year amounted to RMB123.1 million, RMB93.8 million and RMB457.0 million, accounting for 25.4%, 25.2% and 44.5% of our total purchases for the respective years. See "Business — Major Customers and Suppliers — Major suppliers" in this document for further details. We believe that we have stable relationships with our existing suppliers. However, the stability of operations and business strategies of our suppliers are beyond our control, and we cannot assure you that we will be able to secure a stable relationship with such suppliers. If any of our major suppliers terminates its business relationship with us, we may encounter difficulty in finding a replacement that can provide alternative products and on terms acceptable to us. If this occurs, our business, financial condition, and results of operations may be adversely affected.

Our ability to capitalize on our drug products in China depends on rights we acquired, licensed or sublicensed from third parties, and these arrangements subject us to detailed terms and conditions.

Our current and future products rely on exclusive rights acquired or licensed from third parties to develop, manufacture, distribute, market, and sell relevant drugs in specified territories. If our licensors fail to diligently prosecute, maintain, enforce, or defend the rights licensed to us, including material patent rights, we may not realize the expected benefits of these arrangements. For example, exclusivity could be reduced, terminated, or successfully challenged, potentially accelerating generic or biosimilar entry and increasing litigation risk and costs. In addition, our licensors may have relied on third-party consultants, collaborators, or resources such that they are not the sole owners of the licensed rights. If other third parties retain ownership or rights, they may license them to our competitors, enabling them to market equivalent products and technologies. If our licensors have not obtained adequate rights from these third parties, we may need to obtain additional rights on unfavorable terms, be forced to delay programs, or be prevented from developing the related drugs, and could face infringement or misappropriation claims. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

We, and the licensors of our intellectual property rights, may be subject to intellectual property infringement or misappropriation claims or other legal challenges, which could cause us to incur significant expenses, pay substantial damages, and delay or prevent us from selling our products or using technologies incorporated in our product candidates or future products.

We may from time to time be subject to claims that our product candidates and operations have infringed, misappropriated, or violated the intellectual property rights owned by others. As we develop our pipeline, we, and the licensors of our intellectual property rights, face uncertainty of patent infringement because it is possible that we, or the licensors of our intellectual property rights, might fail to identify, or may in the future fail to identify, relevant patents or patent applications held by third parties that cover our product candidate(s) or their contemplated therapeutic uses. In addition, the exact scope of patent claims if and when issued may differ from its scope in the application stage, and as a result, we cannot ensure that our product candidate(s) will not infringe patents that are issued in the future.

Given the nature of the pharmaceutical industry, we may be subject to intellectual property infringement or misappropriation claims in the ordinary course of business. The legal threshold for initiating such claims is low, and even claims with a low probability of success may require significant resources to defend. We could also face claims arising from alleged infringement by our third-party

partners, including suppliers. Such claims, whether or not successful, can be complex, time-consuming, and costly, and could harm our reputation and market position. Intellectual property litigation or disputes could require us to cease developing, manufacturing, or selling products that incorporate the challenged intellectual property; discontinue the use and registration of certain names, trademarks, or brands; obtain licenses from the holder of the infringed intellectual property rights, which may not be available on commercially reasonable terms, or at all. Any intellectual property-related disputes or litigation, regardless of outcome or merit, could result in substantial costs and expenses, adverse publicity or diversion of management resources, any of which could have a material adverse effect on our business, financial condition and results of operations.

The forms of intellectual property protections we rely on may not be adequate.

We rely on a combination of trademark, trade secret, and other intellectual property laws in China, as well as intellectual property rights owned by our respective licensors, to protect our products and competitive position. However, such protections may not prove commercially meaningful. The intellectual property owned by our licensors may be challenged, potentially resulting in such rights being invalidated or held unenforceable. We cannot assure you that we will successfully obtain additional intellectual property protection or enforce our rights against unauthorized users.

We also rely on unregistered proprietary rights, including know-how and trade secrets, and enter into confidentiality agreements with our employees and relevant third parties to protect such information. However, these agreements may not effectively prevent unauthorized disclosure. Third parties who are not bound by such agreements may obtain access to our trade secrets, and others may independently develop substantially similar know-how or technology. Any unauthorized disclosure or use of our intellectual property by competitors could reduce or eliminate our competitive advantage and have a material adverse effect on our business, financial condition, results of operations, and prospects.

The illegal and/or parallel imports and counterfeit pharmaceutical products may reduce demand for our future approved product candidates and could have a negative impact on our reputation and business.

The illegal importation of competing products from countries with lower prices may adversely affect the demand for our future approved product candidates and our profitability. Although unapproved foreign imports are illegal under current laws of China, illegal imports and cross-border parallel imports may continue to occur or increase, harming sales and exerting commercial pressure on pricing. In addition, competent government authorities may approve lower priced versions of our future approved products or competing products, any of which may have a material adverse effect on our business.

The product control and enforcement system in developing markets such as China may be inadequate to eliminate the manufacturing and sale of counterfeit pharmaceutical products imitating our products and the third-party products that we sell and/or promote. Since counterfeit products generally have similar appearances but are sold at lower prices, they can quickly erode demand for our future approved product candidates. Moreover, counterfeit products may cause serious health consequences and our reputation and business could suffer harm as a result of counterfeit or stolen products sold through unauthorized channels.

