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Chengdu Olymvax Biopharmaceuticals Inc. 成都歐林生物科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

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Chengdu Olymvax Biopharmaceuticals Inc. 成都歐林生物科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under : [REDACTED] H Shares (subject to
the [REDACTED] the [REDACTED] and the [REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED] and [REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED], the [REDACTED] and the
[REDACTED])
Maximum [REDACTED] : HK\$[REDACTED] per H Share, plus
brokerage of 1.0%, SFC transaction levy
of 0.0027%, Stock Exchange trading fee of
0.00565% and AFRC transaction levy of
0.00015% (payable in full on application
in Hong Kong dollars and subject to
refund)
Nominal Value : RMB1.00 per H Share
[REDACTED] : [REDACTED]

Sole Sponsor, [REDACTED]



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[REDACTED]

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EXPECTED TIMETABLE

[REDACTED]

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[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

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SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

We are a biopharmaceutical company dedicated to the research, development, manufacturing, and commercialization of innovative vaccines. We have established a systematic product development framework that prioritizes key research areas and manages our R&D projects across different development stages. Our strategic focus centers on two key areas, namely, “superbug vaccines” (超級細菌疫苗) and “adult vaccines (成人疫苗).”

Distinct from many pre-revenue biotechnology companies, we have three commercialized products: Adsorbed Tetanus Vaccine (吸附破傷風疫苗), Haemophilus influenzae type b conjugate vaccine, or Hib Conjugate Vaccine (b型流感嗜血桿菌結合疫苗), and Group A and C meningococcal polysaccharide conjugate vaccine, or AC Conjugate Vaccine (A群C群腦膜炎球菌多糖結合疫苗). Leveraging our commercialization capabilities, our Adsorbed Tetanus Vaccine has maintained a dominant position in China during the Track Record Period. According to the CIC Report, in terms of revenue, our Adsorbed Tetanus Vaccine ranked first in the adsorbed tetanus vaccine market in China in 2025, with a market share of approximately 98.8%. According to the same report, the adsorbed tetanus vaccine market accounted for approximately 1.0% of the total vaccine market in China in 2025, in terms of revenue. Our portfolio of commercialized products serves as the cornerstone of our continued business development, generating stable cash flow and providing a solid foundation to fund and facilitate the development of our vaccine pipeline.

We have multiple vaccine pipelines targeting “superbugs”, which exhibit significant resistance to multiple antibiotics and pose serious public health challenges globally due to limited or no effective treatment options. Our Class 1.1 superbug vaccine candidates are strategically developed to target five pathogens, comprising (i) recombinant five-antigen Staphylococcus aureus vaccine, or rFSAV (重組金葡菌疫苗), targeting Staphylococcus aureus, a “high priority” pathogen identified in both the WHO 2024 Superbug List and the WHO 2017 Superbug List; (ii) oral recombinant Helicobacter pylori vaccine (E. Coli), or rHPV (口服重組幽門螺桿菌疫苗(大腸桿菌)), targeting Helicobacter pylori, a “high priority” pathogen identified in the WHO 2017 Superbug List; (iii) recombinant four-antigen Pseudomonas aeruginosa vaccine, or rFPAV (重組銅綠假單胞菌疫苗), targeting Pseudomonas aeruginosa, a “high priority” pathogen identified in the WHO 2024 Superbug List and a “critical priority” in the WHO 2017 Superbug List; (iv) recombinant Acinetobacter baumannii vaccine, or rABV (重組鮑曼不動桿菌蛋白疫苗), targeting Acinetobacter baumannii, a “critical priority” pathogen identified in both the WHO 2024 Superbug List and the WHO 2017 Superbug List; and (v) Group A Streptococcus vaccine, or GAS Vaccine (A群鏈球菌疫苗), targeting Group A Streptococcus identified as a “medium priority” pathogen in the WHO 2024 Superbug List.

Furthermore, we are actively exploring the development of “superbug” combination vaccines that can combine several of these bacterial targets, with the objective of achieving broader protection against multiple resistant infections. With no comparable commercialized product available globally targeting these superbugs, we anticipate a vast market for our superbug vaccine candidates. In addition, we plan to evaluate potential collaboration and out-licensing opportunities in overseas markets as part of our overall business development strategy.

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During the Track Record Period, we experienced growth and business expansion, reflecting the success of our commercialization strategy and operational efficiency. Our revenue increased from RMB494.3 million in 2023 to RMB586.1 million in 2024 and to RMB700.1 million in 2025. Such financial performance provides a solid foundation for our continued investment in R&D and the advancement of our innovative pipeline, as well as our international expansion.

OUR COMMERCIALIZED PRODUCTS

Since our inception, we have built a comprehensive production and quality management system and established an expansive sales network covered 30 provinces, municipalities, and autonomous regions in China. As of the Latest Practicable Date, we had three commercialized products, all of which are Class II vaccines: Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine, and AC Conjugate Vaccine. Our portfolio of commercialized products serves as the cornerstone of our continued business development, generating stable cash flow and allowing us to accumulate experience and expertise in product R&D, which in turn, provides a solid foundation to fund and facilitate the development of our vaccine pipeline products.

Adsorbed Tetanus Vaccine

Our Adsorbed Tetanus Vaccine is primarily used for post-exposure prophylaxis in individuals of all ages who have sustained trauma, and for pre-exposure immunization in high-risk populations, including pregnant women, to prevent maternal and neonatal tetanus. We are the first private enterprise in China to produce and sell adsorbed tetanus vaccine. Since its commercial launch in 2017, our Adsorbed Tetanus Vaccine has become our cornerstone product, establishing a leading market position in China.

During the Track Record Period, our revenue has been substantially dependent on the sales of our Adsorbed Tetanus Vaccine. In 2023, 2024 and 2025, revenue generated from our Adsorbed Tetanus Vaccine was RMB463.0 million, RMB535.8 million and RMB613.7 million, respectively, accounting for approximately 93.7%, 91.4% and 87.6% of our total revenue for the corresponding years, respectively. We expect that sales of our Adsorbed Tetanus Vaccine will continue to account for a significant portion of our total revenue in the near term.

Our reliance on this single product exposes us to certain risks, including risks relating to potential changes in market demand, the introduction of competing products, and a projected slowdown in the market growth rate for tetanus vaccines in China. To mitigate such risks, we have implemented a multi-faceted strategy aimed at diversifying our revenue streams over the mid to long term. Our principal strategies include: (i) advancing our late-stage pipeline products, particularly our rFSAV and Influenza Virus Split Vaccines, towards commercialization to enrich our product portfolio; (ii) leveraging our established sales network to create significant operational synergies for new product launches; (iii) developing a long-term pipeline of innovative vaccine candidates to build a sustainable and diversified product matrix; and (iv) maintaining the market position of our Adsorbed Tetanus Vaccine. However, there is no assurance that our strategies will be successfully implemented or that our pipeline products will be successfully developed or commercialized. For further details, see “Business — Our Reliance on Adsorbed Tetanus Vaccine and Our Mitigation Strategies”.

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Haemophilus Influenzae Type b Conjugate Vaccine

Our Hib Conjugate Vaccine is a polysaccharide conjugate vaccine for the prevention of invasive diseases caused by *Haemophilus Influenzae* Type b (b型流感嗜血杆菌), a leading cause of bacterial meningitis, pneumonia, and sepsis, particularly in young children. The vaccine is indicated for active immunization of infants and children from three months to five years of age. During the Track Record Period, revenue generated from our Hib Conjugate Vaccine was RMB27.3 million, RMB23.5 million and RMB18.8 million in 2023, 2024 and 2025, respectively, accounting for approximately 5.5%, 4.0% and 2.7% of our total revenue for the corresponding years, respectively.

Group A and C Meningococcal Polysaccharide Conjugate Vaccine

Our AC Conjugate Vaccine is indicated for the active immunization of infants and children from three months to five years of age for the prevention of epidemic cerebrospinal meningitis caused by *Neisseria meningitidis* serogroups A and C. These two serogroups are historically the predominant causes of meningococcal disease in China. During the Track Record Period, revenue generated from our AC Conjugate Vaccine was RMB3.9 million, RMB26.4 million and RMB65.3 million in 2023, 2024 and 2025, respectively, accounting for approximately 0.8%, 4.5% and 9.3% of our total revenue for the corresponding years, respectively.

For details, see “Business — Our Commercialized and Pipeline Products — Our Commercialized Products” in this document.

OUR PIPELINE PRODUCTS

Our pipeline is strategically focused on two key areas, namely, superbug vaccines and adult vaccines. All of our pipeline vaccine candidates are developed as Class II vaccines. Our lead candidate, the rFSAV, is under development for the prevention of infections caused by antibiotic-resistant *Staphylococcus aureus*.

Superbug Vaccine Candidates

Our Superbug Vaccine candidates include rFSAV, rHPV, rFPAV, rABV and GAS Vaccine, the details of which are set out below.

Our rFSAV is a multi-antigen subunit vaccine candidate for the prevention of infections caused by *Staphylococcus aureus*, including methicillin-resistant *Staphylococcus aureus*, a pathogen designated by the WHO as a high-priority “superbug”. The vaccine is being developed in collaboration with a leading comprehensive medical university in China (the “Key R&D Partner”). According to the CIC Report, it is currently the only vaccine candidate targeting *Staphylococcus aureus* globally that is undergoing a Phase III clinical trial. As of the Latest Practicable Date, we have completed enrollment of 6,014 planned subjects for such clinical trial. We anticipate completing the clinical trial and unblinding the data in the third quarter of 2026. Our rHPV is a vaccine candidate designed for the prevention of infection by *Helicobacter pylori*, a Gram-negative bacterium that colonizes the human stomach and upper duodenum. *Helicobacter pylori* infection is a major public health issue, recognized by the WHO as a Group 1 carcinogen due to its causal link to gastric cancer. This vaccine candidate is expected to be delivered orally, a route of administration we believe is optimal for inducing a protective mucosal immune response in the gastrointestinal tract. This product is another key component of our “superbug vaccine” strategy. Our rFPAV is a multi-component subunit vaccine candidate being developed for the prevention of infections caused by *Pseudomonas aeruginosa*. As a four-component recombinant protein-based vaccine, its design, which includes multiple distinct protein antigens, aims to elicit a broad immune response against a wide spectrum of *Pseudomonas aeruginosa* serotypes. By stimulating the production of specific functional antibodies, the vaccine is designed to prevent bacterial colonization, neutralize toxins, and facilitate immune clearance of the pathogen. According to the CIC Report, this multi-component formulation is the most component-rich rFPAV candidate in development globally as of

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the Latest Practicable Date. Our rABV is a vaccine candidate for the prevention of infections caused by *Acinetobacter baumannii*, a Gram-negative bacterium that has emerged as one of the most critical threats in healthcare settings. According to the CIC Report, this vaccine candidate is the world’s first active candidate targeting this pathogen to enter the formal research and development stage for this pathogen as of the Latest Practicable Date. Our GAS Vaccine is a peptide conjugate vaccine candidate being developed for the prevention of diseases caused by Group A *Streptococcus*, which is a human-exclusive pathogen responsible for a wide spectrum of illnesses, ranging from common infections like pharyngitis and impetigo to severe, life-threatening invasive diseases like necrotizing fasciitis and streptococcal toxic shock syndrome. It can also lead to serious post-infectious immune-mediated sequelae, most notably acute rheumatic fever and rheumatic heart disease.

For more details, see “Business — Our Commercialized and Pipeline Products — Our Pipeline Products — Our Superbug Vaccine Candidates” in this document.

Key Pipeline Candidates

In addition to our superbug vaccine candidates, we also develop (i) quadrivalent, trivalent and adjuvanted trivalent influenza virus split vaccines (MDCK cells) (四價/三價/三價佐劑流感病毒裂解疫苗(MDCK細胞)) (collectively, “Influenza Virus Split Vaccine Candidates”), and (ii) therapeutic monoclonal antibody candidates, which we collectively referred to herein as our key pipeline candidates. We are developing (i) a quadrivalent influenza virus split vaccine (MDCK cells), or Quadrivalent Influenza Vaccine (四價流感病毒裂解疫苗(MDCK細胞)), (ii) a trivalent influenza virus split vaccine (MDCK cells), or Trivalent Influenza Vaccine (三價流感病毒裂解疫苗(MDCK細胞)), and (iii) an adjuvanted trivalent influenza virus split vaccine (MDCK cells), or Adjuvanted Influenza Vaccine (三價佐劑流感病毒裂解疫苗(MDCK細胞)). These vaccine candidates are part of our strategic focus on the adult vaccine market. They are produced using a cell-culture technology platform as a superior alternative to traditional egg-based production.

We also develop (i) an anti-*Staphylococcus aureus* fully human monoclonal antibody (抗金黄色葡萄球菌單克隆抗體) based on the five protective antigens from our rFSAV, (ii) an anti-*Pseudomonas aeruginosa* fully human monoclonal antibody (抗銅綠假單胞菌單克隆抗體), built on four protective antigens from our rFPAV, and (iii) an anti-Tetanus toxin fully human monoclonal antibody (全人源破傷風單克隆抗體), which is based on our self-developed Adsorbed Tetanus Vaccine.

Additional Pipeline Candidates

In addition to our superbug vaccine candidates and key pipeline candidates, we are advancing a diversified vaccine pipeline targeting both adult and pediatric populations. These include our recombinant Zoster vaccine, or Recombinant Zoster Vaccine (重組帶狀疱疹疫苗), acellular Pertussis (three-component) vaccine and acellular Diphtheria-tetanus-pertussis (three-component) combined vaccine, or Acellular Pertussis (Three-Component) Vaccine and Acellular Diphtheria-tetanus-pertussis (Three-Component) Combined Vaccine (無細胞百日咳(三組分)疫苗及無細胞百白破(三組分)聯合疫苗), Group B meningococcal vaccine, or Group B Meningococcal Vaccine (B群腦膜炎球菌疫苗) and Meningococcal Groups A and C and *Haemophilus B* conjugate vaccine, or AC-Hib Conjugate Vaccine (AC-Hib聯合疫苗). These candidates form an important extension of our platform technology capabilities and reinforce our long-term focus on population-wide infectious disease prevention.

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RESEARCH AND DEVELOPMENT

Our R&D capabilities are underpinned by our experienced R&D and management teams and a suite of proprietary and advanced technology platforms. Since our inception, we have continuously increased our R&D investment and expanded our technology platforms.

We leverage four integrated and synergistic core technology platforms that span the entire vaccine development value chain: (i) genetic engineering and multi-dimensional target vaccine design platform, (ii) polysaccharide-protein conjugation technology platform, (iii) integrated “molecule-to-human” vaccine efficacy evaluation platform, and (iv) digital and automated vaccine industrialization platform. These platforms cover the full process from early-stage target discovery and vaccine design, polysaccharide-protein conjugation process optimization, and comprehensive efficacy evaluation, to final-stage digital and automated industrialization. They provide a solid technological foundation for our existing and future product pipelines.

We have established two research centers in Chengdu and Chongqing. These centers provide the integrated infrastructure to advance vaccine candidates from initial concept and discovery through to GMP-compliant pilot-scale production and technology transfer for commercialization. As of December 31, 2025, we had a dedicated R&D team of 143 members. Our team is highly educated and experienced, with a deep understanding of vaccine development, from discovery through to industrialization.

PRODUCTION

We are capable of translating our R&D achievements into commercial-scale products. All our commercial and clinical-stage products are manufactured at our self-operated facilities, and we do not outsource any part of our core manufacturing processes. As of the Latest Practicable Date, our primary manufacturing base is located in Chengdu, Sichuan Province. The facilities are designed with a modular approach, housing dedicated and physically separated substances workshops for different vaccine types, such as bacterial, viral, and recombinant protein vaccines, to prevent cross-contamination and optimize process flows. All our production sites are self-owned. See “Business — Production” for further details.

OUR SUPPLIERS

During the Track Record Period, our major suppliers mainly included third-party CROs, marketing service providers, equipment providers and providers of technologies for product development. In 2023, 2024 and 2025, purchases from our five largest suppliers in each year of the Track Record Period amounted to RMB156.3 million, RMB215.8 million and RMB214.4 million, respectively, accounting for 31.7%, 32.5% and 32.1%, respectively, of our procurement for the corresponding years. In 2023, 2024 and 2025, purchases from our largest supplier in each year of the Track Record Period amounted to RMB43.6 million, RMB57.3 million and RMB52.6 million, respectively, accounting for 8.9%, 8.6% and 7.9%, respectively, of our total procurement for the corresponding years. See “Business — Our Suppliers” for further details.

OUR CUSTOMERS

Our customers primarily consist of CDCs at the country or district level across the PRC. In 2023, 2024 and 2025, the revenue generated from our five largest customers in each year of the Track Record Period amounted to RMB38.1 million, RMB34.4 million and RMB35.3 million, respectively, accounting for 7.7%, 5.9% and 5.0%, respectively, of our total revenue for the corresponding years. Revenue generated to our largest customer in each year of the Track Record Period amounted to RMB12.8 million, RMB10.4 million and RMB11.6 million, respectively, accounting for 2.6%, 1.8% and 1.7% of our total revenue for the corresponding years. See “Business — Our Customers” for further details.

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SALES AND MARKETING

Our commercialized products and pipeline products are, and are expected to be, classified as non-immunization program vaccine (非免疫規劃疫苗), or Class II vaccines, in the PRC. Pursuant to the PRC Vaccine Administration Law, these products must be procured through provincial centralized public tender platforms, and direct sales to hospitals are prohibited. We deliver our vaccines to CDCs via qualified third-party cold-chain logistics providers, and the CDCs manage subsequent distribution to final POVs, such as community health centers or hospital-based clinics.

Our commercial operations are managed by our marketing center. As of December 31, 2025, our market center comprised 35 employees across functions including sales management, marketing, medical affairs, and logistics operations. To support our operations, we engage third-party marketing service providers to conduct academic promotion and market education activities to assist hospitals, which are the primary sites for trauma treatment, in obtaining the requisite qualifications from local health administrative departments to become legitimate POVs for our vaccine products.

COMPETITION

Vaccine markets in China and globally are highly competitive, rapidly evolving and characterized by technological advancement and innovation. We face actual and potential competition from companies, including large multinational and domestic pharmaceutical and biotechnology enterprises that have commercialized, are commercializing, or are developing vaccines targeting diseases that our commercialized and pipeline products target.

We believe we primarily compete on the strength of our commercialized vaccine products, especially our Adsorbed Tetanus Vaccine, our vaccine pipelines, our proprietary technology platforms, our research and development expertise, as well as our manufacturing facilities and processes. The degree of competition we face varies among vaccine types and targeted indications. Alternative treatments or prevention options for specific diseases may also limit the market potential and commercial success of our vaccine products. For further details relating to market opportunities and competition in respect of our products and pipelines, see “Industry Overview” and “Business — Our Commercialized and Pipeline Products.”

OUR COMPETITIVE STRENGTHS AND STRATEGIES

We believe the following strengths have contributed to our success and will continue to differentiate us from our competitors: (i) proven commercialization capabilities, demonstrated by our success in leading the adult tetanus vaccine market in China; (ii) establishment of an innovative platform for Class 1.1 vaccines with the most comprehensive “superbug” vaccine pipeline in the world; (iii) cell-culture-based influenza vaccines addressing an unmet domestic supply need; (iv) R&D and collaboration capabilities supporting new vaccine development; (v) mature technology and industrialization platform supported by a strong talent reserve; (vi) international-standard vaccine production capability and a comprehensive quality management system; and (vii) a visionary and expected core management team.

We are committed to developing innovative vaccines, particularly in the high-need area of “superbug” infections. To achieve our long-term vision, we plan to implement the following key strategies: (i) accelerate the clinical development and commercialization of our core innovative pipeline; (ii) focus on our “superbug vaccine” development strategy and explore synergistic combination vaccine; (iii) upgrade our production capabilities to support commercialization and international standards; (iv) strengthen commercialization capabilities and deepen market penetration in China; (v) implement a dual-directional internationalization strategy; (vi) expand our pipeline from preventive vaccines to therapeutic antibodies; and (vii) reinforce our R&D model to drive sustainable innovation.

SUMMARY

SUMMARY OF RISK FACTORS

Our operations involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to invest in us and/or the value of your investment. See “Risk Factors” for details of our risk factors, which we strongly urge you to read in full before making an investment in our H Shares. Some of the major risks we face include (i) we have historically derived, and expect to continue to derive, a substantial portion of our revenue from a single product, our Adsorbed Tetanus Vaccine; (ii) if our bids in the public tender process are not successful or we fail to secure subsequent orders, our business may be adversely affected; (iii) our sales to CDCs may subject us to uncertainties associated with the government funding, budgeting and decision-making process; (iv) our vaccine products may become subject to national or other third-party reimbursement practices or unfavorable pricing regulations, which could harm our business; and (v) our pricing for vaccine products may limit market acceptance and result in reduced sales, adversely affecting our business and financial results.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The following tables present our summary historical financial information for the periods or as of the dates indicated. This summary has been derived from our historical financial information included in the Accountants’ Report as set out in Appendix I. The summary historical financial data set forth below should be read together with, and is qualified in its entirety by reference to, the historical financial information included in the Accountants’ Report as set out in Appendix I, including the accompanying notes, and the information set forth in “Financial Information.”

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

The table below presents a summary of our consolidated statement of profit or loss and other comprehensive income for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue	494,287	586,104	700,128
Cost of revenue	(34,278)	(34,913)	(54,594)
Gross profit	460,009	551,191	645,534
Other net income/(loss)	(3,362)	3,651	(6,162)
Selling and distribution expenses	(257,806)	(302,900)	(380,936)
Administrative expenses	(59,730)	(70,570)	(65,543)
Research and development expenses	(114,729)	(134,235)	(132,904)
Impairment losses on trade and other receivables	(1,587)	(10,376)	(13,033)
Profit/(loss) from operations	22,795	36,761	46,956
Finance costs	(7,178)	(14,459)	(15,060)
Profit/(loss) before taxation	15,617	22,302	31,896
Income tax	(4,175)	(6,583)	(9,996)
Profit/(loss) and total comprehensive income for the year	11,442	15,719	21,900
Attributable to:			
Equity shareholders of the Company	17,556	20,757	22,262
Non-controlling interests	(6,114)	(5,038)	(362)
Earnings/(loss) per share			
Basic (RMB)	0.04	0.05	0.05
Diluted (RMB)	0.04	0.05	0.05

SUMMARY

In 2023, 2024 and 2025, we recorded profit and total comprehensive income of RMB11.4 million, RMB15.7 million and RMB21.9 million, respectively. Our net profit increased by RMB4.3 million, from RMB11.4 million in 2023 to RMB15.7 million in 2024. This increase was primarily attributable to (i) an increase in revenue, mainly driven by continued growth in sales of our Adsorbed Tetanus Vaccine; and (ii) a significant increase in revenue from our AC Conjugate Vaccine, principally due to a significant increase in its selling price following the conclusion in 2024 of sales to the provincial immunization program in Anhui Province, which carried a lower selling price. The increase in net profit was partially offset by higher selling and distribution expenses incurred in line with our business growth and expanded sales activities. We recorded an increase of RMB6.2 million from a net profit of RMB15.7 million in 2024 to a net profit of RMB21.9 million in 2025, which was primarily driven by substantial growth in revenue, especially from our Adsorbed Tetanus Vaccine, as a result of the successful implementation of our targeted product enhancement and market penetration strategies. The increase in net profit was partially offset by higher selling and distribution expenses incurred in line with our business growth and expanded sales activities.

Revenue

The following table sets forth a breakdown of our revenue by commercialized product and type of customers, both in absolute amounts and as a percentage of total revenue, for the years indicated:

	For the years ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Adsorbed Tetanus Vaccine . .	462,960	93.7	535,781	91.4	613,657	87.6
– CDCs	420,599	85.1	508,021	86.7	579,314	82.7
– Blood product manufacturers	42,361	8.6	27,760	4.7	34,343	4.9
Hib Conjugate Vaccine	27,265	5.5	23,497	4.0	18,763	2.7
– CDCs	27,250	5.5	23,497	4.0	18,763	2.7
– Others**	15	*	–	–	–	–
AC Conjugate Vaccine	3,883	0.8	26,422	4.5	65,347	9.3
– CDCs	3,838	0.8	26,422	4.5	65,310	9.3
– Others**	45	*	–	–	37	*
Others⁽¹⁾	179	–	404	0.1	2,361	0.3
– Blood product manufacturers	179	*	404	0.1	2,361	0.3
Total	494,287	100.0	586,104	100.0	700,128	100.0

Note:

(1) Others represent refined TT bulk, an intermediary product of adsorbed tetanus vaccine.

* less than 0.1%

** Represents highly isolated transactions conducted on a very limited and non-recurring basis with entities that were developing or conducting clinical trials for their own vaccine candidates, and purchased our Hib Conjugate Vaccine and AC Conjugate Vaccine to serve as clinical trial control samples. We do not actively market or seek to sell our products to these entities.

SUMMARY

The following table sets forth a breakdown of our sales volume and average selling price by commercialized product and type of customers for the years indicated:

	For the years ended December 31,					
	2023		2024		2025	
	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP
	('000 doses)	(RMB/dose)	('000 doses)	(RMB/dose)	('000 doses)	(RMB/dose)
Adsorbed Tetanus Vaccine . .	3,148	147	3,363	159	3,830	160
– CDCs	2,418	174	2,844	179	3,322	174
– Blood product manufacturers	730	58	519	53	508	68
Hib Conjugate Vaccine	253	108	219	107	179	105
– CDCs	252	108	219	107	179	105
– Others	1	103	–	–	–	–
AC Conjugate Vaccine	319	12	252	105	415	157
– CDCs	318	12	252	105	414	158
– Others	1	151	–	–	1	158

Gross Profit and Gross Profit Margin

The table below sets forth our gross profit and gross profit margin by product and type of customers for the years indicated:

	For the years ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	%	RMB'000	%	RMB'000	%
Adsorbed Tetanus Vaccine . .	442,440	95.6	512,041	95.6	576,974	94.0
– CDCs	404,401	96.1	487,596	96.0	547,090	94.4
– Blood product manufacturers	38,039	89.8	24,445	88.1	29,884	87.0
Hib Conjugate Vaccine	21,183	77.7	18,859	80.3	15,085	80.4
– CDCs	21,169	77.7	18,859	80.3	15,085	80.4
– Others	14	93.3	–	–	–	–
AC Conjugate Vaccine	(3,731)	(96.1)	20,150	76.3	52,885	80.9
– CDCs	(3,775)	(98.4)	20,150	76.3	52,849	80.4
– Others	44	97.8	–	–	36	97.3
Others	117	65.4	141	34.9	590	25.0
– Blood product manufacturers	117	65.4	141	34.9	590	25.0
Total	460,009	93.1	551,191	94.0	645,534	92.2

Our revenue increased by RMB114.0 million, or 19.5%, from RMB586.1 million in 2024 to RMB700.1 million in 2025, which was primarily driven by the substantial growth in revenue from our Adsorbed Tetanus Vaccine and AC Conjugate Vaccine. This followed an increase in revenue of RMB91.8 million, or 18.6%, from RMB494.3 million in 2023 to RMB586.1 million in 2024, which was primarily attributable to the continued growth in revenue from our key commercialized product, Adsorbed Tetanus Vaccine, and a significant increase in revenue from our other vaccine products. Meanwhile, our gross profit increased by RMB94.3 million, or 17.1%, from RMB551.2 million in 2024 to RMB645.5 million in 2025, with our overall gross profit margin decreasing from 94.0% to 92.2% for the same periods; this decrease was primarily due to (i) a lower gross profit margin from

SUMMARY

our Adsorbed Tetanus Vaccine; and (ii) a change in product mix towards a higher proportion of sales from our AC Conjugate Vaccine, which carries a lower gross profit margin compared to our Adsorbed Tetanus Vaccine. Our gross profit increased by RMB91.2 million, or 19.8%, from RMB460.0 million in 2023 to RMB551.2 million in 2024, while our overall gross profit margin increased from 93.1% in 2023 to 94.0% in 2024, primarily due to the significant margin recovery for our AC Conjugate Vaccine. See “Financial Information — Statements of Profit or Loss and Comprehensive Income” in this document for details.

Summary of Consolidated Statements of Financial Position

The table below sets forth the breakdown of our current assets and current liabilities as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current assets	678,701	896,441	1,018,341
Current assets	931,190	908,144	996,334
Current liabilities	481,251	596,765	750,557
Net current assets	449,939	311,379	245,777
Total assets less current liabilities	1,128,640	1,207,820	1,264,118
Non-current liabilities	197,877	274,318	360,138
Net assets	930,763	933,502	903,980
Total equity attributable to equity shareholders of the Company	916,904	924,681	903,678
Non-controlling interests	13,859	8,821	302
Total equity	930,763	933,502	903,980

Our net current assets decreased from RMB449.9 million as of December 31, 2023 to RMB311.4 million as of December 31, 2024. The decrease in net current assets was primarily due to (i) a decrease in our total current assets, which was primarily attributable to a decrease in cash and cash equivalents as we utilized cash to pay for clinical trial fees, make fixed asset investments and purchase new wealth management products; and (ii) an increase in our total current liabilities, primarily due to (a) an increase in trade and other payables, mainly reflecting higher payables for promotion service fees and raw materials; and (b) an increase in bank loans to support our working capital needs.

Our net current assets decreased from RMB311.4 million as of December 31, 2024 to RMB245.8 million as of December 31, 2025. The decrease in net current assets was primarily due to a significant increase in our total current liabilities that outpaced the growth in our total current assets, reflecting (i) an increase in our total current liabilities, primarily due to an increase in trade and other payables, mainly reflecting higher payables for the continued construction of our production facilities, increased marketing service fees, and the accrual of [REDACTED]-related expenses, partially offset by a decrease in bank loans following scheduled repayments; and (ii) an increase in our total current assets, which was primarily driven by (a) an increase in trade and other receivables, reflecting our continued business expansion and the recognition of [REDACTED] expenses, and (b) an increase in cash and cash equivalents, partially offset by a decrease in inventories as we strategically consumed existing raw materials and sold accumulated finished goods.

SUMMARY

As of December 31, 2023, 2024 and 2025, our net assets amounted to RMB930.8 million, RMB933.5 million and RMB904.0 million, respectively. Our net assets remained relatively stable at RMB930.8 million and RMB933.5 million as of December 31, 2023 and 2024, respectively. Our net assets decreased from RMB933.5 million as of December 31, 2024 to RMB904.0 million as of December 31, 2025, mainly due to acquisition of non-controlling interests of a subsidiary of RMB39.1 million, partially offset by profit and total comprehensive income in 2025 of RMB21.9 million.

See “Financial Information — Description of Certain Key Items from Our Consolidated Statements of Financial Position” in this document for details.

Summary of Consolidated Cash Flow Statements

The table below sets forth a summary of our cash flows for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net cash (used in)/generated from operating activities . . .	49,808	(5,737)	105,447
Net cash used in investing activities	(78,843)	(223,934)	(83,346)
Net cash generated from financing activities	123,459	91,913	(14,702)
Net increase/(decrease) in cash and cash equivalents . . .	94,424	(137,758)	7,399
Cash and cash equivalents at beginning of the year	261,111	355,535	217,777
Cash and cash equivalents at end of the year	355,535	217,777	225,176

We recorded an operating net cash outflow of RMB5.7 million in 2024. This net cash outflow was primarily attributable to (i) profit before taxation of RMB22.3 million; (ii) positive total adjustments before movements in working capital of RMB75.4 million, primarily reflecting (a) RMB31.2 million of positive adjustments for depreciation of property and equipment, (b) RMB14.5 million of positive adjustments for finance costs, and (c) RMB10.4 million of positive adjustments for impairment losses on trade and other receivables; (iii) negative movements in working capital of RMB98.2 million, primarily reflecting (a) an RMB94.2 million increase in trade and other receivables and (b) an RMB26.5 million increase in inventories, partially offset by an RMB20.7 million increase in trade and other payables; and (iv) PRC corporate income tax paid of RMB5.3 million.

In view of our net operating cash outflows in 2024, we have implemented a series of comprehensive management measures which we believe have successfully contributed to our net operating cash inflows in 2025, including (i) strengthening cash flow planning and regular monitoring through a structured budget process to ensure stable liquidity, supported by regular internal meetings between our senior management and operational departments to review our financial performance, alongside annual reporting to the Board; (ii) driving additional cash inflows by expanding our business scale, increasing revenue, and actively market new products or formulation to establish new growth drivers; (iii) enhancing operational efficiency and cost control by maintaining prudent staffing levels and minimizing production waste through upgrades to our existing production lines; (iv) optimizing inventory management to manage our inventory turnover days by conducting regular aging analyses and enhancing our prompt delivery capabilities; and (v) improving working capital management efficiency by (a) enhancing trade and other receivables management through regular aging analyses, refined credit assessment mechanisms, and proactive collection actions to recover overdue balances, and (b) strengthening ongoing communication and close follow-ups with customers regarding the timely settlement of outstanding balances. See “Financial Information — Liquidity and Capital Resources — Cash Flow Analysis” in this document for more information.

SUMMARY

LISTING ON THE SSE STAR MARKET

In June 2021, we completed the initial public offering and listing of our A Shares on the SSE STAR Market (stock code: 688319), pursuant to which we issued an aggregate of 40,530,000 A Shares, accounting for approximately 10.0% of our Company’s share capital immediately following the A Share listing.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Shanghai Wushan, Mr. Fan Shaowen and Dr. Fan Fan directly held 60,216,322, 15,638,795 and 30,546,020 A Shares, respectively, accounting for approximately 14.84%, 3.85% and 7.53% of the issued share capital of our Company, respectively. Meanwhile, Mr. Fan Shaowen held approximately 47.22% of Shanghai Wushan and Dr. Fan Fan, who is the daughter of Mr. Fan Shaowen, held approximately 6.78% of Shanghai Wushan. On August 17, 2020, Mr. Fan Shaowen and Dr. Fan Fan entered into the Concert Parties Agreement, pursuant to which (i) it was confirmed that Mr. Fan Shaowen and Dr. Fan Fan, by virtue of their relationship as father and daughter, have been acting in concert since April 29, 2015 when Dr. Fan Fan became a shareholder of our Company; (ii) they agreed to continue to act in concert in relation to the operational development of our Company. Therefore, Shanghai Wushan, Mr. Fan Shaowen and Dr. Fan Fan are regarded as the Single Largest Group of Shareholders of our Company.

Accordingly, the Single Largest Group of Shareholders was entitled to exercise voting rights attached to the 106,401,137 A Shares, representing approximately 26.22% of the total issued share capital of our Company as of the Latest Practicable Date. Immediately following the completion of the [REDACTED], the Single Largest Group of Shareholders will be interested in approximately [REDACTED]% of our total share capital (assuming the [REDACTED] and the [REDACTED] are not exercised and no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED]) or approximately [REDACTED]% of our total share capital (assuming the [REDACTED] and the [REDACTED] are exercised in full).

USE OF [REDACTED]

Assuming that the [REDACTED] and the [REDACTED] are not exercised, after deducting the [REDACTED] commissions and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per H Share (being maximum [REDACTED]), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED].

We intend to use the net [REDACTED] from the [REDACTED] for the following purposes including (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the preclinical and clinical development of our rHPV candidate; (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to fund the clinical development and expansion of indications for our rFSAV; (iii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the strategic upgrade of our production facilities to support the large-scale commercialization of our innovative vaccine pipelines and to ensure our facilities comply with international manufacturing standards; (iv) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to expedite the clinical development of our cell-based influenza vaccine portfolio; (v) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the development and in-licensing of novel drug delivery systems; (vi) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the research and development of our therapeutic monoclonal antibody pipeline; (vii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to fund our global market expansion and international collaborations, in line with our dual-directional internationalization strategy; and (viii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for working capital and other general corporate purposes.

SUMMARY

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We are applying for the [REDACTED] under Rule 8.05(3) of the Listing Rules and satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue in 2025, being RMB700.1 million, which is over HK\$500 million required by Rule 8.05(3) of the Listing Rules; and (ii) our expected market capitalization at the time of [REDACTED], which, based on the maximum [REDACTED] of HK\$[REDACTED], exceeds HK\$4 billion.

DIVIDENDS

Our Company does not maintain a fixed dividend distribution ratio. During the Track Record Period, we declared or paid cash dividends to our shareholders. On June 19, 2024, based on the total number of shares registered as of the record date for the distribution plan, our Board of Directors declared cash dividends to be distributed to our Company’s A-share shareholders, with a cash dividend of RMB0.038 per share (tax inclusive). Based on the total number of shares as of the record date for the distribution plan, which was 406,158,000 shares, the cash dividend amount was RMB15,434,000 (tax inclusive). This dividend was fully paid on June 25, 2024, and was funded by our Company’s internal cash flow. Our Board of Directors was of the opinion that the dividend plan was in line with our Company’s actual situation and conducive to its sustainable development. Our PRC Legal Advisers have advised us that, based on their review, the dividend distribution by our Company during the Track Record Period was determined based on the parent company’s distributable profits and was in compliance with the requirements under the applicable PRC laws and regulations and the Articles of Association. For further details, please see “Financial Information — Dividends”.

[REDACTED] EXPENSES

Our [REDACTED] expenses mainly include [REDACTED] fees and commissions and professional fees paid to legal advisers and service providers for their services rendered in relation to the [REDACTED]. Based on an indicative [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the maximum [REDACTED]), we expect to incur [REDACTED] expenses of approximately RMB[REDACTED] million assuming the [REDACTED] and [REDACTED] are not exercised). Among the total estimated [REDACTED] expenses, approximately RMB[REDACTED] million is directly attributable to the issue of our Shares and will be accounted for as a deduction from equity upon the completion of the [REDACTED]. The remaining approximately RMB[REDACTED] million will be expensed in our consolidated statements of profit or loss and other comprehensive income. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and for reference only and the actual amount may differ from this estimate. For further details, please see “Financial Information — [REDACTED] Expenses.”

[REDACTED] STATISTICS

	Based on the maximum [REDACTED] of HK\$[REDACTED] per [REDACTED]
Market capitalization of the H Shares ⁽¹⁾	HK\$[REDACTED]
Market capitalization of the Shares ⁽²⁾	HK\$[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets per Share ⁽³⁾	HK\$[REDACTED]

Notes:

- (1) The total market capitalization of the H Shares is calculated based on [REDACTED] H Shares to be issued pursuant to the [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised).

SUMMARY

- (2) The total market capitalization of our Company is calculated based on (i) 405,708,900 A Shares in issue as of the Latest Practicable Date at the average closing price of the A Shares of our Company for the five trading days immediately preceding the Latest Practicable Date at RMB[36.25] (or approximately HK\$[41.69]) per Share; and (ii) the expected market capitalization of our H Shares at [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised).
- (3) The unaudited [REDACTED] adjusted net tangible assets per Share is arrived at on the basis that [REDACTED] shares (being [405,708,900] Shares in issue as of December 31, 2025 and [REDACTED] H Shares to be issued pursuant to the [REDACTED], deducting [299,600] unvested restricted shares under 2023 Share Award Scheme as of December 31, 2025) were in issue immediately following the completion of the [REDACTED], assuming the [REDACTED] had completed on December 31, 2025 without taking into account of any H Shares, which may be issued upon the exercise of the [REDACTED] and the [REDACTED]. See Appendix II to this document.

LEGAL PROCEEDINGS AND NON-COMPLIANCE

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. As of the Latest Practicable Date, other than the ongoing litigation relating to a contract dispute, we were not involved in any court, arbitral or administrative proceedings that are material to our assets and liabilities or profits and losses, nor, so far as we are aware, are any such proceedings pending or threatened against us. For further details relating to the contract dispute, please see “Business — Legal Proceedings And Compliance — Litigation in Relation to a Contract Dispute.” During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Subsequent to the Track Record Period and up to the Latest Practicable Date, we have continued to execute our business strategies, achieving progress in both our commercial expansion and the advancement of our key pipeline products.

Research and Development Progress

In the first half of 2026, we have progressed smoothly in the clinical development of our vaccine candidates. In particular, our rFSAV, which is currently in a Phase III clinical trial, continues to advance as planned. Subsequent to the Track Record Period, our primary focus has been on the ongoing subject follow-up work. This progress is crucial for maintaining the integrity of the trial and ensures that we remain on schedule for the anticipated data unblinding in the third quarter of 2026, which will be a pivotal moment for this core pipeline asset.

Financial Position

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the Latest Practicable Date, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the period reported on in the Accountants’ Report as set out in Appendix I, and there is no event since December 31, 2025 which would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms and expressions have the meanings set forth below.