Our products and the third-party products that we sell and/or promote and supplies may be damaged during storage and shipment.

Our pharmaceutical products and related supplies may become unusable or unsafe for use when exposed to unfavorable environmental conditions or when stored or shipped improperly. If we or any applicable third party fails to provide and maintain proper storage and shipping for our raw materials, semi-finished products and packaging material, our products and the third-party products that we sell and/or promote, or our product candidate(s), such goods could become unsuited for further use and require replacement orders, which could be costly and could delay our operating activities and in turn, have a material adverse effect on our business, financial condition, and results of operations.

Failure to retain the services of our senior management and key personnel could severely disrupt our business and growth.

Our success depends upon the continued service of our senior management and key personnel, including our business development team. If we lose any of our senior management, we may not be able to identify, hire, and train suitable qualified replacements and may incur additional expenses and time to recruit and train new personnel, which could severely disrupt our business and growth. In addition, we may not always be able to successfully enforce these provisions should any of them leave us. Any of the above developments could severely disrupt our business and growth.

We may not be able to effectively manage our anticipated growth or execute our growth strategies.

Our growth strategies include continuing to strengthening our product portfolio, advancing clinical development, manufacturing and commercialization capabilities, and improving talent acquisition and management. See "Business — Our Strategies" for further details. Pursuing such strategies has resulted in, and will continue to result in, substantial demands on capital and other resources. In addition, managing our growth and executing on our growth strategies will require, among other things, our ability to continue to innovate and develop advanced technology in the highly competitive pharmaceutical industry, effective coordination and integration of our facilities and teams across different sites, successful hiring and training of personnel, effective cost control, sufficient liquidity, effective and efficient financial and management control, increased marketing and customer support activities, effective quality control, and management of our suppliers to leverage our bargaining power. Any failure to execute our growth strategies or realize our anticipated growth could adversely affect our business, financial condition, and results of operations.

If our employees or distributors engage, or are perceived to engage, in misconduct or breaches, including corrupt practices, inappropriate promotion of our products or the third-party products that we sell and/or promote, or leakage of confidential information, our business and reputation could be harmed and we could be exposed to regulatory investigations, penalties or other negative consequences.

We have limited control over the interactions our employees or distributors have with hospitals, other medical institutions, pharmacies and healthcare professionals, and they may attempt to increase sales volumes through means that constitute violations of anti-corruption and other related laws in the PRC and other relevant jurisdictions. While we have implemented specific measures against corruption and bribery, there can be no assurance that we are able to entirely prevent our employees or distributors from engaging in such activities. If our employees or distributors engage in corrupt or other improper conduct, we could be held liable and exposed to regulatory investigations, penalties, revocation of operating licenses and permits, and even criminal liabilities, and our reputation, sales activities and business prospects could be materially and adversely affected.

Pursuant to the "Provisions on the Establishment of Adverse Records of Commercial Briberies in the Medicine Purchase and Sales Industry" (《關於建立醫藥購銷領域商業賄賂不良記錄的規定》), which was promulgated by the former National Health and Family Planning Commission of the PRC — whose functions have since been consolidated into the newly established National Health Commission of the PRC (the "**NHC**") — on December 25, 2013, and came into effect on March 1, 2014, if we are involved in criminal, investigational or administrative procedures for commercial bribery, we will be listed in the adverse records of commercial briberies by the relevant government authorities, as a result of which, for two years from the date the list of adverse records of commercial briberies is published, (i) our products cannot be purchased by public medical institutions or medical and health institutions receiving financial subsidies within the relevant provinces, and (ii) the scores of our products in the centralized tender processes of public medical institutions or medical and health institutions receiving financial subsidies in other provinces will be reduced. See "Regulatory Overview — Laws and Regulations in Relation to Anti-bribery" for more details. We are required to comply with anti-corruption and confidentiality requirements in our agreements with business partners, including certain collaboration partners and manufacturers of third-party products. Any breach of such requirements by us, or any breach of confidentiality requirements by our business partners or of

non-disclosure, non-compete and non-solicitation clauses by our employees, may result in negative consequences, including payment of penalties and termination of agreements, which could have a material adverse effect on our business, financial condition, results of operations and profitability.

We do not have full control over our distributors, which may breach their agreements with us.

In line with customary practice in China's pharmaceutical industry, we have engaged distributors to deliver our products to hospitals and retail pharmacies.

We had an extensive distribution network of 173, 237, and 241 distributors as of December 31, 2023, 2024 and 2025, respectively. For the years ended December 31, 2023, 2024 and 2025, sales through our distribution channel accounted for approximately 86.9%, 93.5% and 95.3% of our revenue from sales of pharmaceutical products, respectively.

For revenue recognition purposes, our distributors are our customers, and we have a seller-buyer relationship with them. Upon delivery and acceptance of our products, all significant risks and rewards of ownership transfer to them, and we retain no further ownership interest. Our distributors independently on-sell these products to their customers, who have no contractual relationship with us and are not subject to our control or oversight. While our revenue is ultimately driven by end-market demand from hospitals, pharmacies and patients rather than by any individual distributor's purchasing decisions, any disruption in our distribution network could impair our ability to reach these end customers and adversely affect our revenue.

However, while we believe that we can readily identify replacement distributors in the event that our existing distributor failed to perform their obligations effectively, we do not have full control over our distributors, which may fail to distribute our products in the manner we contemplate. For example, our distributors may fail to pay us on a timely basis, or breach our agreements with them, including failing in their obligations to on-sell our products. In addition, the ongoing implementation of centralized procurement programs, adjustments to the NRDL, and medical insurance cost control measures may alter hospital-level prescribing patterns and procurement volumes, which in turn may adversely affect the purchasing behavior of our distributor customers. Due to the implementation of the two-invoice system in China, in general, our distributors are legally prohibited from engaging sub-distributors for distribution of our products to public medical institutions, which imposes stricter compliance demands on distributor selection, regional coverage strategies, and distribution management. We have limited visibility over sub-distribution arrangements in the private medical institution and retail channels.

Any violation or alleged violation by distributors of our distribution agreements or any applicable laws and regulations could result in the erosion of our reputation, expose us to liabilities, disrupt our distribution network, and create an unfavorable public perception about the quality of our products. Any material disruption or deterioration in our distributor relationships could result in a significant decline in our revenue and could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Failure to obtain or renew certain approvals, licenses, permits, and certificates required for our business may materially and adversely affect us.

We are required to obtain and maintain various approvals, licenses, permits, and certificates to operate our business. Any failure to obtain or maintain such approvals may result in enforcement actions, including orders to cease operations or implement costly corrective measures. Some of these approvals are subject to periodic renewal and/or reassessment, and the applicable standards may change from time to time. We cannot assure you that we will successfully procure such renewals when due. Furthermore, if changes in the interpretation or implementation of existing laws, or new regulations, require us to obtain additional approvals that were previously not required, we cannot assure you that we will successfully obtain them, which could restrict our permitted business activities and constrain our product development and revenue generation capability. Any of these developments could have a material adverse effect on our business, financial condition, and results of operations.

We face the risk of impairment losses relating to our intangible assets and goodwill.

As of December 31, 2023, 2024 and 2025, we had goodwill of RMB8.9 million, RMB8.9 million and RMB8.9 million, respectively. Our other intangible assets were RMB208.3 million, RMB354.8 million and RMB359.6 million, respectively, as of December 31, 2023, 2024 and 2025, primarily representing distribution and promotion rights. Our goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Our intangible assets are tested for impairment when needed. In addition, we make certain assumptions when assessing the value of our intangible assets and goodwill, including assumptions on impairment testing. There are inherent uncertainties relating to these assumptions. We cannot assure you that our assumptions will prove to be correct. Any such change in our assumptions may require us to re-evaluate our intangible assets and goodwill, which may in turn result in impairment losses. Significant impairment losses on intangible assets and goodwill may have a material adverse effect on our financial condition and results of operations and may in turn limit our ability to obtain financing in the future. For details of impairment assessment methods for our intangible assets and goodwill, see notes 2.3 and 15 to the Accountants' Report in Appendix I to this document.

We are subject to credit risk with respect to trade and bills receivables and prepayments.

During the Track Record Period, we did not incur any bad debt. However, there is no guarantee that bad debt will not occur in the future.

As of December 31, 2023, 2024 and 2025, we had trade and bills receivables of RMB136.9 million, RMB190.3 million and RMB231.4 million, respectively. Our trade and bills receivables turnover days was 87 days, 55 days and 45 days, respectively, during the Track Record Period. Therefore, we face credit risk in collecting such balances. Our performance, liquidity, and profitability would be adversely affected if significant amounts due to us are not settled on time or substantial impairment is incurred. The bankruptcy or deterioration of the credit condition of any of these customers or suppliers could also materially and adversely affect our business, results of operations, and financial condition.

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

We maintain insurance coverage which we believe to be in line with the industry norm in the jurisdictions where we operate, such as open cover for cargo transportation during international and domestic shipment, insurance covering adverse events in clinical trials for our product candidate(s), and property loss insurance. If necessary, we may consider procuring product liability insurance to address any potential product liability claims from third parties after the commercialization of our product candidate(s). However, our insurance coverage may be insufficient to cover any such claims relating to the above or such claims may be excluded from insurance coverage, which in turn may result in us incurring substantial costs and a diversion of resources, and the occurrence of such incidents may lead to an increase in our insurance premiums.

Negative news or publicity about us, our Controlling Shareholders, Directors, or our management may adversely affect our reputation, business, and growth prospects.

Any negative news or publicity concerning us, our Controlling Shareholders, Directors, management, or affiliates, even if proven untrue, could adversely affect our reputation, business, and growth prospects. We cannot assure you that negative publicity about us or any of our affiliates or any entity that shares such names would not damage our brand image. Given our specialized industry and market, negative publicity and word of mouth could travel quickly and negatively impact our relationships with third parties, which could have a material adverse effect on our business, financial condition, and results of operations.

We may handle personal information as we conduct our business and may be subject to patient privacy regulations.