“A Share(s)”	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
“Accountants’ Report”	the accountants’ report of our Group for the Track Record Period as set out in Appendix I to this document
“affiliate(s)”	with respect to any specific person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the articles of association of our Company, which shall become effective upon [REDACTED], as amended from time to time, a summary of which is contained in Appendix V to this document
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of directors of our Company
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“CAGR”	compound annual growth rate
	[REDACTED]
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Chengdu XENOMIX”	Chengdu XENOMIX Biotechnology Co., Ltd. (成都新諾明生物科技有限公司), a limited liability company established under the laws of the PRC on September 27, 2021 and a wholly owned subsidiary of our Company
“China”, the “PRC” or “Chinese Mainland”	the People’s Republic of China, excluding, for the purposes of this document and for geographical reference only, the regions of Hong Kong, Macau Special Administrative Region and Taiwan of the People’s Republic of China, except where the content or context requires otherwise

DEFINITIONS

“Chongqing Yuanlun”	Chongqing Yuanlun Biotechnology Co., Ltd. (重慶原倫生物科技有限公司), a limited liability company established under the laws of the PRC on December 22, 2010 and a subsidiary of our Company owned by our Company as to 85.0%
“CIC” or “Industry Consultant”	China Insights Industry Consultancy Limited, our industry consultant, an independent market research and consulting company
“CIC Report”	the industry report commissioned by our Company and independently prepared by CIC, a summary of which is set forth in “Industry Overview”
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	Chengdu Olymvax Biopharmaceuticals Inc. (成都歐林生物科技股份有限公司), a joint stock company with limited liability established in the PRC on December 11, 2009, the A Shares of which have been listed on the SSE STAR Market (stock code: 688319)
“Company Law” or “PRC Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》) as amended, supplemented or otherwise modified from time to time
“Concert Parties Agreement”	the concert parties agreement entered into among Mr. Fan Shaowen and Dr. Fan Fan on August 17, 2020
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)” or “our Director(s)”	the director(s) of our Company
“EIT”	enterprise income tax

DEFINITIONS

“EIT Law”	the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法), as amended, supplemented or otherwise modified from time to time
“Employee Restricted Share Incentive Plan”	the restricted share incentive plan approved and adopted by Shareholders of our Company on May 18, 2023, the principal terms of which are set out in “Appendix VI — Statutory and General Information — D. Employee Restricted Share Incentive Plan” to this document
“Exchange Participant(s)”	a person: (a) who, in accordance with the Rules of the Exchange, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
“Extreme Conditions”	the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below
“FINI”	“Fast Interface for New Issuance”, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for new listings in Hong Kong
“General Rules of HKSCC”	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
	[REDACTED]
“Group,” “our Group,” “the Group,” “we,” “us,” or “our”	our Company and its subsidiaries from time to time, or, where the context so requires in respect of the period before our Company became the holding company of our present subsidiaries, the entities or the predecessors of the present subsidiaries (as the case may be) which carried on the business of the present Group at the relevant time
“Guide”	the “Guide for New Listing Applicants” published by the Stock Exchange in November 2023 which took effect on January 1, 2024, as amended or supplemented or otherwise modified from time to time
“H Share(s)”	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for [REDACTED] and permission to trade on the Stock Exchange

[REDACTED]

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC [REDACTED]”	the application for the [REDACTED] to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant’s stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC’S FINI system to apply for the Hong Kong [REDACTED] on your behalf
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HKSCC Operational Procedures”	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC’s services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
“HKSCC Participant”	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited

[REDACTED]

DEFINITIONS

[REDACTED]

“IFRS Accounting Standards”	IFRS Accounting Standards as issued by the International Accounting Standards Board
“Independent Third Party(ies)”	person(s) or company(ies), who/which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not connected person(s) of our Company

[REDACTED]

“Latest Practicable Date”	[June 22, 2026], being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

DEFINITIONS

[REDACTED]

“Listing Committee” the listing committee of the Stock Exchange

[REDACTED]

“Listing Rules” the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

“Main Board” the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange

“MOF” or “Ministry of Finance” Ministry of Finance of the PRC (中華人民共和國財政部)

“MOFCOM” Ministry of Commerce of the PRC (中華人民共和國商務部)

“NDRC” National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)

“NEEQ” the National Equities Exchange and Quotations, a PRC over-the-counter system for trading shares of public companies

“NHC” National Health Commission of the PRC (中華人民共和國國家衛生健康委員會)

“NHSA” National Healthcare Security Administration of the PRC (中華人民共和國國家醫療保障局)

“NIFDC” The National Institutes for Food and Drug Control (中國食品藥品檢定研究院)

“NMPA” National Medical Products Administration (國家藥品監督管理局) of the PRC, formerly known as China Food and Drug Administration (“CFDA”) (國家食品藥品監督管理局) or China Drug Administration (“CDA”) (國家藥品監督管理局); references to NMPA include CFDA and CDA

“Nomination Committee” the nomination committee of the Board

“NPC” the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)

DEFINITIONS

[REDACTED]

“Olymvax Hong Kong”

Olymvax Biopharmaceuticals (Hong Kong) Co., Ltd. (歐林生物(香港)有限公司), a limited liability company incorporated under the laws of Hong Kong on January 19, 2026, and a wholly owned subsidiary of our Company

[REDACTED]

“Overseas Listing Trial”

the Trial Administrative Measures of 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》) released by the CSRC on February 17, 2023 and took effect on March 31, 2023

DEFINITIONS

“PBOC”	the People’s Bank of China (中國人民銀行)
“POV”	Points of Vaccination
“PRC GAAP”	generally accepted accounting principles of the PRC
“PRC Government” or “State”	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and their instrumentalities or, where the context requires, any of them
“PRC Legal Advisors”	Zhong Lun Law Firm, the legal advisors of our Company as to PRC laws in connection with the [REDACTED]

[REDACTED]

“province”	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
“R&D”	research and development
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration and Appraisal Committee”	the Remuneration and Appraisal Committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局), the PRC governmental agency responsible for matters relating to foreign exchange administration, including local branches, when applicable
“SAIC”	State Administration for Industry & Commerce of the PRC (中華人民共和國國家工商行政管理總局)
“SAMR”	State Administration for Market Regulation (國家市場監督管理局)
“SAT”	State Administration of Taxation (國家稅務總局)

DEFINITIONS

“SCNPC”	the Standing Committee of the National People’s Congress (全國人民代表大會常務委員會)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links program developed by the Stock Exchange, Shanghai Stock Exchange, HKSCC and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shanghai
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Single Largest Group of Shareholders”	refers collectively to Mr. Fan Shaowen, Dr. Fan Fan and Shanghai Wushan
“Shanghai Wushan”	Shanghai Wushan Biotechnology Co., Ltd. (上海武山生物技術有限公司) (formerly known as Chongqing Wushan Biotechnology Co., Ltd. (重慶武山生物技術有限公司)), a limited liability company established under the laws of the PRC on September 9, 2009 and one of our Company’s substantial shareholders
“Share(s)”	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, comprising our A Shares and upon [REDACTED], our H Shares
“Shareholder(s)”	holder(s) of Shares
“Sole Sponsor”	CITIC Securities (Hong Kong) Limited [REDACTED]
“sq.m.”	square meter(s)
“SSE STAR Market”	the Shanghai Stock Exchange Science and Technology Innovation Board (上海證券交易所科創板) [REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Strategy Committee”	the strategy committee of the Board
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Taichang Group” Taichang Group Co., Ltd. (泰昌集團有限公司), a limited liability company established under the laws of the PRC on May 18, 2001, a shareholder and connected person of our Company, the details of which are set out in “History and Corporate Structure — Our Shareholding and Corporate Structure”

“TGA” Therapeutic Goods Administration of the Australian Department of Health

“Track Record Period” the period consisting of the years ended December 31, 2023, 2024 and 2025

[REDACTED]

“U.S.” or “United States” the United States of America, its territories, its possessions and all areas subject to its jurisdiction

“U.S. dollars” or “US\$” United States dollars, the lawful currency of the United States

“U.S. FDA” the Food and Drug Administration in the United States

“U.S. Securities Act” the United States Securities Act 1933, as amended or supplemented from time to time

“VAT” Value-added tax

[REDACTED]

“%” per cent

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

If there is any inconsistency between this document and the Chinese translation of this document, this document shall prevail. For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages and in the event of inconsistency, the Chinese versions shall prevail.

Unless otherwise specified, all relevant information in this document assumes that the [REDACTED] and the [REDACTED] are not exercised.

GLOSSARY OF TECHNICAL TERMS

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

“AC Conjugate Vaccine”	Group A and C Meningococcal Polysaccharide Conjugate Vaccine
“Acinetobacter baumannii”	A species of Gram-negative bacteria that is a significant cause of hospital-acquired infections, particularly in intensive care units. It is known for its high level of antibiotic resistance and is classified by the WHO as a “critical” priority pathogen
“adhesion”	In microbiology, the process by which bacteria attach to host cells and surfaces, a critical first step in colonization and causing infection
“adjuvant”	Non-specific immune enhancers capable of enhancing, accelerating or prolonging the immune response to vaccine antigens
“Adjuvanted Influenza Vaccine”	Adjuvanted trivalent influenza virus split vaccine (MDCK Cells)
“Adverse Event” or “AE”	Any untoward medical occurrence in a patient or clinical investigation subject administered a pharmaceutical product, which does not necessarily have a causal relationship with the treatment
“Alhydrogel”	A proprietary aluminum hydroxide adjuvant used to enhance the immunogenicity of vaccines by facilitating the delivery of antigens to the immune system and stimulating a robust antibody response
“antibody”	A Y-shaped protein produced by the immune system’s B cells that recognizes and binds to a specific antigen, helping to neutralize or eliminate pathogens
“antigen”	A substance, typically a protein or polysaccharide from a pathogen, that is recognized by the immune system and is capable of triggering an immune response
“aseptic process”	A manufacturing process conducted under sterile conditions to prevent microbial contamination of the product, crucial for injectable drugs and vaccines
“bacteremia”	The presence of viable bacteria in the bloodstream, which can lead to a life-threatening systemic infection known as sepsis
“bactericidal antibodies”	Antibodies that are capable of directly killing bacteria, often by activating the complement system

GLOSSARY OF TECHNICAL TERMS

“bacterial M protein”	A major surface virulence factor of Group A Streptococcus that inhibits phagocytosis. It is highly variable and serves as the basis for the serological classification of streptococcal strains
“bioavailability”	The proportion of a drug or other substance that enters the circulation when introduced into the body and so is able to have an active effect
“biopharmaceutical”	A medicinal product manufactured in, extracted from, or semi-synthesized from biological sources, such as cells or microorganisms
“bioreactor”	A vessel used to carry out a biological reaction, such as the large-scale cultivation of cells or microorganisms, under controlled conditions for the production of vaccines or other biologics
“bulk substance” or “drug substance”	The active ingredient of a vaccine (e.g., the purified antigen or toxoid) before it is formulated with other components into the final drug product
“Candida Als3”	Candida Agglutinin-like sequence 3, a cell-surface adhesion protein of the fungus <i>Candida albicans</i> . It facilitates invasion of host cells and is a key target antigen for antifungal vaccines
“carbapenem-resistant”	Refers to bacteria that have developed resistance to carbapenems, a class of last-resort antibiotics used for treating severe infections
“carrier protein”	A protein that is chemically linked (conjugated) to a polysaccharide antigen to convert it into a T-cell dependent antigen, thereby enhancing its immunogenicity, particularly in infants
“CDC”	center for disease control and prevention
“cell-mediated immunity”	An immune response that does not involve antibodies but rather involves the activation of T cells, which can directly kill infected cells or help activate other immune cells
“chemically defined culture medium”	A growth medium for cell or microbial culture in which all of the chemical components are known. It is free of animal-derived components, which enhances safety and consistency
“chimerization/chimeric protein”	A technique in genetic engineering where a single protein is created by fusing together parts (e.g., epitopes) from two or more different original proteins. This is used in vaccine design to present multiple targets to the immune system in one molecule

GLOSSARY OF TECHNICAL TERMS

“Chinese Hamster Ovary cell” or “CHO cell”	An epithelial cell line derived from the ovary of the Chinese hamster, widely used in the biopharmaceutical industry for the stable, high-yield production of recombinant proteins
“chromatography”	A laboratory technique for the separation of a mixture. In vaccine manufacturing, it is a critical step for purifying antigens from other cellular components to achieve high purity
“Class 1.1”, “Class 2.2”, “Class 3.3” vaccine	Pursuant to the Announcement on the Publication of the Registration Classification of Biological Products and Requirements for Application Dossiers (《關於發布生物製品註冊分類及申報資料要求的通告》) issued by the NMPA on July 1, 2020, preventive biological products (vaccines) are classified for registration purposes. The relevant classifications for vaccine candidates are set out below: (i) Class 1.1 refers to innovative vaccines (創新型疫苗) that have not been marketed in the PRC or overseas and are intended for diseases for which there are no effective preventive measures available; (ii) Class 2.2 refers to improved vaccines (改良型疫苗) developed by making significant technical improvements to vaccines already marketed in the PRC or overseas, resulting in a new product with demonstrable advantages in safety, efficacy, or quality control. Such improvements include modifications to the vaccine strain/virus seed, cell substrate, manufacturing process, or dosage form (e.g., using a different expression system or cell substrate; changing the bacterial or viral strain or modifying an approved strain; modifying an approved cell substrate or target gene; refining a non-purified vaccine into a purified vaccine; or developing a component vaccine from a whole-cell vaccine); and (iii) Class 3.3 refers to vaccines that have already been marketed in the PRC (境內已上市疫苗)
“Class I vaccine”	In the PRC, a vaccine that is included in the National Immunization Program (NIP). Class I vaccines are administered on a mandatory basis, primarily to children, and are provided free of charge by the government. This contrasts with Class II vaccines, which are voluntary and self-paid
“Class II vaccine”	In the PRC, a vaccine that is administered on a voluntary basis and paid for by the recipient or their guardian, also known as a non-immunization program vaccine
“clinical trial”	A research study conducted in human subjects to evaluate the safety, immunogenicity, and efficacy of a new vaccine or drug candidate
“chemistry, manufacturing and controls” or “CMC”	A term referring to the data and processes related to the manufacturing and quality control of a drug product, which form a critical part of a regulatory submission
“combination vaccine”	A vaccine that combines antigens against two or more different diseases into a single injection

GLOSSARY OF TECHNICAL TERMS

“conjugate vaccine”	A type of vaccine created by chemically linking (conjugating) a poorly immunogenic antigen, such as a bacterial polysaccharide, to a more immunogenic carrier protein to enhance the immune response
“conserved antigen”	An antigen (or part of an antigen) that shows little to no variation across different strains or serotypes of a pathogen, making it an ideal target for a broadly protective vaccine
“contract research organization” or “CRO”	A company that provides support to the pharmaceutical and biotechnology industries in the form of research services on a contract basis
“CovR/S mutant strains”	Strains of bacteria with mutations in the CovR/S (Control of Virulence) two-component regulatory system. These mutations often result in hypervirulence due to the upregulation of the capsule and other virulence factors
“CRM197”	Cross-reacting material 197, a genetically detoxified mutant of diphtheria toxin. It is widely used as a carrier protein in conjugate vaccines to convert polysaccharide antigens into T-cell dependent antigens, thereby enhancing immunogenicity
“detoxification”	A process in vaccine manufacturing to chemically or genetically modify a bacterial toxin to eliminate its toxicity while preserving its ability to stimulate a protective immune response. The resulting protein is called a toxoid
“DMF”	Drug Master File, a submission to a regulatory containing detailed confidential information about the facilities, processes, or materials used in the manufacturing, processing, packaging, and storing of a human drug or biologic
“double-blind”	A clinical trial design in which neither the participants nor the study investigators know which participants are receiving the experimental drug and which are receiving a placebo
“Downstream Production”	The stage of biomanufacturing that occurs after the production of the bulk drug substance (upstream), which includes formulation, filling into final containers, freeze-drying, and packaging
“enteric coating”	A polymer barrier applied to oral medications that prevents their dissolution in the acidic environment of the stomach, allowing them to be released in the intestines
“epitope”	The specific part of an antigen that is recognized by the immune system, such as by an antibody or a T-cell receptor
“fermentation”	A process used in biotechnology to cultivate microorganisms or cells in a bioreactor to produce a desired product, such as a vaccine antigen

GLOSSARY OF TECHNICAL TERMS

“formulation”	The process in which the active drug substance is combined with other chemical substances (excipients), like adjuvants and stabilizers, to produce the final medicinal product
“GAS Vaccine”	Group A Streptococcus vaccine
“Glycoprotein E” or “gE”	A protein found on the surface of the Varicella Zoster Virus that is a key target for the immune response and is used as the antigen in some recombinant zoster vaccines
“Good Manufacturing Practice” or “GMP”	A system of regulations and quality assurance measures that aims to ensure that pharmaceutical products are consistently produced and controlled to the quality standards appropriate for their intended use
“Gram-negative”	A classification of bacteria that do not retain the crystal violet stain used in the Gram staining method, characterized by a complex cell wall structure that includes a protective outer membrane
“Group A Streptococcus” or “GAS”	A bacterium, also known as <i>Streptococcus pyogenes</i> , that can cause a wide range of illnesses, from pharyngitis (strep throat) to severe invasive diseases and post-infectious complications like rheumatic heart disease
“Haemophilus influenzae type b” or “Hib”	A type of bacteria that can cause severe invasive diseases, including meningitis and pneumonia, particularly in young children
“Helicobacter pylori”	A species of bacteria that colonizes the human stomach. Chronic infection is a major cause of peptic ulcers and is the strongest known risk factor for gastric cancer, leading the WHO to classify it as a Group 1 carcinogen
“herpes zoster” or “shingles”	A painful viral infection caused by the reactivation of the Varicella Zoster Virus in adults, characterized by a blistering rash
“Hib Conjugate Vaccine”	Haemophilus Influenzae Type b Conjugate Vaccine
“high-density fermentation”	An advanced fermentation technique that achieves a much higher concentration of cells per unit volume than traditional methods, leading to increased product yield
“ICU”	intensive care unit
“IgA”	Immunoglobulin A, the primary antibody class present in mucous membranes (such as the respiratory and gastrointestinal tracts), acting as a critical first line of defense against mucosal infections

GLOSSARY OF TECHNICAL TERMS

“IgG”	Immunoglobulin G, the most abundant type of antibody found in blood and extracellular fluid, responsible for long-term immunity and the neutralization of bacterial and viral pathogens
“immune evasion”	Strategies used by pathogens to avoid detection and destruction by the host’s immune system
“immunogenicity”	The ability of a substance, such as an antigen or vaccine, to provoke an immune response in the body
“immunological memory”	The ability of the immune system to recognize and more rapidly and effectively respond to a pathogen that it has encountered before, providing the basis for long-term protection from vaccination
“Investigational New Drug” or “IND”	An application submitted to a regulatory authority to obtain permission to start clinical trials of a new drug or vaccine in humans
“influenza”	A contagious respiratory illness caused by influenza viruses that infect the nose, throat, and sometimes the lungs
“in-process quality control”	Tests and checks performed during the manufacturing process to monitor and, if necessary, adjust the process to ensure that the intermediate and final product will conform to its specifications
“IsdB”	Iron-regulated surface determinant B, a surface protein on <i>Staphylococcus aureus</i> involved in acquiring iron from host hemoglobin. It is a target antigen for vaccines aiming to deprive the bacteria of essential iron
“lyophilized”	Freeze-dried; a process of dehydration at low temperature used to preserve perishable materials or make them more convenient for transport. Lyophilized products are reconstituted with a liquid diluent before use
“MDCK cell”	Madin-Darby Canine Kidney cell, derived from the kidney of a dog, used as a cell culture platform for the production of certain viral vaccines, such as influenza vaccines
“meningococcal disease”	A serious bacterial infection caused by <i>Neisseria meningitidis</i> , which can lead to meningitis and sepsis
“meningococcal vaccine”	A type of vaccine designed to protect against infections caused by meningococcal disease. These vaccines work by inducing immune responses against specific meningococcal serogroups and may use different platforms, such as polysaccharide, conjugate, or protein-based formulations, to prevent invasive meningococcal disease

GLOSSARY OF TECHNICAL TERMS

“methicillin-resistant Staphylococcus aureus” or “MRSA”	A strain of Staphylococcus aureus that is resistant to methicillin and other common antibiotics
“mHIN2”	A genetically modified recombinant protein derived from Haemophilus influenzae, used as a vaccine antigen or carrier protein to elicit a specific immune response
“mHIa”	A genetically detoxified mutant form of alpha-hemolysin (α -toxin), a pore-forming toxin produced by Staphylococcus aureus
“MntC”	Manganese transport protein C, a highly conserved surface protein involved in manganese acquisition by Staphylococcus aureus
“monovalent vaccine”	A vaccine that is designed to immunize against a single antigen or a single microorganism
“mSEB”	A genetically modified, non-toxic form of Staphylococcal Enterotoxin B, a superantigen produced by Staphylococcus aureus
“mucosal immunity”	The immune response that occurs at mucosal membranes of the intestines, the urogenital tract, and the respiratory system, providing a first line of defense against pathogens entering the body
“multivalent vaccine”	A vaccine designed to immunize against two or more strains or serotypes of the same microorganism
“NDA” or “New Drug Application”	The formal application submitted to a regulatory authority to request approval to market a new drug or vaccine
“Opsonophagocytic Activity” or “OPA Assay”	A laboratory test that measures the functional ability of vaccine-induced antibodies to help immune cells (phagocytes) engulf and kill bacteria
“opportunistic pathogen”	A microorganism that does not ordinarily cause disease in a healthy individual but can cause infection in individuals with weakened immune systems
“oral capsule”	A form of oral medication where the drug is enclosed in a shell. It can be designed with special coatings (e.g., enteric coating) to control where the drug is released in the digestive system
“P2 epitopes”	Specific peptide sequences, often derived from tetanus toxoid, used as helper T-cell epitopes to augment the immunogenicity of peptide-based vaccines and ensure a robust immune response

GLOSSARY OF TECHNICAL TERMS

“Pan-DR”	Pan-DR epitope (PADRE), a universal helper T-cell epitope designed to bind to a broad range of HLA-DR molecules, used in vaccines to enhance the immune response across a genetically diverse human population
“pathogen”	A bacterium, virus, or other microorganism that can cause disease
“perioperative”	The period of time extending from when a patient goes into the hospital for surgery until the time the patient is discharged; in the context of vaccination, refers to immunization administered shortly before or around the time of surgery
“pertussis” or “whooping cough”	A highly contagious respiratory tract infection caused by the bacterium <i>Bordetella pertussis</i>
“Phase I clinical trial”	The first stage of clinical testing in humans, primarily designed to evaluate the safety, tolerability, and dosage of a new drug or vaccine
“Phase Ia clinical trial”	The initial stage of Phase I clinical trials, typically conducted in a small number of healthy volunteers to evaluate the safety, tolerability, and pharmacokinetics of an investigational drug or vaccine
“Phase Ib clinical trial”	A subsequent stage of Phase I clinical trials, often conducted to assess safety, tolerability, and preliminary immunogenicity or efficacy in a specific patient population or expanded cohort
“Phase II clinical trial”	The second stage of clinical testing conducted in a larger group of patients to assess the preliminary efficacy and immunogenicity of the drug or vaccine and to further evaluate its safety
“Phase III clinical trial”	A large-scale, pivotal clinical trial conducted in a large patient population to definitively establish the efficacy and safety of a drug or vaccine in comparison to a placebo or standard treatment, required for regulatory approval
“Phase IV clinical trial”	Post-marketing studies conducted after a drug or vaccine has been approved by regulatory authorities, intended to monitor long-term safety, efficacy, and potential adverse reactions in the general population
“pharmacovigilance”	The science and activities relating to the detection, assessment, understanding, and prevention of adverse effects or any other drug-related problem
“placebo”	An inactive substance or treatment that looks the same as, and is given the same way as, an active drug or treatment being tested in a clinical trial

GLOSSARY OF TECHNICAL TERMS

“polysaccharide”	A large carbohydrate molecule made up of many smaller sugar units. The outer capsules of many bacteria are made of polysaccharides, which are often used as antigens in vaccines
“post-exposure prophylaxis”	Preventive medical treatment started immediately after exposure to a pathogen (such as through a wound) in order to prevent infection from occurring
“postherpetic neuralgia”	A common complication of shingles, characterized by chronic nerve pain that persists in the area of the rash after the blisters have healed
“preclinical”	The stage of research that begins before clinical trials, during which important feasibility, iterative testing, and drug safety data are collected, typically in laboratory and animal studies
“pre-filled syringe” or “PFS”	A disposable syringe that is supplied already loaded with the substance to be injected, offering convenience and improved dosing accuracy
“Pseudomonas aeruginosa”	An opportunistic bacterium that is a common cause of hospital-acquired infections. Carbapenem-resistant strains are classified by the WHO as a “critical” priority pathogen
“QS-21”	A potent saponin-based adjuvant derived from the bark of the Quillaja saponaria tree, capable of stimulating both strong antibody (humoral) and cell-mediated immune responses
“Quadrivalent Influenza Vaccine”	Quadrivalent influenza virus split vaccine (MDCK Cells)
“quadrivalent vaccine”	A vaccine designed to protect against four different strains or serotypes of a virus or bacterium
“Quality by Design”	A systematic approach to development that begins with predefined objectives and emphasizes product and process understanding and process control, based on sound science and quality risk management
“randomized”	A feature of a clinical trial in which participants are assigned by chance to separate groups that compare different treatments
“recombinant protein”	A protein produced by host cells (such as CHO cells or E. coli) that have been modified through genetic engineering to express a gene from another organism
“recombinant vaccine”	A vaccine produced using recombinant DNA technology, typically by inserting the gene that codes for a specific antigen into a host cell system to produce large quantities of that antigen

GLOSSARY OF TECHNICAL TERMS

“reverse vaccinology”	A method of vaccine development that begins with the analysis of a pathogen’s genome to identify potential antigens, rather than starting with the whole pathogen
“rABV”	recombinant <i>Acinetobacter baumannii</i> vaccine
“rFPAV”	Recombinant four-antigen <i>Pseudomonas aeruginosa</i> vaccine
“rFSAV”	Recombinant five-antigen <i>Staphylococcus aureus</i> vaccine
“rHPV”	Oral recombinant <i>Helicobacter pylori</i> vaccine (E. Coli)
“serotype”	A distinct variation within a species of bacteria or virus, distinguished by the specific antigens on its surface
“serum-free media”	A cell culture medium that does not contain animal serum (such as fetal bovine serum), which reduces variability and eliminates the risk of contamination from serum-derived agents
“SpA”	Staphylococcal protein A, a cell wall-anchored protein of <i>Staphylococcus aureus</i> that binds to the Fc region of antibodies (IgG), thereby helping the bacteria evade immune recognition and phagocytosis
“influenza split vaccine”	A type of inactivated influenza vaccine produced by disrupting the virus particle with a chemical agent (detergent), resulting in a vaccine containing viral surface antigens and other viral components
“SpyCEP protein”	<i>Streptococcus pyogenes</i> cell envelope proteinase, a virulence factor that cleaves interleukin-8 (IL-8) to impair the recruitment of neutrophils. It is a vaccine antigen candidate included to neutralize this immune-evasion mechanism
“ <i>Staphylococcus aureus</i> ”	A common bacterium that is a leading cause of a wide range of infections, from minor skin infections to life-threatening diseases like pneumonia and sepsis
“subunit vaccine”	A vaccine that includes only specific, purified components (subunits) of a pathogen, such as proteins or polysaccharides, which is designed to improve safety and reduce adverse reactions
“superbug”	A colloquial term for a strain of bacteria that has become resistant to multiple antibiotic drugs
“Superbug List”	A list of antimicrobial-resistant pathogens classified by WHO as priority organisms that poses significant threats to global public health
“superbug vaccine candidates”	rFSAV, rHPV, rFPAV, rABV and GAS Vaccine

GLOSSARY OF TECHNICAL TERMS

“suspension culture”	A method of cell culture in which cells are grown suspended in a liquid nutrient medium, which is suitable for large-scale production in bioreactors
“T cell”	A type of white blood cell that plays a central role in the adaptive immune response. T cells can directly kill infected cells or help activate other immune cells like B cells
“tetanus”	A serious disease of the nervous system caused by a toxin-producing bacterium, <i>Clostridium tetani</i> , which causes severe muscle spasms, also known as “lockjaw”
“tetanus toxoid” or “TT”	The inactivated, non-toxic form of the tetanus toxin used as the antigen in tetanus vaccines and as a carrier protein in some conjugate vaccines
“toxoid”	A bacterial toxin that has been modified to be non-toxic but still retains its ability to stimulate an immune response, making it suitable for use as a vaccine antigen
“Trivalent Influenza Vaccine”	Trivalent influenza virus split vaccine (MDCK Cells)
“trivalent vaccine”	A vaccine designed to protect against three different strains or serotypes of a virus or bacterium
“unblinding”	The process in a double-blind clinical trial where the identity of the treatment given to each participant is revealed to the investigators, typically after the clinical trial has concluded
“upstream production”	The initial stage of biomanufacturing where cells or microorganisms are cultivated in bioreactors to produce the bulk drug substance (the active ingredient)
“vaccine”	A biological preparation that provides active acquired immunity to a particular infectious disease by stimulating the body’s immune system
“Varicella Zoster Virus” or “VZV”	The herpesvirus that causes chickenpox (varicella) as a primary infection and can reactivate later in life to cause shingles (herpes zoster)
“virulence”	The degree of pathogenicity of a microorganism; its ability to cause disease. Vaccine development often involves targeting key virulence factors
“WHO” or “World Health Organization”	A specialized agency of the United Nations responsible for international public health

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements relating to our plans, objectives, beliefs, expectations, predictions and intentions, which are not historical facts and may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties.

The risks, uncertainties and other factors facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to (i) our business strategies and plans to achieve them; (ii) our ability to complete development of, and obtain requisite regulatory approvals for, our vaccine candidates; (iii) our ability to commercialize our approved vaccine in a timely manner; (iv) our future debt levels and capital needs; (v) changes in the political and regulatory environment of the industry and markets in which we operate; (vi) our ability to acquire and maintain regulatory licenses or permits; (vii) changes in competitive conditions and our ability to compete under such conditions; (viii) future developments, trends and conditions in the industry and markets in which we operate; (ix) general economic, political and business conditions in the markets in which we operate; (x) effects of global financial markets and economic conditions; (xi) our financial condition and performance; (xii) our dividend policy; and (xiii) changes or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, operations, margins, risk management and overall market trends.

Additional factors that could cause actual performance or achievement to differ materially include, but are not limited to, those discussed in "Risk Factors" and elsewhere in this document. In some cases, we use the words "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "going forward," "intend," "ought to," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will," "would," and similar expressions to identify forward-looking statements.

In particular, we use these forward-looking statements in the "Business" and "Financial Information" sections of this document in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets.

We caution you not to place undue reliance on these forward-looking statements, which are based on current plans and estimates and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements.

Our Directors confirm that the forward-looking statements are made after reasonable care and due consideration. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect, or at all. Statements of or references to our intentions or those of any of our Directors are made as of the date of this document. Any such intentions may change in light of future developments.

Accordingly, you should not place undue reliance on any forward-looking statements in this document. All forward-looking statements contained in this document are qualified by reference to this cautionary statement.

RISK FACTORS

You should carefully consider all of the information in this document, including the risks and uncertainties described below before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the price of our H Shares could decline, and you may lose all or part of your investment. These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given 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 the section headed “Forward-looking Statements” in this document.

We believe that there are certain risks involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to the sales and marketing of our approved vaccine products and commercialization of our vaccine candidates; (ii) risks relating to our financial condition and need for additional working capital; (iii) risks relating to the development and regulatory approvals of our vaccine candidates; (iv) risks relating to our intellectual property rights; (v) risks relating to the manufacturing and supply of our vaccine products; (vi) risks relating to government regulations; (vii) general risks relating to our business; (viii) risks relating to doing business in the regions where we operate; and (ix) risks relating to the [REDACTED].

RISKS RELATING TO THE SALES AND MARKETING OF OUR APPROVED VACCINE PRODUCTS AND COMMERCIALIZATION OF OUR VACCINE CANDIDATES

We have historically derived, and expect to continue to derive, a substantial portion of our revenue from a single product, our Adsorbed Tetanus Vaccine.

During the Track Record Period, a substantial portion of our revenue was derived from the sales of our Adsorbed Tetanus Vaccine. In 2023, 2024 and 2025, revenue generated from our Adsorbed Tetanus Vaccine was RMB463.0 million, RMB535.8 million and RMB613.7 million, respectively, accounting for approximately 93.7%, 91.4% and 87.6% of our total revenue for the corresponding years, respectively. Our other commercialized products, including Hib Conjugate Vaccine and AC Conjugate Vaccine, are not expected to generate significant revenue in the near future. Our product candidates in pipeline are still in development or pre-clinical stages and there can be no assurance that they will be successfully developed or commercialized in a timely manner, or at all. We anticipate that sales of our Adsorbed Tetanus Vaccine will continue to be a primary contributor to our revenue and profitability in the near future. Consequently, any factor adversely affecting the sales of this product could materially and adversely affect our business, financial condition, results of operations and prospects.

Factors that could affecting the sales of our Adsorbed Tetanus Vaccine include, but are not limited to, the following, most of which are beyond our control, include (i) increased competition from existing products or new market entrants; (ii) new comparative or compelling product introductions by market newcomers or our competitors, which may be perceived as more effective, safer, or more cost-effective; (iii) the cost of our vaccine relative to alternative treatments; (iv) any adverse changes in the results, timing and procedures of lot release determining whether we could market our product; (v) unfavorable results of public tenders determining whether we would be permitted to sell in designated markets or any failure to win such tenders; (vi) the market acceptability of our product to local CDCs and vaccinees and their willingness and ability to purchase; (vii) PRC government-imposed pricing constraints, reimbursement policies, or pricing guidance; (viii) disruptions in our manufacturing, supply chain or sales channels, including any issues with our single manufacturing facility or key distributors; (ix) negative media coverage and public opinion on any actual or perceived side effect of vaccination with our product or discovery of previously unknown adverse reactions; and (x) newly discovered safety issues, such as issues relating to product quality or quality control, which could lead to product recalls, withdrawal of regulatory approvals, and significant reputational damage.

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If our bids in the public tender process are not successful or we fail to secure subsequent orders, our business may be adversely affected.

We are required to participate in the public tender process held by provincial-level CDCs to sell some of our vaccine products, in particular, our Adsorbed Tetanus Vaccine, which is marketed as a Class II vaccine, in China. We generally compete with competitors on the technical designs, registration classification, bid price, clinical effectiveness and quality of product, as well as reputation. Once we win a public tender, we will be eligible to sell vaccine products to CDCs. As of the Latest Practicable Date, our Adsorbed Tetanus Vaccine (vial formulation) had completed the market-entry process in 30 provinces in the PRC (except Tibet Autonomous Region, which had not conducted any public tenders applicable to our commercialized vaccine products), while our Adsorbed Tetanus Vaccine (pre-filled syringe formulation), which was launched in 2023, had completed the market-entry process in 29 provinces (except Guizhou Province, which had not yet conducted a new tender or supplementary tender for such products after its launch). In addition, our AC Conjugate Vaccine and Hib Conjugate Vaccine had completed the market-entry process in 29 provinces (except Shanghai). See “Business — Sales and Marketing — Selling Process and Market Access.” Our bids during the public tender process may not be successful and our vaccine products, including any vaccine products that we commercialize in the future, may not be chosen for a number of reasons, such as: (i) our prices are not competitive; (ii) our products are perceived to be less clinically effective than competing products; (iii) our service quality or any other aspect of our operation is perceived not to meet relevant requirements; or (iv) our reputation is adversely affected by unforeseeable events.

If we fail to participate or bid successfully during any public tender process, we will not be able to sell our products to the relevant CDCs, which will negatively impact our sales volume as well as our financial condition and results of operations.

Even if we bid successfully, we cannot guarantee that we will be able to secure purchase orders from local CDCs. For Class II vaccines, public tenders serve as an admission for entry to market of the relevant province. Following the public tenders, we are required to participate in the local selection process held by district- or county-level CDCs to sell our vaccine products to specific districts or counties. Therefore, winning the public tender does not guarantee that we will make sales to local CDCs. If we fail to secure subsequent product orders from local CDCs after we bid successfully at the higher level of CDCs, our sales volume and results of operations will be materially and adversely affected.

Our sales to CDCs may subject us to uncertainties associated with the government funding, budgeting and decision-making process.

During the Track Record Period, our customers were primarily district- or county-level CDCs, which are government agencies administrating public health affairs. These arrangements expose us to certain risks relating to doing business with public authorities. For example, changes in circumstances may result in adjustments or delays to, or cancellations of, the CDCs’ purchase commitments due to, among others, differing policy and budgetary agendas. Any of the aforementioned actions taken by the authorities could have a material adverse effect on our results of operations and expected earnings, or result in our failure to meet, or having to adjust downwards, our sales estimates.

Our vaccine products may become subject to national or other third-party reimbursement practices or unfavorable pricing regulations, which could harm our business.

The availability and level of reimbursement from PRC government health authorities, private insurers and other payors may affect the commercialization of our vaccine products. Most of our approved vaccine products and vaccine candidates are not currently, and are not expected to be, covered by national reimbursement programs, mainly because they generally do not target diseases requiring state-funded universal coverage. As end-users pay out-of-pocket, willingness to vaccinate may be lower, which could limit our target market and sales volume. If a competitor’s vaccine for the same indication is reimbursed while ours is not, vaccinees may choose the competitor’s product. PRC government authorities and third-party payors may control costs by limiting coverage or reimbursement levels. We cannot assure you that reimbursement will be available for our approved

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vaccine products or future approved vaccine candidates, or that any reimbursement will be sufficient to cover our costs. Delays, limited coverage or unfavorable payment rates could materially and adversely affect our business, financial condition and results of operations.

Our pricing strategy and potential downward pricing pressure for our vaccine products may limit market acceptance, compress profit margins, and adversely affect our business.

Under the PRC Vaccine Administration Law, Class II vaccines are subject to reasonable pricing principles based on market factors and CDC demand. We determine our bidding prices and participate in provincial centralized bidding processes, where winning bids become our selling prices in the relevant provinces. As Class II vaccines are paid out-of-pocket by vaccinees, our sales are sensitive to pricing. If our bidding prices are too high, we may fail to win tenders, face regulatory scrutiny, lose market share to lower-priced competitors, or see reduced demand from price-sensitive vaccinees. Conversely, we may need to lower prices to remain competitive due to substitute products, centralized procurement dynamics or government pricing policies. Any significant price reduction, or failure to manage pricing pressure and communicate the clinical value of our products, could reduce our revenue and profit margins and materially and adversely affect our business, financial condition and results of operations.

If we fail to obtain regulatory approval in any targeted jurisdictions outside of China, we may not be able to market our products in those jurisdictions.

We may plan to market certain of our vaccine candidates, if approved, in jurisdictions outside of China. Entering into certain overseas market will require separate regulatory approvals in each region and compliance with numerous and varied regulatory requirements. Approval procedures vary among regions and countries, which may involve additional testing requirements, and the time required to obtain approval may differ from that needed for NMPA approval.

Our future success depends on our ability to maintain and expand a qualified and effective sales and marketing team. Failure to do so could prevent us from generating sustainable revenue.

The successful commercialization of our approved vaccine products and any future vaccine candidates is heavily dependent on our ability to maintain and expand an effective sales and marketing capability, either on our own or in partnership with third parties. This requires a sales and marketing force with a high level of technical knowledge, an up-to-date understanding of industry trends, expertise in relevant therapeutic areas, and strong communication and promotion skills. As of December 31, 2023, 2024 and 2025, our sales and marketing team comprised 47, 36 and 35 staffs, respectively.

Competition for qualified pharmaceutical sales professionals is intense, and recruiting, hiring and training an effective team can be costly and time-consuming. If we rely on third-party marketing partners, we may not be able to secure favorable arrangements, or any arrangements at all, which could delay or limit commercialization.

Our sales and marketing activities are also subject to stringent laws and regulations governing advertising, promotion and interactions with healthcare professionals. Misconduct or non-compliance by our employees or third-party partners could expose us to investigations, fines, reputational damage or other penalties. Any failure to maintain effective and compliant sales and marketing capabilities could adversely affect our sales volume, market penetration, revenue and profitability, and materially and adversely affect our business, financial condition and results of operations.

If we fail to effectively manage our third-party marketing service providers, our business and operations could be harmed, and we may be subject to product liability claims, potential litigation, governmental investigations and penalties.

In addition to our in-house sales and marketing teams, we also engage third-party marketing service providers to support our daily marketing activities. As of December 31, 2023, 2024 and 2025, we had 110, 97, 113 marketing service providers, respectively. During the years ended December 31, 2023, 2024 and 2025, the promotion service fees amounted to RMB217.9 million,

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RMB253.9 million, and RMB319.8 million, respectively. We typically enter into long-term agreements with such providers, which may be renewed by mutual agreement. Although we may terminate these agreements under certain circumstances, our control over third-party providers is limited. If key providers, or a significant number of providers, suspend or terminate their relationships with us, or fail to effectively promote our vaccine products, our sales volume and business performance may be materially and adversely affected. Our third-party marketing service providers are required to comply with applicable regulatory requirements and our sales policies. However, their actions are not fully within our control. They may fail to maintain required qualifications, obtain local registrations, market our products as intended, meet our standards, or comply with applicable laws and regulations. Any such failure could expose us to product liability claims, litigation, governmental investigations, penalties and reputational damage.

Our approved vaccine products may fail to achieve the broad acceptance by CDCs, local POVs and clinics, physicians, vaccinees and others necessary for commercial success.

The commercial success of any of our approved vaccines or vaccine candidates to obtain approvals in the future will depend significantly on the broad acceptance by CDCs, local POVs and related healthcare professionals, vaccinees and others. The degree and rate of CDC’s and vaccinees’ adoption of our approved vaccines will depend on a number of factors, including (i) the clinical indications for which the product is approved and vaccinees demand for approved vaccine products that target those indications; (ii) the safety and efficacy of our vaccine products as compared to therapies for the disease and other available vaccines; (iii) the prevalence and severity of side effects; (iv) the time required for manufacture and release of our vaccine products; (v) the availability of coverage and adequate reimbursement from China’s national or other third-party reimbursement practices for any of our products; (vi) acceptance by physicians, operators of local POVs and clinics and vaccinees of the product as a safe and effective treatment; (vii) proper training and administration of our products by physicians and medical staff; (viii) vaccinees’ satisfaction with the results and administration of our products and overall treatment experience, including, for example, the convenience of any dosing regimen; (ix) the cost of treatment with our vaccine candidates in relation to alternative treatments; (x) limitations or warnings contained in the NMPA-approved labeling for our products; (xi) the effectiveness of our sales and marketing efforts; (xii) adverse publicity about our products or favorable publicity about competitive products; and (xiii) potential product liability claims. We cannot assure you that our approved vaccines will achieve broad market acceptance among physicians and vaccinees. Any failure by our vaccine candidates that obtain regulatory approval to achieve market acceptance or commercial success would adversely affect our results of operations.

Failure to maintain and predict inventory and finished goods levels in line with the level of demand for our vaccine products could cause us to lose sales or face excess inventory risks and holding costs, either of which could have a material adverse effect on our business, financial condition and results of operations.

To meet customer demand, we must maintain sufficient finished goods for timely delivery and appropriate raw material inventory for commercial production. If actual demand exceeds our forecast, we may be unable to maintain adequate inventory or produce products on time, which could cause us to lose sales and market share. Conversely, excess inventory may increase holding costs and the risk of obsolescence or write-offs. As of December 31, 2023, 2024 and 2025, we recorded inventories before write-down of RMB82.9 million, RMB93.5 million and RMB83.8 million, respectively, and inventory write-downs of RMB10.8 million, RMB7.8 million and RMB21.4 million, respectively.