We may be subject to patient privacy regulation by governments in the jurisdictions in which we conduct our business or clinical trials. There are numerous laws in the jurisdictions in which we operate that protect the confidentiality of individually identifiable patient health information, including patient records, and restricting the use and disclosure of that protected information. Local laws and regulations can expose us to enforcement actions and investigations by regulatory authorities and potentially result in regulatory penalties and significant legal liability, if our or our supplier's information security efforts fail. These data protection and privacy law regimes continue to evolve and may result in ever-increasing public scrutiny and escalating levels of enforcement and sanctions and increased costs of compliance.

Regulatory authorities in China have implemented and are considering a number of legislative and regulatory proposals concerning data protection. For example, The Cybersecurity Law of the People's Republic of China(《中華人民共和國網絡安全法》), which became effective in June 2017, created China's first national-level data protection for "network operators" referring to the owners or administrators of a network as well as network service providers. The Data Security Law of the PRC (《中華人民共和國數據安全法》), which took effect in September 2021, provides for a security review procedure for the data activities that may affect national security. The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**Personal Information Protection Law**"), which became effective from November 2021, provides the circumstances under which a personal information processor could process personal information and the requirements for such circumstances. The Personal Information Protection Law clarifies the scope of application, the definition of personal information and sensitive personal information, the legal basis of personal information processing, the basic requirements of notice and consent, and the compliance approaches for the cross-border transfer of personal information.

Determining whether protected information has been handled in compliance with applicable privacy and other standards and our contractual obligations can require complex factual and statistical analyses and may be subject to changing interpretation. Any mishandling, access, breach, or loss of information could result in legal claims or proceedings, reputational harm, and liability under the laws that protect information, which could have a material adverse effect on our business, financial condition, and results of operations.

We may be involved in litigation, legal disputes, claims, or administrative proceedings which could be costly and time-consuming to resolve.

We may become subject, from time to time, to legal proceedings and claims that arise in the ordinary course of business or pursuant to governmental or regulatory enforcement activity. Any litigation or proceeding to which we become a party might result in substantial costs and divert management's attention and resources. Furthermore, any litigation, legal disputes, claims, or administrative proceedings which are initially not of material importance may escalate and become important 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. Our insurance might not cover claims brought against us, provide sufficient payments to financially cover all of the costs to resolve such claims, or continue to be available on terms acceptable to us.

We are subject to environmental protection, health, and safety laws and regulations, and may be exposed to potential costs for compliance and liabilities, including consequences of accidental contamination, biological hazards, or personal injuries.

Our business operations are subject to national and local laws and regulations pertaining to environmental protection and health and safety. We cannot fully eliminate the risk of accidental contamination or exposure to biological hazards in the course of our operations. As such laws and regulations may change and more stringent requirements may be adopted, we may have difficulties complying with, or accurately predicting the potentially substantial cost of complying with, these laws

and regulations, which may subject us to rectification orders, substantial fines, and suspension or cessation of business operations, any of which could have a material and adverse impact on our business, financial condition, results of operations, and prospects.

During the Track Record Period, we engaged third-party human resources agencies to pay social insurance and housing provident funds for a number of employees.

We are subject to various labor-related laws and regulations in the PRC and other jurisdictions where we operate. For example, PRC laws and regulations require us to participate in various government sponsored employee benefit plans. These benefit plans include social insurance, housing funds and other welfare-oriented payment obligations. See "Regulatory Overview — Laws and Regulations in Relation to Labor Protection — Social insurance and housing fund" for their details. During the Track Record Period, we engaged third-party human resources agencies to pay social insurance and housing provident funds for a number of employees. We might be subject to additional contribution, late payment fee, and/or penalties imposed by the relevant PRC authorities if the third-party human resources agencies failed to pay the social insurance or housing provident funds for the relevant employees in full amount and/or in a timely manner, or if the validity of such arrangements are challenged by competent PRC authorities. We might also be subject to potential labor disputes arising from such arrangements with the relevant employees. During the Track Record Period and as of the Latest Practicable Date, no administrative penalty had been imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any rectification order concerning this matter. During the Track Record Period and as of the Latest Practicable Date, we were not aware of any material complaint filed by any of our employees regarding our social insurance and housing provident fund policy.

Up to the Latest Practicable Date, all formally employed staff of the PRC Subsidiaries have entered into written labor contracts with their respective employing entities, and all such employees are enrolled in the social insurance and housing provident fund schemes by the PRC Subsidiaries themselves. Our PRC Legal Advisors confirm that during the Track Record Period and up to the Latest Practicable Date, the Company and its PRC Subsidiaries had not been subject to any legal proceedings or penalties by any competent authorities in relation to the compliance of the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labour Dispute Cases (which took effect in September 2025) (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)). See "Business — Legal Proceedings and Compliance — Social insurance and housing provident funds" for more details.

We depend on information technology and other infrastructure that are exposed to certain risks, including cyber security risks.

We rely on a variety of information technology and automated operating systems to manage or support our operations, including protecting our intellectual property. The proper functioning of these systems is critical to the efficient operation and management of our business. In addition, these systems may require modifications or upgrades as a result of technological changes or growth in our business. These changes may be costly and disruptive to our operations and could impose substantial demands on management time. Our systems and those of third-party providers may be vulnerable to damage or disruption caused by circumstances beyond our control, such as catastrophic events, power outages, natural disasters, computer system or network failures, viruses or malware, physical or electronic break-ins, unauthorized access, cyber-attacks, and thefts. We cannot assure you that the measures and steps we take to secure our systems and electronic information are adequate. Any significant disruption to our systems could result in unauthorized disclosure of confidential information and adversely affect our business and operating results.