According to the CIC Report, the vaccine industry in China generally features a relatively high level of inventory write-downs given (i) the difficulties in predicting the vaccination rate given the difficulties in predicting the number of infection cases, especially for newly launched vaccine products; (ii) the need to produce surplus vaccines to better prepare vaccine makers in case of need; and (iii) the relatively short shelf-life of vaccine products. See “Financial Information — Description of Certain Key Items From Our Consolidated Statement of Financial Position — Current Assets and Current Liabilities — Inventories” for more details relating to our inventories and write-down of inventories. We may routinely incur inventory write-offs and may incur significant inventory allowance due to unforeseen circumstances in the future.

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We are exposed to risks associated with product returns.

According to the CIC Report, in line with industry practice, we accept returns of (i) products that are defective or are substandard; (ii) products with damaged packaging; and (iii) products that are otherwise unmarketable due to any fault on our part. To support our CDC customers and foster long-term relationships, we maintain a flexible return policy. Returns may arise, for example, when a CDC’s initial demand forecast is higher than actual usage or due to the impact of unforeseen public health events on vaccination rates, leading to requests for returns of products nearing their expiry dates. In such cases where products are returned due to nearing their expiry date but are otherwise in good condition, we may, after re-inspection to confirm they continue to meet all quality standards, resell such products to other customers. See “Business — Sales and Marketing — Return and Exchange.” Failure to anticipate and manage product returns effectively could materially and adversely affect our financial results and results of operations.

The market opportunities for our vaccines and vaccine candidates may be smaller than we anticipate or may contract over time, which could render our products unprofitable.

We estimate the incidence, prevalence and addressable market size of target vaccinee populations based on third-party sources and internal analyses. These estimates may prove inaccurate or be based on imprecise data. The actual market opportunity for our products depends on factors such as medical community acceptance, vaccinee access, pricing and reimbursement. If the addressable vaccinee population is smaller than expected, or if new studies reduce the estimated prevalence of the target diseases, we may not achieve profitability for these products even if they are successfully commercialized. Our target markets may also contract due to external factors or technological changes. If the infectious diseases targeted by our vaccines decline or are effectively controlled through public health initiatives, demand for our relevant products may decrease. In addition, advances in medical technology may lead to alternative vaccines or treatments. If competing products are perceived to be more effective, safer or more comprehensive than ours, demand for our products may decline. Any overestimation or contraction of our market opportunities could materially and adversely affect our business, financial condition and results of operations. or provide more comprehensive protection than our own, the market demand for our vaccines will decline.

We face risks from government actions regarding vaccines for diseases of major public health concern.

In response to a pandemic or the perceived risk of a pandemic, governments in China and other countries may take actions to protect their citizens, including but not limited to, intellectual property expropriation, compulsory licenses and/or strict price controls. These actions could limit our ability to control the production and generate revenue from sales of pandemic vaccines or otherwise impose burdensome regulations on our business. Additionally, we may be required by government or non-governmental authorities to reserve our vaccines for designated purposes or geographic areas, with stipulations on supply allocation. We may also face significant public scrutiny concerning our pricing policies with respect to our vaccines. If we are unable to successfully manage these risks, we could face significant reputational harm.

Risks associated with international regulatory approvals and overseas operations could materially and adversely affect our business and prospects.

We intend to market certain of our vaccine candidates in overseas markets if approved. However, we primarily conduct our clinical trials in China, and foreign regulatory authorities may not accept our domestic clinical trial data or may impose stringent conditions on its utilization. There can be no assurance that foreign regulators will accept our data, and any rejection would require us to conduct additional, costly, and time-consuming local clinical trials. This could significantly delay or prevent us from obtaining the necessary regulatory clearances for commercialization in those jurisdictions.

Even if we successfully secure overseas regulatory approvals, our international operations will subject us to a variety of operational, legal, and macroeconomic risks. These include unexpected changes in tariffs, trade barriers, and foreign regulatory frameworks; difficulties or delays in securing and enforcing intellectual property protections abroad; and potential interruptions in our

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relationships with international partners. Additionally, expanding overseas increases our compliance burdens regarding diverse foreign tax, employment, and labor laws. We will also face heightened exposure to foreign currency fluctuations, remittance limitations, and general economic or geopolitical instability in specific foreign markets. Failure to effectively manage these regulatory hurdles and international operational risks could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Counterfeits of our products could negatively affect our sales, damage our reputation and brand names, and expose us to liability claims.

Our products may be imitated by counterfeit pharmaceutical products that are manufactured without proper licenses or approvals, or fraudulently mislabeled as to their content or manufacturer. Enforcement against counterfeit pharmaceutical products, particularly in developing markets such as the PRC, may be insufficient to eliminate their manufacture and sale. Counterfeit products are generally sold at lower prices and may appear similar to authentic products, which could erode our sales volume. They may also be less effective, ineffective or more likely to cause adverse side effects. This could result in negative publicity, reputational damage, fines, administrative penalties or litigation against us. The continued presence of counterfeit products may also harm consumer trust in distributors and pharmacies, and damage the reputation and brand names of our products.

RISKS RELATING TO OUR FINANCIAL CONDITION AND NEED FOR ADDITIONAL WORKING CAPITAL

Our historical growth rates may not be indicative of our future performance, and we may not be able to manage our future growth effectively.

We experienced growth during the Track Record Period. Our revenue increased from RMB494.3 million in 2023 to RMB586.1 million in 2024, and further to RMB700.1 million in 2025. However, historical results may not indicate future performance, and we may not sustain similar growth. Our future growth depends on factors such as industry conditions, execution of our strategies, our ability to secure new orders and increasing competition. Our growth has placed, and may continue to place, pressure on our management, operations and financial control systems. To manage growth effectively, we must continue to expand and train our workforce, improve our operational, financial and management systems, and maintain effective internal controls. If our personnel, systems, procedures and controls are insufficient, or if our growth does not materialize as expected, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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

We had net cash flows used in operating activities of RMB5.7 million in 2024. See “Financial Information — Liquidity and Capital Resources — Cash Flows Analysis.” We expect that we may continue to experience net cash outflows from our operating activities for the foreseeable future. If we are unable to maintain adequate working capital, we may default in our payment obligations and may not be able to meet our capital expenditure requirements, be unable to meet our capital expenditure requirements, be forced to scale back our operations, and/or experience other negative impacts on our operations, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not be able to receive PRC tax preferential treatments and certain government grants in the future, which could have an adverse impact on our financial results.

We currently benefit from certain PRC tax incentives and government grants. Our Company enjoyed a 100% super-deduction on qualifying research and development expenses during the Track Record Period. If this benefit is no longer available, our effective tax rate may increase. In addition, our Company currently holds a High Technology Enterprise certificate and is therefore entitled to a preferential enterprise income tax rate of 15%. We will apply for renewal of such certificate upon expiry, but there is no assurance that we will succeed, as the qualification is reassessed every three years and the standards may change. If the preferential rate is discontinued, our income tax expenses would increase and our profitability could decrease.

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We also received government grants recorded as other net income of RMB15.8 million, RMB10.1 million and RMB12.6 million, representing 3.2%, 1.7% and 1.8% of our revenue in 2023, 2024 and 2025, respectively. Tax incentives and grants are subject to changing laws, policies and government discretion, and government grants are generally non-recurring. Any reduction or discontinuation of these benefits could adversely affect our business, financial condition and results of operations.

We may need to obtain additional financing to fund our operations even if we consummate the [REDACTED], and if we fail to obtain such financing, we may be unable to complete the development and commercialization of our vaccine candidates.

During the Track Record Period, we funded our operations primarily through equity financing, bank borrowings and cash generated from operations. We may need additional funds to meet future operating cash requirements, particularly for research and development activities.

Our cash operating costs mainly relate to the research and development of our vaccine candidates, and the production and marketing of our commercialized vaccine products. As we expand our business and vaccine portfolio, we may seek funding from existing shareholders, public or private offerings, debt financing, collaborations, licensing arrangements or other sources. Financing may not be available in the amounts or on terms acceptable to us, or at all, and we may face difficulties obtaining or renewing bank loans. If we cannot obtain sufficient capital when needed, our business, financial condition, results of operations and prospects could be materially and adversely affected.

We face credit risks relating to our trade receivables.

We are exposed to certain risks when it comes to collecting payments from CDCs. Demand and ability to pay for our products may be affected by their budgetary cycles, shifting availability of funds and changes in government procurement policy. We typically grant credit periods ranging from three months to six months to CDCs. The recovery period of the payment can be long due to the complex internal processes for settling payments of CDCs. As of December 31, 2023, 2024 and 2025, our trade receivables and bills receivables were RMB525.7 million, RMB611.1 million and RMB713.5 million, respectively. Our trade receivables turnover days were 382 days, 349 days and 341 days in 2023, 2024 and 2025. For more details on our trade receivables, see “Financial Information — Description of Certain Key Items From Our Consolidated Statement of Financial Position — Current Assets and Current Liabilities — Trade and Other Receivables.”

We cannot assure you that CDCs could settle trade receivables in a timely manner, or at all, or that we can properly assess and respond in a timely manner to changes in their credit profile and financial condition. The delays in collecting payments from CDCs could adversely affect our cash flow and our working capital position for our normal business operation, our ability to make payments when due or to satisfy our financial needs to produce vaccines, conduct R&Ds or other business activities as planned, which in turn would materially and adversely affect our financial condition and results of operations.

An impairment in the carrying value of intangible assets could have a material adverse effect on our financial condition and results of operations.

We had intangible assets of RMB192.3 million, RMB288.9 million and RMB355.4 million as of December 31, 2023, 2024 and 2025, respectively. Although we did not recognize impairment losses in respect of intangible assets during the Track Record Period, intangible assets not yet available for use are tested impairment annually based on the recoverable amount of the cash-generating unit to which the intangible asset is related. We cannot assure you that there will not be any impairment in respect of the intangible assets in the future. If we determine our intangible assets to be impaired, it may adversely affect our financial condition and results of operations.

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

Our financial assets measured at FVPL include wealth management products managed by financial institutions in the PRC. As of December 31, 2023, 2024 and 2025, we had financial assets measured at FVPL of nil, RMB17.5 million and RMB2.6 million, respectively. The principal of the wealth management products was unguaranteed by the relevant financial institution. Changes in the fair value of the wealth investment products are reflected in our consolidated statements of profit or loss and other comprehensive incomes. The methodology that we use to assess the fair value of our wealth investment products involve a significant degree of management judgment and are inherently uncertain. We cannot assure you that wealth management products we invest in the future will create fair value gains. If we incur such fair value losses, our results of operations and financial condition may be adversely affected.

We may not be able to fulfill our obligations in relation to our contract liabilities, which could adversely affect our results of operations and financial position.

In the ordinary course of business, we receive advance payments from customers before product delivery, which are recognized as contract liabilities. In particular, we require prepayment for sales of Adsorbed Tetanus Vaccine to blood product manufacturing companies for their production of Tetanus Immunoglobulin. As of December 31, 2023, 2024 and 2025, our contract liabilities amounted to RMB3.6 million, RMB0.5 million and RMB1.0 million, respectively, mainly reflecting changes in customer orders and payment cycles. Our ability to fulfill these obligations depends on our production planning, raw material supply, manufacturing operations and product quality control. If we experience production disruptions, supply chain issues or fail to meet contractual requirements, we may be unable to deliver products on time or recognize the relevant contract liabilities as revenue. We may also need to refund advance payments or face breach of contract claims, which could harm our reputation, customer relationships, results of operations, cash flows and financial position.

If we fail to perform our obligations as stipulated in the contracts, we will be unable to recognize the corresponding contract liabilities as revenue. More significantly, we may be required to refund the advance payments to our customers and could face claims for breach of contract or legal proceedings, which could result in additional financial losses. Any failure to fulfill our contract liabilities could damage our business reputation, harm our relationships with customers, and have a material adverse effect on our results of operations, cash flows, and financial position.

RISKS RELATING TO THE DEVELOPMENT AND REGULATORY APPROVALS OF OUR VACCINE CANDIDATES

The development of new vaccine products is complex, uncertain, time-consuming and costly, and our R&D efforts may not succeed as planned.

Our future growth depends in part on our ability to identify, develop and commercialize new vaccine products and improve our technology platforms. This requires strong R&D capabilities, experienced personnel, continued investment, regulatory approvals, and timely completion of preclinical studies and clinical trials. For the years ended December 31, 2023, 2024 and 2025, our R&D expenses were RMB114.7 million, RMB134.2 million and RMB132.9 million, respectively. However, these investments may not result in successful vaccine candidates, improved technologies, patent protection, regulatory approvals, product launches or market acceptance. Vaccine development involves lengthy and uncertain preclinical studies, clinical trials and regulatory review. Failure may occur at any stage, and early results may not predict later outcomes. We may face delays or failures due to negative or inconclusive trial results, additional trial requirements, slow or insufficient participant enrollment, participant dropouts, safety risks, limited clinical response, regulatory non-compliance, failure to demonstrate satisfactory safety or efficacy, higher-than-expected costs, inadequate materials, or lack of regulatory authorization or approval. We also set development goals from time to time, including clinical trial timelines, regulatory submissions and approvals, product launches and other milestones. As of the Latest Practicable Date, we had eight main pipeline candidates in clinical or preclinical development. These goals may not be achieved on schedule or at all due to development risks, funding constraints, competition, regulatory uncertainty, government policies, manufacturing readiness, commercialization arrangements or market conditions.

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If our R&D programs are delayed or unsuccessful, or if we fail to meet expected milestones, our development costs may increase, competitors may bring similar or better products to market earlier, our R&D efforts may become obsolete, and our business, reputation, financial condition, results of operations and prospects could be materially and adversely affected.

We may be unable to obtain regulatory approval for our vaccine candidates under applicable regulatory requirements in the jurisdictions where we operate. The denial or delay of any such approval would delay the development and commercialization of our vaccine candidates and adversely impact our potential to generate revenue, our business and our results of operations.

To commercialize our vaccine candidates in China, we must provide the NMPA with preclinical and clinical data demonstrating their safety and efficacy for the intended indications. The approval process may take years and is subject to regulatory discretion and factors beyond our control. Our vaccine candidates may fail to receive NMPA approval for various reasons, including disagreement over trial design, evaluation standards or data interpretation; failure to demonstrate safety, efficacy or potency; failure to meet required statistical significance; insufficient clinical data to support an NDA or other submissions; deficiencies in manufacturing processes or facilities; or changes in approval policies or regulations that make our existing data insufficient.

The NMPA or other applicable regulatory authorities may require more information, including additional preclinical or clinical data, to support the approval application. This requirement may delay or prevent us from obtaining the regulatory approvals in time and subsequently impact on our commercialization plans. For example, we withdrew our NDA for our AC-Hib Conjugate Vaccine in 2024 to further adjust the patient cohort design of the previous Phase III clinical trial before resubmission. In more extreme cases, we may decide to cancel the development program. Even if approval is granted, it may cover fewer or narrower indications than requested, require costly post-marketing trials, or include unfavorable labeling, any of which could harm the commercial prospects of our vaccine candidates. Regulatory requirements and guidance may change during clinical development, requiring changes to trial protocols, increasing costs, delaying timelines, or reducing the likelihood of approval.

Results of earlier studies and clinical trials of our vaccine candidates may not be predictive of future clinical trial results and completion of clinical trials does not guarantee regulatory approval of the vaccine candidate.

Success in preclinical studies or early clinical trials does not ensure that later trials will produce similar results. Significant setbacks may arise even after favorable earlier results, including new preclinical findings, safety or efficacy concerns, or previously unreported Adverse Events. Our data analyses involve assumptions, estimates, calculations and conclusions, and we may not have received or fully evaluated all relevant data. Final results may differ from earlier conclusions or expectations once all data are available and reviewed. Regulatory agencies may also disagree with our assumptions, analyses or interpretation of results. Accordingly, our vaccine candidates may fail to show the desired safety, efficacy or pharmacological profile in later-stage trials despite positive earlier results. Even if we complete clinical trials, the results may not be sufficient to obtain regulatory approval, which remains subject to regulatory discretion.

Our vaccines may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following marketing approval, if any.

As with most biological products, our vaccines could cause side effects that can have varying severity. During the Track Record Period, there were no cases of unacceptable adverse side effects or serious Adverse Events identified in connection with the clinical trials or development of our vaccine candidates.

However, unacceptable side effects may arise during development, which could cause us, or require the NMPA, to suspend or terminate clinical trials or deny approval. Adverse reactions could also affect participant recruitment or retention, result in product liability claims, or be improperly recognized or managed by personnel administering the vaccine. Our vaccines may also be perceived

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to cause severe side effects or Adverse Events following immunization if products from other manufacturers targeting the same diseases, using the same technology, culture cells or raw materials cause, or are perceived to cause, similar issues, or if regulators or international institutions such as the WHO determine that such products may cause such risks.

Clinical trials generally involve limited numbers of participants and limited exposure periods. As a result, adverse effects may be discovered only after a larger population is exposed following commercialization. Under PRC law, as a vaccine producer, we may be required to compensate vaccinees who suffer certain Adverse Events following immunization, including severe injury or death, even where no party is at fault and the damage is not necessarily caused by vaccine quality.

If undesirable side effects are identified after approval, we may face suspension of commercialization, product recall or withdrawal, withdrawal of approvals, additional label warnings, post-marketing study requirements, lawsuits, liability claims and reputational damage. Any of these events could prevent us from achieving or maintaining market acceptance, cause revenue loss, and materially and adversely affect our business, financial condition, results of operations and prospects.

Our pipeline of vaccine candidates is limited, and we may not be able to identify, develop or obtain regulatory approval for additional suitable candidates.

Our future growth depends on our ability to build and commercialize a robust pipeline of vaccine candidates. We currently have a limited number of candidates in development, which makes us dependent on a narrow portfolio. If any of our candidates fails to demonstrate satisfactory safety, efficacy or immunogenicity, or fails to obtain regulatory approval, our growth prospects may be materially affected.

We may not succeed in expanding our pipeline or identifying candidates that compare favorably with existing vaccines. Even if we identify promising candidates, they may later prove unsuitable for clinical development or commercialization due to safety concerns, low immunogenicity, lack of effectiveness, serious side effects, regulatory concerns, insufficient resources, competition from better alternatives, or lack of acceptance by patients or the medical community. In such cases, we may need to delay, suspend or abandon one or more development programs.

A limited pipeline may also place us at a competitive disadvantage against companies with broader and more diverse development portfolios, and may reduce our ability to attract strategic partners, collaborations or financing. If we are unable to expand and advance our pipeline successfully, our business, financial condition, results of operations and prospects could be materially and adversely affected.

We engage CROs, which are not under our control, to conduct certain clinical trial-related activities.

We engage CROs from time to time to support our preclinical and clinical studies, which is common in the industry. For preclinical studies, CROs may provide safety and immunogenicity evaluation services under our study design and supervision. For clinical studies, CROs may provide services needed for clinical trials under our trial design and supervision. However, we do not control these CROs. If CROs fail to meet our standards, follow protocols, comply with regulatory requirements, protect our confidential information, transfer regulatory information to us on time, or complete their work within expected timelines, our studies or clinical trials may be delayed, extended, suspended or terminated. The quality or accuracy of the data they collect may also be compromised, and the NMPA or other regulators may reject such data or require additional trials. Although we rely on CROs, we remain responsible for ensuring that our studies comply with applicable protocols, laws and regulatory standards, including GCP requirements. If we or our CROs fail to comply with such requirements, regulatory authorities may find our clinical data unreliable, which could delay or prevent approval and commercialization of our vaccine candidates. Any of the above could materially and adversely affect our business, financial condition and results of operations.

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Even if we receive regulatory approval for our products, we will be subject to ongoing or additional regulatory obligations and continued regulatory review, which may result in significant additional expenses.

If any of our pipeline products are approved by the NMPA or other regulators, we will continue to be subject to extensive regulatory requirements. These may cover manufacturing, labeling, packaging, storage, distribution, Adverse Event reporting, advertising, promotion, sampling, recordkeeping and post-marketing studies. We may also need to submit safety and other post-marketing reports, undergo random quality testing, and continue to comply with GMP, GCP, good storage practice and good vigilance practice requirements. For example, as of the Latest Practicable Date, we were conducting post-approval studies for our approved AC Conjugate Vaccine. These ongoing requirements, especially post-approval studies, may result in significant additional expenses and materially affect our financial condition and results of operations.

Regulatory approvals may also be subject to limits on approved uses or other conditions. If we fail to comply with applicable requirements, we may lose approvals that we have already obtained, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We may not be successful in obtaining or maintaining necessary rights for our development pipeline through in-licenses and acquisitions.

Because our programs may involve vaccine candidates that may require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire and maintain licenses or other rights to use these proprietary rights. For example, our pipeline candidates including all of our superbugs vaccine candidates, are subject to various collaboration and license agreements that obligate us to make substantial milestone payments contingent on development and regulatory milestones, as well as post-launch sales royalties which, in some cases, include guaranteed minimum payments. Collaborative relationships in our industry can be complex, particularly with respect to intellectual property rights. These arrangements may give rise to disputes over ownership, use or development of technology. Such disputes could delay the research, development, manufacturing or commercialization of our vaccine candidates and may lead to costly litigation or arbitration. In addition, any breach of confidentiality obligations by our partners could result in disclosure of our proprietary information, harming our competitive position. We may also be unable to acquire or license third-party intellectual property on acceptable terms, or at all. Other companies with greater resources and development or commercialization capabilities may compete for the same rights, and some companies may be unwilling to license rights to us. If we cannot obtain or maintain the rights needed for a vaccine candidate, we may need to abandon its development, which could materially and adversely affect our business, financial condition, results of operations and prospects.

If we encounter difficulties enrolling participants in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

Our ability to enroll and retain enough participants is important to completing clinical trials on time. We may face enrollment difficulties due to factors such as trial size, eligibility criteria, availability of qualified investigators, participant drop-outs, consent requirements, age of participants, public awareness of the relevant disease, infection rates, population at risk, and availability of approved vaccines that are equivalent or superior to our candidates. Our trials may also compete with other clinical trials in the same disease areas, which could reduce the number of available participants. Even if we ultimately enroll enough participants, delays in enrollment may increase costs, affect trial timing or results, and delay the development of our vaccine candidates.

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We invest substantial resources in research and development in order to develop our vaccine candidates and enhance our technology platforms, which we may not be able to do successfully.

The vaccine industry continues to evolve, and we need to invest in new technologies and platforms to remain competitive. In 2023, 2024 and 2025, our R&D expenses were RMB114.7 million, RMB134.2 million and RMB132.9 million, respectively. We expect to continue investing significant human and capital resources in our vaccine candidates and technology platforms. However, we may not be able to successfully improve or adapt to new technologies, identify suitable vaccine candidates, develop and launch new or improved vaccines, obtain patent protection or regulatory approvals, or achieve market acceptance. If we fail to do so, our R&D efforts may become obsolete, demand for our products may decline, and our business, financial condition, results of operations and prospects may be adversely affected.

We may allocate our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may later prove to be more profitable or for which there is a greater likelihood of success.

Due to limited financial and managerial resources, we focus our product pipeline on vaccine candidates that we identify for specific indications, and, as a result, we may forgo or delay our pursuit of opportunities with other vaccine candidates or for other indications that may later prove to have greater commercial potential or a greater likelihood of success. If we do not accurately evaluate the commercial potential or target market for a particular vaccine candidate, we may allocate internal resources to another vaccine candidate in which it would have been more advantageous to enter into a partnering arrangement.

We may not realize any or all benefits of collaboration, alliances or licensing arrangements, and disputes may arise between us and our current or future collaboration partners.

We have entered into, and may continue to enter into, collaborations, alliances, joint ventures or licensing arrangements to support the development and commercialization of our vaccine candidates. For example, we collaborate with our Key R&D Partner to jointly develop rFSAV and with our GAS Partner to co-develop a GAS Vaccine candidate. We have also entered into technology transfer agreements for rABV, rFPV and rHP, and licensed a cell-based technology platform for our influenza vaccines. These arrangements may not deliver the expected benefits. Expected revenue or cost synergies may not be achieved, or may be offset by collaboration costs, increased expenses, operating losses or other business challenges.

Moreover, disputes may arise between us and our past, current or future collaboration partners. For example, we are involved in a dispute with an individual over technology transfer contracts dating back to 2011. The plaintiff is claiming approximately RMB20.9 million in unpaid royalties and damages, among other things. As of the Latest Practicable Date, the first court hearing for the claim had been held and no judgment had been rendered by the court. For further details, see “Business — Legal Proceedings and Compliance — Litigation in Relation to a Contract Dispute”. Such disputes, or any failure by partners to perform their obligations, may delay or terminate development or commercialization of our product candidates, result in costly litigation or arbitration, divert management attention and resources, or harm our intellectual property rights. Any of these could materially and adversely affect our business, financial condition and results of operations.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

If we cannot adequately protect our intellectual property, competitors may develop similar products or technologies.

Our success depends partly on our ability to protect our technologies, know-how and vaccine candidates. We use patents, trade secrets, encryption systems and confidentiality arrangements to protect our proprietary information. As of the Latest Practicable Date, we owned or co-owned 97

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material patents in China, including 89 invention patents and eight utility models. See “Appendix I — B. Further Information about Our Business — 2. Intellectual Property Rights”. However, patent protection is costly, time-consuming and uncertain. We may not be able to obtain or maintain all necessary patents in all markets where we need protection. Our pending or future patent applications may not become granted patents, and any patents granted may not be broad enough to prevent competitors from developing similar vaccines or technologies.

Patent rules also differ across jurisdictions. Certain inventions may not be patentable in some markets, and some jurisdictions may require patent owners to license their patents to third parties in limited circumstances, such as for public health purposes. If we are required to grant such a license, or if our patents are limited in scope or enforceability, our competitive position may be harmed. We may also fail to identify inventions in time to obtain patent protection. Although we use confidentiality arrangements with employees, CROs and other parties, they may disclose confidential or patentable information before we file patent applications. Third parties may also file patent applications before us, including in jurisdictions that follow a “first-to-file” system.

Even if our patents are granted, they may later be challenged, narrowed, invalidated or designed around by competitors. If our intellectual property protection is inadequate, third parties may develop and commercialize products or technologies similar or identical to ours, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Issued patents covering one or more of our products and vaccine candidates could be found invalid or unenforceable.

A granted patent does not guarantee that the patent will remain valid or enforceable. Our patents may be challenged before courts, patent offices or other authorities in China or other jurisdictions. Third parties may claim that our patents should not have been granted, that our patent claims are too broad, or that they have rights in the same inventions. Former employees, collaborators or other third parties may also claim ownership or other interests in our patents or intellectual property. If such challenges are successful, we may lose one or more patents, or our patent claims may be narrowed or held unenforceable. This could reduce our ability to prevent others from developing or commercializing similar vaccine products. We may also need to obtain licenses from third parties, which may not be available on reasonable terms or at all.

Even if we successfully defend our patent rights, such disputes may be costly, time-consuming and distracting to management and employees. Any loss or narrowing of our patent rights could materially and adversely affect our business, financial condition, results of operations and prospects.

Patent protection is available only for a limited period. For example, in China, an invention patent generally has a term of 20 years from the filing date. After our patents expire, we will no longer be able to rely on those patents to prevent third parties from using the relevant technologies.

Vaccine development, clinical trials and regulatory review may take many years. As a result, patents covering our vaccine candidates may expire before, or shortly after, the relevant products are commercialized. In such circumstances, our patents may not provide us with sufficient commercial protection. After our patent rights expire, competitors may develop and commercialize products or technologies that are similar or identical to ours. This could materially and adversely affect our competitive position, business, financial condition, results of operations and prospects.

We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time-consuming and unsuccessful.

We may need to take legal action to protect or enforce our intellectual property rights, including our patents, trade secrets and other proprietary information. For example, competitors or other third parties may infringe our patents or misuse our confidential information. Intellectual

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property disputes can be costly and time-consuming. They may also divert the attention of our management, scientific and technical personnel from their normal responsibilities. We may not succeed in any proceedings we initiate, and any compensation or remedies awarded may not be commercially meaningful. Any action we bring against third parties may also lead to counterclaims against us. For example, a defendant may claim that our patents are invalid or unenforceable, or that we have infringed its intellectual property rights. Some of our current or potential competitors may have greater resources than we do to pursue or defend intellectual property disputes. In addition, we may not be able to detect infringement of our patents. Even if we detect infringement, we may decide not to take action immediately or at all. If we later seek to enforce our rights, the alleged infringer may raise defenses based on our delay or other grounds, which could make enforcement more difficult. Any adverse outcome in intellectual property proceedings could result in our patents being invalidated, held unenforceable or interpreted narrowly. Even if we prevail, such proceedings may result in substantial costs and may expose our confidential information. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

If we are sued for infringing, misappropriating or otherwise violating intellectual property rights of third parties or engaging in unfair competition, such litigation could be costly and time-consuming, which could prevent or delay us from developing or commercializing our vaccine candidates.

Our success depends partly on our ability to develop, manufacture and commercialize our vaccine candidates without violating third-party intellectual property rights. However, we may not be able to identify or avoid all third-party intellectual property rights that are relevant to our business. Third parties may claim that our vaccine candidates, technologies, manufacturing processes or other activities infringe their patents or other intellectual property rights. Defending such claims, even if they are without merit, may be costly and time-consuming and may distract our management. If we are found to have infringed third-party intellectual property rights, we may be required to stop or delay the development, manufacture or commercialization of one or more vaccine candidates. We may also need to pay damages, obtain licenses, pay royalties or change our products or technologies. Such licenses may not be available on acceptable terms, or at all. Even if we successfully defend such claims, the proceedings may still cause us to incur significant costs, expose our confidential information or harm our reputation. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

As of the Latest Practicable Date, we had registered 36 trademarks in China. See “Appendix I — B. Further Information about Our Business — 2. Intellectual Property Rights”. Our trademarks and trade names help customers, business partners and the market recognize us and our products. We may not be able to obtain or maintain all trademarks that are important to our business. Our trademark applications may be rejected, and our registered trademarks may be challenged or cancelled by third parties or government authorities. Competitors or other third parties may use names, trademarks or packaging designs similar to ours. This could confuse customers, weaken our brand recognition and make it harder for us to distinguish our products from competing products. We may also face claims that our trademarks or trade names infringe others’ rights. If we cannot protect our trademarks and trade names, we may need to change brand names or spend significant resources enforcing our rights. This could materially and adversely affect our competitive position, business, financial condition, results of operations and prospects.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to patents and patent applications, we rely on trade secrets and confidential information to protect our vaccine products, vaccine candidates and technologies. These include unpatented know-how, technical information and other proprietary information. We use confidentiality agreements or clauses to protect such information. However, these measures may not

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be effective. It may be difficult for us to monitor whether our trade secrets or confidential information have been improperly used or disclosed. Our employees, consultants, collaborators, suppliers or other business partners may disclose or use our confidential information without authorization. If this happens, we may not be able to obtain adequate remedies. Competitors or other third parties may then use such information to compete with us.

We also cannot assure you that every party who has had access to our trade secrets or proprietary technologies is bound by confidentiality obligations. Even where such obligations exist, enforcing them may be difficult, costly and time-consuming. If our trade secrets are lawfully obtained or independently developed by third parties, we may not be able to stop them from using the same or similar information. This could materially and adversely affect our business, financial condition, results of operations and prospects.

We may face claims that our employees used or disclosed confidential information of their former employers.

Some of our employees, including senior management, previously worked for other pharmaceutical companies, including our competitors or potential competitors. They may have confidentiality, non-compete or similar obligations to their former employers. We may therefore face claims that we or our employees have used or disclosed trade secrets, confidential information or other intellectual property of former employers. Defending such claims may be costly and time-consuming, and may distract our management and employees. If we do not successfully defend such claims, we may be required to pay damages, stop using certain information or technologies, or obtain licenses from third parties. Such licenses may not be available on commercially reasonable terms, or at all. We may also lose valuable intellectual property rights or be prevented from developing or commercializing certain vaccine candidates.

Such claims may also cause us to lose key employees or make it harder for us to hire or retain employees. Any loss of key personnel, or any delay in our development or commercialization activities, could materially and adversely affect our business, financial condition, results of operations and prospects.

Patent protection depends on compliance with various procedural, regulatory and other requirements, and our patent protection could be reduced or eliminated due to non-compliance with those requirements.

Periodic maintenance fees, renewal fees, annual fees and various other governmental fees on patents and patent applications are due to be paid to CNIPA and other patent agencies in several stages over the lifetime of a patent. CNIPA and other similar governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application and maintenance process. There are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

Changes in intellectual property laws and the absence of data exclusivity in China may weaken protection for our products and expose us to earlier competition.

Our success depends on our ability to obtain, maintain and enforce intellectual property rights, especially patents. However, patent protection in the pharmaceutical and biopharmaceutical industry is complex, costly and uncertain. Changes in patent laws or their interpretation may increase costs, narrow the scope of our patent rights, reduce the value of our intellectual property, or limit our ability to protect our inventions. China currently does not have an effective data

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exclusivity regime for NMPA-approved pharmaceutical products. As a result, lower-cost competing products may enter the market earlier than in jurisdictions where data exclusivity is available. If our intellectual property protection is weakened, or if competing products enter the market earlier than expected, our competitive position, business, financial condition, results of operations and prospects could be materially and adversely affected.

Our owned patents and other intellectual property may be subject to further priority disputes or to inventorship disputes and similar proceedings, and we or our collaboration partners may be unsuccessful in any of these proceedings, therefore requiring us to obtain licenses from third parties that may not be available on commercially reasonable terms or at all, or to cease the development, manufacture, and commercialization of one or more of the product candidates we may develop.

We or our collaboration partners may be subject to claims that former employees, collaboration partners or other third parties have an interest in our owned patents or other intellectual property. If we or our collaboration partners are unsuccessful in any interference proceedings or other priority or validity disputes to which we or they are subject, we may lose valuable intellectual property rights, such as loss of one or more patents or exclusive ownership, or our patent claims' being narrowed, invalidated, or held unenforceable. As a result, we may be required to obtain and maintain licenses from third parties, including parties involved in any such interference proceedings or other priority or inventorship disputes, in order to continue the development, manufacture and commercialization of one or more of our product candidates. Such licenses may not be available on commercially reasonable terms or at all, or may be non-exclusive. Even if we are successful in an interference proceeding or other similar priority or inventorship disputes, it could result in substantial costs and be a distraction to our management and other employees.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our pipeline products.

Depending on decisions by the National People's Congress of the PRC and the CNIPA, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. There could be similar changes in the laws of other jurisdictions that may impact the value of our patent rights or our other intellectual property rights. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained, if any. As the laws and regulations governing patents continue to evolve in China and other jurisdictions, we cannot guarantee that any other changes would not have a negative impact on our intellectual property protection.

We may not be able to seek to adequately protect our intellectual property rights in all jurisdictions throughout the world, and we may not be able to adequately enforce our intellectual property rights even in the jurisdiction where we seek protection.

Filing, prosecuting, and defending patents on product candidates in all countries and regions throughout the world would be prohibitively expensive. Moreover, the legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets, and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our intellectual property and proprietary rights generally. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and sell or import products made using our inventions in and into our markets of interest. These products may compete with our products, and our existing patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

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Intellectual property rights do not necessarily protect us from all potential threats.

Intellectual property rights have limits and may not fully protect our business or competitive position. Third parties may independently develop similar or competing technologies without infringing our rights. We may also not be the first to invent or file patent applications for certain technologies, and our pending patent applications may not become granted patents. Even if patents are granted, they may not provide meaningful protection. Our issued patents may be challenged, invalidated or held unenforceable. They may also have limited remaining commercial value by the time our vaccines are approved or launched.

We may not obtain adequate intellectual property protection in all jurisdictions where we operate or plan to operate. Competitors may conduct research and development in countries where we do not have patent protection, and use the results to develop competing products in our markets. In addition, third-party patents may restrict our ability to develop, manufacture or commercialize our vaccine candidates. If our intellectual property rights do not provide sufficient protection, or if third-party rights restrict our activities, our business, financial condition, results of operations and prospects could be materially and adversely affected.

RISKS RELATING TO THE MANUFACTURING AND SUPPLY OF OUR VACCINE PRODUCTS

The manufacturing of vaccines is a highly exacting and complex process, and if we encounter problems in manufacturing our products, our business could suffer.

The manufacturing of vaccines is complex and requires strict control. This is because vaccines involve biological materials, which may be variable in production yield and vulnerable to contamination. Vaccine manufacturing is also heavily regulated by the NMPA and other regulatory authorities in China. Manufacturing problems may arise for many reasons, including equipment failure, failure to follow required procedures, raw material issues, delays in constructing or validating facilities, failure to comply with GMP or other regulatory requirements, changes in products being manufactured, capacity constraints, natural disasters or other events beyond our control. If a problem occurs during production, the affected batch may need to be discarded. We may also experience product shortages, incur additional costs, lose revenue, damage customer relationships and spend time and resources investigating the cause. If the problem is discovered only after the product has been released, we may face product recalls, product liability claims and regulatory actions. We must also continue to improve and optimize our manufacturing processes. If we fail to do so in a timely manner, we may not be able to meet clinical and market demand for vaccines with better safety, immunogenicity and efficacy, or for larger and faster supply. This could reduce our competitiveness, affect our sales and future regulatory submissions, and materially and adversely affect our business, financial condition, results of operations and prospects.

Any failure to perform proper quality control and quality assurance would have a material adverse effect on our business and financial results.

Our vaccine products and manufacturing processes must comply with applicable laws, regulations and GMP requirements. These requirements cover production procedures, record keeping, operations and quality management systems. Although we have quality control systems for our production and sales processes, errors, defects or failures may still occur. We are also validating newly constructed production lines to prepare for future market demand. We may not be able to maintain consistent quality control when these new lines begin operation. If we acquire manufacturing facilities from other companies in the future, we may not be able to ensure immediately that their facilities and processes meet our quality standards. Any failure in quality control or quality assurance could result in defective vaccines being released for sale. This may lead to injury or death of vaccinees, product recalls or withdrawals, production suspension, license revocation, regulatory fines, liability claims and reputational damage. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

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Errors or defects in our manufacturing could harm our reputation or expose us to product liability claims.

We face an inherent risk of product liability caused by our vaccines. Any such product liability claims may include allegations of defects in manufacturing, defects in design, insufficient or improper labeling, inadequate or misleading disclosures of side effects or dangers inherent in the product, negligence, strict liability and a breach of warranties. During the Track Record Period, there were no material errors, defects, or product quality incidents identified in our manufacturing processes. However, we cannot assure you that we will not face product liability claims in the future.

If we cannot successfully defend such claims, we may need to pay substantial compensation or face restrictions on commercializing our vaccine candidates. Even if we successfully defend the claims, we may incur significant costs and management attention may be diverted. Product liability claims may also cause withdrawal of clinical trial participants, lower demand for our products or vaccine candidates, reputational damage, product recalls or withdrawals, restrictions on labeling, marketing or promotion, loss of revenue, inability to commercialize vaccine candidates and a decline in our H Share price. After our vaccine candidates are approved, we are required to maintain product liability insurance under applicable laws and regulations. However, such insurance may not be available in sufficient amounts or at acceptable cost. It may also not cover all claims or the full amount of any judgment or settlement. We may need to pay uncovered amounts ourselves, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Any disruption of our manufacturing facilities or any failure to manage the manufacturing capacity properly could have a material and adverse effect on our business, financial condition and results of operations.

During the Track Record Period and up to the Latest Practicable Date, all of our commercialized vaccine products were manufactured in-house. Our manufacturing facilities are subject to regulatory inspections during operation. If we fail to comply with applicable regulatory requirements, operations at our manufacturing facilities may be suspended. We may also face sanctions, including refusal to review pending applications, withdrawal or non-renewal of approvals, licenses or permits, product recalls, seizure or confiscation, production suspension, monetary penalties or criminal prosecution. Our manufacturing facilities may also be disrupted by natural disasters or other unexpected events, such as power or water shortages, storms, fires, earthquakes, terrorist attacks, wars or changes in government zoning plans. Any such event could disrupt our sales and adversely affect our business and financial results. We may also fail to manage production capacity properly. Proper capacity management is important to maintaining stable product supply and revenue growth. We need to manage production suspensions caused by GMP certification or production permit renewals, and maintain sufficient backup capacity for planned or unexpected disruptions. Any production suspension or delay could reduce utilization rates, sales volume and revenue, and materially and adversely affect our business, financial condition, results of operations and prospects.

The expansion of our manufacturing facilities may be subject to delays, disruptions, cost overruns or may not produce expected benefits.

To prepare for future market demand, we have newly constructed one bulk production line and two filling lines. We may also construct additional production facilities in the future depending on market demand. The construction and operation of vaccine manufacturing facilities in China are subject to various government approvals, permits, inspections and acceptances. If we fail to obtain such approvals or comply with applicable requirements, our expansion plans may be delayed, suspended or terminated, and we may be subject to fines or other penalties. The expansion of our manufacturing facilities also requires significant capital investment. We may experience delays, disruptions, cost overruns, validation issues or other operational difficulties. We may also face

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challenges in recruiting and training staff, establishing supply chains and maintaining quality control for new facilities. If market demand is lower than expected, our expanded capacity may not generate the expected economic benefits, and excess capacity may increase our operating costs and reduce our profitability. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

If we are not able to source sufficient quantity of raw materials of required quality at commercially acceptable cost, our business could be harmed.

We need sufficient high-quality raw materials at acceptable prices and in a timely manner to manufacture our vaccine products. These raw materials mainly include aluminum-based adjuvant, which we can purchase from numerous suppliers in China. If our suppliers cannot meet our requirements, we may need time and costs to find alternative suppliers. New supplier onboarding may also take time, even for widely available materials. Our suppliers may also fail to maintain required licenses or comply with applicable laws, which could disrupt supply to us. Raw material supply and prices may be affected by external factors, such as government policies and natural disasters. If raw material costs increase, we may not be able to pass the increase to our customers. If we fail to detect quality issues in raw materials, our products may be affected, and we may face product recalls, liability claims, production suspension or additional costs. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Failure to engage qualified cold-chain logistics providers may damage our vaccine products, reputation and business.

Vaccines are sensitive biological products and must be stored and transported under strict cold-chain conditions. Even small temperature changes may affect their potency. We engage third-party cold-chain logistics providers to transport our products in compliance with applicable requirements, including temperature monitoring and record keeping. Although we require these providers to meet cold-chain requirements and periodically audit them, we cannot assure you that they will always comply. If our vaccines are exposed to improper temperatures or storage conditions, their potency may be reduced or lost, and the affected batch may need to be destroyed. This could result in product shortages, reputational damage, regulatory actions or liability claims, and could materially and adversely affect our business, financial condition, results of operations and prospects.

Delays in completing and receiving regulatory approvals for our manufacturing facilities could delay our development plans or commercialization efforts.

Our existing and planned manufacturing facilities and manufacturing processes are subject to ongoing inspections by the NMPA or other regulatory authorities for compliance with GMP and other applicable requirements. GMP compliance is generally required for marketing approval. For our manufacturing facilities and premises, we must also obtain various permits, certificates and approvals at different stages of development. These may include planning permits, construction permits, land use rights certificates, environmental approvals, fire safety approvals, construction completion approvals and ownership certificates. If we fail to obtain required approvals or comply with applicable requirements, our development or commercialization plans may be delayed. We may also face sanctions, including fines, injunctions, civil penalties, suspension of clinical trials, refusal or delay of marketing approval, supply disruptions, suspension or withdrawal of approvals, license revocation, product seizure or recall, operating restrictions and criminal prosecution. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

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Vaccine products are susceptible to contamination.

Vaccine manufacturing involves biological materials and cultivation steps. These processes may introduce or increase contamination risks. Cross-contamination may also occur where equipment or facilities are shared for manufacturing, testing, research or other activities. Contamination may also occur during transportation, storage or delivery if our products are not properly handled. If our vaccine products are contaminated, we may need to recall, confiscate or destroy affected products. We may also face liability claims, regulatory penalties or criminal liability if vaccinees are harmed. Contamination could also damage confidence in the quality of our products and the reliability of our manufacturing procedures. This could harm our reputation, sales and profitability, and materially and adversely affect our business, financial condition, results of operations and prospects.

We handle potentially harmful biological and hazardous materials, which may cause environmental contamination or injury.

Our manufacturing and R&D activities involve the controlled use, storage, handling and disposal of potentially harmful biological and hazardous materials. These include viruses and bacteria used in vaccine production and testing. Although we take safety measures, the risk of accidental leakage, contamination or injury cannot be completely eliminated. If such materials are released or mishandled, they may harm the environment, public health, our employees or others. If contamination or injury occurs, we may be liable for damages, which may exceed our insurance coverage. Government authorities may also investigate us and impose fines, sanctions, suspension of operations, revocation of permits, closure of facilities or other penalties. Our reputation may also be harmed. In addition, laws and regulations on hazardous materials and environmental protection may become stricter. Compliance with additional requirements may increase our costs and adversely affect our financial condition.

RISKS RELATING TO GOVERNMENT REGULATIONS

The research, development and commercialization of vaccines are heavily regulated, and any non-compliance could harm our business.

The vaccine industry in China and overseas is highly regulated. Regulations cover all key aspects of vaccine operations, including clinical trials, product registration, manufacturing, transportation, storage, quality control, sales approval and lot release. Compliance with these requirements may be difficult and costly. The regulatory regime may also change or become stricter over time. If regulatory requirements become more stringent, our compliance costs may increase, and any failure to comply may result in more serious penalties. If we fail, or are perceived to fail, to comply with applicable requirements during R&D, manufacturing, transportation, storage or after product approval, we may lose access to relevant markets or face sanctions. These may include monetary penalties, product recalls or seizure, injunctions, production suspension, refusal to review approval applications, withdrawal or non-renewal of approvals, licenses or permits, and criminal prosecution. Any such event could materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

We are subject to registration, review and other requirements of the PRC and the overseas regulatory authorities for cross-border sales or licensing of technology.

China regulates the import and export of technology, including the transfer or licensing of patents and know-how, and the provision of technology-related services. Depending on the type of technology, such activities may require approval from, or registration with, relevant PRC authorities. We may in the future transfer or license our patents or technologies to overseas partners, acquire or license technologies from overseas partners, or engage overseas CROs for technical support. These activities may be regarded as technology import or export and may require regulatory approval or registration. We may also be subject to regulatory requirements relating to

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human genetic resources and data. For example, in conducting clinical trials, we may need to obtain approvals or complete filings with the relevant PRC authorities for human genetic resources and data safety review. Similar requirements may also apply in overseas jurisdictions. There is no assurance that we can obtain required approvals or complete required registrations or filings in a timely manner, or at all. Any delay or failure could affect our collaborations, clinical trials, technology licensing, development plans and commercialization efforts, and materially and adversely affect our business, financial condition, results of operations and prospects.

Restrictions on cross-border data transfers and use of human genetic resources may affect our clinical trials, collaborations and business operations.

We are subject to PRC laws and regulations on data security, cross-border data transfers, scientific data and human genetic resources. These rules may require us to obtain approvals, complete filings or pass security reviews before transferring certain data, scientific information or human genetic resources-related information outside China. If we fail to comply with these requirements, we may be restricted from transferring relevant data overseas. This could affect our ability to conduct international out-licensing transactions, collaborate with overseas partners, obtain foreign regulatory approvals or progress our clinical trials in a timely manner. Our clinical trials and research activities may also involve the collection, storage and use of human genetic resources in China. These activities are subject to approval, filing and other regulatory requirements. If we cannot obtain required approvals or complete required filings in time, our clinical trials and R&D activities may be delayed. The regulatory requirements in this area are complex and may continue to change. Any failure to comply may result in fines, suspension of relevant activities or other administrative penalties, and could materially and adversely affect our business, financial condition, results of operations and prospects.

We may be exposed to risks related to our management of the medical data of participants enrolled in our clinical trials.

Our clinical trials involve the collection and use of medical data from participants. We must comply with applicable laws and regulations on privacy, data security and personal information protection. Changes in these laws may increase our compliance costs or require us to change our data processing practices. Our clinical trials may also involve CROs and other third parties. We cannot assure you that they will always comply with applicable data protection requirements or our internal policies. Any leakage, unauthorized access or misuse of participant medical data by them may still be viewed as our responsibility. During the Track Record Period, there were no incidents of data leakage, unauthorized access, or misuse of patient medical data in connection with our clinical trials; however, we cannot assure you that such events will not occur in the future or that our existing data protection measures will always be sufficient to prevent any potential breach or misuse. Any actual or perceived failure to protect medical data or comply with privacy and data protection laws may result in regulatory investigations, fines, penalties, claims, negative publicity and reputational damage. This could materially and adversely affect our business, financial condition and results of operations.

GENERAL RISKS RELATING TO OUR BUSINESS

If we are unable to compete effectively in the highly competitive vaccine industry, or fail to develop competitive vaccine candidates, our business, financial condition, results of operations and prospects could be materially and adversely affected.

The vaccine industry is highly competitive, and competition may increase. As of the Latest Practicable Date, there were seven marketed vaccines in China for our key commercialized product, Adsorbed Tetanus Vaccine. For our key pipeline product, rFSAV, there were approximately three vaccine candidates under clinical development globally. Our competitors may have longer operating histories, larger scale, greater financial and R&D resources, stronger manufacturing capacity, lower costs, broader marketing capabilities or more advanced technologies. New domestic or overseas competitors may also enter the markets where we operate. We may fail to maintain or increase our market share if competing products are more widely accepted, more effective, cheaper, more

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innovative, better recognized, less affected by negative publicity, or supported by stronger manufacturing, marketing or regulatory capabilities. The vaccine market is also changing rapidly, including developments in combined vaccines, mRNA vaccines and other innovative vaccines. If we fail to respond to market trends, technological changes or regulatory developments, or fail to identify, develop and commercialize competitive vaccine candidates in a timely and cost-effective manner, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Our future plans and the successful use of the net [REDACTED] from the [REDACTED] are subject to significant risks and uncertainties.

Our planned expansion, including the advancement of our product pipeline and the upgrade of our production facilities, will require substantial capital expenditure and will significantly increase our operating expenses. We have made estimations on the costs of our expansion plans, but the actual costs may exceed our budget due to unforeseen factors, such as changes in the scope and timeline of our clinical trials, unexpected delays, and increased costs of materials and labor. There is no assurance that the net [REDACTED] from this [REDACTED] will be sufficient to cover all the costs of our expansion plans. If we experience a funding shortfall, we may need to seek additional capital through debt or equity financing. Such financing may not be available on terms acceptable to us, or at all. Any additional equity financing may result in dilution to our shareholders, while debt financing would increase our gearing and debt service obligations. Furthermore, the implementation of our expansion plans is expected to result in a significant increase in our R&D expenses and capital expenditures, which will likely lead to net losses and negative operating cash flow in the short to medium term. Our ability to sustain our operations during this period will be highly dependent on our existing capital and the net [REDACTED] from this [REDACTED]. If we are unable to successfully execute our future plans, or if our product candidates fail to achieve regulatory approval or commercial success, we may not be able to generate the expected returns on our investments, and our business, financial condition, and future prospects could be materially and adversely affected.

We depend on the continuing efforts of our senior management, as well as key scientific employees.

Our future success depends on the continued service of our senior management and key scientific employees. In particular, the industry experience, management expertise and professional knowledge of our senior management are important to our business. We are led by Mr. Fan Shaowen, our Chairman, executive Director and general manager, and Dr. Fan Fan, our vice Chairlady and executive Director, among others. See “Directors and Senior Management” for details. We also rely on our key scientific employees for R&D, production, development of new products, technologies and applications, improvement of existing products, and quality and safety control. If we lose any senior management member or key scientific employee, we may not be able to find suitable replacements in time, or at all. We may also incur additional costs to recruit and train new personnel. Competition for qualified personnel in the biotechnology industry is intense, and we may need to offer higher compensation and benefits to attract and retain them. Any failure to retain or attract senior management or key scientific employees could disrupt our business, increase our operating expenses, and materially and adversely affect our business, financial condition, results of operations and prospects.

Our reputation is important to our business success, and damage to our reputation may adversely affect our business.

We, our Shareholders, Directors, officers, employees, suppliers, partners or other third parties we cooperate with or rely on may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could threaten the perception of our reputation. In addition, to the extent our Shareholders, Directors, officers, employees, suppliers, partners or other third parties we work with or rely on were non-compliant with any laws or regulations, we may also suffer negative publicity or harm to our reputation. As a result, we may be required to spend significant time and incur substantial costs to respond and protect our

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reputation, and we cannot assure you that we will be able to do so within a reasonable period of time, or at all, in which case our business, results of operations, financial condition and prospects may be materially and adversely affected.

We may be subject to tax disputes, additional tax payments, penalties or other administrative actions in the future, and any disagreement with tax authorities could materially and adversely affect our business, financial condition and results of operations.

Our operations are subject to and may be affected by changes in PRC tax laws and regulations. The PRC tax system is complex and evolving, and the interpretation and application of tax laws, regulations and government circulars may vary among different localities and tax authorities.

We are subject to periodic examinations on the fulfillment of our tax obligations under the PRC tax laws and regulations by PRC tax authorities. Although we believe that in the past we have acted in compliance with the requirements under the relevant PRC tax laws and regulations in all material aspects and established effective internal control measures in relation to accounting regularities, there is no assurance that the competent tax authorities will agree with our interpretation or treatment of certain tax matters. For example, we were previously subject to a tax inspection for the period from January 1, 2021 to December 31, 2023. Following the issuance of a tax treatment decision by the competent PRC tax authority on June 18, 2026, we were required to pay tax shortfall and late payment surcharge totaling RMB87.4 million. As of the Latest Practicable Date, we had fully paid the relevant amount. For further details, see “Business — Tax Inspections.” However, we cannot assure you that the competent PRC tax authorities will not adopt interpretations or positions different from ours in respect of our tax treatment, deductions or other tax matters in the future, or that we will not be subject to additional tax payments, late payment surcharges, penalties, adjustments or other administrative actions in future tax examinations.

In particular, following the [REDACTED], as a publicly [REDACTED] company, we may be subject to heightened scrutiny regarding our tax compliance. Competent tax authorities may adopt different interpretations of the relevant rules and regulations compared to our understanding. We cannot assure you that future examinations by PRC tax authorities would not result in fines, other penalties or actions that could adversely affect our business, financial condition or results of operations, as well as our reputation.

If a dispute arises between us and the tax authorities, we may be required to pay disputed amounts, including outstanding taxes, late payment fees and substantial penalties, prior to or during the process of administrative review or litigation. The resolution of such disputes may be time-consuming, costly and divert the attention of our management. Furthermore, any adverse outcome from such disputes or any adjustment in PRC tax laws and regulations could result in additional tax liabilities, which may have a material adverse effect on our business, financial condition and results of operations.

We have limited insurance coverage, which could expose us to significant costs and business disruption.

Insurance companies in China may not offer business insurance products that suit our needs. As a result, we may not be able to acquire insurance for all types of risks we face in our operations. We maintain insurance policies that are required under PRC laws and regulations as well as based on our assessment of our operational needs and industry practice. In line with industry practice in China, we maintain different types of insurance policies, such as product liability insurance policies, clinical trials liability insurance and employee commercial insurance. See “Business — Insurance”. The insurances we maintain are subject to payment limits and coverage exceptions. Consequently, any occurrence of an uninsured loss or losses in excess of our insurance coverage, litigation expenses in relation to potential product liability claims or business disruption, may result in substantial costs to us and the diversion of our resources, which could have a material adverse effect on our financial condition and results of operations.

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Risks related to geopolitical conditions, international trade regulations, and strategic collaborations

We collaborate with universities, research institutes and commercial partners in China, including certain state-affiliated entities. Some of these partners may be viewed by foreign regulators as connected to national defense, military-civil fusion or other sensitive areas. As geopolitical tensions and export control regimes continue to evolve, foreign regulators may scrutinize our collaborations more closely. If they consider our partners, technologies or activities to be sensitive or restricted, we may face sanctions, export controls, trade restrictions or other regulatory measures. Our R&D and manufacturing also depend on specialized equipment, software and raw materials, some of which may be sourced from countries with strict export control rules, including the United States. If restrictions are imposed on our partners or on activities involving us, our access to these items may be limited or disrupted. Biotechnology and vaccine-related technologies may also be viewed as sensitive or dual-use technologies. Increased national security scrutiny could make our international collaborations, licensing activities, financing or global commercialization more difficult. Any of these events could disrupt our R&D, manufacturing and business plans, and materially and adversely affect our business, financial condition, results of operations and prospects.

We are subject to risks relating to some of the properties we use.

We must obtain required permits, certificates and approvals for the properties we own or use in China. Our rights to certain properties may be limited or challenged if we fail to complete required procedures or if our use of the properties is inconsistent with the approved land use.

As of the Latest Practicable Date, we occupied certain buildings with an aggregate gross floor area of approximately 595 sq.m. for which we had not obtained the relevant building ownership certificates (the “Defective Properties”). The Defective Properties are located on a parcel of land for which we possess lawful land use rights and comprise two gatehouses with a total gross floor area of approximately 180 sq.m. and one functional building used for storage with gross floor area of approximately 415 sq.m. According to our PRC Legal Advisors, such non-compliance may subject us to administrative penalties or other enforcement actions by the relevant government authorities, including orders for rectification or potential demolition of the Defective Properties pursuant to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》). In particular, according to Urban and Rural Planning Law of the People’s Republic of China, if a construction project is carried out without obtaining a construction project planning permit or in violation of the provisions of the planning permit, the competent department of urban and rural planning of the local people’s government at or above the county level shall order the cessation of construction. If corrective measures can still be taken to eliminate the impact on the implementation of the planning, a deadline for correction shall be set, and a fine of not less than 5% but not more than 10% of the construction project cost shall be imposed. If corrective measures cannot be taken to eliminate the impact, a deadline for demolition shall be set. If demolition is not possible, the physical objects or illegal income shall be confiscated, and a fine of not more than 10% of the construction project cost may be imposed concurrently. According to the aforementioned regulations, if fined by the competent authority, the maximum penalty shall be calculated at 10% of the construction project cost. The maximum penalty amount faced by us is approximately RMB0.2 million. If any of the Defective Properties were required to be demolished, rectified, or otherwise rendered unavailable for our use, we may need to relocate relevant facilities or suspend certain operations, which may result in additional costs, business interruption, or delays in our R&D or production activities.

In addition, one lease agreement for a property used by Chongqing Yuanlun for R&D, production and office purposes had not completed lease registration and filing. According to our PRC Legal Advisors, we may be ordered to rectify the non-compliance, and failure to do so may result in a fine of RMB1,000 to RMB10,000. We cannot assure you that the relevant authorities will not require us to take remedial actions or impose penalties. Any relocation, penalty or business disruption could adversely affect our business operations, financial condition and results of operations.

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We may be subject to fines and penalties as a result of our historical non-compliance with certain PRC laws and regulations regarding social insurance and housing provident fund contributions.

Pursuant to the relevant PRC laws and regulations, employers in the PRC are required to make social insurance and housing provident fund contributions for their employees, and entities failing to make such contributions may be ordered to settle the outstanding contributions within a prescribed time limit and subject to late payments or fines. During the Track Record Period and up to the Latest Practicable Date, we did not pay social insurance and housing provident fund in full for certain full-time employees based on their actual wages in accordance with the applicable PRC laws and regulations.

According to the provisions of the Social Insurance Law of the PRC, if an employer fails to pay social insurance premiums in full and on time, the social insurance premium collection agency shall order the employer to make payment or make up the arrears within a specified time limit and shall impose a late payment penalty of 0.05% per day from the date of default. If the employer still fails to make the payment after the deadline, the relevant administrative department may impose a fine of not less than one time and not more than three times the amount of the arrears. Accordingly, if any shortfall in our social insurance contributions is discovered by the competent authority during an inspection or is reported by employees, the social insurance collection agency will order us to make the payment or make up the deficiency within a specified time limit. Based on calculations, the total amount of shortfall during the Track Record Period was approximately RMB26.8 million. Pursuant to the Social Insurance Law of the PRC, if we cooperate with the competent authorities to make the outstanding payment, no fine will be imposed. However, if we refuse to cooperate and fail to make the payment within the prescribed time limit, in addition to making up the social insurance contributions, we will be subject to a fine imposed by the competent authority.

According to the Regulations on the Administration of Housing Provident Fund, if an entity fails to pay or underpays the housing provident fund within the prescribed time limit, the Housing Provident Fund Management Center shall order it to make the payment within a specified period. If the entity still fails to make the payment after the deadline, the center may apply to the people’s court for compulsory enforcement. Therefore, under these regulations, if our housing provident fund contributions are insufficient, the housing provident fund collection agency will order us to make the payment within a specified time limit. Based on calculations, the total amount of shortfall during the Track Record Period was RMB3.8 million, and no fine will be imposed. If we refuse to cooperate and fail to complete the payment within the specified period, the housing provident fund collection agency has the right to apply to the people’s court for compulsory enforcement. In such a case, the people’s court may seal, seize, or freeze our assets equivalent to the amount of the supplementary payment. During the Track Record Period, there were no instances where we and our employees reached any agreement, or where employees promised us not to pay social insurance premiums. There were also no disputes between us and our employees regarding social insurance contributions during the Track Record Period. We believe that the relevant provisions of the Supreme People’s Court’s Explanations on Several Issues Concerning the Application of Law in Labor Dispute Cases (II) (effective September 2025) will not have expected to have any material impact on our normal operations.

Natural disasters, epidemics, acts of war or terrorism or other factors beyond our control may have a material adverse effect on our business operations, financial condition and results of operations.

Natural disasters, power shortages, epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions we conduct our business. These regions may be under the threat of typhoon, tornado, snowstorm, earthquake, flood, drought, power shortages or failures, or are susceptible to epidemics, such as COVID-19, potential wars or terrorist attacks, riots, disturbances or strikes. Serious natural disasters may result in a tremendous loss of lives and injury and destruction of assets and disrupt our business and operations. Severe infectious disease outbreaks could result in a widespread health crisis that could materially and adversely affect business activities in the affected regions, which

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could therefore materially affect our operations. Acts of war or terrorism, riots or disturbances may also injure or loss of lives to our employees and disrupt our business network and operations. Any of these factors and other factors beyond our control could have an adverse effect on the overall business environment, and materially and adversely impact our business, financial condition and results of operations.

Negative publicity may impact the public confidence in vaccine products in general, lead to lower demand of vaccination, and result in more stringent regulations.

Past incidents in China have raised public concerns about vaccine safety. For example, in 2016, improperly stored vaccines were illegally sold by distributors. In 2018, Changchun Changsheng, a company unrelated to us, was found to have violated GMP standards, including falsifying production data for human rabies vaccines. These incidents led to greater public concern and tighter regulatory scrutiny of vaccine manufacturers. Similar incidents in the future may reduce public confidence in vaccines, lower demand for vaccination, and lead to more investigations, stricter regulations and higher compliance costs. If negative publicity relates to our own products or business, the impact may be more serious. It could damage our reputation, reduce demand for our products, increase regulatory scrutiny and adversely affect our business, financial condition, results of operations, prospects and the market price of our H Shares.

RISKS RELATING TO DOING BUSINESS IN THE REGIONS WHERE WE OPERATE

Changes in economic, political, trade and regulatory conditions in the jurisdictions where we operate could adversely affect our business.

A substantial portion of our assets and operations are located in China. As a result, our business may be affected by economic, regulatory, political and social conditions in China, as well as trade relations between China and other countries. Changes in macroeconomic conditions, government policies, trade rules, employment levels, consumer demand or market conditions may affect our operations, financial performance and business prospects. We are also subject to evolving laws and regulations governing the pharmaceutical industry in China and other markets where we operate. New laws, amendments to existing laws, changes in interpretation or enforcement, or stricter regulatory requirements may create new compliance challenges, increase our costs, disrupt our operations or expose us to legal and business risks. Any litigation, governmental investigation or enforcement action may be costly, time-consuming, divert management attention, cause negative publicity and damage our reputation. Political and trade developments may also affect us. For example, changes to U.S. rules restricting certain outbound investments into China could limit our ability to raise capital from U.S. investors or affect U.S. investors’ ability to trade our securities. Trade tensions between China and the United States, including tariffs and countermeasures, may also affect global trade, economic growth and investor sentiment.

Any of these developments could materially and adversely affect our business, financial condition, results of operations, prospects and the value of our H Shares.

Laws and regulations over foreign currency conversion and on the remittance of funds into and out of the PRC may affect our utilization of our revenue and our ability to remit dividends.

The conversion and remittance of Renminbi are subject to PRC foreign exchange laws and regulations. Although current account transactions, including dividend payments, generally do not require prior SAFE approval, we must complete required procedures and process such transactions through designated foreign exchange banks. We cannot assure you that current foreign exchange policies will remain unchanged, or that we will always have sufficient foreign currency to meet our needs. Any restriction or shortage of foreign exchange may affect our ability to pay dividends, fund capital expenditure, meet other foreign currency obligations, and may adversely affect our business, financial condition and prospects.

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Dividends received by foreign holders of our H Shares and gains derived from the disposition of our H Shares by such holders may be subject to PRC taxation.

Foreign holders of our H Shares may be subject to PRC tax on dividends they receive from us and on gains they make from selling or otherwise disposing of our H Shares. For non-PRC resident enterprise holders, dividends from PRC companies and gains from disposing of equity interests in PRC companies are generally subject to PRC enterprise income tax at a rate of 10%, unless a lower rate or exemption applies under an applicable tax treaty or arrangement. For non-PRC resident individual holders, PRC individual income tax may apply to PRC-sourced income and gains. Dividends paid to such holders are generally subject to withholding tax, and we may withhold tax at a rate of 10%, although a different rate may apply depending on the relevant tax treaty and the shareholder’s circumstances. We also intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares, including HKSCC Nominees. Shareholders who are entitled to a lower treaty rate may need to apply to the PRC tax authorities for a refund, which will be subject to their review and approval. The PRC tax treatment of gains made by non-PRC resident individuals from selling overseas-listed shares is not entirely clear. If PRC tax is imposed on gains from transfers of our H Shares, or on dividends paid to foreign holders, the value of an investment in our H Shares may be adversely affected. Foreign holders may also not be able to obtain the full benefit of any applicable tax treaty or arrangement.

You may have limited recourse in effecting services of legal process or enforcing overseas judgments against us, our Directors and our senior management.

Our Company is incorporated in the PRC, and a substantial part of our assets, all of our subsidiaries, and all of our Directors and senior management are located in China. As a result, investors may face difficulties serving legal process on us or these individuals in China, or enforcing judgments obtained outside China. China has not entered into treaties or arrangements for the recognition and enforcement of judgments with most other jurisdictions. Although there are arrangements between Chinese Mainland and Hong Kong for the reciprocal recognition and enforcement of certain civil and commercial judgments, their application is subject to specific requirements and procedures. As a result, investors may face uncertainty, delay and additional costs in enforcing legal rights against us, our Directors or senior management, which could limit the remedies available to them.

RISKS RELATED TO THE [REDACTED]

We will be concurrently subject to the [REDACTED] and regulatory requirements of the stock exchanges and jurisdictions where we [REDACTED] our shares.

As our A Shares are listed on the SSE STAR Market and our H Shares will, subject to the approval by the Listing Committee of the Stock Exchange, be [REDACTED] on the Main Board in Hong Kong, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in continuously complying with all sets of listing rules in the two jurisdictions.

Our A Shares are listed on the SSE STAR Market. The characteristics of the A Share and H Share markets may differ.

Our A Shares are listed and traded on the SSE STAR Market. Following the [REDACTED], our A Shares will continue to be traded on the SSE STAR Market and our H Shares will be [REDACTED] on the Stock Exchange. Under the current PRC laws and regulations, our H Shares and A Shares are neither interchangeable nor fungible, and there is no trading or settlement between the H Share and A Share markets. The H Share and A Share markets have different trading characteristics, each have different trading volumes, liquidity and investor bases, as well as different levels of retail and institutional investor participation. As a result, the trading performance of our H Shares and A Shares may not be comparable, and the historical prices of our A Shares may

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not be indicative of the prices of our H Shares. Nonetheless, fluctuations in the price of our A Shares may adversely affect the price of our H Shares, vice versa. Therefore, you should not place undue reliance on the trading history of our A Shares when evaluating the investment decision in our H Shares.

There has been no prior public market for our H Shares, and their liquidity and market price may be volatile, which could lead to substantial losses to investors.

Before the [REDACTED], there was no public market for our H Shares. We cannot assure you that an active and liquid trading market will develop after the [REDACTED], or that such market will continue if it develops. The [REDACTED] will be agreed between us and the [REDACTED], for themselves and on behalf of the [REDACTED]. It may be different from the market price of our H Shares after [REDACTED]. Although we have applied for [REDACTED] on the Stock Exchange, a [REDACTED] does not guarantee active trading, sufficient liquidity or stable market prices. The price and trading volume of our H Shares may fluctuate for many reasons. These include changes in our revenue, earnings or cash flow; new investments, collaborations, alliances or acquisitions; business interruptions caused by epidemics, natural disasters or power shortages; changes in our Directors, senior management or key personnel; failure to obtain or maintain regulatory approvals; increased competition; and political, economic, financial or social developments. Shares of other Hong Kong-listed companies with operations and assets in China have experienced significant price volatility. Our H Shares may also fluctuate for reasons unrelated to our operating performance. As a result, investors may suffer substantial losses.

Future sales or perceived sales of substantial amounts of our Shares in the public market could have a material adverse effect on the prevailing market price of our H Shares and our ability to raise additional capital in the future.

The market price of our H Shares may decline if a substantial number of our Shares are sold after the [REDACTED], or if investors believe such sales may occur. Future sales by our Single Largest Group of Shareholders or other existing Shareholders, or future issuances of Shares by us, could put downward pressure on the market price of our H Shares and make it harder for us to raise capital in the future. Investors who subscribe for H Shares in the [REDACTED] are generally not restricted from selling those Shares. Some investors may have arrangements or plans to sell all or part of their H Shares shortly after the [REDACTED]. Any sizeable sale of H Shares, or market perception that such sale may occur, could cause significant volatility and materially and adversely affect the market price of our H Shares.

If the [REDACTED] of our H Shares is higher than our consolidated net tangible asset per Share, purchasers of our H Shares in the [REDACTED] may experience immediate dilution upon such purchases.

If the [REDACTED] of our H Shares is higher than the consolidated net tangible assets per Share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] may experience an immediate dilution. Our existing Shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per Share of their Shares. In addition, holders of our H Shares may experience further dilution of their interest if we issue additional H Shares in the future to raise additional capital.

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will declare and pay dividends in the future.

We have declared dividends in the past. However, our historical dividends should not be regarded as an indication that we will declare or pay dividends in the future. Any future declaration and payment of dividends will be at the discretion of our Directors and, where required, subject to Shareholders' approval. In making their recommendation, our Directors will consider, among other things, our results of operations, financial condition, cash flows, capital expenditure needs, business development plans, market conditions, regulatory restrictions and other factors they consider relevant. Dividends may only be paid out of profits and reserves legally available for distribution.

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Our ability to pay dividends may also be affected by PRC laws and regulations, differences between PRC accounting standards and IFRS Accounting Standards, and PRC foreign exchange rules on currency conversion and remittance. As a result, there can be no assurance that we will declare or pay dividends in the future, or as to the timing or amount of any dividend.

Certain facts, forecast and other statistics in this document are derived from various publicly available sources, which have not been independently verified and may not be reliable.

Certain facts, forecast and other statistics in this document are derived from various publicly available sources, including government and official resources. However, our Directors cannot guarantee the quality or reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from government and official sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

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 only rely on the information included therein, and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding ourselves and the [REDACTED].

There may be press or media reports about us or the [REDACTED] before or after the publication of this document. Such reports may contain financial information, industry comparisons, forecasts, views or other information about us or the [REDACTED] that is not included in this document. We have not authorized the disclosure of any such information and do not accept responsibility for its accuracy, completeness or fairness. Such information may be inaccurate, incomplete or misleading, and should not be relied upon. In making an investment decision, prospective investors should rely only on the information contained in this document, the [REDACTED] documents and any formal announcements made by us in Hong Kong. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you have not relied on any information other than that contained in these documents and announcements.

WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE WITH THE LISTING RULES AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE

Rules 8.12 and 19A.15 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong unless a waiver from such requirement is obtained from the Stock Exchange. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the new applicant’s arrangements for maintaining regular communication with the Stock Exchange.

Our Company’s business operations and assets are mostly located outside Hong Kong. Our Company’s executive Directors are based in the PRC as our Board believes it would be more effective and efficient for its executive Directors to be based where our Company’s operations are located. Our Directors consider that it would be practically difficult, unduly burdensome and not commercially feasible for our Company to appoint another person who is ordinarily resident in Hong Kong as an executive Director or to relocate any of the existing executive Directors to Hong Kong merely for the purpose of complying with the requirements under Rules 8.12 and 19A.15 of the Listing Rules. Accordingly, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements pursuant to Rules 8.12 and 19A.15 of the Listing Rules. In order to maintain regular and effective communication with the Stock Exchange, we will put in place the following measures:

- (a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Mr. Fan Shaowen (樊紹文) (“**Mr. Fan**”), an executive Director and the general manager of our Company, and Ms. Wong Mei Fung Carrie (黃美鳳) (“**Ms. Wong**”), a joint company secretary of our Company. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by home, office, mobile and other telephone numbers, email address and correspondence address (if the authorized representative is not based at the registered office), and any other contact details prescribed by the Stock Exchange from time to time. Each of the authorized representatives has been duly authorized to communicate on our behalf with the Stock Exchange. Both of them have confirmed that they possess valid travel documents to Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required;
- (b) our authorized representatives have means of contacting all Directors promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters. To enhance communication between the Stock Exchange, the authorized representatives and our Directors, our Company has implemented a policy whereby (i) each Director will provide his/her office phone number, mobile phone number, residential phone number and email address to the authorized representatives; (ii) each Director will provide valid phone numbers or means of communication to the authorized representatives when he or she travels; and (iii) all Directors will provide their mobile phone numbers, office phone numbers and email addresses to the Stock Exchange;
- (c) our Company has, in accordance with Rule 3A.19 of the Listing Rules, also appointed Alliance Capital Partners Limited as its compliance advisor, who will act as an additional channel of communication with the Stock Exchange. The compliance advisor will advise on on-going compliance requirements and other issues arising under the

WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE WITH THE LISTING RULES AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Listing Rules and other applicable laws and regulations in Hong Kong for a period commencing on the [REDACTED] until at least the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our Company’s financial results for the first full financial year after the [REDACTED];

- (d) meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or our Company’s compliance advisor, or directly with our Directors within a reasonable time frame. Our Company will inform the Stock Exchange promptly in respect of any change in our Company’s authorized representatives and compliance advisor; and
- (e) each Director who is not ordinarily resident in Hong Kong has confirmed that he or she has valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange in Hong Kong within a reasonable period.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, our company secretary must be an individual who by virtue of his or her academic or professional qualifications or relevant experience is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following factors in assessing the “relevant experience” of the individual:

- (a) length of employment with the issuer and other issuers and the roles he or she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

Our Company has appointed Mr. Wu Wei (吳畏) (“**Mr. Wu**”), our deputy general manager and board secretary, as one of our joint company secretaries, considering his past working experiences within our Group and his thorough understanding of our internal administration, business operations and corporate culture. Our Company’s principal business activities are outside Hong Kong and there are practical difficulties finding persons who possesses day-to-day knowledge of our Company’s affairs while also having the academic and professional qualifications as required. As such, although Mr. Wu does not possess the specified qualifications strictly required by Rule 3.28 of the Listing Rules, our Directors believe that Mr. Wu is capable of discharging the functions of a joint company secretary with the assistance of Ms. Wong, who meets the requirements under Rule 3.28

WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE WITH THE LISTING RULES AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

of the Listing Rules and has been appointed to act as the other joint company secretary of our Company and to assist Mr. Wu in the compliance matters for the [REDACTED] as well as other Hong Kong regulatory requirements for an initial period of three years from the [REDACTED]. Over such period, we will implement the following measures to assist Mr. Wu to satisfy the requisite qualifications as prescribed in Rules 3.28 and 8.17 of the Listing Rules:

- (a) Ms. Wong will assist Mr. Wu so as to enable him to discharge his duties and responsibilities as a joint company secretary of our Company. Given Ms. Wong’s relevant experiences, she will be able to advise both Mr. Wu and us on the relevant requirements of the Listing Rules as well as other applicable laws and regulations of Hong Kong;
- (b) Mr. Wu will be assisted by Ms. Wong for an initial period of three years commencing from the [REDACTED], which should be sufficient for him to acquire the requisite knowledge and experience under Rule 3.28 of the Listing Rules;
- (c) we will ensure that Mr. Wu has access to the relevant trainings and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an issuer, and Mr. Wu has undertaken to attend such trainings;
- (d) Mr. Wu will communicate with Ms. Wong on a regular basis regarding matters in relation to corporate governance, the Listing Rules as well as other applicable laws and regulations of Hong Kong which are relevant to our operations and affairs. Ms. Wong will work closely with, and provide assistance to Mr. Wu with a view to discharging his duties and responsibilities as a company secretary, including but not limited to organizing our Board meetings and the Shareholders’ meetings; and
- (e) pursuant to Rule 3.29 of the Listing Rules, Mr. Wu and Ms. Wong will also attend in each financial year no less than 15 hours of relevant professional training courses to familiarize themselves with the requirements of the Listing Rules and other legal and regulatory requirements of Hong Kong. Both Mr. Wu and Ms. Wong will be advised by our legal advisors as to Hong Kong law and our compliance advisor as and when appropriate and required.

Accordingly, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules, for an initial period of three years from the [REDACTED] (the “**Waiver Period**”). Pursuant to paragraph 13 under Chapter 3.10 of the Guide, the waiver [is granted] on the conditions: (i) our Company appoints Ms. Wong, who meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as a joint company secretary, to assist Mr. Wu in discharging his functions as a joint company secretary and in gaining the relevant experience as required under Rule 3.28 of the Listing Rules; and (ii) the waiver will be revoked immediately Ms. Wong, during the three-year period, ceases to provide assistance to Mr. Wu or if there are material breaches of the Listing Rules by our Company. Before the end of the three-year period, we will conduct a further evaluation of the qualification and experience of Mr. Wu to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied, and we will demonstrate to the Stock Exchange and seek its confirmation that Mr. Wu, having had the benefit of Ms. Wong’s assistance for three-year period, has acquired the relevant experience under Note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of a company secretary so that a further waiver wouldn’t be necessary.

For more information of Mr. Wu and Ms. Wong, see the section headed “Directors and Senior Management” in this document.

WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE WITH THE LISTING RULES AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR BEING ORDINARILY RESIDENT IN HONG KONG

Pursuant to Rule 19A.18(1) of the Listing Rules, our Company, as a PRC-incorporated issuer, is required to appoint at least one independent non-executive Director being ordinarily resident in Hong Kong.

Currently, all our independent non-executive Directors reside in Chinese Mainland. Our Company does not have, and will not have upon the [REDACTED], any independent non-executive Director who is ordinarily resident in Hong Kong.

Accordingly, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rule 19A.18(1) of the Listing Rules until the end of the term of office (being July 29, 2028), or the resignation or removal, of any independent non-executive Director, whichever is earlier, based on the following grounds:

- (a) there are practical difficulties for our Company to change any current independent non-executive Director or appoint an additional independent non-executive Director who ordinarily resides in Hong Kong upon the [REDACTED]. Our independent non-executive Directors have recently been re-appointed to serve on the seventh session of our Board with a three-year term of office from July 30, 2025. Proposing the replacement of any of them soon after their re-appointment may create confusion in the market and undermine investor confidence and raise concerns regarding the stability of governance practices. Moreover, the number of Directors and the composition of our Board (nine Directors, including three independent non-executive Directors) are stipulated in the Articles of Association. Appointment of an additional independent non-executive Director who ordinarily resides in Hong Kong would require the amendment to the Articles of Association, for which our Company has to comply with certain procedures as required under the Articles of Association, the listing rules of the Shanghai Stock Exchange and other applicable laws and regulations of Chinese Mainland, all of which could be time consuming and will distract the current focus of the senior management;
- (b) our current independent non-executive Directors are highly recognized in their fields and industries, continue to provide independent advice and valuable industrial experience to our Board, and have extensive experience supervising listed issuers for the interest of the Shareholders and potential investors. Our Directors are of the view that the current independent non-executive Directors, having served on the Board since July 2025 and having reviewed our Group’s business and financial positions in connection with the [REDACTED], possess sufficient knowledge and understanding of our Group’s operations and management, whose experience and contribution to our Board are invaluable to our Group. Replacing any one of them with an individual ordinarily residing in Hong Kong may not be beneficial to our Company and our Shareholders as a whole because (i) it may take our Company substantial time and efforts to identify a candidate as suitable as the current independent non-executive Directors, as such candidate with equivalent background, skills, experience and qualifications is not widely available in the market; and (ii) it may take our Company substantial time and efforts to identify a candidate who meets the requirements under the listing rules of the Shanghai Stock Exchange and other applicable laws and regulations of Chinese Mainland; and

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- (c) upon the [REDACTED], our Company will have satisfactory corporate governance practices and arrangements to maintain regular communication with the Stock Exchange during the waiver period, in particular, our Company has appointed two authorized representatives, and will provide the contact details of the authorized representatives and our Directors to ensure the Stock Exchange has access to our Company and our Directors. Our Company will also appoint other professionals who are familiar with the relevant legal and regulatory issues and business environment in Hong Kong, such as the compliance advisor and Hong Kong legal advisors, to ensure our compliance with the Listing Rules after completion of the [REDACTED]. Pursuant to Rule 3A.19 of the Listing Rules, our Company has appointed Alliance Capital Partners Limited as our compliance advisor, the term of office of which shall commence on the [REDACTED] and continue until the later of (i) the date on which our Company complies with the requirements under Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year immediately following the [REDACTED], or (ii) the appointment of an independent non-executive Director who will be ordinarily resident in Hong Kong has been confirmed and approved, and will designate Ms. Yau Yin Tan, an ordinary resident in Hong Kong and a responsible officer of Alliance Capital Partners Limited, to serve as a channel of communication with the Stock Exchange additional to the authorized representatives and Directors during the aforesaid appointment period and the period for which the waiver in respect of the appointment of an independent non-executive director ordinarily resident in Hong Kong is in force.

[REDACTED]

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[REDACTED]

**WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE
WITH THE LISTING RULES AND THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality

Executive Directors

Mr. Fan Shaowen (樊紹文先生)	Unit 2, Building 7 No. 10 Daxue Road Wuhou District, Chengdu Sichuan Province, PRC	Chinese

Dr. Fan Fan (樊鈞博士)	Unit 1, Building 4 No. 1 Longteng Zheng Street Wuhou District, Chengdu Sichuan Province, PRC	Chinese

Ms. Chen Aimin (陳愛民女士)	Unit 1, Building 8 No. 88 Zhiquan Section Dongdajie Jinjiang District, Chengdu Sichuan Province, PRC	Chinese

Mr. Cheng Tianjun (程天駿先生)	Unit 1, Building 2 Fuqin Northeast Road Jinniu District, Chengdu Sichuan Province, PRC	Chinese

Non-executive Directors

Mr. Zhang Pengfei (張鵬飛先生)	No. 38 Kangning Road Yaoli Subdistrict Longwan District, Wenzhou Zhejiang Province, PRC	Chinese

Dr. Yu Yunhui (余雲輝博士)	No. 2, Lane 561 Yanchang Middle Road Zhabei District Shanghai, PRC	Chinese

Independent non-executive Directors

Dr. Ju Dianwen (鞠佃文博士)	No. 13, Lane 871, Xiangyin Road Yangpu District Shanghai, PRC	Chinese

Dr. Chen Zhengxu (陳正旭博士)	Building 7 Gangzhonglv Garden No. 21, Nongyuan Road Futian District, Shenzhen Guangdong Province, PRC	Chinese

Dr. Duan Hong (段宏博士)	Unit 3, Building 5 No. 1, Biyun Road Wuhou District, Chengdu Sichuan Province, PRC	Chinese

For further information regarding our Directors, see “Directors and Senior Management” in this document.