We may be subject to natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control.

Our operations may be threatened by natural disasters (such as floods, earthquakes, snowstorms, fire or drought), widespread health epidemics (such as SARS, COVID-19 or other infectious diseases), power or fuel shortages, failures of information management systems, or potential wars and terrorist attacks. The occurrence of such events could materially disrupt our business and operations, including causing delays to our clinical trials, disrupting the operations of our business partners and CROs, and adversely affecting the broader economy. Any of these events beyond our control could cause uncertainties in the regions where we conduct business and materially and adversely impact our business, financial condition, and results of operations.

We are subject to risks associated with international trade policies, geopolitics and trade protection measures and economic or trade sanctions.

We are subject to the risks associated with international trade policies, geopolitics and trade protection measures and economic or trade sanctions, which could adversely affect our business, financial condition and results of operations. Members of our Group domicile and operate in multiple jurisdictions, including Chinese mainland, Hong Kong, Japan, Singapore and Switzerland. These cross-border operations could be materially and adversely affected by international trade regulations, which could disrupt our supply chain, impact the competitive position of our products, or affect our capability to sell products in certain countries or regions.

In recent years, complexities in international relations, such as the geopolitical tensions between the United States and China, have presented new challenges. There has been substantial fluctuation in the level and scope of tariffs and other trade restrictions imposed by both countries over the past period. Major trading partners have announced substantial new tariff frameworks and trade policies affecting a wide range of products and jurisdictions, including the pharmaceutical industry, while certain governments have announced or implemented retaliatory tariffs and other protectionist measures in response. These developments have created a dynamic and unpredictable trade landscape, which may adversely impact our business, results of operations, financial condition and prospects. Looking ahead, there remains significant uncertainty on how the relevant tariffs or other trade restrictions measures may evolve.

We purchase finished products from global pharmaceutical companies based overseas, such as Japan, Germany, and the U.S. For example, for the drug products obtained by us as part of the Kyowa Kirin China Acquisition, we procure raw materials (including APIs and raw materials) and semi-finished products from third-party suppliers in Japan and China. Our procurement activities involve multiple jurisdictions and are therefore exposed to heightened geopolitical sensitivities and regulatory scrutiny. In particular, periodic strains in China-Japan relations and other developments in the international political environment could adversely affect cross-border supply chain flows, lengthen lead times, and increase costs, or otherwise disrupt the availability of inputs required for our operations. Furthermore, there can be no assurance that our existing or potential business partners will not alter their perception of us or their preferences as a result of changes to the relationships between China and the relevant foreign countries or regions. Any of the foregoing could adversely affect our ability to source inputs and finished products on commercially acceptable terms or timelines and could result in shortages or stock-outs in some markets.

The Chinese government has been encouraging domestic substitution of imported pharmaceutical products. This policy direction may intensify market competition and potentially affect the market position of our imported products. Similar localization or import-substitution initiatives have been advanced with respect to certain of our drugs, including measures that encourage domestic production for public procurement access or impose price ceilings and reference pricing on essential medicines, and any expansion of such measures could reduce demand for our imported portfolio.

Governments have also expanded the application of export controls, economic sanctions and other national security-related measures that may directly or indirectly affect the pharmaceutical industry. Evolving export controls, licensing requirements, economic sanctions, and associated compliance burdens lead to increased operating costs and reduced flexibility in counterparty selection. Any expansion of these regimes, or the introduction of new country-specific or product-specific restrictions, could disrupt our sourcing of inputs and finished products, constrain our ability to transact with certain counterparties, and otherwise adversely affect business operations.

Trade disputes, tariffs, restrictions and other political tensions between the United States and other countries may also exacerbate unfavorable macroeconomic conditions including inflationary pressures, foreign exchange volatility, financial market instability, and economic recessions or downturns. While we actively monitor these risks, any prolonged economic downturn, escalation in trade tensions, or deterioration in international perception of China-based companies could materially and adversely affect our business, results of operations, financial condition and prospects.

RISKS RELATING TO DOING BUSINESS IN CHINA

We are subject to political, economic, and social developments as well as the laws, rules, and regulations in China, and any adjustments in these respects may materially affect us.

Most of our businesses, assets, and operations are located in or derived from our activities in China, and as a result, our business, financial condition, and results of operations are subject, to a significant degree, to the economic, political, social, and regulatory environment in China. The Chinese government has implemented various measures to encourage economic development, including policies targeting specific operators in the pharmaceutical industry, which could adversely affect us. Any changes in such regulations, economic fluctuations, or changes in the political environment could increase our costs and heighten the legal and business risks we face, any of which may materially and adversely affect our business, financial condition, and results of operations.

Transfers of equity interests in a PRC resident enterprise by a non-resident enterprise are regulated by the Chinese tax authorities.

On February 3, 2015, the PRC State Administration of Taxation issued the Announcement on Several Issues concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (關於非居民企業間接轉讓財產企業所得稅若干問題的公告) ("**Circular 7**"). This regulation repealed certain provisions in the Notice on Strengthening the Administration of Enterprise Income Tax on Non-Resident Enterprises' Equity Transfer Income (關於加強非居民企業股權轉讓所得企業所得稅管理的通知) ("**Circular 698**") and certain rules clarifying Circular 698. Circular 698 was issued by the PRC State Administration of Taxation on December 10, 2009.