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor

CITIC Securities (Hong Kong) Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

[REDACTED]

Legal advisors to our Company

As to Hong Kong law:
Morgan, Lewis & Bockius
19/F, Edinburgh Tower
The Landmark
15 Queen’s Road Central
Hong Kong

As to PRC law:
Zhong Lun Law Firm
22-24/F and 27-31/F, South Tower of
CP Center
20 Jin He East Avenue
Chaoyang District
Beijing, PRC

As to PRC intellectual properties law:
Jingtian & Gongcheng
34th Floor, Tower 3
China Central Place
77 Jianguo Road
Chaoyang District
Beijing, PRC

As to PRC data compliance law:
Han Kun Law Offices
9/F, Office Tower C1
Oriental Plaza
1 East Chang An Avenue
Dongcheng District
Beijing, PRC

As to U.S. sanctions law
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Avenue
Northwest, Washington
District of Columbia, United States

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

**Legal advisors to the Sole Sponsor and the
[REDACTED]**

As to Hong Kong law:

Sidley Austin

Level 39, Two International Finance Centre
8 Finance Street
Central, Hong Kong

As to PRC law:

King & Wood

16th Floor, Tower 1, Chengdu IFS
No. 1 Section 3 Hong Xing Road
Jinjiang District, Chengdu
Sichuan Province, PRC

Auditors and reporting accountants

KPMG

Certified Public Accountants
8/F, Prince’s Building
10 Chater Road
Central, Hong Kong

Independent industry consultant

**China Insights Industry Consultancy
Limited**

10F, Block B, Jing’an International Center
88 Puji Road
Jing’an District
Shanghai, PRC

[REDACTED]

Compliance advisor

Alliance Capital Partners Limited

Unit 03, 7/F, Worldwide House
19 Des Voeux Road Central
Central, Hong Kong

CORPORATE INFORMATION

Registered office and head office in the PRC

No. 99 Tianxin Road
Gaoxin District, Chengdu
Sichuan Province, PRC

Principal place of business in Hong Kong registered under Part 16 of the Companies Ordinance

46/F, Hopewell Centre
183 Queen’s Road East
Wan Chai, Hong Kong

Company’s website

www.olymvax.com
(information contained in this website does not form part of this document)

Joint company secretaries

Mr. Wu Wei (吳畏先生)
Unit 1, Building 3
Meinian Plaza
No. 1388, Middle Section of
Tianfu Avenue
Gaoxin District, Chengdu
Sichuan Province, PRC

Ms. Wong Mei Fung Carrie (黃美鳳女士)
(a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)
46/F, Hopewell Centre
183 Queen’s Road East
Wan Chai, Hong Kong

Authorized representatives

Mr. Fan Shaowen (樊紹文先生)
Unit 2, Building 7
No. 10 Daxue Road
Wuhou District, Chengdu
Sichuan Province, PRC

Ms. Wong Mei Fung Carrie (黃美鳳女士)
46/F, Hopewell Centre
183 Queen’s Road East
Wan Chai, Hong Kong

Audit Committee

Dr. Duan Hong (段宏博士) (*Chairperson*)
Dr. Chen Zhengxu (陳正旭博士)
Dr. Ju Dianwen (鞠佃文博士)

Nomination Committee

Dr. Chen Zhengxu (陳正旭博士) (*Chairperson*)
Dr. Duan Hong (段宏博士)
Mr. Zhang Pengfei (張鵬飛先生)

Remuneration and Appraisal Committee

Dr. Ju Dianwen (鞠佃文博士) (*Chairperson*)
Dr. Chen Zhengxu (陳正旭博士)
Dr. Fan Fan (樊飢博士)

CORPORATE INFORMATION

Strategy Committee

Mr. Fan Shaowen (樊紹文先生) (*Chairperson*)
Dr. Yu Yunhui (余雲輝博士)
Dr. Ju Dianwen (鞠佃文博士)

[REDACTED]

Principal banks

**China Minsheng Bank Gaoxin
Sub-Branch**
No. 72 Tianshun Road
Gaoxin District, Chengdu
Sichuan Province, PRC

**Industrial Bank Co., Ltd. Qingyang
Sub-Branch**
No. 129 Jingye Road
Qingyang District, Chengdu
Sichuan Province, PRC

INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public, market research and other sources from independent suppliers, and from the independent industry report prepared by China Insights Consultancy. We engaged China Insights Consultancy to prepare the CIC Report, an independent industry report, in connection with the [REDACTED]. The information from official government sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of their respective directors and advisors, or any other person or parties involved in the [REDACTED], and no representation is given as to its accuracy. Accordingly, the information from official government sources contained herein may not be accurate and should not be unduly relied upon.

SOURCE OF INFORMATION

In connection with the [REDACTED], we have commissioned China Insights Consultancy, or CIC, an independent market research and consulting company, to conduct an analysis of, and prepare an industry report on, the global and Chinese vaccine market, or the CIC Report. The fee for the preparation of the CIC Report is RMB0.7 million. We believe this fee is in line with market rates for reports of this nature. The payment of such amount was not contingent upon our successful [REDACTED] or on the findings of the CIC Report.

CIC conducted both primary research, which involved interviewing key industry experts and leading industry participants, and secondary research, which involved analyzing data from various publicly available sources, such as the National Bureau of Statistics, National Medical Products Administration, Food and Drug Association, National Health Commission of the People’s Republic of China, the International Monetary Fund, World Health Organization, and others.

The market projections in the commissioned report are based on the following key assumptions: (i) the overall social, economic and political environment in China is expected to remain stable during the forecast period; (ii) China’s economic and industrial development is likely to maintain a steady growth trend over the next decade; (iii) related key industry drivers are likely to continue driving the growth of the market during the forecast period, such as the increasing cancer incidences mainly owing to aging population, strengthened public awareness of cancer care, enhanced patient affordability, enriched drugs and therapies, etc.; and (iv) there is no extreme force majeure or industry regulation in which the market may be affected dramatically or fundamentally.

Our Directors confirm, to the best of their knowledge, and after making reasonable inquiries, that there have been no adverse changes in the industry since the date of the CIC Report and up to the Latest Practicable Date which may qualify, contradict or have an impact on the information set out in this section.

OVERVIEW OF VACCINES

A vaccine is a biological agent that enables the body to generate acquired antibodies and allows the immune system to memorize the pathogen. A vaccine usually contains one or more substances like the pathogenic microbe, and is typically made from artificially attenuated or inactivated pathogens, or the toxins and surface proteins of the microbe. When a vaccinated person is exposed to the same microbe again, the immune system will quickly identify the pathogen through its antigens and resist the infection through antibodies.

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Based on technical design, vaccines can be broadly classified into live-attenuated, inactivated, toxoid, subunit/recombinant/polysaccharide/conjugate, recombinant vector, and mRNA/DNA vaccines. Live-attenuated vaccines use weakened pathogens to induce strong, long-lasting immunity; inactivated vaccines use killed pathogens and often require multiple doses; toxoid vaccines use detoxified bacterial toxins; subunit and related vaccines use selected antigenic components with improved safety and stability; recombinant vector vaccines deliver antigen genes through another microbe; and mRNA/DNA vaccines introduce genetic instructions that enable host cells to produce antigens and trigger immune responses.

OVERVIEW OF THE GLOBAL VACCINE MARKET

Global Vaccine Market

The global vaccine market plays a crucial role in public health by preventing infectious diseases and reducing healthcare burdens. The value of vaccines extends beyond individual protection to community-wide benefits and economic productivity. The size of the global vaccine market in terms of sales revenue, excluding COVID-19 vaccines, increased from US\$52.9 billion in 2019 to US\$73.3 billion in 2025, at a CAGR of 5.6%. Driven by the emergence of innovative vaccines, increasing vaccination awareness, and market growth in developing countries, the global vaccine market is expected to reach US\$139.8 billion in 2035, representing a CAGR of 6.7% from 2025 to 2035.

China is one of the largest and fastest-growing vaccine markets globally, supported by favorable government policies, technological innovation, and rising public health awareness. The size of the vaccine market in China in terms of sales revenue, excluding COVID-19 vaccines, grew from RMB42.5 billion in 2019 to RMB101.5 billion in 2025, representing a CAGR of 15.6%, and is expected to further grow to RMB354.7 billion in 2035, representing a CAGR of 13.3% from 2025 to 2035.

Vaccine Industry Chain and Regulatory Framework in China

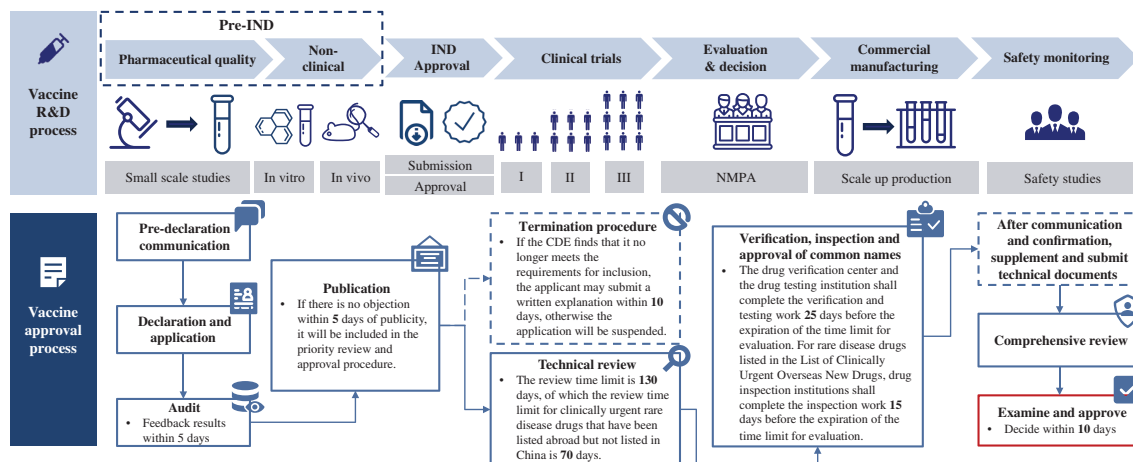
Vaccine Industry Chain

The vaccine industry chain in China comprises (i) upstream raw material suppliers, which provide raw materials and laboratory equipment used for R&D and industrial production; (ii) midstream vaccine manufacturers, which are responsible for R&D, conducting clinical trials, often with contract research organizations, or CROs, and the industrialized production of vaccines; and (iii) downstream distribution and vaccination providers, which distribute vaccines from manufacturers to various levels of CDCs and ultimately to vaccination points, such as community health service centers, where vaccines are administered to the public.

Vaccine R&D and Regulatory Approval Process

The development and approval of a vaccine in China is a lengthy and highly regulated process overseen by the NMPA. The following chart set forth the vaccine R&D process and regulatory process for vaccine approval in China.

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Source: NMPA, CIC

As China enacted comprehensive regulations governing the vaccine industry, covering the entire value chain from research and development to inoculation, only a limited number of vaccines were approved by the NMPA each year in the past few years.

Price of Main Vaccine Raw Materials in China

The price trends of the main vaccine raw materials in China are as follows (i) glycine, the current price of glycine (industrial/food grade, $\geq 99\%$) in China is around RMB9,800–15,000 per metric ton on an ex-works basis. Price levels have generally stabilized within a lower band. Key price drivers include upstream monochloroacetic acid (MCAA) and ammonia costs, energy and utilities, and environmental compliance expenses. Pricing for glycine is typically stable. Price fluctuations, when they occur, are primarily attributable to factors such as inventory levels, feedstock and energy costs, and typically involve moderate quarter-to-quarter changes rather than significant volatility. The availability of glycine is generally stable, as China has substantial and expanding production capacity and is a major global exporter of the material; (ii) recombinant human serum albumin (rHSA), publicly listed retail prices of rHSA (small-pack, RUO) currently span roughly US\$60–550 per gram, depending on supplier and grade. Overall pricing is driven by production platform (yeast/rice/insect), purity and endotoxin specifications, RUO vs. GMP/DMF documentation, formulation, pack size and distribution margins. Pricing for rHSA is typically stable. The availability of rHSA is also generally stable; for materials requiring higher levels of regulatory compliance, pricing factors are more closely related to supplier qualification processes and associated lead times, rather than significant spot-price fluctuations; and (iii) 2-Phenoxyethanol, bulk spot prices of 2-Phenoxyethanol in Asia are typically around US\$2–3.5/kg, while retail/offer quotes from Chinese suppliers commonly show US\$2–5/kg on an EXW/FOB basis. The pricing of 2-Phenoxyethanol has eased and stabilized in recent years, with no indication of extreme volatility. 2-Phenoxyethanol is generally readily available, supported by a broad supplier base and standardized grades produced by major manufacturers.

Market Drivers and Future Trends of Vaccine Market in China

The primary drivers and future trends of the vaccine market in China include:

- **Innovative vaccine technologies.** Vaccine technology is shifting from traditional live-attenuated and inactivated vaccines toward subunit, conjugate, multivalent and combination vaccines, driving product upgrades and broader disease coverage. At

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present, multivalent conjugate vaccines and combination vaccines are the main technological development trends. Chinese vaccine makers are developing core R&D strategies to introduce new vaccine technologies and update traditional vaccines.

- ***A growing number of breakthrough innovative vaccines.*** Several new breakthrough innovative products have been approved by the NMPA, including EV71 vaccines, HPV vaccines, and 13-valent pneumococcal conjugate vaccines. In addition, a series of promising new vaccines, including AC-Hib triple vaccine and DTcP-IPV-Hib five-combination vaccine, are in advanced clinical stages and are expected to enter the market soon. These products contribute to the growth of relevant companies and the development of the vaccine industry in China.
- ***Expanding awareness and adult vaccine market.*** While vaccine market in China is mainly occupied by pediatric vaccines, the adult vaccine market is a promising segment. In the United States and Western Europe, the adult vaccine segment plays a significant role. With the increasing public awareness of vaccination and the introduction of new vaccines, the adult vaccine market is expected to be a promising segment in China for the next 10-20 years.
- ***More supporting policy environment.*** In recent years, China has issued many policies to promote the development of the vaccine industry, such as the 14th Five-Year National Health Plan. These policies educate the public on the importance of vaccines and show the country’s determination to develop the vaccine industry. Domestic substitution of imports is an imperative trend, and more supporting policies are likely to be released in favor of domestic vaccine manufacturers.

Entry Barriers of Vaccine Market in China

The vaccine market in China is characterized by significant entry barriers, which include: (i) production and quality barriers, as vaccine production is complex, lengthy and highly sensitive to manufacturing parameters. Chinese vaccine companies are generally required to produce their own vaccines, while rigorous quality control, product safety standards and comprehensive quality management systems create significant barriers for new entrants; (ii) R&D and talent barriers, as vaccine development requires strong scientific expertise, experienced technical teams and long-term R&D investment. The process from preclinical research to NDA approval can take more than a decade, with high uncertainty and demanding requirements in clinical development and registration; (iii) regulatory barriers, as the Chinese government has formulated a series of stringent laws and regulations governing the vaccine industry. The Vaccine Administration Law imposes clear and stringent requirements, making it more difficult for small and medium-sized companies with limited production capacity to obtain approvals; and (iv) capital barriers, as companies need to make substantial investments in the development of new vaccines. The construction of R&D and production facilities requires large capital expenditures. In addition, vaccine development requires extensive testing and clinical trials, which involve significant funding.

TETANUS VACCINES

Overview of Tetanus and Tetanus Vaccines

Tetanus is an infection caused by the bacterium *Clostridium tetani*, which is commonly found in soil, saliva, dust, and manure. The bacteria generally enter the body through a break in the skin, such as a cut or puncture wound from a contaminated object. Once inside the body in an oxygen-free environment, the bacteria replicate and produce a neurotoxin called tetanospasmin, which interferes with muscle contractions. There is no cure for tetanus. Treatment focuses on managing complications until the effects of the tetanus toxin resolve. Prevention through vaccination is the most effective measure against the disease. The Centers for Disease Control and Prevention in the U.S. recommends that adults receive a booster vaccine every ten years. The management of tetanus

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involves both the treatment of active infections and prevention through diligent wound care and immunization. For individuals presenting with an active tetanus infection, immediate treatment requires cleaning the wound to thoroughly remove dirt, debris, or foreign matter that may harbor the bacteria. Medical intervention also relies heavily on drugs, including antitoxin therapy to target toxins that have not yet attacked nerve tissue, sedatives to control muscle spasms, antibiotics to fight the tetanus bacteria, and other medications to regulate involuntary muscle activity. In terms of prevention, accordance with WHO requirements dictates that the efficacy of a tetanus vaccine for children shall not be less than 40 IU per dose, with the standard dose of a TT-containing vaccine (“TTCV”) being 0.5ml administered via intramuscular injection. Although adequate vaccination provides robust protection, a booster dose of TTCV is often administered in the event of serious injuries or if a patient’s immunization history is unreliable.

Market Size of Tetanus Vaccines in China

The tetanus vaccine market in China has experienced rapid growth in recent years. The market size increased from RMB0.2 billion in 2019 to RMB1.0 billion in 2025, representing a CAGR of 35.9%. Driven by an aging population and expanding applications, the market is expected to further increase to RMB3.1 billion in 2035, representing a CAGR of 12.5% from 2025 to 2035.

Competitive Landscape of Tetanus Vaccines in China

As of the Latest Practicable Date, there were seven approved tetanus vaccines in China. We are a major player in the tetanus vaccine market in China. The following table sets forth details of the marketed tetanus vaccines in China as of the Latest Practicable Date:

Product	Company	First approval date	2025 Price (RMB)	Lot release in 2025 (Mn doses)	Market share in 2025 (Lot release)	Market share in 2025 (Revenue)
Tetanus Vaccine, Adsorbed	Chengdu Olymvox Biopharmaceuticals	2016-10-25	~178-190	4.8	86.5%	98.8%
	Wuhan Institute of Biological Products	1982	~142-166	0.4	8.1%	0.6%
	Sinovac Life Sciences	2025-08-19	~957	0.3	5.4%	0.7%
	Hualan Biological Bacterin	2023-02-21	~188	0	NA	NA
	Lanzhou Institute of Biological Products	1982	/	0	NA	NA
	Beijing Institute of Biological Products	1982	/	0	NA	NA
	Chengdu Institute of Biological Products	1982	/	0	NA	NA

Sources: NMPA, CIC

Market Drivers of Tetanus Vaccine

The growth of the tetanus vaccine market in China is driven by the following factors:

- Aging Population.** With China’s population aging rapidly, the number of elderly individuals is steadily increasing. According to National Bureau of Statistics of China, the population aged 60 and above in China reached 323.4 million, accounting for 23.0% of the total population in 2025. By 2030, this population is expected to reach 369.2 million, accounting for 26.4% of the total population. As immune function declines with age, the elderly are at a significantly higher risk of tetanus infection following injuries. As a result, targeted tetanus prevention measures for this demographic are becoming increasingly important, and the expanding elderly population is expected to be a key driver of future demand for tetanus vaccines.
- Expanding Application.** Tetanus vaccines are no longer limited to traditional childhood immunization programs. Their use in trauma care, surgical procedures, obstetric care, and disaster response is gaining increasing attention. There is growing awareness among medical professionals in emergency departments and primary care settings of the importance of tetanus immunization in preventing secondary infections. To prevent

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tetanus, the Chinese Preventive Medicine Association’s 2024 Expert Consensus on the Use of Active Immunization Agents for High-Risk Populations for Tetanus Prevention recommends tetanus vaccination as catch-up or booster doses for the following groups: adults at high risk of trauma, older adults, immunocompromised individuals, and pregnant women. It also states that individuals without documented immunization history should complete a three-dose tetanus vaccination series, while those with uncertain immunization history are recommended to receive one dose of tetanus vaccine, with subsequent booster doses to be considered once every 10 years depending on individual risk. Furthermore, as public awareness of preventive care improves, more adults are proactively seeking tetanus vaccination, broadening the sources of demand across multiple age groups and healthcare settings.

- ***Rapid Growth of Rural Markets.*** Under national policies aimed at strengthening grassroots healthcare, the medical infrastructure in county-level and rural areas has significantly improved. Compared to saturated markets in major cities, these regions offer substantial untapped potential. Rural China remains a massive addressable market, with 451.09 million rural residents as of the end of 2025, accounting for 32% of the total population, according to the National Bureau of Statistics of China. Compared with the more saturated markets in major cities, these regions offer substantial untapped potential. According to National Institutes of Health and CIC, the reported burden of tetanus is also disproportionately rural, among cases with recorded residence, more than 80% were from rural areas. By enhancing training for local healthcare workers and improving vaccine supply chain logistics, the penetration of tetanus vaccines in rural markets is expected to rise, positioning these markets as critical growth engines for the industry.

HAEMOPHILUS INFLUENZAE TYPE B (HIB) VACCINE

Overview of Haemophilus Influenzae Type b (Hib) and Hib vaccines

Haemophilus influenzae type b (Hib) is a bacterium that can cause different kinds of infections. These infections usually affect children under five years of age but can also affect adults with certain medical conditions. Hib bacteria can cause mild illness, such as ear infections or bronchitis, or they can cause severe illness, such as infections of the blood. Severe Hib infection, also called “invasive Hib disease,” requires treatment in a hospital and can sometimes result in death. Before the introduction of the Hib vaccine, Hib disease was the leading cause of bacterial meningitis among children under five years old in the United States. Symptoms of Hib infection depend on the part of the body affected and may include high temperature, difficulty breathing, unusual sleepiness, changes in skin color, a non-blanching rash that looks like small bruises or bleeding under the skin, headache, sore throat, and swollen or painful joints.

The Hib vaccine is categorized as a polysaccharide conjugate vaccine, which is a type of inactivated bacterial vaccine. Hib vaccines are available as monovalent vaccines or as part of combination vaccines, such as DTaP-Hib, MCV2-Hib, DTaP-IPV-Hib, and others.

Hib vaccination primarily targets infants and young children, as invasive Hib disease is a major cause of severe illness in this group (e.g., pneumonia, meningitis, and other invasive infections). In China, Hib vaccines are approved mainly for children aged 2 months to 5 years, and the commonly used schedule comprises three primary doses starting at 2-3 months, followed by a booster dose at 18 months, with age-based catch-up schedules: two doses if initiated at 6-12 months, or one dose if initiated at 1-5 years. In special circumstances, Hib vaccination may also be considered for certain high-risk populations depending on age and prior vaccination status, such as individuals receiving chemotherapy, hematopoietic stem cell transplant recipients, those with anatomic asplenia or undergoing elective splenectomy, and persons living with HIV infection. Hib vaccination in China is currently administered through the non-NIP channel.

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Competitive Landscape of Hib Vaccines in China

As of the Latest Practicable Date, there were six approved Hib conjugate vaccines in China. The market is relatively concentrated among a few key domestic players. The following table sets forth details of the marketed Hib vaccines in China with the highest market share based on lot release volume in 2025:

Product	Company	First approval date	2025 Price (RMB)	Lot release in 2025 (Mn doses)	Market share in 2025 (Lot release)	Market share in 2025 (Revenue)
Haemophilus Influenzae Type b Conjugate Vaccine (Hib)	Beijing Minhai Biotechnology	2012-03-23	~115	0.7	34.9%	49.6%
	Beijing Zhifei Lvzhu Biopharmaceutical	2011-12-31	~102	0.6	30.1%	3.7%
	Walvax Biotechnology	2007-04-02	~105	0.3	15.5%	22.0%
	Chengdu Olymvax Biopharmaceuticals	2017-05-18	~100	0.2	11.3%	12.2%
	Lanzhou Institute of Biological Products	2004-01-19	~43	0.2	8.2%	12.5%
	Chengdu Institute of Biological Products	2013-06-03	/	0	NA	NA

Sources: NMPA, CIC

Market Size of Hib Vaccines in China

The market size of Hib vaccines in China recorded negative growth from 2019 to 2025, primarily due to the decline in the annual total lot release volume of Hib vaccines, particularly those produced by Beijing Zhifei Lvzhun Biopharmaceutical Co., Ltd., Walvax Biotechnology Co., Ltd., and Beijing Minhai Biotechnology Co., Ltd. However, the total lot release volume of the Hib vaccine market is expected to increase from 2025 to 2030, driven by the growing research and development of pediatric Hib-containing combination vaccines and the rising willingness of consumers to pay. The market also demonstrated a positive growth trend from 2022 to 2024. With relatively stable pricing, the market size of Hib vaccines in China is expected to maintain positive growth from 2025 to 2030. The Hib vaccine market in China is expected to increase from RMB0.2 billion in 2025 to RMB2.3 billion in 2035, at a CAGR of 26.2% from 2025 to 2035.

Drivers and Future Trends of Hib Vaccine Market

The primary drivers and future trends of the Hib vaccine market in China include:

- Persistent Hib disease burden.** Although the Hib monovalent vaccine was introduced in China in 1996, coverage rates remain low, recorded at 42.6% for the one-dose scheme and 25.0% for the three-dose scheme in 2023. As of 2023, China is the only WHO member country that has not included the Hib conjugate vaccine in its National Immunization Program (NIP). Consequently, China accounts for approximately 11% of global Hib deaths. As the Hib vaccine is not included in China’s NIP, coverage remains materially below universal levels, leaving a large susceptible population. This unmet need for prevention continues to translate into self-paid demand for Hib vaccination, including for Hib-containing combination vaccines. Moreover, the sizable preventable disease burden suggests that an expansion of public financing or the inclusion of the vaccine in the NIP would be expected to structurally increase vaccination coverage and market volumes. It is estimated that incorporating the Hib vaccine into China’s NIP could prevent approximately 235,700 Hib cases and 2,700 Hib deaths in children under five years old annually.
- Low current coverage of non-NIP vaccines and rising willingness-to-pay.** While coverage for NIP vaccines in China generally exceeds 95%, the uptake of non-NIP vaccines, such as Hib, remains suboptimal. However, there is a rapidly growing segment of urban, middle-income families willing to pay for optional vaccines. As income levels rise and public awareness regarding bacterial meningitis and severe pneumonia

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improves, coupled with the emergence of private pediatric clinics and digital vaccination platforms, manufacturers have a significant opportunity to capture market upside by narrowing the gap between non-NIP and NIP coverage levels.

- ***Healthcare-sector initiatives and R&D in pediatric combination vaccines.*** Domestic manufacturers and public health agencies are actively promoting Hib-containing combination vaccines, such as DTaP-IPV-Hib and hexavalent formulations. These combination vaccines can reduce overall vaccination costs by saving indirect and non-medical expenses while maintaining or improving coverage rates. Surveys indicate high acceptance for Hib combination vaccines, particularly among urban families. This shift from stand-alone Hib vaccines to higher-value combination products is expected to drive market growth through product upgrades and schedule simplification.

MENINGOCOCCAL VACCINES

Overview of Meningococcal Meningitis and Meningococcal vaccines

Meningococcal meningitis is an acute inflammation of the protective membranes covering the brain and spinal cord (the meninges), typically caused by an infection with microorganisms. It can be life-threatening due to the inflammation’s proximity to the brain and spinal cord. Even for those who recover, permanent disabilities such as brain damage, hearing loss, and learning disabilities can result. In older children, adults and people over 50 years old, the disease is most commonly caused by *Neisseria meningitidis*. *Neisseria meningitidis* has 13 clinically significant serogroups. Six serogroups, A, B, C, Y, W-135, and X, are responsible for all cases of the disease in humans. About 10% of adults are carriers of the bacteria in their nasopharynx. As an exclusively human pathogen, it causes developmental impairment and death in about 10% of cases. It causes the only form of bacterial meningitis known to occur epidemically, mainly in Africa and Asia. It occurs worldwide in both epidemic and endemic form.

Treatment for bacterial meningitis primarily involves antibiotics, with ceftriaxone or cefotaxime often being the first choice for empirical treatment. In some cases, corticosteroid hormones like dexamethasone are used alongside antibiotics to reduce the inflammatory reaction and lower the incidence of complications such as deafness. Prevention is mainly achieved through vaccination, with various types of meningococcal vaccines available, including (i) Monovalent Meningococcal Group A vaccine (MenA); (ii) Bivalent Meningococcal Polysaccharide Vaccine (Serogroups A & C) (MPSV2); (iii) Bivalent Meningococcal Conjugate Vaccine (Serogroups A & C) (MCV2); (iv) Quadrivalent Meningococcal Polysaccharide Vaccine (Serogroups A, C, Y, W-135) (MPSV4); (v) Quadrivalent Meningococcal Conjugate Vaccine (Serogroups A, C, Y, W-135) (MCV4); and (vi) a combination conjugate vaccine targeting Hib and Serogroups A & C (MCV2-Hib).

Market Size of Meningococcal Vaccine in China

The market for meningococcal vaccines in China has shown steady growth. The market size increased from RMB2.6 billion in 2019 to RMB2.6 billion in 2025, at a CAGR of 0.4%. The market is projected to reach RMB5.8 billion in 2035, growing at a CAGR of 8.2% from 2025 to 2035.

Competitive Landscape of Meningococcal Vaccines in China

As of the Latest Practicable Date, there were multiple meningococcal vaccines approved in China, including polysaccharide and conjugate vaccines of various valencies. Our approved AC Conjugate Vaccine (MCV2 type) held a market share of 38.4% in the MCV2 type vaccine in 2025, in terms of revenue.

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Market Drivers and Future Trends of Meningococcal Vaccines

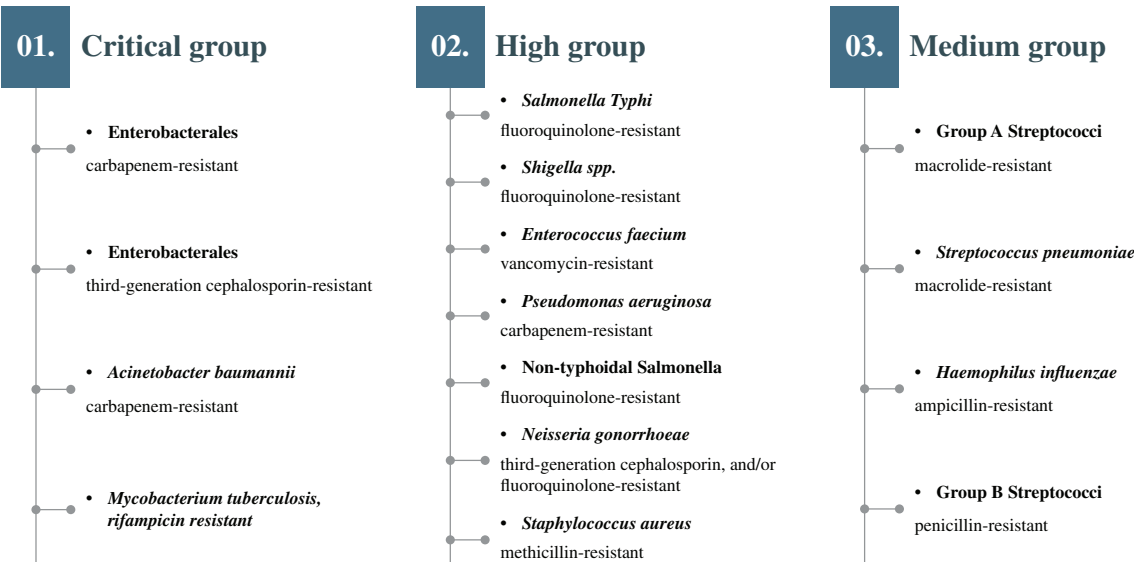
The growth of the meningococcal vaccine market in China is influenced by the following key factors: (i) technological advancements, as traditional polysaccharide meningococcal vaccines remain in use but have limitations, such as poor immunogenicity in infants and inability to induce immune memory. These limitations are addressed by conjugate vaccines, which link polysaccharides to carrier proteins and significantly enhance the immune response. With ongoing technological progress, conjugate vaccines have become the central focus of R&D and commercialization, driving the next phase of market expansion; and (ii) regional market development, as the meningococcal vaccine market in China shows regional disparities, with higher vaccination rates in more developed eastern coastal regions. However, central and western regions are rapidly catching up due to increased government investment in public health and improved healthcare infrastructure. This is unlocking previously untapped market potential and suggests that regional markets will become more balanced, offering new growth opportunities for manufacturers.

OVERVIEW OF SUPERBUGS

Antimicrobial resistance (“AMR”) occurs when bacteria, viruses, fungi, and parasites change over time and no longer respond to medicines, making infections harder to treat and increasing the risk of disease spread, severe illness, and death. Microorganisms that develop AMR are sometimes referred to as “superbugs.”

AMR poses a significant threat to global health and economic stability. According to WHO, it is estimated that bacterial AMR was directly responsible for 1.27 million global deaths in 2019 and contributed to 4.95 million deaths indirectly worldwide. In addition to death and disability, AMR has significant economic costs. The World Bank estimates that AMR could result in US\$1 trillion additional healthcare costs by 2050, and between US\$1 trillion and US\$3.4 trillion gross domestic product losses per year by 2030.

In 2024, the WHO published its bacterial priority pathogens list to guide research and development for new treatments. The list is categorized into critical, high, and medium priority groups as follows:



Sources: WHO, CIC

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Some of our commercialized and pipeline vaccine products target bacterial pathogens identified in the list across different priority levels. Our commercialized product, the Hib Conjugate Vaccine, targets *Haemophilus influenzae*, which is categorized as a medium-priority pathogen. Our pipeline products (i) rFSAV, targets *Staphylococcus aureus*, a high-priority pathogen; (ii) rFPAV, targets *Pseudomonas aeruginosa*, a high-priority pathogen; (iii) rABV, targets *Acinetobacter baumannii*, a critical-priority pathogen; and (iv) GAS Vaccine, targets Group A *Streptococcus*, identified as a medium-priority pathogen.

The rise of superbugs presents several market pain points for the global healthcare system, including (i) the failure of existing antibiotics against pathogens resistant to multiple treatments, threatening a “post-antibiotic era” where routine infections become untreatable; (ii) increased treatment cost and complexity, as managing these resistant infections requires expensive backup drugs, longer hospitalizations, and intensive isolation protocols that strain healthcare resources; (iii) a lack of innovation incentives, driven by high development costs combined with low sales volumes, since new drugs are strictly reserved for severe cases — and short commercial lifespans due to rapid bacterial mutation; and (iv) a severe threat to public health security, where global travel accelerates the cross-border spread of resistant strains, ultimately undermining the safety of routine surgeries, cancer treatments, and organ transplants.

STAPHYLOCOCCUS AUREUS VACCINES

Overview of *Staphylococcus aureus*

Staphylococcus aureus is a bacterium commonly found on the skin and in the nose of about 30% of healthy individuals. While often harmless, it can cause infections if it enters the bloodstream or tissues, particularly in healthcare settings. Transmission is typically via direct contact or contaminated objects.

Staphylococcus aureus infections can range from minor skin problems to life-threatening conditions such as sepsis, pneumonia, endocarditis (infection of the heart valves), osteomyelitis (bone infection). Treatment is complicated by the emergence of multidrug-resistant strains, most notably methicillin-resistant *Staphylococcus aureus*. However, any staph infection, even if not antibiotic-resistant, can be dangerous.

Treatment for *Staphylococcus aureus* infections depends on the type of infection and the presence of drug resistance. The primary treatment is antibiotics. For MRSA infections, vancomycin is often the top choice, while for methicillin-susceptible *Staphylococcus aureus* (MSSA) infections, penicillin-type antibiotics and anti-staphylococcal β -lactams are preferred. In addition to antimicrobial therapy, surgical intervention or source control, such as the debridement of infected tissue or removal of infected medical devices, is often required, as antibiotics alone may be insufficient for abscesses or biofilm-related infections.

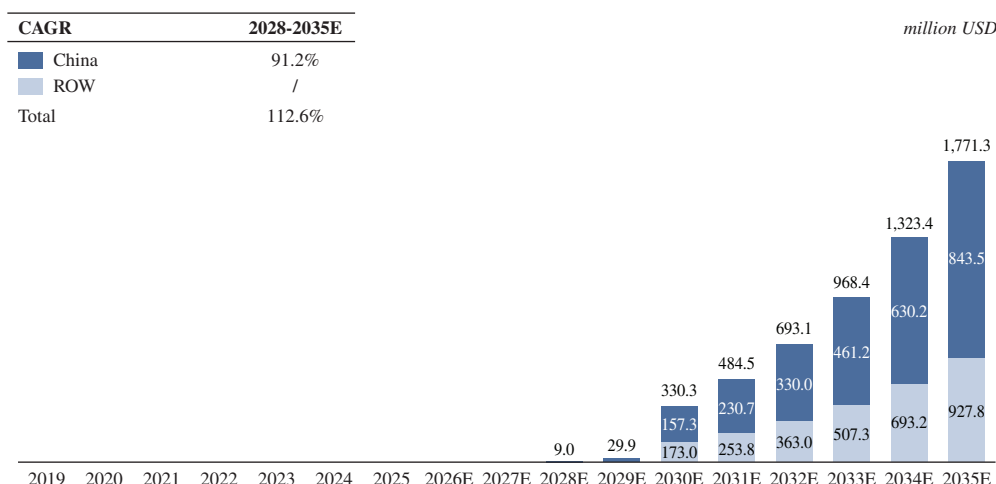
Market Size of *Staphylococcus aureus* Vaccine in China and Globally

As of the Latest Practicable Date, there are no approved *Staphylococcus aureus* vaccines globally or in China. The development of an effective vaccine is a major medical need due to the high disease burden and increasing antibiotic resistance.

The number of MRSA infections globally is projected to reach 7.4 million in 2035, representing a CAGR of 1.0% between 2025 and 2035. The number of MRSA infections in China was 2.4 million in 2025 and is projected to gradually increase to 2.6 million by 2035, representing a CAGR of 1.0% between 2025 and 2035.

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The market for Staphylococcus aureus vaccine in China and globally is shown below:



Source: HCUP, National Bureau of Statistics, CIC

Competitive Landscape of Staphylococcus aureus Vaccines

The development of a Staphylococcus aureus vaccine has been a long-standing challenge in the global pharmaceutical industry, with many previous candidates failing in late-stage clinical trials. Our recombinant Staphylococcus aureus vaccine candidate is one of the few candidates that has advanced to Phase III clinical trials globally.

The following table sets forth details of the Staphylococcus aureus vaccine candidates in the global pipeline that have entered clinical stages as of the Latest Practicable Date:

Product	Antigen Components	Company/Sponsor	Indication	Age Coverage	Phase	First Posted Date	Register Number	Location
LTB-SA7	Toxoid based vaccine consisting of five components including seven toxoids formulated with Alhydrogel	LimmaTech Biologics AG	Preventing Staphylococcus (S.) Aureus Infection	18 to 50 years old	I	2024-12-05	NCT06719219	U.S.
rFSAV	mHla/IsdB/SpA/mSEB/MntC	Chengdu Olymvox Biopharmaceuticals	Preventing S. Aureus infection after orthopedic surgery	18 to 70 years old	III	2022-05-31	CTR20221329	China
			Preventing S. Aureus Infection	18 to 70 years old	Ib	2019-06-03 2019-05-29	CTR20190552 NCT03966040	China
NDV-3	Candida Als3	NovaDigm Therapeutics	Preventing S. Aureus Colonization	17 to 35 years old	II	2018-03-06	NCT03455309	U.S.

Source: ClinicalTrials, CDE, CIC

Drivers and Future Trends of Staphylococcus aureus Vaccine Market

The development and potential launch of a Staphylococcus aureus vaccine are driven by the following factors: (i) high clinical demand, stemming from a substantial unmet need, high morbidity and mortality, and significant hospital costs, alongside the rise of AMR (particularly MRSA) which undermines antibiotic effectiveness and increases treatment failures; (ii) competitive landscape and first-mover advantage, as there are currently no approved human Staphylococcus aureus vaccines and regulatory barriers to entry remain high, allowing the first company to successfully obtain approval to secure a major market advantage; and (iii) significant overseas market potential, because the vaccine addresses a global public health priority, allowing its indications to expand from high-risk inpatient settings (e.g., surgery, dialysis) to broader outpatient prevention and creating a clear pathway for globalization through out-licensing, partnerships, and multi-regional clinical trials.

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HELICOBACTER PYLORI VACCINES

Overview of Helicobacter pylori

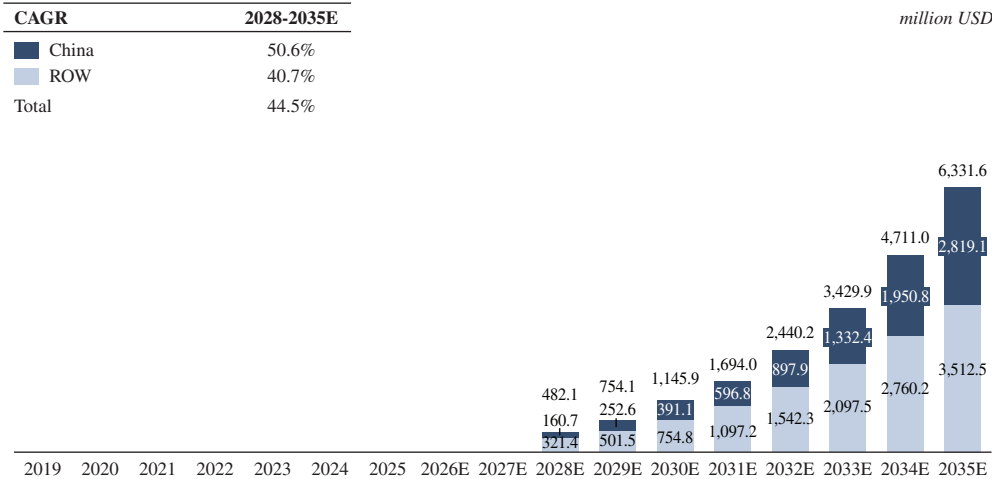
Helicobacter pylori is a spiral-shaped bacterium found in the gastric mucous layer or attached to the epithelial lining of the stomach. It is a common pathogen, affecting up to 50% of the global population, with a higher prevalence in developing countries. The infection is usually acquired in early childhood and can persist for life if left untreated. Transmission is commonly person-to-person through saliva or via fecal contamination of food or water. *Helicobacter pylori* is a primary cause of chronic gastritis and is responsible for more than 90% of duodenal ulcers and up to 80% of gastric ulcers. Other complications linked to *Helicobacter pylori* include iron deficiency or vitamin B12 deficiency anemia, diabetes mellitus, and certain cardiovascular and neurological disorders.