Circular 7 provides comprehensive guidelines relating to, and heightened the Chinese tax authorities' scrutiny on, indirect transfers by a non-resident enterprise of assets (including equity interests) of a PRC resident enterprise ("**PRC Taxable Assets**"). For example, when a non-resident enterprise transfers equity interests in an overseas holding company that directly or indirectly holds certain PRC Taxable Assets and if the transfer is believed by the Chinese tax authorities to have no reasonable commercial purpose other than to evade enterprise income tax, Circular 7 allows the Chinese tax authorities to reclassify this indirect transfer of PRC Taxable Assets into a direct transfer and impose on the non-resident enterprise a 10% rate of PRC enterprise income tax. Circular 7 exempts this tax, for examples, (i) where a non-resident enterprise derives income from an indirect transfer of PRC Taxable Assets by acquiring and selling shares of a listed overseas holding company in the public market, and (ii) where a non-resident enterprise transfers PRC Taxable Assets that it directly holds and an applicable tax treaty or arrangement exempts this transfer from PRC enterprise income tax. It remains unclear whether any exemptions under Circular 7 will be applicable to our transfers of the shares of our subsidiaries. If the Chinese tax authorities impose PRC enterprise income taxes on these activities, the value of your **[REDACTED]** in our Shares may be adversely affected.

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

Most of our operating subsidiaries and a substantial part of our assets and their respective assets are located within Chinese mainland. As a result, it may not be possible to effect service of process outside Chinese mainland upon all our operating subsidiaries and officers, or enforce judgments against our operating subsidiaries or officers located in Chinese mainland. In particular, China does not have treaties providing for the reciprocal enforcement of judgments of courts with the United States, the United Kingdom, Japan, or many other countries.

On July 14, 2006, Chinese mainland and Hong Kong entered into 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 Pursuant to Choice of Court Agreements Between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》), or the Arrangement, pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in Chinese mainland. Similarly, a party with a final judgment rendered by a mainland Chinese court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A choice of court agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong court or a mainland Chinese court is expressly designated as the court having sole jurisdiction for the dispute. On January 18, 2019, the Supreme People's Court and the Hong Kong SAR Government signed 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》) (the "**New Arrangement**"), which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong SAR and the Chinese mainland. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. The New Arrangement has superseded the Arrangement.

The Arrangement was superseded upon the effectiveness of the New Arrangement on January 29, 2024 but remained applicable to a "written choice of court agreement" entered into before the New Arrangement taking effect. However, the New Arrangement does not apply to certain judgments of civil and commercial matters. Furthermore, there remain uncertainties as to the outcome of any applications to recognize and enforce such judgments and arbitral awards in the PRC.

Fluctuation in the exchange rate of the Renminbi may have a material adverse effect on our business.

We conduct most of our business in Renminbi, which is our reporting currency. We also have bank balances in U.S. dollars, Japanese yen, euro and Hong Kong dollars for use in our activities outside Chinese mainland. The exchange rate of the Renminbi against the U.S. dollar, Japanese yen, euro, Hong Kong dollar, and other currencies may be affected by changes in government policies in China and international economic and political developments. Fluctuations in exchange rates may adversely affect the value, translated or converted into U.S. dollars or Hong Kong dollars (which are pegged to the U.S. dollar), of our cash flows, revenues, earnings, and financial position.

Regulations on currency conversion may adversely affect the value of your [REDACTED], and payment of dividends is subject to restrictions under PRC law and regulations.

The convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of foreign currency out of Chinese mainland, are subject to restrictions under the relevant laws and regulations. A substantial majority of our future revenue is expected to be denominated in Renminbi and we will need to convert Renminbi into foreign currencies for the payment of dividends, if any, to

holders of our Shares. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends, or otherwise satisfy foreign currency denominated obligations.

Under existing foreign exchange regulations, payments of current account items, including the payment of dividends, interest payments, and expenditures from the transaction, can be made in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, approval from appropriate governmental authorities is required where Renminbi is to be converted into foreign currency and remitted out of Chinese mainland to pay capital expenses such as the repayment of bank loans denominated in foreign currencies. Further, there may be government policies that restrict access to foreign currencies for current account transactions. If we cannot obtain sufficient foreign currency to satisfy our currency demands, we may not be able to pay certain of our expenses as they come due or to pay dividends in foreign currencies.

Filings with the CSRC or other regulatory authorities may be required in connection with our future securities activities, and we cannot predict whether we will be able to obtain such approval or complete such filings.

On February 17, 2023, the CSRC released the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and five ancillary interpretive guidelines (collectively, the "**Overseas Listing Trial Measures**"), which apply to overseas offerings and listing by domestic companies of equity shares, depository receipts, corporate bonds convertible to equity shares, and other equity securities, and came into effect on March 31, 2023. According to the Overseas Listing Trial Measures, for a listing in an overseas market, the issuer shall designate a major domestic operating entity to file with the CSRC within three working days after the relevant application is submitted overseas. See "Regulatory Overview — Laws and Regulations Relating to M&A Rules and Overseas Listing" in this document for further details. In addition, our future capital raising activities and listings on other stock exchanges, and going private transactions, may also be subject to the filing requirement with the CSRC or other regulatory authorities. Failure to complete such filing procedures as required under the Overseas Listing Trial Measures, or a rescission of any such filings completed by us, would subject us to sanctions by the CSRC or other regulatory authorities, which may adversely affect our business, financial conditions, and results of operations.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] market for our Shares prior to the [REDACTED], and you may not be able to resell our Shares at or above the price you pay, or at all.

Prior to the completion of the **[REDACTED]**, there has been no **[REDACTED]** market for our Shares. We have applied to the Stock Exchange for the **[REDACTED]** of, and permission to **[REDACTED]**, the Shares. A **[REDACTED]** on the Stock Exchange, however, does not guarantee that an active **[REDACTED]** market for our Shares will develop or be sustained after completion of the **[REDACTED]** or that the **[REDACTED]** of our Shares will not decline following the **[REDACTED]**. The **[REDACTED]** is the result of negotiations between our company and **[REDACTED]** (for themselves and on behalf of the **[REDACTED]**), which may not be indicative of the **[REDACTED]** at which our Shares will be **[REDACTED]** following the completion of the **[REDACTED]**. The **[REDACTED]** of our Shares may drop below the **[REDACTED]** at any time after completion of the **[REDACTED]**.

The [REDACTED] volume and [REDACTED] of the Shares may be volatile, which could result in substantial losses to you.

The **[REDACTED]** volume and **[REDACTED]** of our Shares may be volatile and could fluctuate widely in response to various factors beyond our control, including general market conditions of the securities markets in Hong Kong SAR, the Chinese mainland, the United States and elsewhere in the world. In particular, a number of the Chinese mainland-based companies have listed their securities, and

some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards the Chinese mainland-based companies listed in Hong Kong and consequently may impact the **[REDACTED]** performance of our Shares. These broad market and industry factors may significantly affect the **[REDACTED]** and volatility of our Shares, regardless of our actual operating performance.

The actual or perceived sale or availability for sale of substantial amounts of our Shares, especially by our Directors, executive officers and substantial Shareholders, could adversely affect the [REDACTED] of our Shares.

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and substantial Shareholders, or the perception or anticipation of such sales, could negatively impact the **[REDACTED]** of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate.

Prior to the **[REDACTED]**, there has not been a **[REDACTED]** market for our Shares. Only a limited number of the Shares currently outstanding will be available for **[REDACTED]** or **[REDACTED]** immediately after the **[REDACTED]** due to contractual and regulatory restrictions on disposal and new **[REDACTED]**. Nevertheless, after these restrictions lapse or if they are waived, the **[REDACTED]** of our Shares could decline as a result of future **[REDACTED]** or **[REDACTED]** of a substantial number of our Shares or other securities relating to our Shares in the **[REDACTED]** market, or the perception that such sales or issuances may occur. Moreover, such future **[REDACTED]** or **[REDACTED]** may also adversely affect the prevailing **[REDACTED]** of our Shares and our ability to raise capital in the future at a favorable time and price. The Shares held by our substantial Shareholders are subject to certain **[REDACTED]** periods beginning on the date on which **[REDACTED]** in our Shares commences on the Stock Exchange. See "**[REDACTED]**" for further details. While we currently are not aware of any intention of such persons to dispose of significant amounts of their Shares after the expiry of the **[REDACTED]**, we cannot assure you that they will not dispose of any Shares they may own now or in the future. In addition, certain existing Shareholders of our Shares are not subject to **[REDACTED]** agreements. **[REDACTED]** of Shares by such Shareholders and the availability of these Shares for future **[REDACTED]** may have negative impact on the **[REDACTED]** of our Shares. See "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments" for further details of the existing Shareholders not subject to **[REDACTED]** agreements.

Furthermore, if additional funds are raised through our issuance of new equity, including **[REDACTED]** of Shares, convertible securities or equity-linked securities including through the vesting of the Shares which have been granted under the any share incentive scheme, other than on a pro-rata basis to existing Shareholders, the percentage ownership for such Shareholders may be reduced. Such new securities may also confer rights and privileges that take priority over those conferred by the Shares.

You will incur immediate and substantial dilution and may experience further dilution if we [REDACTED] additional Shares or other equity securities in the future.

As the **[REDACTED]** of our Shares is higher than the net tangible book value per share of our Shares immediately prior to the **[REDACTED]**, purchasers of our Shares in the **[REDACTED]** will experience an immediate dilution and our Shareholders prior to the **[REDACTED]** will experience an increase in the **[REDACTED]** consolidated net tangible assets book value per Share of their Shares. Moreover, in order to expand our business, we may consider **[REDACTED]** and **[REDACTED]** additional Shares in the future. If we issue additional Shares in the future, **[REDACTED]** of our Shares in the **[REDACTED]** may experience further dilution in their shareholding percentage.

We cannot assure you that the Shares will remain [REDACTED] on the Stock Exchange.