Current treatment for *Helicobacter pylori* infection involves a 10- to 14-day course of therapy with one or two effective antibiotics combined with a proton pump inhibitor (“PPI”). A common first-line regimen is a triple therapy consisting of a PPI, amoxicillin, and clarithromycin. However, the effectiveness of this therapy is threatened by rising antibiotic resistance. In China, resistance rates to clarithromycin and levofloxacin are approximately 20-40%, and resistance to metronidazole is as high as 60-90%. When resistance is present or unknown, a bismuth-based quadruple therapy is often used. Successful eradication of the bacteria reduces inflammation, heals ulcers, and lowers the future risk of gastric cancer.

Market Size of Helicobacter pylori Vaccine in China and Globally

The number of *Helicobacter pylori* infections around the globe was 3,539.6 million in 2025 and is projected to gradually increase to 3,820.6 million by 2035. The number of individuals infected with *Helicobacter pylori* in China is substantial, estimated at 612.0 million in 2025. This number is projected to remain stable, reaching 612.9 million by 2035.

As of the Latest Practicable Date, there are no approved *Helicobacter pylori* vaccines in China or globally. The market for *Helicobacter pylori* vaccine in China and globally is shown below:



Source: HCUP, National Bureau of Statistics, CIC

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Competitive Landscape of *Helicobacter pylori* Vaccines

While there were no approved *Helicobacter pylori* vaccines globally, there are a few candidates in clinical development, including a candidate being developed by us. The following table sets forth details of the *Helicobacter pylori* vaccine candidates in the global pipeline that have entered clinical stages as of the Latest Practicable Date:

Product	Company/Sponsor	Age coverage	Phase	First posted date	Register number	Location
IMX101 vaccine	ImevaX	18 to 50 years	Ia/Ib	2017-09-01	NCT03270800	Germany
Oral Recombinant <i>Helicobacter Pylori</i> Vaccine	Wuhu Kangwei Biotechnology	6 to 15 years	III	2014-11-26	NCT02302170	China
H. Pylori Vaccine	Novartis	18 to 40 years	I/II	2008-08-15	NCT00736476	Germany
Oral Recombinant <i>Helicobacter Pylori</i> Vaccine	Chengdu Olymvax Biopharmaceuticals	/	I	/	CT-2024-CTN-01799-1	Australia

Source: Clinical Trials, CIC

Market Drivers and Future Trends of *Helicobacter pylori* Vaccine

The development of a *Helicobacter pylori* vaccine is driven by several key factors: (i) a large addressable population with a high disease burden, as the bacterium infects up to 50% of the global population and is strongly linked to gastritis, peptic ulcers, and a two- to six-fold increase in gastric cancer risk; (ii) a current prevention gap and high public health payoff, given that no specific preventive measures exist beyond basic hygiene, meaning an effective vaccine would deliver massive long-term health and economic value by preventing disease before it occurs; and (iii) the eroding efficacy of the standard of care due to antibiotic resistance, which has significantly reduced the success rates of traditional eradication therapies — particularly in regions like China — making drug-only population control increasingly difficult and creating an urgent unmet need for a vaccine.

ACINETOBACTER BAUMANNII VACCINES

Overview of *Acinetobacter baumannii*

Acinetobacter baumannii is a type of bacteria commonly found in the environment, such as in soil and water. It is one of the “ESCAPE” pathogens, a group of clinically important organisms known for their potential to develop significant antimicrobial resistance. Infections caused by *Acinetobacter baumannii* occur predominantly in healthcare settings but can be severe. *Acinetobacter baumannii* can cause a range of infections, including hospital-acquired pneumonia, community-acquired pneumonia, bloodstream infections, meningitis, skin, soft tissue, and bone infections, urinary tract infections, etc.

Acinetobacter baumannii infections are generally treated with antibiotics. However, many *Acinetobacter baumannii* strains are resistant to multiple antibiotics, making them difficult to treat. Healthcare providers must rely on laboratory testing to determine which antibiotics, if any, remain effective against a specific infection.

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Market Size of *Acinetobacter baumannii* Vaccine in China and Globally

The number of *Acinetobacter baumannii* infections around the globe was 8.9 million in 2025 and is projected to gradually increase to 9.8 million by 2035. The number of *Acinetobacter baumannii* infections in China was 3.1 million in 2025 and is projected to increase to 3.4 million by 2035. As of the Latest Practicable Date, there are no *Acinetobacter baumannii* vaccines in clinical trials worldwide. The market for a vaccine is projected to emerge in the future. The market size of *acinetobacter baumannii* vaccine around the globe is projected to reach US\$116.9 million in 2032 and US\$784.1 million in 2035, growing at a CAGR of 88.6% from 2032 to 2035. The market size of *acinetobacter baumannii* vaccine in China is projected to reach US\$116.9 million in 2032 and US\$451.1 million in 2035, growing at a CAGR of 56.9% from 2032 to 2035.

Market Drivers and Future Trends of *Acinetobacter baumannii* Vaccine

The future market for an *Acinetobacter baumannii* vaccine is supported by the following drivers: (i) significant unmet clinical need, as the bacterium frequently exhibits multidrug or pan-drug resistance that renders traditional antibiotics ineffective, making vaccine prevention a far more cost-effective and sustainable strategy than treatment; (ii) increased public health awareness, highlighted by the WHO listing carbapenem-resistant *Acinetobacter baumannii* as a critical priority pathogen and its status as a major cause of high-mortality ICU infections, where a vaccine could drastically reduce complications and deaths in critically ill patients; and (iii) advances in vaccine technology, where breakthroughs in platforms such as mRNA, outer membrane vesicle-based, and multicomponent subunit vaccines provide new, highly adaptable pathways for targeting complex bacteria.

PSEUDOMONAS AERUGINOSA VACCINES

Overview of *Pseudomonas aeruginosa*

Pseudomonas aeruginosa is a Gram-negative bacterium commonly found in the environment, particularly in freshwater and hospital settings (e.g., taps, sinks, and respiratory equipment). It is an opportunistic pathogen that combines virulence with a high capacity for antibiotic resistance, allowing it to cause complex and difficult-to-treat infections, especially in vulnerable and immunocompromised patients. Infections can affect various parts of the body, including the respiratory tract, bloodstream, heart, central nervous system, bones, joints, and skin. Antimicrobials are the primary therapy for *Pseudomonas aeruginosa* infections. Due to high rates of resistance, selecting an effective antibiotic regimen is critical. Combination therapy is often used for severe infections, and an interprofessional team approach involving infectious disease specialists is recommended to improve patient outcomes.

Market Size of *Pseudomonas aeruginosa* Vaccine in China and Globally

The number of *Pseudomonas aeruginosa* infections around the globe was 11.0 million in 2025 and is projected to gradually increase to 12.2 million by 2035. The number of *Pseudomonas aeruginosa* infections in China was 3.8 million in 2025, with a projected increase to 4.2 million by 2035. As of the Latest Practicable Date, there are no approved *Pseudomonas aeruginosa* vaccines. The market size of *pseudomonas aeruginosa* vaccine around the globe is projected to reach US\$324.0 million in 2031 and US\$1,655.2 million in 2035, growing at a CAGR of 50.3% from 2031 to 2035. The market size of *pseudomonas aeruginosa* vaccine in China is projected to reach US\$115.7 million in 2031 and US\$657.0 million in 2035, growing at a CAGR of 54.4% from 2031 to 2035.

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Competitive Landscape of *Pseudomonas aeruginosa* Vaccines

As of the Latest Practicable Date, there were no *Pseudomonas aeruginosa* vaccines globally or in China. The pipeline is limited, with one candidate having reached late-stage clinical trials. The following table sets forth details of the *Pseudomonas aeruginosa* vaccine candidate in the global pipeline that have entered clinical stages as of the Latest Practicable Date:

Product	Company/Sponsor	Age coverage	Phase	First posted date	Register number	Location
IC43 Recombinant <i>Pseudomonas</i> Vaccine	Valneva	18 to 80 years	II/III	2012-03-26	NCT01563263	Austria, Belgium, Czechia, Germany, Hungary, Spain

Source: *ClinicalTrials, CIC*

Market Drivers and Future Trends of *Pseudomonas aeruginosa* Vaccine

The development of a *Pseudomonas aeruginosa* vaccine is driven by the following factors (i) significant unmet clinical need, as this common opportunistic pathogen causes severe infections in high-risk settings like ICUs and burn units, where its tendency to develop MDR renders traditional antibiotics increasingly ineffective and results in prolonged hospital stays, high costs, and elevated mortality; (ii) advances in technology, which have made targeting complex Gram-negative bacteria increasingly feasible through advanced platforms that offer faster antigen design, enhanced immunogenicity, and broad-spectrum protection against diverse bacterial strains; and (iii) market expansion potential, as these vaccines can be developed as multivalent or combined preventive solutions targeting other common hospital-acquired pathogens (such as *Acinetobacter baumannii*), further enhancing their commercial value.

GROUP A STREPTOCOCCAL VACCINES

Overview of Group A *Streptococcus*

GAS is a bacterium that can cause a wide range of infections, from mild skin and respiratory illnesses to severe, life-threatening invasive diseases. GAS can trigger epidemic waves, often driven by the emergence of new genotypes. GAS infections include minor infections like Strep throat, scarlet fever, and impetigo, invasive infections like cellulitis, necrotizing fasciitis and streptococcal toxic shock syndrome, inflammatory diseases like post-streptococcal glomerulonephritis and rheumatic fever, which can lead to rheumatic heart disease.

The primary treatment for GAS infections is antibiotics, with penicillin or amoxicillin being the drugs of choice for common infections like strep throat.

Market Size of Group A Streptococcal Vaccine in China and Globally

The number of invasive Group A streptococcal infections around the globe was 675.0 thousand in 2025 and is projected to gradually increase to 728.6 thousand by 2035. The number of invasive Group A streptococcal infections in China was estimated at 117.6 thousand in 2025 and is projected to grow to 118.0 thousand by 2035. As of the Latest Practicable Date, there are no approved GAS Vaccines. The global market size of the GAS vaccine is projected to reach US\$354.5 million in 2030 and US\$2,206.7 million in 2035, growing at a CAGR of 44.2% from 2030 to 2035. The market size of the GAS vaccine in China is projected to reach US\$152.2 million in 2030 and US\$1,084.0 million in 2035, growing at a CAGR of 48.1% from 2030 to 2035.

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Competitive Landscape of Group A Streptococcal Vaccines

As of the Latest Practicable Date, there were no approved GAS Vaccines globally or in China. There are a few candidates in early-stage clinical development, including a candidate with which we are involved. The following table sets forth details of the Group A streptococcal vaccine candidates in the global pipeline that have entered clinical stages as of the Latest Practicable Date:

Product	Company/Sponsor	Age coverage	Phase	First posted date	Register number	Location
GAS Vaccine	University of Alberta, Griffith University	18 to 45 years	I/II	2021-05-12	NCT04882514	Canada
StreptInCor	University of Sao Paulo General Hospital	18 to 45 years	I/IIa	2025-07-22	NCT07078357	Brazil
GSK 4-component Vaccine	GSK	18 to 25 years	I	2025-07-25	NCT07085702	Australia

Source: ClinicalTrials, CIC

INFLUENZA VACCINE

Overview of Influenza

Influenza is a contagious respiratory illness caused by influenza viruses of the Orthomyxoviridae family. The viruses infect the nose, throat, and sometimes the lungs, and can cause mild to severe illness, and at times can lead to death.

Influenza spreads mainly through droplets from coughs and sneezes of infected people, or through contact with contaminated surfaces. Symptoms can range from mild (fever, cough, sore throat, muscle aches) to severe (viral pneumonia and shock). The incidence of influenza globally increased from 924.2 million cases in 2019 to 1,003.1 million cases in 2025, representing a CAGR of 1.4%. The number of cases is projected to reach 1,293.4 million in 2035, representing a CAGR of 2.6% between 2025 and 2035. The incidence of influenza in China increased from 20.4 million cases in 2019 to 27.8 million cases in 2025, representing a CAGR of 5.3%. The number of cases is projected to reach 51.2 million in 2035, representing a CAGR of 6.3% between 2025 and 2035.

Overview of Influenza Vaccine

Vaccination is the primary method for preventing influenza. Influenza vaccines can be categorized based on their production technology including inactivated influenza vaccine (IIV), live attenuated influenza vaccine (LAIV) and recombinant influenza vaccine (RIV).

Influenza vaccines are also produced using different manufacturing platforms, namely (i) egg-based influenza vaccines, which represent one of the most common production methods where the vaccine seed strain is propagated in embryonated chicken eggs. However, this method has limitations, including long production cycles, dependence on egg supply, and the risk of antigenic mutations due to egg adaptation, which can reduce vaccine effectiveness, particularly against the influenza A/H3N2 strain; and (ii) MDCK-based (cell-based) influenza vaccines, which utilize MDCK cells for vaccine production. This technology offers many advantages over egg-based methods, including rapid and large-scale production, avoidance of egg-related antigenic mutations, and suitability for individuals with egg allergies, and cell-based production is emerging as a key direction for the next generation of influenza vaccines.

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Market size of Influenza Vaccine in China

The influenza vaccine market in China has grown significantly. The market size increased from RMB1.5 billion in 2019 to RMB8.6 billion in 2025, representing a CAGR of 33.5%. The market is composed of quadrivalent (IIV4) and trivalent (IIV3) inactivated influenza vaccines. The IIV4 market grew from RMB0.8 billion in 2019 to RMB6.9 billion in 2025, representing a CAGR of 42.5%, while the IIV3 market grew from RMB0.7 billion in 2019 to RMB1.7 billion in 2025, at a CAGR of 16.0%. The total influenza vaccine market in China is estimated to further increase to RMB39.7 billion in 2035, representing a CAGR of 16.5% from 2025 to 2035.

Competitive Landscape of Influenza Vaccines in China

The influenza vaccine market in China is competitive, with numerous domestic and international manufacturers offering a range of products, including trivalent and quadrivalent inactivated split virion vaccines, subunit vaccines, and live attenuated nasal spray vaccines.

As of the Latest Practicable Date, there were a number of influenza vaccine candidates under clinical development in China, including those utilizing advanced MDCK cell-based technology. We are involved in the development of both trivalent and quadrivalent MDCK cell-based influenza vaccine candidates. The following table sets forth details of selected influenza vaccine candidates using MDCK cell technology in China:

Product	Company	Age coverage	Phase	First posted date
Influenza Vaccine (Split Virion, MDCK cell), Inactivated, Quadrivalent	Chengdu Xinnuoming Biotechnology/Chengdu Olymvox Biopharmaceuticals/Lanzhou Bailing Biotechnology	3 years old and above	III	2025-10-29
	Wuhan Institute of Biological Products/Lanzhou Bailing Biotechnology		III	2023-10-09
	Shenzhen Kangtai Biological Products/Lanzhou Bailing Biotechnology		I	2026-04-16
	Changchun Institute of Biological Products	6 months old and above	I	2024-04-08
	Shanghai Institute of Biological Products		I	2024-03-27
Influenza Vaccine (Split Virion, MDCK cell), Inactivated, Trivalent	Zhejiang Tianyuan Bio-pharmaceutical/Lanzhou Bailing Biotechnology	3 years old and above	I	2024-03-05
	Lanzhou Bailing Biotechnology/Shenzhen Kangtai Biological Products	3 years old and above	I	2026-04-17
	Shanxi Kunqin Biotechnology	3 months old and above	I	2026-03-12
	Chengdu Xinnuoming Biotechnology/Chengdu Olymvox Biopharmaceuticals/Lanzhou Bailing Biotechnology	6 months old and above	I	2025-01-23

Sources: CDE, CIC

Market Drivers and Future Trends of Influenza Vaccine

The primary drivers and future trends of the influenza vaccine market in China include: (i) significant market potential, as the influenza vaccination rate in China has remained low, at only around 3% of the total population annually. This is significantly lower than the 50%–60% coverage observed in developed countries, highlighting substantial unmet need and significant growth potential in the Chinese market; (ii) product iteration, as quadrivalent influenza vaccines have increasingly become the mainstream products, gradually replacing trivalent vaccines. By covering two influenza B virus lineages, quadrivalent influenza vaccines enhance the overall protective effect. As public demand for broader immunization coverage increases, quadrivalent influenza vaccines are rapidly gaining market penetration; and (iii) technological advancements, as traditional egg-based production remains the mainstream method, while cell culture technologies, particularly those based on MDCK cells, are emerging as a key direction for the next generation of influenza vaccines due to their multiple advantages, including shorter production timelines and better antigenic match with circulating virus strains.

INDUSTRY OVERVIEW

PROPHYLACTIC MONOCLONAL ANTIBODY

Prophylactic monoclonal antibodies are pre-prepared monoclonal antibodies produced using genetic technology. They function by providing immediate, passive protection through the direct injection of the pre-prepared antibody into the body. The primary goal is to prevent the onset of specific diseases or reduce their severity. The use of these antibodies can significantly reduce the risk of hospitalization and the incidence of severe illness due to infection. A key distinction is that unlike vaccines, which stimulate the body to produce antibodies, monoclonal antibodies provide ready-made antibodies. Prophylactic monoclonal antibodies provide passive, immediate and targeted protection by delivering antibodies directly into the body, rather than relying on the body to produce antibodies after vaccination. They can offer rapid protection against specific pathogens and are useful in high-risk populations, such as infants or patients undergoing major surgery. Their key applications include RSV prevention in infants, tetanus post-exposure prophylaxis, and prevention or reduction of severe infections and complications caused by *Staphylococcus aureus* and *Pseudomonas aeruginosa*.

STAPHYLOCOCCUS AUREUS MONOCLONAL ANTIBODY

Staphylococcal monoclonal antibodies are antibodies against *Staphylococcus aureus*. They are primarily used to treat and prevent *Staphylococcus aureus* infections, specifically methicillin-resistant *Staphylococcus aureus* infections that are resistant to multiple antibiotics. These antibodies are engineered to bind specific *Staphylococcus aureus* virulence factors or surface antigens — such as α -toxin or protein A — to neutralize toxins, prevent tissue injury, and enhance opsonophagocytic clearance, independent of classical antibiotic resistance mechanisms. Monoclonal antibodies against *Staphylococcus aureus* may target different bacterial components, including protein A, toxins, surface structures and Cas9. These antibodies may be used to treat active infections, including drug-resistant strains, often together with antibiotics; support diagnostic testing; and enhance immune clearance by helping the body recognize and destroy the bacteria.

ANTI-PSEUDOMONAS AERUGINOSA MONOCLONAL ANTIBODY

Anti- *Pseudomonas aeruginosa* monoclonal antibodies are recombinant human/humanized antibodies directed against key virulence factors or surface antigens of *Pseudomonas aeruginosa*. They work by neutralizing toxins, blocking secretion systems, and/or enhancing opsonophagocytic clearance. Therefore, they do not rely on the bacterium’s antibiotic susceptibility profile. Monoclonal antibodies against *Pseudomonas aeruginosa* remain under development, with no approved product to date. Clinical-stage candidates have targeted mechanisms such as toxin injection systems, dual or bispecific targets, and bacterial surface polysaccharides to reduce tissue damage and support bacterial clearance. This is a high-value but technically challenging area, particularly because *Pseudomonas aeruginosa* is a WHO critical-priority pathogen. These antibodies may complement antibiotics and vaccines by providing rapid, short-term protection for high-risk patients, while sharing antigen discovery, biologics manufacturing and quality-control capabilities with vaccine programs.

ANTI-TETANUS MONOCLONAL ANTIBODY

The Anti-tetanus monoclonal antibody is a recombinant human/humanized monoclonal antibody targeting tetanus toxin (TeNT). It serves as an upgraded alternative to traditional human tetanus immunoglobulin (HTIG) for passive immunization after high-risk tetanus wounds. Its mechanism involves binding to key epitopes of TeNT with high affinity to neutralize toxin activity and block toxin entry into the nervous system. It provides protection in a short time without relying on the body’s own immune response. This antibody primarily targets individuals with insufficient pre-existing immunization, unclear vaccination history, or impaired immune function. It is used in combination with tetanus vaccines in scenarios such as emergency trauma and industrial injuries, and disasterrelief. While the monoclonal antibody provides immediate post-exposure protection, the vaccine provides long-term active immunization; the combination allows for integrated management of passive and active immunization within a single treatment process.

REGULATORY OVERVIEW

Our business operations are primarily in the PRC and subject to regulation by the PRC government. This section summarizes the major PRC regulatory authorities and PRC laws and regulations that we believe are relevant to our business and operations in the PRC.

REGULATORY AUTHORITIES

NMPA and CDE

The National Medical Products Administration (國家藥品監督管理局) (“NMPA”), formerly known as the China Food and Drug Administration (國家食品藥品監督管理總局), is the competent authority for China’s pharmaceutical industry. It is responsible for drawing up the laws and regulations relating to pharmaceuticals, vaccines and medical devices, formulating policies and plans, formulating departmental regulations, organizing the formulation and issuance of standards, classifications and management systems for pharmaceutical and medical devices, and supervising their implementation.

The Center for Drug Evaluation (國家藥品監督管理局藥品審評中心) (“CDE”) is the technical evaluation unit for drug registration of the NMPA. It is mainly responsible for conducting technical evaluation on the drugs applying for registration and verifying the relevant drugs registrations.

NHC

The National Health Commission (國家衛生健康委員會) (formerly known as the National Health and Family Planning Commission (國家衛生和計劃生育委員會) (the “NHC”), is primary national regulator for national public health and medical system.

It is primarily responsible for drafting national health policies, supervising and regulating public health, healthcare services, and health emergency systems, coordinating the reform of medical and health system, organizing the formulation of national drug policies and national essential medicine system, launching an early warning mechanism for the monitoring of the use and clinical comprehensive evaluation of medicine as well as the drug shortage, giving suggestions on the pricing policy of national essential medicine, and regulating the operation of medical institutions and practicing of medical personnel.

NIFDC

The National Institutes for Food and Drug Control (中國食品藥品檢定研究院) (“NIFDC”) is a public institution directly subordinate to NMPA and the statutory authority and the supreme technical arbitration institution for inspecting the quality of pharmaceuticals and biological products in the country, and undertakes the implementation of approval and registration testing, import testing, supervision and inspection, safety evaluation and approval and issuance of biological products in various fields, such as drugs, biological products, medical devices, food, health food, cosmetics, experimental animals, packaging materials, etc., in accordance with the law. It is also in charge of the research, distribution and management of the national standard substances for drugs and medical devices, and the bacterial strains used for production and testing, as well as carrying out the related technical research work.

China CDC

The Chinese Center for Disease Control and Prevention (中國疾病預防控制中心) (“China CDC”) is a public institution directly subordinate to the National Disease Control and Prevention Administration (國家疾病預防控制局). It is primarily responsible for carrying out disease prevention and control and responding to public health emergencies, providing technical support and consulting suggestions for the formulation of public health laws, regulations, policies, plans and projects, monitoring infectious diseases, public health emergencies and suspected abnormal reactions to inoculation as well as the monitoring and evaluation of the national health status. It carries out investigations and risk assessments of major public health problems, researches and formulates intervention measures for major public health problems and national immunization plans

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and organizes their implementation, guides localities in the implementation of national disease prevention and control plans and projects, and provides operational guidance to local disease prevention and control institutions.

NDRC

The National Development and Reform Commission (國家發展和改革委員會) (“NDRC”) is a ministerial-level department of the State Council. NDRC is primarily responsible for formulating and organizing the implementation of national economic and social development strategies, medium and long-term development plans and annual plans, participating in the formulation of health development policies, setting up investment projects for technological reforms, providing macro guidance and management of the economic performance of pharmaceutical enterprises, and overseeing the implementation of the relevant policies and regulations. It monitors and forecasts changes in drug prices and puts forward price control objectives and policy recommendations.

MOFCOM

The Ministry of Commerce (商務部) (“MOFCOM”) is responsible for providing macro guidance on foreign investment affairs throughout the country, drafting policies, laws, regulations and rules on foreign investment, guiding the approval and filing of foreign investment, and formulating the Special Administrative Measures for Foreign Investment Entry (Negative List) (《外商投資准入特別管理措施(負面清單)》) and the Catalog of Industries Encouraging Foreign Investment (《鼓勵外商投資產業目錄》) with NDRC.

NHSA

The National Healthcare Security Administration (國家醫療保障局) (“NHSA”) is mainly responsible for formulating draft laws and regulations, policies, plans and standards for medical insurance, maternity insurance, medical assistance and other medical security systems, organizing the formulation and adjustment of prices and fees for medicines and medical services, and formulating and supervising the implementation of policies on bidding and procurement of medicines and medical consumables.

REGULATORY PROVISIONS

Laws and Regulations Relating to Drugs

The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) promulgated by the Standing Committee of the NPC in September 1984 and most recently amended on August 26, 2019 and effective since December 1, 2019, and the Implementation Regulations of the Drug Administration Law of the PRC (《中華人民共和國藥品管理法實施條例》) promulgated by the State Council in August 2002 and most recently amended on January 16, 2026, and effective since May 15, 2026, set forth the legal framework for the establishment and maintenance of pharmaceutical manufacturing enterprises, as well as for the administration of pharmaceutical products.

Pursuant to the Vaccine Administration Law of the People’s Republic of China (《中華人民共和國疫苗管理法》) promulgated by the Standing Committee of the NPC on June 29, 2019 and effective since December 1, 2019, vaccines refer to the preventive biological products used for human immunization in order to prevent and control the occurrence and prevalence of diseases. These vaccines include two categories: Class I vaccines are provided by the Chinese government to its citizens free of charge and should be administered in accordance with relevant government regulations. These include vaccines determined in the national immunization program, additional vaccines required by provincial governments in implementing national immunization programs and vaccines used in emergency vaccination or mass vaccination organized by the government at the county level or above, or their respective healthcare departments. Class II vaccines are those voluntarily vaccinated by citizens in China, with the cost paid by the recipient.

The General Office of the State Council promulgated Opinions on Further Enhancing Administration of Circulation and Vaccination of Vaccines (《關於進一步加強疫苗流通和預防接種管理工作的意見》) on January 15, 2017, which requires the strengthening of the management of the

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whole process of vaccine circulation, including the standardization of centralized procurement of vaccines, the enhancement of vaccine cold-chain distribution management and the strengthening of the whole process of vaccine traceability management.

Non-clinical Research

The Good Laboratory Practices for Nonclinical Drug Research (《藥物非臨床研究質量管理規範》), promulgated by the China Food and Drug Administration on July 27, 2017 and became effective since September 1, 2017, is a code to be followed for activities related to non-clinical safety evaluation studies of drugs, and other preclinical research activities related to drugs for the purpose of registration are also referred to this code.

Pursuant to the Measures for the Certification and Management of Non-clinical Drug Research Quality Management Practices (《藥物非臨床研究質量管理規範認證管理辦法》) promulgated by the State Food and Drug Administration on April 16, 2007, revised on January 19, 2023 and implemented on July 1, 2023, the NMPA is responsible for the examination of materials related to the GLP certification, on-site inspections and comprehensive evaluation, as well as the implementation of the supervision and inspection of the relevant institutions and other work.

Animal Testing

Pursuant to the Regulations for the Administration of Affairs Concerning Experimental Animals (《實驗動物管理條例》) promulgated by The State Science and Technology Commission (now known as the Ministry of Science and Technology) in November 1988 and recently amended by the State Council in March 2017, the Administration Measures on Good Practice of Experiment-use Animals (《實驗動物質量管理辦法》) promulgated by the State Science and Technology Commission and the State Bureau of Quality and Technical Supervision in December 1997, and the Administrative Measures on the Certificate for Experiment-use Animals (Trial) (《實驗動物許可證管理辦法(試行)》) promulgated by The Ministry of Science and Technology and other regulatory authorities in December 2001, the use of laboratory animals for scientific research and experiments requires a license.

Clinical Trial

Pursuant to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》) promulgated by the State Administration for Market Regulation on January 22, 2020, which became effective on July 1, 2020, drug clinical trials shall be conducted before a drug is listed for registration. If an applicant submits an application for drug clinical trials after completing the pharmacology, pharmacology toxicology and other studies supporting the drug clinical trial, it shall submit relevant research information in accordance with the requirements of the declaration information. The relevant authorities should reach a decision on whether to approve the application for drug clinical trials within sixty days from the date of acceptance, and notify the applicant of the approval results through the CDE website. If the notification is not provided within this timeframe, it is deemed that the applicant is permitted to proceed with the drug clinical trials in accordance with the program.

Pursuant to the Administrative Provisions on Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》), promulgated by the NMPA and NHC on November 29, 2019 and effective since December 1, 2019, the commencement of clinical trials of drugs should be carried out in drug clinical trial institutions; drug clinical trial institutions should comply with the conditions stipulated in the “Administrative Provisions on Drug Clinical Trial Institutions” and be filed in the State Drug Supervision and Administration Department.

When conducting a clinical trial, all parties involved must comply with the procedural requirements of the Good Practice for Clinical Trials of Drugs (《藥物臨床試驗質量管理規範》) most recently amended by NMPA and NHC on April 23, 2020 and effective since July 1, 2020, which stipulates the requirements for the procedures of conducting clinical trials, including preclinical trial preparations, clinical trial protocols, protection of the rights and interests of the subjects, the duties of the investigators, sponsors and supervisors, as well as the management of data and statistical analyses.

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The China Food and Drug Administration issued several technical guidelines on March 20, 2003, including the Technical Guideline for Preclinical Research of Preventive DNA Vaccines (《預防用DNA疫苗臨床前研究技術指導原則》), the Technical Guideline for Quality Control of Human Recombinant DNA Products (《人用重組DNA製品質量控制技術指導原則》), and the Technical Guideline for Quality Control and Clinical Research of Human Gene Therapy (《人基因治療研究和制劑質量控制技術指導原則》). These guidelines clarified the requirements for preclinical research and quality control of DNA vaccines.

The China Food and Drug Administration issued the Technical Guideline for Vaccine Clinical Trials (《疫苗臨床試驗技術指導原則》) on December 3, 2004, which clarified the requirements for preclinical studies and lab evaluations, the uniqueness of vaccines, selection of subjects, safety, immunogenicity, vaccine efficacy, criteria for determining protective effects, Adverse Event monitoring, and reporting. Clinical trials are divided into four phases: Phase I, II, III, and IV. The focus of Phase I is primarily on safety; Phase II aims to observe or evaluate whether the vaccine achieves its expected outcomes (usually referring to immunogenicity) and general safety information in the target population; Phase III evaluates the overall efficacy and safety of the vaccine; Phase IV clinical trials are conducted post-market approval to comprehensively assess the vaccine's safety and effectiveness in actual use populations. Clinical trials must ensure the rights, safety, and health of participants, and all research must be reviewed and approved by an independent ethics committee.

On October 14, 2005, the China Food and Drug Administration issued additional guidelines such as the Technical Guideline for Preclinical Research of Preventive Vaccines (《預防用疫苗臨床前研究技術指導原則》) (revised on April 22, 2010), the Technical Guideline for Management of Changes in Biologics Manufacturing Processes (《生物製品生產工藝過程變更管理技術指導原則》), the Technical Guideline for Preclinical and Clinical Research of Combined Vaccines (《聯合疫苗臨床前和臨床研究技術指導原則》), the Technical Guideline for Production and Quality Control of Peptide Vaccines (《多肽疫苗生產及質控技術指導原則》), and the Technical Guideline for Quality Control and Clinical Research of Conjugate Vaccines (《結合疫苗質量控制和臨床研究技術指導原則》). These guidelines clarified the requirements for preclinical research, changes in manufacturing processes, and quality control during clinical stages to ensure the safety and efficacy of vaccines.

The China Food and Drug Administration issued the Technical Guideline for Stability Studies of Biological Products (Trial) (《生物製品穩定性研究技術指導原則(試行)》) on April 15, 2015, which clarified the design and analysis of stability studies for biological product raw materials, finished products, or intermediates.

The CDE issued the Technical Guideline for Aluminum-Adjuvanted Preventive Vaccines (《預防用含鋁佐劑疫苗技術指導原則》) on December 9, 2019, which clarified the technical requirements for pharmacology, preclinical research, clinical research, and post-marketing production quality control related to aluminum-adjuvanted vaccines.

The CDE issued the Regulations for the Assessment and Management of Safety Information During Drug Clinical Trials (Trial) (《藥物臨床試驗期間安全信息評估與管理規範(試行)》) and the Management Regulations for Development Safety Update Reports During Research and Development (Trial) (《研發期間安全性更新報告管理規範(試行)》) on July 1, 2020. After obtaining approval for clinical trials, applicants must submit rapid reports on suspected and unexpected serious adverse reactions (SUSAR) and other potential serious safety risk information during the clinical trial period, as well as DSURs.

The CDE issued the Technical Guideline for Pharmaceutical Research and Change Management During Clinical Trials (Trial) (《臨床試驗期間生物製品藥學研究和變更技術指導原則(試行)》) on June 7, 2024, which clarified the requirements for pharmaceutical changes and updates during clinical trials to ensure the safety and efficacy of vaccines.

REGULATORY OVERVIEW

Post-approval Studies of Vaccines

The CDE issued the Technical Guideline for Post-Marketing Pharmaceutical Changes of Biological Products (Trial) (《已上市生物製品藥學變更研究技術指導原則(試行)》) on June 25, 2021. The MAH must establish a post-marketing change control system for biological products and be responsible for all post-marketing pharmaceutical changes, self-assessment of research results, and continuous dynamic change management.

The CDE issued the Technical Guideline for Post-Marketing Pharmaceutical Changes of Vaccines (Trial) (《已上市疫苗藥學變更研究技術指導原則(試行)》) on June 7, 2024. The MAH should strengthen the construction of vaccine quality systems and be responsible for all post-marketing pharmaceutical changes, self-assessment of research results, and continuous dynamic change management. Additionally, they should continuously optimize production processes to maintain advanced production and control methods.

The NMPA issued the Management Measures for Post-Marketing Changes of Drugs (Trial) (《藥品上市後變更管理辦法(試行)》) on January 12, 2021. MAHs should proactively conduct post-marketing studies to achieve full lifecycle management of drugs. Post-marketing changes must not adversely affect the safety, efficacy, or quality control of the drugs.

Approval and Filing of Human Genetic Resources

The Administrative Regulations of the People’s Republic of China on the Management of Human Genetic Resources (《中華人民共和國人類遺傳資源管理條例》) was promulgated by the State Council on May 28, 2019 and became effective on July 1, 2019, and was revised on March 10, 2024 by the State Council. Pursuant to the Regulations, for the purpose of obtaining marketing authorization for relevant medicines and medical devices in China, no approval is required for the use of China’s human genetic resources in clinical institutions to conduct international collaborative clinical trials, provided that these materials do not involve the export of human genetic resource materials. However, both the Chinese and international parties involved in the clinical collaboration shall file the types and quantities of human genetic resources to be used and their uses with the competent health authorities of the State Council before conducting clinical trials.

The Biosecurity Law of the People’s Republic of China (《中華人民共和國生物安全法》) was promulgated by the Standing Committee of the NPC on October 17, 2020 and became effective on April 15, 2021, and was most recently amended on April 26, 2024. This law clarifies the State’s sovereignty over human genetic and biological resources in the country.

Drug Registration

Pursuant to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), an applicant shall upon completion of pharmacy, pharmacology and toxicology and clinical trial of drugs etc. to support registration of drug marketing, determination of quality standards, verification of commercial scale manufacturing process, and preparation to undergo examination and inspection for drug registration, submit an application for drug marketing authorization. The CDE is responsible for reviewing for accepted drug marketing authorization applications. Where the application is cleared after comprehensive review, the drug shall be approved for marketing and a drug registration certificate shall be issued. An applicant who has obtained a drug registration certificate shall be a drug marketing authorization holder (“MAH”).

Drug Manufacturing

Pursuant to the Drug Administration Law of the PRC (《中華人民共和國藥品管理法》), drug registration applicants must obtain a drug manufacturing certificate to undertake drug manufacturing. Those without a drug manufacturing license are not allowed to manufacture drugs.

REGULATORY OVERVIEW

Pursuant to the Administrative Measures on Supervision of Pharmaceutical Manufacturing (《藥品生產監督管理辦法》) promulgated by the State Administration of Market Regulation on January 22, 2020 and effective since July 1, 2020, a drug manufacturing certificate shall be valid for five years, and the holder of a drug manufacturing license shall apply to the original issuing authorities for reissuance of a drug manufacturing certificate at least six months prior to the expiration of the validity period.

The Good Manufacturing Practice for Drugs (《藥品生產質量管理規範》), most recently amended on January 17, 2011 and effective since March 1, 2011, comprises a set of detailed standard guidelines governing the manufacture of drugs, including institution and staff qualifications, production premises and facilities, equipment, hygiene conditions, production management, quality controls, product operation, raw material management, maintenance of sales records and manner of handling customer complaints.

Lot Release of Vaccines

Pursuant to the Measures for the Administration of Lot Release of Biological Products (《生物製品批發發管理辦法》) promulgated on December 13, 2002 and most recently amended on December 11, 2020 and effective since March 1, 2021, the vaccine products with marketing approval shall be subject to document review and sample inspection by drug lot release institutions designated by the NMPA and shall pass the biological product lot release approval before the marketing and sales of each batch of products. The NMPA has established a unified information platform for the lot release of biological products. This platform publishes information about the lot release institutions, any adjustments made, major issue resolution decisions, and provides applicants with access to query the progress and conclusion of lot releases. Additionally, it promptly publishes information on products that have passed lot release for public inquiry.

Circulation of Vaccines

According to the Opinions on Further Enhancing Administration of Circulation and Vaccination of Vaccines (《關於進一步加強疫苗流通和預防接種管理工作的意見》), vaccines should be procured online in accordance with the principles of transparency, competition and fair dealing.

The procurement of Class II vaccines shall be organized by provincial CDCs through provincial public resources trading platforms. Pursuant to the Vaccine Administration Law of the People's Republic of China (《中華人民共和國疫苗管理法》), the price of vaccines shall be set reasonably and independently by the vaccine MAH, and the price level, price difference rate and profit rate of vaccines shall be kept within a reasonable range. A vaccine MAH shall, as agreed upon in the procurement contract, deliver vaccines to the relevant CDC or POV designated thereby.

Based on the above, the prices of vaccines are determined by the MAHs in accordance with the law, without upper limit on profit margins.

Storage and Transportation of Vaccines

Pursuant to the Vaccine Administration Law of the People's Republic of China (《中華人民共和國疫苗管理法》), the vaccine MAHs and CDCs that distribute vaccines themselves shall have the conditions for cold chain storage and transport of vaccines or may entrust eligible vaccine distribution entities to distribute vaccines. The whole process of storage and transport of vaccines shall be subject to prescribed temperatures, and the cold chain storage and transport shall meet the relevant requirements, and the temperature shall be regularly monitored and recorded.

According to the Distributing Regulations on Administration of Vaccine Storage and Transportation (《疫苗儲存和運輸管理規範》) promulgated by the NMPA and NHC on December 15, 2017, vaccine manufacturers are required to equip full-time staff for vaccine management, establish a management system for vaccine storage and transportation, maintain cold-chain facilities and equipments for the storage and transportation of vaccines in order to ensure the quality of vaccines, and are required to store and transport vaccines in accordance with the instructions for the use of vaccines, the working rules for vaccines and other relevant regulations on vaccine storage and transportation temperature.

REGULATORY OVERVIEW

Administration of Vaccines after Marketing

Pursuant to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), the MAH shall proactively conduct drug post-marketing research, further confirm the safety, effectiveness and quality control of the drug, and strengthen continuous management of marketed drug.

Pursuant to the Vaccine Administration Law, the vaccine MAH shall establish and improve the quality management system for the whole life cycle of a vaccine, formulate and implement the risk management plan after the vaccine is marketed, carry out studies after the vaccine is marketed, and further confirm the safety, effectiveness and quality controllability of the vaccine. With respect to a vaccine for which the requirements for further study are put forward when the application for registration of the vaccine is approved, the vaccine MAH shall complete the study within the prescribed time limit. If it fails to complete the study within the time limit or is unable to prove that the benefits outweigh the risks, the NMPA shall deal with the matter in accordance with law until its drug registration certificate is nullified.

The vaccine MAH shall continuously update the instructions and labels based on the research conducted after the vaccine is marketed and Monitoring Program for Adverse Events Following Immunization (“AEFI”) and shall apply for approval or filing in accordance with the provisions. The NMPA shall, in a timely manner, release the updated contents of the vaccine instructions and labels on its website.

Laws and Regulations Relating to Environmental Protection and Fire Prevention

Environment Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (“the Environmental Protection Law”), which was promulgated by the SCNPC on December 26, 1989, came into effect on the same day and last amended on April 24, 2014, outlines the authorities and duties of various environmental protection regulatory agencies. The Ministry of Ecology and Environment is authorized to issue national standards for environmental quality and emissions, and to monitor the environmental protection scheme of the PRC. Meanwhile, local environment protection authorities may formulate local standards which are more rigorous than the national standards, in which case, the concerned enterprises must comply with both the national standards and the local standards.

Environmental Impact Appraisal

According to the Administration Rules on Environmental Protection of Construction Projects (《建設項目環境保護管理條例》), which was promulgated by the State Council on November 29, 1998, amended on July 16, 2017 and became effective on October 1, 2017, depending on the impact of the construction project on the environment, a construction employer shall submit an environmental impact report or an environmental impact statement, or file a registration form. As to a construction project, for which an environmental impact report or the environmental impact statement is required, the construction employer shall, before the commencement of construction, submit the environmental impact report or the environmental impact statement to the relevant authority at the environmental protection administrative department for approval. If the environmental impact assessment documents of the construction project have not been examined or approved upon examination by the approval authority in accordance with the law, the construction employer shall not commence the construction. According to the Environmental Impact Appraisal Law of PRC (《中華人民共和國環境影響評價法》) (“the Environmental Impact Appraisal Law”), which was promulgated by the SCNPC on October 28, 2002, amended on July 2, 2016 and December 29, 2018, for any construction projects that have an impact on the environment, an entity is required to produce either a report, or a statement, or a registration form of such environmental impacts depending on the seriousness of effect that may be exerted on the environment.

REGULATORY OVERVIEW

Completion and Acceptance

The Interim Measures for Acceptance of Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), promulgated and implemented by the former Ministry of Environmental Protection (now the MEE) on November 20, 2017, regulate the procedures and standards for environmental protection acceptance by construction entities upon the completion of construction projects.