Although it is currently intended that the Shares will remain **[REDACTED]** on the Stock Exchange, there is no guarantee of the continued **[REDACTED]** of the Shares. Among other factors, our Company may not continue to satisfy the **[REDACTED]** requirements of the Stock Exchange. **[REDACTED]** of Shares would not be able to sell their Shares through **[REDACTED]** on the Stock Exchange if the Shares were no longer **[REDACTED]** on the Stock Exchange.

Our Controlling Shareholders have substantial control over the Company and their interests may not be aligned with the interests of other Shareholders.

Immediately following the **[REDACTED]**, our Controlling Shareholders will hold approximately **[REDACTED]**% of our Shares, assuming the **[REDACTED]** is not exercised. Our Controlling Shareholders will, through their voting power at the Shareholders' meetings and their delegates on the Board, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, **[REDACTED]** of additional shares or other **[REDACTED]**, timing and amount of any dividend payments, as well as our management. Our Controlling Shareholders may not act in the best interests of our minority Shareholders. In addition, without the consent of our Controlling Shareholders, we could be prevented from entering into transactions that could be beneficial to us. This concentration of ownership may also discourage, delay or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for the Shares as part of a **[REDACTED]** of our Company and may significantly reduce the price of our Shares.

If [REDACTED] or industry analysts cease to publish research or reports about our business, or if they adversely change their recommendations regarding our Shares, the [REDACTED] for our Shares and [REDACTED] volume could decline.

The **[REDACTED]** for our Shares will depend in part on the research and reports that **[REDACTED]** or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our Shares or publishes inaccurate or unfavorable research about our business, the **[REDACTED]** for our Shares would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the **[REDACTED]** or **[REDACTED]** volume for our Shares to decline.

We cannot assure you that we will declare and distribute any amount of dividends in the future and you may have to rely on price appreciation of our Shares for return on your [REDACTED].

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. You should not rely on an investment in our Shares as a source for any future dividend income.

Our board of Directors has discretion as to whether to distribute dividends, subject to the provisions of the constitution documents of our Company and certain restrictions under the British Virgin Islands law, namely that our Company may only pay dividends if it satisfies, on reasonable grounds, the solvency test under the British Virgin Islands law, meaning that (i) the value of our Company's assets exceeds its liabilities, and (ii) our Company is able to pay its debts as they fall due, immediately after the distribution of dividends. In addition, our Shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of Directors. Even if our board of Directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of Directors. Accordingly, the return on your **[REDACTED]** in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares

will appreciate in value or even maintain the price at which you **[REDACTED]** the Shares. You should not rely on an **[REDACTED]** in our Shares as a source for any future dividend income. You may not realize a return on your **[REDACTED]** in our Shares and you may even lose your entire **[REDACTED]** in our Shares.

We have no experience operating as a public company, and we may incur increased costs as a result of becoming a [REDACTED].

We have no experience conducting our operations as a **[REDACTED]** company. As a result of the **[REDACTED]** on the Stock Exchange, we may face enhanced administrative and compliance requirements, which may make us incur substantial related costs and expenses that we did not incur as a private company. We expect rules and regulations applicable to **[REDACTED]** companies to increase our accounting, legal and financial compliance costs and to make certain corporate activities more time-consuming and costly. Our management may be required to devote substantial time and attention to our **[REDACTED]** company reporting obligations and other compliance matters. We will evaluate and monitor developments with respect to these rules and regulations, but we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. Our reporting and other compliance obligations as a **[REDACTED]** company may place a significant strain on our management, operational and financial resources and systems for the foreseeable future.

There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from official government sources contained in this document.

This document, particularly the section headed "Industry Overview," contains information and statistics relating to the pharmaceutical industry. Such information and statistics have been derived from third-party reports, either commissioned by us or publicly accessible, and other publicly available sources. We believe that the sources of the information are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. However, we cannot guarantee the quality or reliability of the information from official government sources. Such information has not been independently verified by us, the **[REDACTED]**, the **[REDACTED]**, the Sole Sponsor, the **[REDACTED]** and 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 being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on information from official government sources. 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. In any event, you should consider carefully the importance placed on such information or statistics.

You may face difficulties in protecting your interests, and your ability to protect your rights through Hong Kong courts may be limited, because we are incorporated under British Virgin Islands.

We are a BVI business company incorporated under the laws of the British Virgin Islands with limited liability. Our corporate affairs are governed by, among others, our constitution documents as well as the BVI Business Companies Act and the common laws applicable in the BVI. The laws of the BVI relating to the protection of the interests of minority Shareholders may differ from those of Hong Kong or other jurisdictions where **[REDACTED]** may be located. As such, minority Shareholders may not enjoy the same rights as pursuant to the laws of Hong Kong or such other jurisdictions. For a discussion of significant differences between the provisions of the Companies Act and the laws applicable to companies incorporated in Hong Kong, see "Summary of the Constitution of our Company and the BVI Company Law" in Appendix III to this document.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as "aim," "anticipate," "believe," "could," "predict," "going forward," "intend," "plan," "project," "seek," "expect," "may," "ought to," "should," "would" or "will" and the negative of these terms as well as similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. 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. All forward-looking statements in this document are qualified by reference to this cautionary statement.

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 has been 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. Accordingly, prospective **[REDACTED]** are cautioned to make their decisions on the basis of the information contained in this document only and should not rely on any other information.