Fire Prevention

According to the Fire Prevention Law of the PRC (《中華人民共和國消防法》), promulgated by the SCNPC on April 29, 1998 and last amended with effect from April 29, 2021, design and construction of the fire control facilities for a construction work shall comply with the national fire control technical standards. The developer, designer, constructors and project supervisor of a construction project shall be responsible for the quality of the design and construction of the fire control facilities for the construction work according to the relevant laws. If the design of fire control of a construction project has not been examined pursuant to the relevant laws or failed to pass the examination, the construction of such project is not allowed. If a completed construction project has not gone through the fire safety inspection or failed to satisfy the requirements of fire safety upon inspection, such project is not allowed to be put to use or business.

Management of Waste Discharge

Pursuant to the Catalog of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) issued by the Ministry of Ecology and Environment of the PRC and became effective on December 20, 2019, the State implements the primary management, simplified management and registration management of pollutant discharge permits based on the pollutant production, emission amount and the extent of environmental impact of the pollutant discharge entities. A pollutant discharge unit under registration management does not need to apply for a pollutant discharge license.

Pursuant to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, based on the quantity of pollutants generated and discharged, their impacts on the environment and other factors, categorical administration of pollutant discharge permit system is implemented to regulate pollutant-discharging entities: (1) key administration of pollutant discharge permits shall be implemented for pollutant discharging entities which generate and discharge relatively large quantities of pollutants or have a relatively serious impact on the environment; and (2) administration of pollutant discharge permits shall be simplified for pollutant-discharging entities which generate and discharge relatively small quantities of pollutants and have a relatively small impact on the environment. The entities that generate and discharge relatively small quantities of pollutants and have a relatively small impact on the environment shall fill in the waste discharge registration form (排污登記表) and are no longer required to obtain a waste discharge license (排污許可證). Entity that is required to fill in the waste discharge registration form shall report the basic information, waste discharge destination, waste discharge standards implemented, waste prevention and control measures adopted and other information to the national waste discharge license information platform. If the information reported is changed, it shall be changed in the platform within 20 days as of the date when such change occurs.

Laws and Regulations Relating to Data Compliance

Cyber and Data Security

The Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), promulgated by the Standing Committee of the NPC on November 7, 2016, most recently amended on October 28, 2025 and effective since January 1, 2026, requires network operators to adopt technical and other necessary measures to ensure security of personal data and safeguard against information leakage, damage or loss.

REGULATORY OVERVIEW

On June 10, 2021, the Standing Committee of the NPC promulgated the Data Security Law of the People’s Republic of China (《中華人民共和國數據安全法》) which became effective on September 1, 2021. The Data Security Law provides that “data” refers to any recording of information by electronic or other means and “data processing” includes the collection, storage, use, processing, transmission, availability and disclosure of data, etc. Data processors shall establish and improve the whole-process data security management rules, organize and implement data security training as well as take appropriate technical measures and other necessary measures to protect data security.

On December 28, 2021, the Cyberspace Administration of China, together with other government departments, promulgated the Measures for the Cybersecurity Review (《網絡安全審查辦法》), which became effective on February 15, 2022. Pursuant to the Measures, the online platform operators possessing personal information of more than one million users who are applying for foreign listing, must make declaration for cybersecurity review with the Office of Cybersecurity Review.

Personal Information Protection

Pursuant to the Civil Code of the People’s Republic of China (《中華人民共和國民法典》), which was promulgated by the NPC on May 8, 2020 and became effective on January 1, 2021, the personal information of an individual shall be protected. Any organization or individual must legally obtain the personal information of any person when necessary and ensure its safety, and shall not illegally collect, use, process or transmit such personal information, or illegally buy or sell, provide or make public such personal information. A natural person has the privacy right and provisions on the privacy right shall apply to the private information included in personal information.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》), promulgated by the Standing Committee of the NPC on August 20, 2021 and effective since November 1, 2021, stipulates the scope of personal information and establishes rules for processing personal information onshore and offshore. The Law sets forth certain specific personal information protection requirements, including but not limited to detailed inform and consent requirements in various contexts, enhanced and categorized obligations of personal information processors, and additional limitations and rules on the processing of personal information.

Cross-border Data Transfer

Pursuant to the Measures for Security Assessment of Data Export (《數據出境安全評估辦法》), issued by the Cyberspace Administration of China on July 7, 2022, and implemented since September 1, 2022, data handlers must apply for a security assessment through their local provincial cyberspace administration to the national cyberspace administration before exporting data under any of the following circumstances: (i) the data handler intends to export important data; (ii) critical information infrastructure operators and data handlers processing personal information of more than one million individuals intend to export such personal information; (iii) since January 1 of the previous year, the data handler has cumulatively exported personal information of 100,000 individuals or sensitive personal information of 10,000 individuals and intends to continue exporting such information; and (iv) other situations as specified by the national cyberspace administration that require a security assessment for data export.

Pursuant to the Regulations for Promoting and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), issued and implemented by the Cyberspace Administration of China since March 22, 2024, data handlers must identify and report important data in accordance with relevant regulations. If the data has not been designated or publicly announced as important data by relevant authorities or regions, data handlers are not required to report it for a data export security assessment as important data.

REGULATORY OVERVIEW

Laws and Regulations Relating to Product Liability

Pursuant to the Product Quality Law (《中華人民共和國產品質量法》) promulgated on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018 respectively by the Standing Committee of the NPC, a seller shall be responsible for the repair, replacement or return of the product sold if (1) the product sold does not possess the properties for use that it should possess, and no prior and clear indication is given of such a situation; (2) the product sold does not conform to the applied product standard as carried on the product or its packaging; or (3) the product sold does not conform to the quality indicated by such means as a product description or physical sample. If a consumer incurs losses as a result of purchased product, the seller shall compensate for such losses.

On May 28, 2020, the Civil Code of the PRC (《中華人民共和國民法典》) was adopted by the third session of the 13th NPC, which came into effect on January 1, 2021. According to the Civil Code of the PRC, a patient may make a claim against the drug marketing authorization holder, a medical institution or producer for any damage arising from defects of drugs.

The Law of the PRC on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) was promulgated on October 31, 1993 and was amended on August 27, 2009 and October 25, 2013 to protect consumers’ rights when they purchase or use goods and accept services. All business operators must comply with this law when they manufacture or sell goods and/or provide services to customers. Where the goods or services provided by a business operator do not satisfy quality requirements, the consumer may require the business operator to perform replacement or repair obligations.

Laws and Regulations Relating to Intellectual Property

Patent

The Patent Law of the People’s Republic of China (《中華人民共和國專利法》) was most recently revised on October 17, 2020 and became effective on June 1, 2021. The duration of patent rights for an invention shall be 20 years and the duration of patent rights for a utility model shall be 10 years, commencing from the filing date. Following the grant of patent rights for an invention or a utility model, unless otherwise stipulated in this Law, no organization or individual shall implement the patent without a specific license from the patentee; they shall not manufacture, use, offer to sell, sell or import such patented products for manufacturing and business purposes, nor use the patented method and use, offer to sell, sell or import products obtained directly according to the patented method. Implementation of a patent without licensing of the patentee shall constitute an infringement of patent rights. Disputes arising therefrom shall be negotiated and resolved by the parties concerned. Where the parties concerned are not willing to negotiate or the negotiation is unsuccessful, the patentee or an interested party may file a lawsuit with a people’s court, or request the patent administrative authority to handle the matter.

Trademark

The Trademark Law of the People’s Republic of China (《中華人民共和國商標法》) was most recently revised on April 23, 2019 and became effective on November 1, 2019. A registered trademark shall be valid for 10 years, commencing from the date of registration. Upon expiry of the validity period of a registered trademark, where the trademark registrant intends to continue using the trademark, it shall complete renewal formalities pursuant to the provisions within the 12-month period before the expiry date. The validity period of each renewal shall be 10 years. In case of infringement of the exclusive rights of use of registered trademarks, the trademark registrant or a stakeholder may file a lawsuit with a People’s Court or request that the administration for industry and commerce to handle the dispute.

REGULATORY OVERVIEW

Copyright

The Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) was most recently amended on November 11, 2020 and became effective on June 1, 2021. For the purpose of this Law, works shall refer to original intellectual achievements in the fields of literature, art and science which can be expressed in a certain form, including fine arts and computer software, among others. Chinese citizens, legal persons or organizations without legal personality enjoy copyright over their works, regardless of whether they have been published.

Domain Names

The Administrative Measures on the Internet Domain Names (《互聯網域名管理辦法》) was promulgated by the Ministry of Industry and Information Technology (工業和信息化部) ("MIIT") on August 24, 2017 and became effective on November 1, 2017. The MIIT is the primary regulatory authority responsible for the administration of internet domain names in the PRC. Domain names registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration. Communications administrative bureaus at provincial levels shall conduct supervision and administration of the domain name services within their respective administrative jurisdictions.

Laws and Regulations Relating to Labor Protection

Labor Contract Law

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and last amended on December 29, 2018, enterprises and institutions shall establish and improve their system of workplace safety and sanitation, strictly abide by state rules and standards on workplace safety, educate labourers in labor safety and sanitation in the PRC. Labor safety and sanitation facilities shall comply with state-fixed standards. Enterprises and institutions shall provide labourers with a safe workplace and sanitation conditions which are in compliance with state stipulations and the relevant articles of labor protection. The PRC Labor Contract Law (《中華人民共和國勞動合同法》) which was promulgated by the SCNPC on June 29, 2007 and amended on December 28, 2012, is primarily aimed at regulating employee/employer rights and obligations, including matters with respect to the establishment, performance and termination of labor contracts. Pursuant to the PRC Labor Contract Law, labor contracts shall be concluded in writing if labor relationships are to be or have been established between enterprises or institutions and the labourers. Enterprises and institutions are forbidden to force labourers to work beyond the time limit and employers shall pay labourers for overtime work in accordance with the laws and regulations. In addition, labor wages shall not be lower than local standards on minimum wages and shall be paid to labourers in a timely manner.

Social Insurance

Enterprises in China are required by PRC laws and regulations to participate in certain employee benefit plans, including social insurance funds, namely a pension plan, a medical insurance plan, an unemployment insurance plan, a work-related injury insurance plan and a maternity insurance plan, and a housing provident fund, and contribute to the plans or funds in amounts equal to certain percentages of salaries, including bonuses and allowances, of the employees as specified by the local government from time to time at locations where they operate their businesses or where they are located. In accordance with the Social Security Law of the PRC (《中華人民共和國社會保險法》) which was last amended on December 29, 2018 and other applicable laws and regulations, employers who fail to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times of the amount in arrears.

REGULATORY OVERVIEW

The Notice of the State Administration of Taxation on Implementing Measures to Further Support and Serve the Development of Private Economy (《國家稅務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》) issued on November 16, 2018 and the Notice on Promulgation of the Comprehensive Plan for the Reduction of Social Insurance Premium Rate (《關於印發<降低社會保險費率綜合方案>的通知》), promulgated by the General Office of the State Council on April 1, 2019, also emphasize that the historical unpaid arrears of enterprises shall be properly treated, or in the process of the reform of the collection system, it is not allowed to conduct self-collection of historical unpaid arrears from enterprises in a centralized manner.

Housing Provident Fund

In accordance with the Regulations on the Management of Housing Funds (《住房公積金管理條例》) which was promulgated by the State Council on April 3, 1999 and last amended on March 24, 2019, employers shall register at the competent managing center for housing provident funds and upon the examination by such managing center of housing provident funds, these enterprises shall complete procedures for opening an account at the relevant bank for the deposit of employees' housing provident funds. Employers are also required to pay and deposit housing provident funds on behalf of their employees in full and in a timely manner. With respect to employers who violate the above regulations and fail to complete housing provident fund contribution registration or open housing provident fund accounts for their employees, such employers shall be ordered by the competent managing center of housing provident funds to complete such procedures within prescribed period. Those who fail to complete such procedures within the prescribed period shall be subject to a fine from RMB10,000 to RMB50,000. For overdue or underpayment of housing provident fund in violation of the provisions of such regulations, the managing center of housing provident funds shall order relevant employers to make contribution within prescribed period, failing which an application may be made to a people's court for compulsory enforcement.

Laws and Regulations Relating to Foreign Investment

On March 15, 2019, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the “Foreign Investment Law”) was promulgated by the NPC. The Foreign Investment Law took effect on January 1, 2020, and the Sino-Foreign Equity Joint Ventures Law of the PRC (《中華人民共和國中外合資經營企業法》), the Wholly Foreign-Owned Enterprises Law of the PRC (《中華人民共和國外資企業法》) and the Sino-Foreign Cooperative Joint Ventures Law of the PRC (《中華人民共和國中外合作經營企業法》) were abolished at the same time. Since then, the Foreign Investment Law has become the basic law regulating foreign-invested enterprises wholly or partially invested by foreign investors, while the organization form, institutional framework and standard of conduct of foreign-invested enterprises shall be subject to the provisions of the Company Law of the PRC (《中華人民共和國公司法》) and other laws.

The PRC implements a pre-access national treatment plus negative list management system for foreign investment, which means that foreign investors and their investments are given treatment no less favorable than that accorded to domestic investors and their investments at the stage of investment access; the so-called negative list refers to the special access management measures that the State has stipulated to be applied to foreign investment in specific areas, and the State grants national treatment to foreign investment that is not on the negative list.

The Catalog of Industries Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》) issued by the NDRC and the MOFCOM on October 26, 2022 (effective January 1, 2023), and the Special Administrative Measures for Foreign Investment Entry (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) issued by the NDRC and the MOFCOM on September 26, 2024 (the “Negative List”), which became effective on November 1, 2024) together constitute the catalog of industries encouraging foreign investment and the special administrative measures for foreign investment access to industries restricted or prohibited for foreign investment, of which the Negative List has uniformly listed the special administrative measures in respect of foreign investment access, such as shareholding requirements and senior management requirements. Fields outside the Negative List are managed in accordance with the principle of consistency between domestic and foreign investments. Domestic enterprises

REGULATORY OVERVIEW

engaging in businesses in the areas of investment prohibited by the Negative List that issue shares abroad and list them for trading shall be subject to the examination and consent of the relevant competent state authorities. Foreign investors shall not participate in the operation and management of the enterprise, and the proportion of their shareholding shall be implemented with reference to the relevant provisions on the management of domestic securities investment by foreign investors.

While strengthening investment promotion and protection, the Foreign Investment Law further regulates foreign investment management and proposes the establishment of a foreign investment information reporting system that replaces the original foreign investment enterprise approval and filing system of the MOFCOM. The foreign investment information reporting shall be subject to the Foreign Investment Information Reporting Method (《外商投資信息報告辦法》) jointly developed by the MOFCOM and the SAMR, which came into effect on January 1, 2020. According to the Foreign Investment Information Reporting Method, foreign investors who directly or indirectly carry out investment activities in China shall submit investment information to the competent commercial department through the enterprise registration system and the National Enterprise Credit Information Publicity System, and the reporting methods include initial reports, change reports, cancellation reports, and annual reports.

Laws and Regulations Relating to Overseas Securities Offering and Listing

The Securities Law of the PRC (《中華人民共和國證券法》) (the “PRC Securities Law”) which was latest revised on December 28, 2019 and came into effect on March 1, 2020, is divided into 14 chapters and 226 articles, regulating, among other things, the issue and trading of securities, the listing of securities and takeovers of listed companies. Article 224 of the PRC Securities Law provides that domestic enterprises which, directly or indirectly, issue securities or list and trade their securities outside the PRC shall comply with the relevant regulations of the State Council. Currently, the issue and trading of foreign issued securities (including shares) are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

On February 17, 2023, the CSRC issued the Trial Administrative Measures of 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》) (the “Overseas Listing Measures”) and five relevant guidelines, which took effect on March 31, 2023. The Overseas Listing Measures comprehensively reformed the regulatory regime for overseas offering and listing of PRC domestic companies’ securities, either directly or indirectly, into a filing-based system. According to the Overseas Listing Measures, the PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to fulfill the filing procedure with the CSRC and report relevant information. Direct overseas offering and listing by domestic companies refers to such overseas offering and listing by a joint-stock company incorporated domestically. Indirect overseas offering and listing by domestic companies refers to such overseas offering and listing by a company in the name of an overseas incorporated entity, whereas the company’s major business operations are located domestically and such offering and listing is based on the underlying equity, assets, earnings or other similar rights of a domestic company.

On February 24, 2023, CSRC and other three relevant government authorities issued the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “Confidentiality and Archives Administration Provisions”), which took effect on March 31, 2023. According to the Confidentiality and Archives Administration Provisions, a domestic company that seeks overseas offering and listing shall strictly abide by applicable PRC laws and regulations, enhance legal awareness of keeping state secrets and strengthening archives administration, institute a sound confidentiality and archives administration system, and take necessary measures to fulfill confidentiality and archives administration obligations. The “domestic company” may refer to either one of the following entities: a joint-stock company incorporated domestically that conducts direct overseas offering and listing, or a domestic operating entity of a company that conducts indirect overseas offering and listing.

HISTORY AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to December 2009, when Mr. Fan Shaowen, chairman of our Board, executive Director and general manager, founded our Company in Chengdu, Sichuan Province, the PRC. In June 2021, our Company was listed on the SSE STAR Market (stock code: 688319).

Through over a decade of dedicated effort, we have grown to a biopharmaceutical company with strong-in-class R&D capabilities and proven commercialization platform. We have established a commercialization platform grounded on a comprehensive production and quality management system, supported by a sales network covered 30 provinces, municipalities, and autonomous regions in China. As of the Latest Practicable Date, we had three commercialized products: Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine and AC Conjugate Vaccine. We have also built a pipeline headlined by a portfolio of Class 1.1 new drug candidates.

OUR KEY MILESTONES

The following table set out a summary of our key development milestones:

Year	Milestones
2009	Our Company was established in Chengdu, Sichuan Province, the PRC.
2012	Phase I stage of our vaccine research and production base was completed and commenced operation.
2016	Our Class 1.1 new drug rFSAV entered Phase I clinical trials in China.
2017	Our Adsorbed Tetanus Vaccine was approved for marketing in Chinese Mainland.
2018	- Our Hib Conjugate Vaccine was approved for marketing in Chinese Mainland. - Our Class 1.1 new drug rFSAV entered Phase II clinical trials in China.
2021	- Our AC Conjugate Vaccine was approved for marketing in Chinese Mainland. - Our Company was listed on the SSE STAR Market (stock code: 688319).
2022	- Our Class 1.1 new drug rFSAV entered Phase III clinical trials in China, making it the world’s first and only Staphylococcus Aureus vaccine candidate to have entered into Phase III clinical development. - Our Chengdu R&D Center was established and commenced operation.
2024	- Our Chongqing R&D Center was established and commenced operation. - Phase III stage of our vaccine research and production base was completed and commenced operation.
2025	Our quadrivalent influenza virus split vaccine (MDCK cells) initiated Phase III clinical trials in China and completed its first subject enrollment.

HISTORY AND CORPORATE STRUCTURE

OUR SUBSIDIARIES

The following table sets forth certain information of each of our subsidiaries as of the Latest Practicable Date.

No.	Name of subsidiaries	Place of establishment	Date of establishment	Shareholding Controlled by Our Company	Principal Business Activities
1 . . .	Chongqing Yuanlun Biotechnology Co., Ltd. (重慶原倫生物科技有限公司)	PRC	December 22, 2010	85.00%	Research and development of vaccines
2 . . .	Chengdu XENOMIX Biotechnology Co., Ltd. (成都新諾明生物科技有限公司)	PRC	September 27, 2021	100.00%	Research and development of vaccines
3 . . .	Olymvax Biopharmaceuticals (Hong Kong) Co., Ltd. (歐林生物(香港)有限公司)	Hong Kong	January 19, 2026	100.00%	Research, development, consulting and sales of biopharmaceutical products; investment

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment and early development of our Company

On December 11, 2009, our Company was established in Chengdu, Sichuan province, the PRC as a joint stock limited company with an initial registered share capital of RMB50.0 million. Our initial registered share capital was contributed by four promoters, among which Shanghai Wushan was our Company’s largest shareholder, holding 50% of our then registered share capital.

Prior to the listing of our Shares on the SSE STAR Market on June 8, 2021, our Company completed several rounds of capital contributions and equity interest transfers. Shanghai Wushan has remained our largest shareholder throughout this period.

Prior quotation on the NEEQ

On September 15, 2015, our Shares were quoted on the NEEQ under the stock code of 833577. On January 4, 2019, considering our Company’s business development requirements and strategic objectives, and with a view to reducing operating costs and enhancing operational efficiency, our then Shareholders resolved to voluntarily cease the quotation of our Shares from the NEEQ. On January 24, 2019, our Shares ceased to be quoted on the NEEQ.

Our Directors confirmed that during the period when our Company was quoted on the NEEQ and up to the cessation of quotation thereon: (i) our Company had been in compliance with all applicable laws and regulations as well as rules and regulations of the NEEQ in all material respects; (ii) our Company had not been subject to any disciplinary action by the relevant regulators or any material litigation in this respect; and (iii) the directors, supervisors and subsidiaries of our Company had not been subject to any administrative penalty by the NEEQ or the CSRC. The Sole Sponsor concurs that there is no matter that needs to be brought to the attention of the Stock Exchange in relation to our compliance record on the NEEQ.

HISTORY AND CORPORATE STRUCTURE

Listing on the SSE STAR Market

On June 8, 2021, we completed the initial public offering and listing of our A Shares on the SSE STAR Market (stock code: 688319), pursuant to which we issued an aggregate of 40,530,000 A Shares, accounting for approximately 10.0% of our Company’s share capital immediately following the A Share listing. Following the A Share listing, Shanghai Wushan remained our Company’s largest shareholder, and our Single Largest Group of Shareholders collectively owned approximately 28.92% of our Company’s then share capital.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and as of the Latest Practicable Date, our Company did not have any major acquisitions, disposals or mergers.

OUR LISTING ON THE SSE STAR MARKET AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

Since June 8, 2021, our Company has been listed on the SSE STAR Market. Since our listing on the SSE STAR Market and as of the Latest Practicable Date, we had no instances of non-compliance with the rules of the SSE STAR Market and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the SSE STAR Market. Our PRC Legal Advisors are of the view that, during the Track Record Period and up to the Latest Practicable Date, our Company, its subsidiaries and Shanghai Wushan had complied with all applicable laws and regulations relating to our A Share listing and had not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, the Shanghai Stock Exchange or any other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would cause it to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the SSE STAR Market.

Our Company seeks to be [REDACTED] on the Stock Exchange in order to fund the preclinical and clinical development of our innovative vaccine candidates, particularly our rFSAV and rHPVs, upgrade our production facilities and for general corporate purposes. For details, see “Business — Business Strategies” and “Future Plans and Use of [REDACTED]”.

OUR SHAREHOLDERS ACTING IN CONCERT

Mr. Fan Shaowen and Dr. Fan Fan entered into the Concert Parties Agreement on August 17, 2020 in accordance with laws and regulations applicable to companies listed on the SSE STAR Market and the Articles of Association, pursuant to which (i) it was confirmed that Mr. Fan Shaowen and Dr. Fan Fan, by virtue of their relationship as father and daughter, have been acting in concert since April 29, 2015 when Dr. Fan Fan became a shareholder of our Company; (ii) they agreed to continue to act in concert in relation to the operational development of our Company. They have agreed to, among others, (i) vote unanimously at all meetings of our Board and the shareholders of our Company; (ii) discuss and reach consensus with each other before proposing to such meetings, and act in concert in respect of any key matters on business operations and development of our Company. In the event that consensus cannot be reached, Mr. Fan Shaowen’s view shall prevail. In addition, as advised by our PRC Legal Advisors, Mr. Fan Shaowen and Dr. Fan Fan are parties acting in concert pursuant to PRC laws and regulations and the Concert Parties Agreement, and the Concert Parties Agreement is valid and in compliance with PRC laws and regulations.

HISTORY AND CORPORATE STRUCTURE

PUBLIC FLOAT AND FREE FLOAT

Satisfaction of the Public Float Requirement

Rule 19A.13A(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the issuer’s total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

Our A Shares are listed on the SSE STAR Market. All [REDACTED] H Shares to be issued pursuant to the [REDACTED], representing approximately [REDACTED]% of our total issued share capital immediately upon [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised), are expected to be held by the public. As such, the minimum prescribed public float percentage under Rule 19A.13A(2) of the Listing Rules is expected to be approximately [REDACTED]% (based on the maximum [REDACTED] of HK\$[REDACTED] per H Share), which is expected to be in compliance with the prescribed percentage of H Shares required to be held in public hands of at least 10% under Rule 19A.13A(2)(a) of the Listing Rules.

Satisfaction of the Free Float Requirement

Rule 19A.13C(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (b) have an expected market value at the time of listing of not less than HK\$600,000,000.

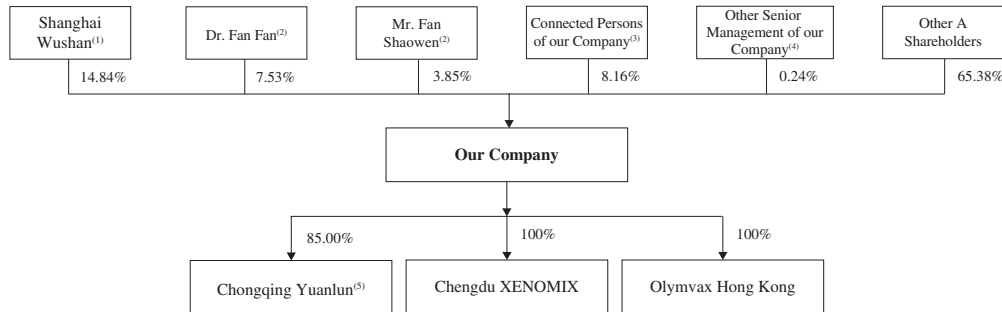
Our Company has proposed to adopt mechanism B under Chapter 4.14 of the Guide for New Listing Applicants. Accordingly, 10% of the initial [REDACTED] shall be allocated to the [REDACTED] tranche, and at least 40% of the [REDACTED] shall be allocated to the [REDACTED] tranche (other than [REDACTED]) according to paragraph 3.2 of Practice Note 18 to the Listing Rules. Therefore, at least 50% of the [REDACTED] will not be subject to lock-up at the time of the [REDACTED]. As such, at least [REDACTED]% of the total number of our issued shares (excluding the treasury shares) will be held by the [REDACTED] and not be subject to lock-up, with an expected market capitalization of approximately HK\$[REDACTED] at the time of [REDACTED] (calculated based on the maximum [REDACTED] of HK\$[REDACTED] per H Share), which is higher than the prescribed percentage of free float of at least 5% and expected market capitalization of not less than HK\$50,000,000 under Rule 19A.13C(2)(a), thereby satisfying Rule 19A.13C(2)(a) of the Listing Rules at the time of [REDACTED].

HISTORY AND CORPORATE STRUCTURE

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately before the [REDACTED]

The following chart depicts a simplified shareholding and corporate structure of our Group immediately before the completion of the [REDACTED], assuming that no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the [REDACTED]:



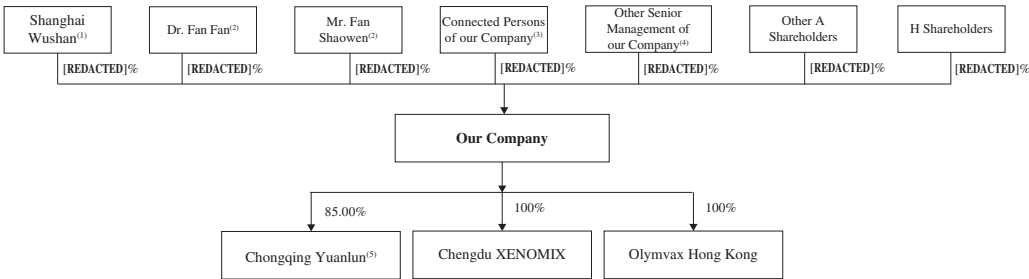
Notes:

- As of the Latest Practicable Date, Shanghai Wushan was held as to approximately: (i) 47.22% by Mr. Fan Shaowen, the chairman of the Board, an executive Director and the general manager of our Company; (ii) 20.00% by Ms. Chen Aimin, an executive Director and a deputy general manager of our Company; (iii) 13.00% by Ms. Chen Aiguo, an Independent Third Party; (iv) 6.78% by Dr. Fan Fan, the vice chairlady of the Board and an executive Director; (v) 6.00% by Mr. Qiu Yumou, an Independent Third Party; (vi) 5.00% by Mr. Ai Xing, an Independent Third Party; and (vii) 2.00% by Mr. Li Hongguang, an Independent Third Party.
- Dr. Fan Fan is the daughter of Mr. Fan Shaowen.
- As of the Latest Practicable Date, (i) Taichang Group; (ii) Mr. Hu Cheng, who was a former Director in the last 12 months; and (iii) Ms. Chen Aimin, an executive Director, held approximately 6.38%, 1.64% and 0.14% equity interest, respectively, in our Company. Taichang Group was held as to approximately (i) 54.00% by Mr. Zhang Pengfei, a non-executive Director, and (ii) 46.00% by Mr. Zhang Hongjing, an Independent Third Party.
- As of the Latest Practicable Date, (i) Mr. Wu Wei, a member of the senior management; and (ii) Mr. Tan Yong, a member of the senior management, held approximately 0.14% and 0.10% equity interest, respectively, in our Company.
- The remaining 15.00% equity interests in Chongqing Yuanlun was held by Chongqing Zheshengyuan Enterprise Management Partnership (Limited Partnership) (重慶柘生源企業管理合夥企業(有限合伙)) (“**Chongqing Zheshengyuan**”), the employee incentive platform of Chongqing Yuanlun. As of the Latest Practicable Date, the general partners of Chongqing Zheshengyua were Lu Lu (盧陸) and Yang Feng (楊峰), who held 71.43% and 19.05% of its partnership interests, respectively, and each of them is an Independent Third Party. The remaining partnership interests were held by five other limited partners, all of whom are Independent Third Parties.

HISTORY AND CORPORATE STRUCTURE

Shareholding and Corporate Structure upon the Completion of the [REDACTED]

The following chart depicts a simplified shareholding and corporate structure of our Group upon completion of the [REDACTED], assuming that the [REDACTED] and the [REDACTED] are not exercised and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the [REDACTED]:



Notes (1) to (5): Please refer to the details on the preceding page.

BUSINESS

OVERVIEW

We are a biopharmaceutical company dedicated to the research, development, manufacturing, and commercialization of innovative vaccines. We have established a systematic product development framework that prioritizes key research areas and manages our R&D projects across different development stages. Our strategic focus centers on two key areas, namely, “superbug vaccines” (超級細菌疫苗) and “adult vaccines (成人疫苗).”

Distinct from many pre-revenue biotechnology companies, we have three commercialized products: Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine, and AC Conjugate Vaccine. Leveraging our commercialization capabilities, our Adsorbed Tetanus Vaccine has maintained a dominant position in China during the Track Record Period. According to the CIC Report, in terms of revenue, our Adsorbed Tetanus Vaccine ranked first in the adsorbed tetanus vaccine market in China in 2025, with a market share of approximately 98.8%. According to the same report, the adsorbed tetanus vaccine market accounted for approximately 1.0% of the total vaccine market in China in 2025, in terms of revenue. Our portfolio of commercialized products serves as the cornerstone of our continued business development, generating stable cash flow and providing a solid foundation to fund and facilitate the development of our vaccine pipeline.

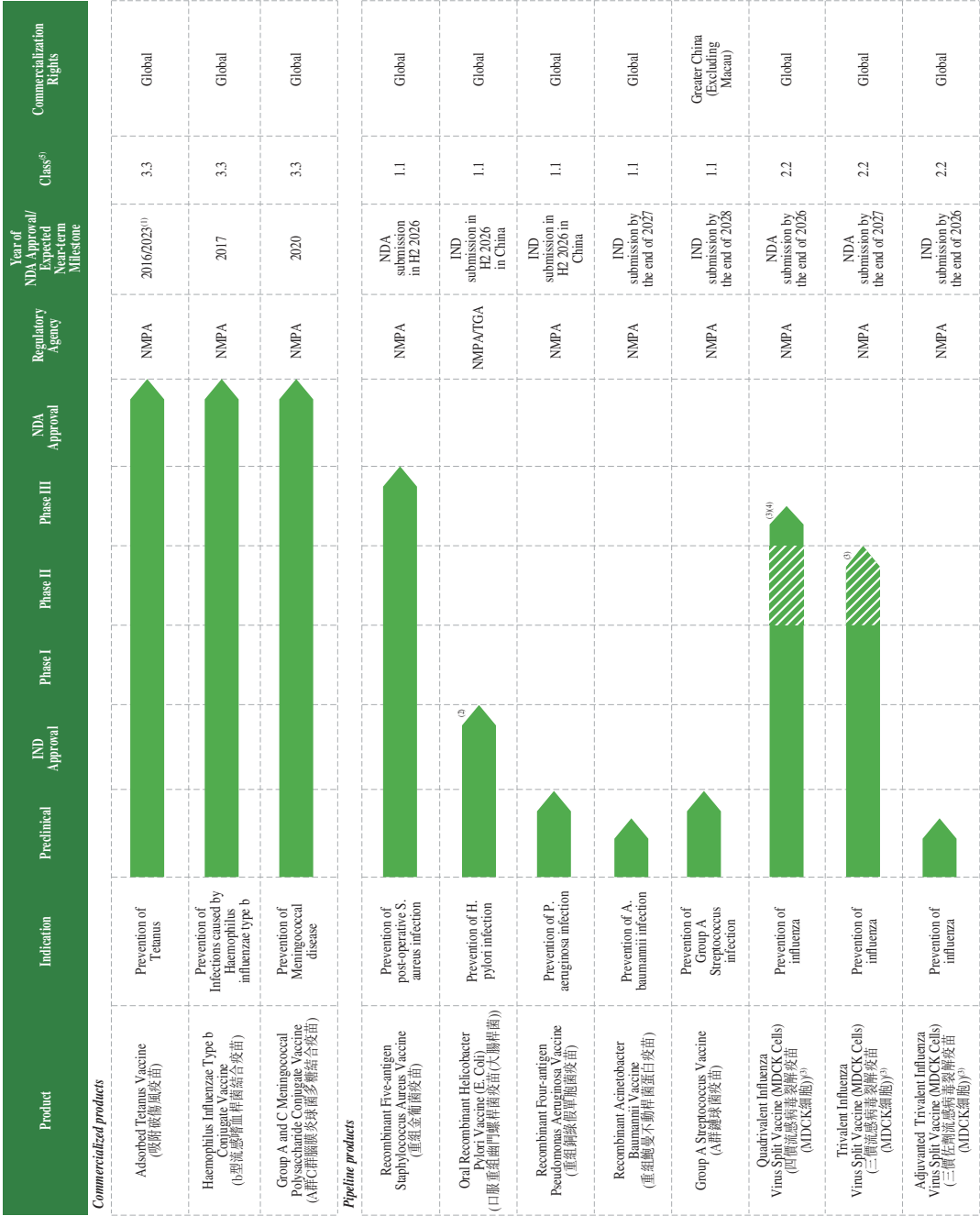
We have multiple vaccine pipelines targeting “superbugs”, which exhibit significant resistance to multiple antibiotics and pose serious public health challenges globally due to limited or no effective treatment options. Our Class 1.1 superbug vaccine candidates are strategically developed to target five pathogens, comprising (i) rFSAV targeting *Staphylococcus aureus*, a “high priority” pathogen identified in both the WHO 2024 Superbug List and the WHO 2017 Superbug List; (ii) rHPV targeting *Helicobacter pylori*, a “high priority” pathogen identified in the WHO 2017 Superbug List; (iii) rFPV targeting *Pseudomonas aeruginosa*, a “high priority” pathogen identified in the WHO 2024 Superbug List and a “critical priority” in the WHO 2017 Superbug List; (iv) rABV targeting *Acinetobacter baumannii*, a “critical priority” pathogen identified in both the WHO 2024 Superbug List and the WHO 2017 Superbug List; and (v) GAS Vaccine, targeting Group A *Streptococcus* identified as a “medium priority” pathogen in the WHO 2024 Superbug List.

Furthermore, we are actively exploring the development of “superbug” combination vaccines that can combine several of these bacterial targets, with the objective of achieving broader protection against multiple resistant infections. With no comparable commercialized product available globally targeting these superbugs, we anticipate a vast market for our superbug vaccine candidates.

During the Track Record Period, we experienced growth and business expansion, reflecting the success of our commercialization strategy and operational efficiency. Our revenue increased from RMB494.3 million in 2023 to RMB586.1 million in 2024 and to RMB700.1 million in 2025. Such financial performance provides a solid foundation for our continued investment in R&D and the advancement of our innovative pipeline, as well as our international expansion.

BUSINESS

The following chart summarizes the status of our commercialized products and main pipeline products as of the Latest Practicable Date:



BUSINESS

Notes:

- (1) We obtained NMPA approval for the vial formulation of our Adsorbed Tetanus Vaccine on October 25, 2016. Subsequently, on August 21, 2023, the NMPA approved our supplemental application to add the pre-filled syringe formulation. This 2023 approval serves as the current registration for both the vial and pre-filled syringe formulations.
- (2) We received the approval to initiate a Phase I clinical trial in Australia in June 2024. We plan to submit an IND submission to the NMPA in China in the second half of 2026.
- (3) In line with established regulatory guidelines, our clinical development of such vaccine candidate did not include Phase II clinical trials.
- (4) On November 21, 2025, we completed full subject enrollment for the Phase IIIa clinical trial.
- (5) For details on the definitions of Class 1.1, Class 2.2 and Class 3.3 vaccines, please refer to the section headed “Glossary” in this document.

OUR COMPETITIVE STRENGTHS

We believe our past success and future prospects are founded on a combination of distinct and sustainable competitive strengths that differentiate us from our competitors. These strengths have been instrumental in our growth and have established a solid foundation for our future development. They include:

Proven Commercialization Capabilities

We possess proven commercialization capabilities, demonstrated by our success in leading the adult tetanus vaccine market in China. This capability is built on a multi-faceted strategy that combines policy influence, academic promotion, and a robust sales infrastructure.

- ***Market Creation through Evidence-based Advocacy and Policy Leadership:*** We strategically created and expanded the adult tetanus vaccine market in China, a market previously focused only on pediatrics. We achieved this by collaborating with clinical experts to establish over 80 hospital-based monitoring sites to collect real-world data on the disease burden of non-neonatal tetanus. Leveraging this compelling data, we actively supported the formulation and updates of five national-level clinical guidelines and expert consensuses. The data revealed a serious public-health challenge, with the incidence rate in China estimated to be approximately 100 times that of developed countries. This evidence-based advocacy established a robust policy framework that standardized clinical practices nationwide and created a high entry barrier for potential competitors.
- ***Integrated Clinical and Immunization Model:*** We developed and implemented a strategic model designed to bridge the operational gap between clinical treatment facilities and vaccination sites in China. Through national-level “Standardized Tetanus Prevention Clinic Construction Projects”, we provide hospitals with a replicable roadmap to obtain the required qualifications to become POVs. By integrating emergency-department resources in general hospitals, our model enables hospitals to perform the full-process, one-stop service of “wound debridement – assessment – wound treatment – vaccination”. This initiative contributes to China’s 2030 National Tetanus Elimination Goal of achieving “zero tetanus incidence in post-exposure prophylaxis” and “zero mortality among tetanus-treated patients.”
- ***Extensive Nationwide Sales Network and Deep Market Penetration:*** Our strategies have translated into significant commercial success and a dominant market position. Our Adsorbed Tetanus Vaccine achieved revenue of RMB463.0 million, RMB535.8 million and RMB613.7 million in 2023, 2024 and 2025, respectively. According to the CIC Report, in terms of revenue, our Adsorbed Tetanus Vaccine ranked first in the adsorbed

BUSINESS

tetanus vaccine market in China in 2025, with a market share of approximately 98.8%. According to the same report, in terms of revenue, the adsorbed tetanus vaccine market accounted for approximately 1.0% of the total vaccine market in China in 2025. As of the Latest Practicable Date, our sales network covered 30 provinces, municipalities, and autonomous regions in China. As of the same date, we have established direct commercial relationships with over 2,000 district- and county-level CDCs, and one or more of our three commercialized vaccine products were available at approximately 9,100 POVs nationwide, including approximately 2,400 general hospitals. This deeply-rooted commercialization engine provides a critical strategic advantage for the future launch of our innovative pipeline products, particularly the rFSAV.

- ***Mature and Compliant Commercial Organization:*** Our commercial operations are managed by a professional marketing center comprising experienced teams in sales, marketing, medical affairs, and operations. We engage a network of marketing service providers to engage in academic promotion and market education initiatives, and we exercise stringent oversight through contractual obligations, regular compliance training, and continuous supervision to ensure all activities are conducted in strict compliance with applicable laws and regulations.

An Innovative Platform for Class 1.1 Vaccines with the Most Comprehensive “Superbug” Vaccine Pipeline in the World

We have established a innovative platform focused on developing Class 1.1 vaccines. We have strategically chosen to develop vaccines targeting superbugs, which exhibit significant resistance to multiple antibiotics and pose serious public health challenges globally due to limited or no effective treatment options. According to the CIC Report, we have the most comprehensive “superbug” vaccine pipeline globally, with five candidates targeting *Staphylococcus aureus*, *Helicobacter pylori*, *Pseudomonas aeruginosa*, *Acinetobacter baumannii* and Group A *Streptococcus*, contributing to global efforts to address antimicrobial resistance. Furthermore, we are actively exploring the development of combination “superbug” vaccines, combining several of these bacterial targets, with the objective of achieving broader protection against multiple resistant infections.

In addition, from a health economics perspective, our superbug vaccine candidates offer a compelling value proposition of “prevention over cure.” The treatment of superbug infections, particularly those caused by highly resistant strains, is associated with prolonged hospital stays, high-cost antibiotic regimens, and significant morbidity and mortality. By preventing these infections, our vaccine candidates have the potential to dramatically reduce direct medical costs, lessen the economic burden of antimicrobial resistance on the healthcare system, and improve patient outcomes.

(1) *Recombinant Five-antigen Staphylococcus Aureus Vaccine* (重組五組分金葡萄菌疫苗)

Our leadership in this field is spearheaded by our rFSAV, a Class 1.1 innovative drug co-developed with our Key R&D Partner. This vaccine candidate embodies our technical and clinical development advantages.

Our rFSAV utilizes a multicomponent recombinant protein technology platform, representing a major advancement over the single-target approaches adopted by previously unsuccessful international vaccine candidates. Its five-antigen design (mHla, IsdB-N2, SpA5, mSEB and MntC) comprehensively covers the core pathogenic mechanisms of *Staphylococcus aureus*, including metabolic survival, adhesion and colonization, toxin secretion and immune evasion, thereby forming a “combination-punch” defense mechanism. Unlike previously failed Phase III candidates that did not use adjuvants, our vaccine candidate incorporates an aluminum-based adjuvant to enhance the immune response. In addition, we have specifically designed and optimized a novel “perioperative” three-dose, two-visit immunization regimen to meet the rapid protection needs of high-risk surgical patients.

BUSINESS

As a Class 1.1 innovative vaccine, our rFSAV is the only candidate of its kind to have entered clinical trials in China. According to the CIC Report, it is the only vaccine candidate targeting *Staphylococcus aureus* globally that is currently undergoing Phase III clinical trials. This pivotal clinical trial, a multi-center, randomized, double-blind, placebo-controlled study. We expect to unblind the data in the third quarter of 2026 and submit the NDA by the end of 2026. Our Phase II clinical trial has already demonstrated a good safety and immunogenicity profile in the target population of orthopedic surgery patients aged between 18 and 70 years, with specific antibody levels peaking just 10 to 14 days after the first dose, validating our rapid immunization strategy.

With no approved *Staphylococcus aureus* vaccine currently on the global market, our rFSAV, if successfully developed, would address a critical medical need and break the “zero vaccine” impasse in this field. Following its initial approval for orthopedic surgery patients, we plan to systematically expand the indications of this vaccine candidate. Our strategy is to extend its use to other high-risk populations, including patients susceptible to hospital-acquired infections, elderly and pediatric populations with reduced immunity, and professionals such as emergency responders who are at increased risk of infection. Our long-term vision is to achieve broad application across these target populations, thereby capturing substantial market potential.

(2) *Oral Recombinant Helicobacter Pylori Vaccine (E. Coli)* (口服重組幽門螺桿菌疫苗(大腸桿菌))

Our pipeline is further distinguished by our rHPV, which has received Phase I clinical trial approval in Australia, with plans to subsequently advance its clinical development in China. It has the potential to become the one of the first vaccines for the prevention of *Helicobacter pylori* infection in the world, according to the CIC Report. This vaccine candidate adopts a clinically validated recombinant protein technology platform and is enhanced through the addition of unique adjuvants and absorption enhancers to strengthen the human immune response. We are currently exploring the conversion of the liquid formulation into an oral capsule form, which is expected to significantly improve patient compliance. This approach represents a meaningful advancement in the development of protein-based vaccines. According to the CIC Report, we are the only company in China with the capability to achieve mass production of this vaccine candidate as of the Latest Practicable Date. In addition, the market opportunity for our rHPV is vast. According to the CIC Report, *Helicobacter pylori* affects up to 50% of the population worldwide, with a higher prevalence in developing countries. In China, as highlighted in a June 2023 white paper issued by the CDC, the infection rate in China is nearly 50%, with prevalence in different populations ranging from 35.4% to 66.4%.

(3) *Recombinant Four-antigen Pseudomonas Aeruginosa Vaccine* (重組銅綠假單胞菌疫苗)

Our rFPAV addresses a pathogen with over 600 serotypes, making a broad-spectrum antigen design exceptionally difficult. This four-component vaccine candidate adopts an artificial-intelligence-driven antigen design and optimization approach. Leveraging our R&D team’s proprietary database of protective and non-protective antigens, a generative adversarial network model was established and trained to identify and refine candidate antigen targets. The resulting construct is designed to elicit robust and comprehensive cellular and humoral immune responses, enabling effective bacterial clearance and infection control. In multiple animal models, including acute pneumonia, burn-associated infection and systemic infection models, the vaccine has demonstrated protective immunogenic activity. It is also the one vaccine candidate targeting this pathogen in China for which a Pre-IND submission has been completed. As a Class 1.1 innovative vaccine candidate developed via a genetic engineering technology route, our rFPAV is currently in the late preclinical research stage.

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(4) *Recombinant Acinetobacter Baumannii Vaccine* (重組鮑曼不動桿菌蛋白疫苗)

Our rABV is the world’s first currently active vaccine candidate for this pathogen to enter the research and development stage, accordingly to the CIC Report. *Acinetobacter baumannii* is a Gram-negative coccobacillus with extreme intrinsic resistance to antibiotics and a high survival capacity in hospital environments. It accounted for approximately 15.1% of hospital-acquired infections globally and 19.0% in Asia in 2025, making it one of the most critical superbugs in China, according to the CIC Report. This vaccine candidate adopts an innovative multi-antigen protein combination design that integrates selected conserved *Acinetobacter baumannii* antigens to achieve broad strain coverage. It is designed to activate both rapid innate and long-term adaptive immune responses for improved protection. In addition, the underlying design concept demonstrates cross-species protective potential and may serve as a platform for developing combination vaccines against other hospital-acquired drug-resistant bacteria.

(5) *Group A Streptococcus Vaccine* (A組鏈球菌疫苗)

Our GAS Vaccine is an innovative peptide vaccine candidate being developed for the prevention of diseases caused by *Streptococcus pyogenes*. Group A streptococcus is a gram-positive, nonspore-forming bacterium that grows in pairs and chains. It is responsible for a wide spectrum of skin, soft tissue, and respiratory tract infections, ranging from pharyngitis, scarlet fever, impetigo, cellulitis, and erysipelas to severe invasive infections such as streptococcal toxic shock syndrome and necrotizing fasciitis. There is currently no approved vaccine available globally, largely due to challenges in ensuring vaccine safety. This vaccine candidate adopts an innovative multi-peptide design specifically developed to address historical safety concerns associated with GAS vaccines. It utilizes two peptide antigens that together aim to provide broader protection across multiple serotypes, enhance defense against highly pathogenic CovR/S mutant strains, and minimize the potential risk of autoimmune cross-reactivity.

Cell-culture-based Influenza Vaccines Addressing an Unmet Domestic Supply Need

We currently leverage our advanced technology platforms to develop new influenza vaccines, positioning us to capture the market shift away from traditional production methods and fill a significant gap in the domestic market. Our influenza vaccine candidates are produced using an MDCK cell-culture-based platform, which uses a type of animal cell as the environment to grow vaccine viruses, rather than using chicken eggs. This platform offers certain advantages over the traditional chicken embryo culture-based production method that is prevalent in China.

Our MDCK cell-culture-based platform represents an alternative production method to traditional chicken embryo-based methods. According to the CIC Report, as the MDCK cell-culture-based vaccine production process does not involve the use of chicken eggs, it eliminates the risk of egg protein-related allergic reactions, making the vaccines safer for individuals with egg allergies and improving overall vaccine tolerability. In addition, because the virus is grown in cells rather than eggs, the production process help reduce changes to the virus during production and support more consistent product quality. Furthermore, the platform is designed for large-scale cultivation in bioreactors, which are controlled production tanks used to grow cells and viruses on a commercial scale, which dramatically shortens the production cycle and improve production efficiency. Finally, our MDCK cells are readily adapted for serum-free media and suspension culture, meaning that the cells can grow without animal serum and can float and multiply in liquid culture rather than attaching to a surface. These features make the production process easier to expand for large-scale manufacturing and may help reduce production costs.

As of the Latest Practicable Date, no cell-culture-based influenza vaccine has been approved for marketing in China, positioning us as a first mover in this emerging field, according to the CIC Report. Our Trivalent Influenza Vaccine and Quadivalent Influenza Vaccine candidates received IND approvals from the NMPA in May and October 2024, respectively. The Trivalent Vaccine Candidate, the first of its kind approved for clinical trials in China, is currently in Phase I clinical

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trial, while the Quadrivalent Vaccine Candidate has progressed to Phase III clinical trial in October 2025, highlighting our early progress in developing cell-culture-based influenza vaccines in China. In addition, our Adjuvanted Influenza Vaccine candidate is rapidly advancing in the preclinical stage. According to CIC, as international regulatory bodies, such as the U.S. FDA, began to shift away from the traditional chicken embryo culture-based influenza production, hinting at a potential future pathway for China, we believe our advanced platform enables us to participate in the potential upgrade of production methods in influenza vaccine market in China. According to the CIC Report, this market is projected to grow from RMB8.6 billion in 2025 to RMB39.7 billion in 2035, representing a CAGR of 16.5%.

R&D and Collaboration Capabilities Supporting New Vaccine Development

Our vaccine R&D capabilities are supported by our technology platforms, collaborations with academic institutions, and experience in product development and operations.

Our vaccine R&D capability is enabled by our robust and integrated ecosystem of technology platforms. This system, which covers the entire vaccine lifecycle from target discovery to industrialization, provides the engine for our innovative pipeline. We have also built our success on a proven “industry-academia-research” model, forming close partnerships with leading academic institutions to accelerate our FIC development. Our cornerstone collaboration is with our Key R&D Partner, with whom we have co-developed our lead vaccine candidate, rFSAV. This long-term partnership has been instrumental in advancing the world’s only active *Staphylococcus Aureus* vaccine candidate into a Phase III clinical trial, demonstrating our ability to successfully translate cutting-edge domestic research into a globally leading clinical asset. This domestic success is complemented by our international partnerships, most notably with our GAS Partner, with whom we have co-developed a Class 1.1 innovative GAS Vaccine since 2016. In a significant validation of our production and quality systems, our GAS Partner entrusted us in 2025 with a contract to manufacture the GAS Vaccine for its overseas clinical trials, demonstrating our capability to manufacture vaccines that meet standards acceptable to our international partners. We also have experience with overseas product and business operation. We have conducted overseas clinical activities for our rHPV candidate, which obtained Phase I clinical trial ethics approval from the Human Research Ethics Committee in Australia and was filed with the TGA. These activities reflect our ability to prepare and submit regulatory documents in accordance with applicable foreign requirements. We are also evaluating potential development and registration arrangements for our rFSAV candidate in selected overseas markets in light of its ongoing Phase III clinical trial. We have commenced certain overseas business development activities, including the out-licensing of regional marketing rights for selected products. These arrangements enable us to collaborate with local partners in overseas markets for product registration and potential future commercialization.

Mature Technology and Individualization Platform Supported by a Strong Talent Reserve

Our R&D and industrialization capabilities are driven by an integrated ecosystem that combines in-house expertise with external collaborations, ensuring a seamless transition from laboratory discovery to commercial-scale production. This strength is built upon our technology platforms, advanced infrastructure, and a team of experienced professionals.

Our R&D is powered by a suite of technology platforms that form an integrated ecosystem covering the entire vaccine lifecycle. This allows us to innovate across multiple modalities and address complex development challenges. We employ the following core technology platforms in connection with the development of our vaccines.

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- ***Genetic Engineering and Multi-dimensional Target Vaccine Design Platform (基因工程與多維靶標疫苗設計平台):*** This platform is the foundation of our innovative vaccine development, enabling the discovery of novel vaccine candidates by blocking key bacterial pathogenic pathways. By integrating technologies from bacterial infection immunoproteomics to computer-aided screening, we have identified 15 novel and effective vaccine targets. The platform utilizes advanced techniques such as precision detoxification to eliminate toxicity while preserving immunogenicity, and protein polymerization to enhance the immunogenicity of specific targets by more than 10-fold. It is the engine behind our superbug vaccine candidates.
- ***Polysaccharide-protein Conjugation Technology Platform (多糖蛋白結合技術平台):*** This platform overcomes the technical limitations of traditional polysaccharide vaccines through our proprietary conjugation processes, which increase the yield of vaccine bulk solution by 50% to 100%, and significantly improves product homogeneity. Our high-quality carrier protein technology, including a preparation process for low-polymerization tetanus toxoid that reduces adverse reaction rates by up to 30% and our independently developed CRM197 carrier protein filed with the U.S. FDA, demonstrates our internationally recognized standards. This platform is the core technology behind our successfully commercialized Hib Conjugate Vaccine and our AC Conjugate Vaccine, the latter being the only one approved in China for booster immunization in children at 18 months of age.
- ***Integrated “Molecule-to-human” Vaccine Efficacy Evaluation Platform (“分子-細胞-動物-人體”一體化疫苗效力評價平台):*** This platform provides critical, end-to-end efficacy evaluation to ensure our development process is scientific and efficient. We have established a series of animal models that highly simulate clinical infection scenarios such as pneumonia, sepsis, and trauma. We employ innovative immunological assays, including the Opsonophagocytic Activity Assay to evaluate functional antibody quality and Luminex-based multiplex assays for comprehensive immune response analysis. This platform, whose methods have been adopted by over dozens of institutions in China, including the NIFDC, provided crucial data support for the successful execution of the clinical trials for our rFSAV.
- ***Digital and Automated Vaccine Industrialization Platform (數字化與自動化疫苗產業化平台):*** This platform is designed to achieve high-quality and high-efficiency commercial-scale production. It integrates digitally controlled, 1,000-liter scale high-density fermentation and advanced chromatography purification systems, which have increased the proportion of high-quality toxoid in a specific product from 70% to 98% and doubled the yield of Hib polysaccharide. We employ green and digitalized processes, replacing traditional toxic chemicals and implementing automated controls to ensure batch-to-batch consistency. This platform has successfully supported the manufacturing of our commercialized products within our production base containing multiple GMP-compliant workshops.

Our research and development system is founded on our “industry-academia-research” model, which facilitates the progression of novel concepts to late-stage clinical development through strategic academic partnerships. This successful collaborative framework is supported and amplified by our two in-house R&D centers. Our Chengdu R&D center focuses on the research and development of bacterial and viral vaccines as well as adjuvants, while our Chongqing R&D center is dedicated to the research and development of anti-infective antibody drugs. Both centers are equipped with advanced facilities and GMP-compliant pilot workshops, offering end-to-end capabilities in antigen design, screening, target validation, cell line development, process optimization, scale-up, and sophisticated quality control analytics, ensuring an efficient pathway from laboratory discovery to commercial-scale manufacturing.

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Our R&D efforts are also driven by a team of qualified and experienced scientists and engineers. Led by Dr. Fan Fan (樊飢), our core R&D team includes distinguished experts with decades of experience and numerous accolades in vaccine research and development, providing strong leadership and scientific direction to our innovation programs. Dr. Fan Fan is supported by a team of senior scientists with proven track records in both academic research and industrial product development. Among them are individuals who have served as key inventors of nationally commercialized vaccines and principal investigators of National Major New Drug Creation (國家重大新藥創制) projects. Their achievements include leading vaccine candidates from concept to market, publishing extensively in peer-reviewed journals, securing multiple invention patents, and receiving provincial and ministerial science and technology awards. This strong and diverse R&D talent base provides the technical depth and innovation capability essential to advancing our long-term growth strategy and maintaining our competitiveness in vaccine development and commercialization. As of December 31, 2025, our R&D team comprised 143 members. For details, see “— Our Competitive Strengths — A Visionary and Experienced Core Management Team” in this section.

Our R&D capabilities and innovative pipeline have received recognition from industry bodies and governmental authorities, validating our position at the forefront of vaccine development in China. Our rFSAV was selected for the prestigious “Pioneer Technology List” by the China Association for Science and Technology and won an Excellence Award at the National Disruptive Technology Innovation Competition. Our success in collaborative innovation was specifically honored with the 2024 “China Industry-University-Research Cooperation Innovation Award” (中國產學研合作創新獎). Furthermore, our broader technological prowess and intellectual property strength are evidenced by our inclusion in the 2024 lists of “Top 100 Sichuan Enterprises for Technological Innovation Capability” (四川企業技術創新能力百強企業) and “Top 100 Sichuan Enterprises by Number of Invention Patents Owned” (四川企業發明專利擁有量百強企業). These accolades, along with others serve as a testament to our recognized leadership in disruptive vaccine innovation. For more information, see “— Awards and Recognitions” in this section.

International-standard Vaccine Production Capability and a Comprehensive Quality Management System

We have established a robust, in-house manufacturing and quality management system that ensures product quality, supply chain stability, and the protection of our proprietary technologies. This vertically integrated capability is a core competitive advantage that underpins both our business operation and pipeline development.

Demonstrating our execution capabilities and efficient use of capital, we have successfully constructed advanced manufacturing facilities that include multiple GMP-compliant production workshops. These facilities are designed with a modular approach, housing dedicated and physically separated workshops for different vaccine types to prevent cross-contamination. This design provides both the scale and flexibility to support our diverse portfolio.

Our quality philosophy is centered on the principle of “quality by design,” which ensures that quality is proactively integrated into each stage of the product lifecycle, from development to manufacturing. Our quality management system, which is certified under ISO 9001, covers the control of raw materials, in-process quality management and final product release. We procure raw materials only from qualified suppliers and test incoming materials before release. We also strictly control critical starting materials, such as master and working cell banks and bacterial seed lots, to ensure genetic stability and consistent performance. During production, we use information systems, including a manufacturing execution system, to support data integrity and traceability. Key manufacturing steps are monitored, and on-site quality assurance personnel oversee important operations. We also set warning and action limits for critical quality attributes, allowing us to identify and address potential issues at an early stage. Before release, each batch must pass our

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internal quality control tests and documentation review. Our internal standards are often stricter than regulatory requirements. After internal release, each batch of biological products is submitted to the NIFDC for independent testing and approval before it can be sold in China.

Our commitment to quality is demonstrated by our impeccable regulatory track record. We have maintained a 100% lot release pass rate for all our commercialized products since their respective launches and have consistently passed all GMP inspections from the NMPA without material deficiencies. Crucially, our quality system has been proven to meet stringent international standards. Our engagement by our GAS Partner to manufacture the GAS Vaccine for its overseas clinical trials serves as concrete evidence of our capability to operate and manage in compliance with the internationally recognized guidelines, which are required by the TGA for manufacture of clinical trial materials for the Australian market. This external validation underscores our readiness for overseas collaboration and potential future international product registration.

A Visionary and Experienced Core Management Team

Our growth and achievements are led by a stable, cohesive, and visionary senior management team that possesses deep industry expertise, a complementary blend of skills, and a proven track record of success in the vaccine industry. Our founder, chairman and general manager, Mr. Fan Shaowen (樊紹文), is a seasoned entrepreneur and the architect of our corporate strategy. As a practicing pharmacist, Mr. Fan has approximately five decades of experience rooted in the biopharmaceutical sector, beginning with a foundational scientific role as the head of the protein laboratory of the Institute of Blood Transfusion under the Chinese Academy of Medical Sciences (中國醫學科學院輸血研究所). His career progressed through senior leadership positions at several biopharmaceutical companies. Under his astute leadership, we successfully completed our listing on the SSE STAR Market, establishing a sustainable financing platform that has propelled our growth. His leadership is complemented by Dr. Fan Fan (樊飢), our vice chairlady and executive Director, who is responsible for our overall R&D strategy formulation and execution. She is a named inventor on multiple granted invention patents, demonstrating her direct contribution to our core technological advancements. Her leadership within the industry is further recognized through her roles as a committee member for both the Glycovaccine committee and Supply Chain committee of the China Association for Vaccines (中國疫苗行業協會), and through numerous accolades, including the vice president of the Federation of Technology Entrepreneurs under the Direct Work Committee of the Sichuan Provincial Committee of Jiusan Society.

We believe our senior management team has established extensive professional networks and collaborations within the vaccine and biologics industry, which have facilitated long-term partnerships with leading research institutions, key suppliers and strategic business partners. We are committed to continuously attracting, developing and retaining high-caliber talent, supported by a structured talent-development framework and competitive performance-based remuneration mechanisms.

OUR STRATEGIES

We are committed to developing innovative vaccines, particularly in the high-need area of “superbug” infections. To achieve our long-term vision, we plan to implement the following key strategies:

Accelerate the Clinical Development and Commercialization of Our Core Innovative Pipeline

We intend to leverage our proven clinical development and regulatory execution capabilities to rapidly advance our pipeline of innovative vaccine candidates, with a clear focus on bringing our most advanced assets to market to address significant medical needs.

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Our priority is completing the final stages of development and preparation for the commercial launch of our rFSAV. Having completed the enrollment of all 6,014 subjects for our Phase III clinical trial in May 2025, we are on track for the data unblinding in the third quarter of 2026. We plan to submit the NDA to the NMPA by the end 2026. Upon approval, this vaccine is poised to become the world’s first approved vaccine for the prevention of *Staphylococcus aureus* infections. Following the initial approval for post-operative infection prevention in orthopedic surgery, we plan to systematically expand the application of this vaccine candidate to other high-risk populations, including patients susceptible to hospital-acquired infections, elderly and pediatric populations with weakened immunity, and emergency responders, with the ultimate objective of achieving broad application across these target populations.

In addition, we plan to accelerate the development of our rHP vaccine candidate, which has the potential to become one of the first vaccines for *Helicobacter pylori* prevention in the world. For our domestic pathway, we intend to submit an IND application to the NMPA in the second half of 2026 to initiate clinical development. Leveraging our extensive domestic regulatory experience and in-house manufacturing capabilities, we aim to advance our capsule-form oral rHP vaccine candidate through early stage clinical trials to evaluate its safety, immunogenicity, and dosage optimization. In parallel, for our international development pathway, we plan to actively explore opportunities to initiate additional clinical trials in the United States or Australia to support the potential overseas clinical development and future commercialization of our rHP vaccine candidate. By pursuing coordinated domestic and international clinical programs, we aim to establish a solid foundation for the global commercialization of our rHP vaccine candidate.

We also aim to accelerate the development of our cell-based influenza vaccine portfolio by advancing the Phase III clinical trials for our Trivalent Influenza Vaccine candidate as well as the research and development and future clinical trials of our Adjuvanted Influenza Vaccine candidate. We intend to leverage our first-mover advantage in China’s cell-based influenza vaccine market to strengthen our competitive position. We expect to submit NDAs to the NMPA for the quadrivalent and trivalent vaccine candidates by the end of 2026 and the end of 2027, respectively. We also plan to submit an IND application to the NMPA for our Adjuvanted Influenza Vaccine candidate by the end of 2026 and carry out our the relevant clinical trials between 2027 and 2028, subject to actual results.

Focus on Our “Superbug Vaccine” Development Strategy and Explore Synergistic Combination Vaccines

We will continue to spearhead our efforts in the “superbug” field by developing our comprehensive pipeline targeting superbugs, especially those identified by WHO to be critical and important to public health, and by exploring the development of next-generation combination vaccines. We will continue to advance the preclinical development of our rFPAV and rABV, for which we plan to complete preclinical studies and submit IND applications in the second half of 2026 and by the end of 2027, respectively. Leveraging our established technology platforms for individual superbug vaccines, we plan to initiate the research and development of a combination vaccine targeting *Staphylococcus aureus*, *Pseudomonas aeruginosa*, and *Acinetobacter baumannii*. This strategic initiative aims to create a “super hospital-acquired infection vaccine” that can provide broader protection against the most common and dangerous hospital-acquired infections, creating significant clinical and commercial synergies.

Upgrade Our Production Capabilities to Support Commercialization and International Standards

To support the large-scale commercialization of our innovative vaccine pipeline and align our production facilities with international regulatory standards, we plan to continuously upgrade our manufacturing infrastructure. We plan to install advanced production systems supplied by leading domestic equipment manufacturers. This upgrade is designed to strengthen and optimize our substance production, fill-finish operations, and packaging capabilities. This effort is expected to

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include, but not limited to, the upgrade of our tetanus fermentation system, as well as the deployment of advanced equipment such as fermentation, purification, aseptic filling, lyophilization, and packaging systems. We are also implementing comprehensive environmental, utility, and safety upgrades, including automated control, sterilization, and wastewater inactivation systems, as well as integrated building management system/environmental monitoring system, to enhance biosafety and ensure stable and compliant production operations.

Through these initiatives, we aim to improve production automation, digitization, and process control to increase production efficiency, yield, and product consistency while strictly adhering to international quality and safety standards. These continuous upgrades are expected to significantly enhance our production efficiency, thereby providing strong manufacturing support for the commercialization and global development of our vaccine pipeline.

Strengthen Commercialization Capabilities and Deepen Market Penetration in China

Building on our proven commercial success, we will further strengthen our sales and marketing infrastructure to ensure the successful launch of our innovative products and deepen our market penetration. Our primary commercial strategy is to leverage the extensive and well-established sales network built for our Adsorbed Tetanus Vaccine to facilitate the market entry of our rFSAV. This network already provides us with direct access to the hospital serving as POVs, which is the primary application scenarios for the rFSAV. We will expand and train our existing sales team to cover key hospital departments, ensuring a rapid and efficient commercial rollout. We also plan to expand the breadth and depth of our sales network, with the goal of expanding our direct commercial relationships with district- or county-level CDCs and increasing our coverage of POVs. These efforts will be underpinned by an intensification of our academic promotion and evidence-based marketing activities, including sponsoring clinical guideline development, hosting academic symposia, and publishing clinical and health economics data in peer-reviewed journals, to educate healthcare professionals on the clinical value of our innovative vaccines.

Implement a Dual-directional Internationalization Strategy

We will pursue a “bring in and go out” (引進來、走出去) international strategy to enhance our technological capabilities, expand our market reach, and increase the value of our assets.

We will actively seek strategic partnerships with multinational pharmaceutical companies for the co-development and commercialization of our flagship assets, particularly the rFSAV, in overseas markets such as the United States. This will be complemented by our continued independent advancement of clinical development in strategic overseas markets, as demonstrated by our rHPV’s Phase I clinical trial in Australia, to generate data packages that meet international regulatory standards. At the same time, leveraging our existing export experience, we formed collaborations with partners with local knowledge and experience to establish an early commercial foothold for our commercialized vaccines in international markets. For instance, we engaged Hangzhou Kehui Biopharmaceutical Co., Ltd. to manage and facilitate the registration and sales of our Adsorbed Tetanus Vaccine products in Pakistan. In May 2025, we successfully completed the shipment of a 10-liter batch of tetanus vaccine semi-finished products to Pakistan. Following product quality verification, we received a commercial order for 500 liters from the same partner in October 2025. We plan to submit the registration file in the third quarter of 2026 and aim to commence regular commercial exports of semi-finished products to Pakistan in the fourth quarter of 2026. In addition, we are advancing our business in the Philippines through our local agent. In October 2025, we received an on-site audit notice from the Philippine Food and Drug Administration and successfully passed the inspection in November 2025, with the official audit report confirming that our operations were “satisfactory and compliant.” This outcome laid the regulatory foundation for our product registration in the Philippines. We plan to work jointly with our partner to submit registration documents in 2026, targeting approval and initial product export by late 2026 or early 2027, which we plan to advance jointly with our partner to enable product launch upon approval. In alignment with China’s “Belt and Road” initiative, we are also

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progressively pursuing product registration in other participating countries. These initiatives represent the initial phase of our strategy to diversify our revenue streams and establish our presence in high-growth emerging markets.

On the other hand, we will continue to monitor the global vaccine landscape to selectively in-license or co-develop advanced technologies and complementary pipeline assets from overseas partners. We will also actively explore opportunities to deepen and broaden our international collaborations to cover not only research and development, but also intellectual property management and potential overseas commercialization opportunities. To further enhance our international innovation capabilities, we intend to establish additional strategic partnerships with world-class academic institutions and biotechnology companies. In November 2025, we entered into a non-binding memorandum of understanding with an innovative overseas biotechnology company, to explore the collaboration on microneedle-based vaccine technologies, including potential cooperation on influenza vaccine development for the China market. This prospective partnership reflects our continued commitment to bring cutting-edge technologies into China and to integrate innovation resources into our R&D ecosystem.

Expand Our Pipeline from Preventive Vaccines to Therapeutic Antibodies

We will strategically expand our pipeline from preventive vaccines to include therapeutic fully human monoclonal antibodies, extending our coverage across the full healthcare spectrum, from prevention to post-exposure intervention and treatment. Leveraging the shared antigens, immune-response data and clinical samples generated from our vaccine research and clinical trials, we aim to develop antibody products in parallel with our vaccine candidates to achieve scientific synergy and higher R&D efficiency.

Through this dual-track development model, we can capitalize on our proprietary antigen discovery, immune-library construction, and single B-cell screening platforms to accelerate the discovery of fully human monoclonal antibodies that target the same protective antigens validated in our vaccine research and clinical trials. This approach enhances R&D productivity, shortens development timelines, and strengthens our position in combating multi-drug-resistant and toxin-mediated infections.

We plan to advance the preclinical development of our anti-Staphylococcus aureus, anti-Pseudomonas aeruginosa and anti-tetanus toxin fully human monoclonal antibody candidates, with the initial goal of submitting an IND application for anti-Staphylococcus aureus fully human monoclonal antibody candidate to the NMPA by the end of 2027. We aim to enhance our potential at establishing a robust, synergistic product ecosystem combining prevention, protection and treatment.

Reinforce Our R&D Model to Drive Sustainable Innovation

Our current R&D model comprises three integrated pillars, which we refer to as the R&D model. The first pillar is our commitment to in-house R&D, where we will continue to strengthen our internal R&D engine by investing in our core technology platforms and expertises and expanding the capabilities of our Chengdu and Chongqing R&D centers. The second pillar is collaborative R&D, through which we will continue to leverage our successful “industry-academia-research” model by deepening strategic partnerships with leading institutions around the world, including our GAS Partner. The final pillar is strategic investment and incubation, where we will selectively invest in promising biotech start-ups and venture funds to access cutting-edge technologies at an early stage, evidenced by our investment in a company in Shanghai specialized in the research and development of innovative vaccine and drugs. We will continue to invest in and refine our R&D model to ensure a continuous pipeline of innovative products.

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OUR COMMERCIALIZED AND PIPELINE PRODUCTS

We are a biopharmaceutical company dedicated to the research, development, manufacturing, and commercialization of innovative vaccines. As of the Latest Practicable Date, we had three commercialized products: Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine, and AC Conjugate Vaccine.

Our commitment to technological innovation and product development is centered on two strategic areas with unmet medical needs, namely, “superbug vaccines” and “adult vaccines”. Our Class 1.1 innovative superbug vaccine candidates are designed to address five major pathogens, including *Staphylococcus aureus*, *Helicobacter pylori*, *Acinetobacter baumannii*, *Pseudomonas aeruginosa* and Group A *Streptococcus*. Our lead pipeline product, the rFSAV, was the only vaccine of its kind globally that is currently undergoing Phase III clinical trials and has completed full patient enrollment as of the Latest Practicable Date, contributing to global efforts to address antimicrobial resistance. We believe our superbug vaccine candidates have the potential to effectively address hospital-acquired infections and reduce or replace the use of antibiotics, which is a key strategic goal for many countries worldwide.

We adopt a business development approach that covers both the PRC and overseas markets. In the PRC, our efforts focus on the commercialization of our existing and pipeline vaccine products. Outside the PRC, we are pursuing a measured international development plan, which includes (i) the export of finished products, (ii) the export of bulk substances for local filling and finishing by overseas partners, and (iii) the potential out-licensing of certain product candidates. We are in the process of seeking product registration and exploring commercial collaborations in selected overseas markets, including the Philippines and Pakistan.

The following table sets forth a breakdown of our revenue by commercialized products for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Adsorbed Tetanus Vaccine	462,960	93.7	535,781	91.4	613,657	87.6
Hib Conjugate Vaccine ⁽¹⁾	27,265	5.5	23,497	4.0	18,763	2.7
AC Conjugate Vaccine ⁽¹⁾	3,883	0.8	26,422	4.5	65,347	9.3
Others ⁽²⁾	179	*	404	0.1	2,361	0.3
Total	494,287	100.0	586,104	100.0	700,128	100.0

Notes:

- (1) The revenue generated from our Hib Conjugate Vaccine and AC Conjugate Vaccine has been limited. This is because: (i) upon the commercial launch of these products, the market was already populated by existing vaccine manufacturers offering similar products, and consequently, our Hib Conjugate Vaccine and AC Conjugate Vaccine entered a highly competitive landscape from the outset; (ii) the market is further characterized by intense competition among substitutable products, which has exerted downward pressure on pricing. As a result, we have faced substantial challenges in securing orders at the district- and county-level CDCs where final procurement decisions are made; and (iii) the overall market demand for pediatric vaccines has experienced a downward trend in recent years, primarily due to the declining young population in China.

- (2) Others represent refined TT bulk, an intermediary product of adsorbed tetanus vaccine.

* less than 0.1%

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The following table presents a breakdown of our sales volume by commercialized vaccine products for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	('000 doses)	('000 doses)	('000 doses)
Adsorbed Tetanus Vaccine	3,148	3,363	3,830
Hib Conjugate Vaccine	253	219	179
AC Conjugate Vaccine	319	252	415

Our Commercialized Products

Our commercialized products include Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine and AC Conjugate Vaccine, all of which are Class II vaccines, the details of which are set out below.

Adsorbed Tetanus Vaccine (吸附破傷風疫苗)

Overview

Our Adsorbed Tetanus Vaccine is a monovalent vaccine indicated for the prevention of tetanus. Tetanus is an acute, toxin-mediated disease caused by the bacterium *Clostridium tetani* (破傷風梭狀芽孢桿菌), which is widespread in the environment. The bacteria typically enter the body through skin wounds and, in anaerobic conditions, produce a potent neurotoxin, tetanospasmin, which causes severe muscle spasms and rigidity. Without medical intervention, the case fatality rate for severe tetanus approaches 100%, and even with intensive care, global mortality rates remain between 30% and 50%. Since its commercial launch in 2017, our Adsorbed Tetanus Vaccine has become our cornerstone product, establishing a leading market position in China.

Mechanism of Action

Our Adsorbed Tetanus Vaccine is composed of tetanus toxoid, the formaldehyde-inactivated form of the tetanospasmin neurotoxin. The toxoid, while non-toxic, retains the immunogenic properties of the original toxin. When administered, the TT acts as an antigen, stimulating the host's immune system to produce specific neutralizing IgG antibodies. This process induces active, long-term immunity. The TT in our vaccine is adsorbed onto an aluminum-based adjuvant, which localizes the antigen at the injection site, promotes slow release, and enhances the recruitment of antigen-presenting cells, thereby augmenting the magnitude and duration of the immune response.

Our Technology and Competitive Advantages

Our Adsorbed Tetanus Vaccine is manufactured using a proprietary and patented process, which supports product quality, consistency and safety. We use a “purify first, then detoxify” process, which helps produce a purer final product. During the detoxification stage, we apply a patented automated control system to manage key parameters such as mixing speed and temperature, improving batch-to-batch consistency and product uniformity. Our vaccine formulation is preservative-free, which reduces the risk of potential adverse reactions associated with preservatives such as thimerosal and enhances the product's overall safety and tolerability. Our Phase III clinical trial, which compared our vaccine with an approved and marketed control vaccine, demonstrated strong immunogenicity and a favorable safety profile. At 28 days after full immunization, 99.83% of subjects in the clinical trial group seroconverted, and 100% achieved a protective antibody level, defined as ≥ 0.1 IU/ml. The overall incidence of adverse reactions was 30.67% in the clinical trial group, which was not statistically different from the control group at 31.50%. Most reactions were mild, and no unexpected safety signals were observed during the clinical trial.

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Regulatory Status

Our Adsorbed Tetanus Vaccine has been approved in China in both vial and pre-filled syringe formulations. The vial formulation was originally approved by the NMPA on October 25, 2016 under the approval number Guoyao Zhunzi S20160004 (國藥准字S20160004), and is currently registered as an injectable vial formulation with a validity period until September 15, 2031. The pre-filled syringe formulation was subsequently approved under the approval number Guoyao Zhunzi S20237005 (國藥准字S20237005), and is currently registered as an injectable pre-filled syringe formulation with a validity period until September 15, 2031.

In addition to our commercial sales in China, we are pursuing strategic expansion into select overseas markets characterized by substantial demand.

The Philippines

- ***Commercial Rationale:*** The commercial opportunity for our Adsorbed Tetanus Vaccine in the Philippines is supported by a continuous need for both prophylactic immunization for pregnant women and post-trauma emergency use. While the Philippines, with the support of the WHO and UNICEF, achieved Maternal and Neonatal Tetanus Elimination (MNTE) status in 2017, defined as having less than one neonatal tetanus case per 1,000 live births annually in every province, sustaining this status requires ongoing, robust vaccination efforts. According to WHO and UNICEF officials, this achievement must be maintained through a concerted effort to ensure access to tetanus vaccination for all pregnant women. The Philippine Department of Health’s National Immunization Program includes tetanus toxoid immunization for pregnant women to protect newborns from neonatal tetanus. According to the 2022 Philippine National Demographic and Health Survey, approximately 78.4% of women aged 15 to 49 had received sufficient tetanus toxoid injections to protect their newborns, indicating a persistent coverage gap. With approximately 1.5 million live births annually and a standard two-dose regimen recommended during pregnancy, a significant market exists to address this shortfall. This routine demand is supplemented by the consistent, year-round need for tetanus vaccines for post-exposure prophylaxis in wound management.
- ***Latest Status and Expected Timeline:*** We are advancing our business in the Philippines through our local agent. In October 2025, we received an on-site audit notice from the Philippine Food and Drug Administration and successfully passed the inspection in November 2025, with the official audit report confirming that our operations were “satisfactory and compliant.” Subsequently, in January 2026, we officially received the Certificate of GMP Compliance from the Philippine Food and Drug Administration for our Adsorbed Tetanus Vaccine (for both pre-filled syringes and vials formulations). This certification confirms that our production and quality management systems meet the local regulatory requirements, providing the necessary access conditions for the Philippine market. Following the receipt of this certificate, we plan to submit the registration documents in 2026 and expect to obtain the registration certificate by the end of 2026. We anticipate commencing the export of our Adsorbed Tetanus Vaccine products to the Philippines by the end of 2026 or in early 2027, subject to the timing of receiving the approval.

Pakistan

- ***Commercial Rationale:*** Pakistan represents a key market due to its significant and unmet demand for tetanus vaccines. According to the WHO, Pakistan is among the countries that have not yet achieved the global goal for neonatal tetanus elimination nationwide. While significant progress has been made, with provinces like Punjab and Sindh achieving elimination status, sustained effort is required to cover the entire population. The country’s Expanded Program on Immunization (EPI) is working towards this national goal, and in 2024 alone, WHO supported the vaccination of 5.44 million pregnant women and women of childbearing age across Pakistan. However, the country is highly dependent on imported

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vaccines, and local production is insufficient to meet demand. This has led to recurring, severe nationwide shortages of tetanus vaccines since at least 2023, which have caused black market prices to surge to ten times the normal price or even higher. The scarcity affects not only the EPI’s maternal and neonatal vaccination programs but also the consistent and urgent demand for post-trauma emergency prophylaxis.

- ***Latest Status and Expected Timeline:*** We engaged Hangzhou Kehui Biopharmaceutical Co., Ltd. to manage and facilitate the registration and sales of our Adsorbed Tetanus Vaccine products in Pakistan. In May 2025, we successfully completed the shipment of a 10-liter batch of tetanus vaccine semi-finished products to Pakistan. Following product quality verification, we received a commercial order for 500 liters from the same partner in October 2025. The six-month stability study for the tetanus vaccine semi-finished products was successfully completed in 2025. Subject to the progress, we aim to complete the full registration file and submit it to the Drug Regulatory Authority of Pakistan in the third quarter of 2026. We are targeting the commencement of regular commercial exports of semi-finished products to Pakistan in the fourth quarter of 2026.

Reliance on Adsorbed Tetanus Vaccine and Our Mitigating Strategies

During the Track Record Period, a substantial portion of our revenue was derived from the sales of our Adsorbed Tetanus Vaccine. In 2023, 2024 and 2025, revenue generated from our Adsorbed Tetanus Vaccine was RMB463.0 million, RMB535.8 million and RMB613.7 million, respectively, accounting for approximately 93.7%, 91.4% and 87.6% of our total revenue for the corresponding years, respectively. We anticipate that sales of our Adsorbed Tetanus Vaccine will continue to be a primary contributor to our revenue and profitability in the near future.

Our substantial dependence on a single product exposes us to concentration risk. Any adverse event affecting the manufacturing, pricing, sales, marketing, or regulatory status of our Adsorbed Tetanus Vaccine could have a material and adverse effect on our business, financial condition, results of operations and prospects. Furthermore, we face risks associated with evolving market dynamics. According to the CIC Report, the market for tetanus vaccines in China is projected to grow at a slower rate from 2025 to 2035 as compared to the period from 2019 to 2025. We also anticipate the potential for increased competition from new market entrants, which may lead to pricing pressure and an erosion of our market share over time.

We believe that our current revenue concentration is characteristic of our present stage of business development. We have formulated and are executing a clear and systematic strategy to mitigate the risks associated with our product concentration by diversifying our product portfolio and revenue sources. Our principal mitigation measures are as follows:

- (i) *Advancing our Late-Stage Pipeline Products towards Commercialization.* We have established a pipeline of innovative vaccine candidates that we expect to commercialize in the next two to three years, which we believe will diversify our sources of revenue. Our key late-stage candidates include:
 - Our rFSAV is currently the only vaccine candidate targeting *Staphylococcus aureus* globally that is undergoing a Phase III clinical trial, according to the CIC Report. We expect to submit an NDA for our rFSAV in the second half of 2026. We are concurrently expanding our clinical channel presence in preparation for its planned commercial launch in 2028.
 - We are developing influenza vaccines utilizing MDCK cell-based technology and expect to submit an NDA in 2026. The NHC has been promoting influenza vaccination in Class II and above hospitals, a policy direction which is highly aligned with our existing channel expansion strategy. We believe this product has the potential to become another significant revenue contributor for our Group.

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- (ii) *Leveraging Existing Commercial Infrastructure to Maximize Synergies.* Our commercialization efforts for our Adsorbed Tetanus Vaccine have enabled us to establish an extensive sales and marketing network focused on the clinical market, including comprehensive hospitals. We intend to leverage this commercial infrastructure to facilitate the launch and market penetration of our new pipeline products, such as our rFSAV and MDCK Flu Vaccine, which primarily target the same clinical end-market, the adult vaccine market. We believe this will create significant operational synergies, enhance resource allocation efficiency, and accelerate the commercialization process for our new products. As part of this strategy, we plan to increase our vaccination coverage to approximately 70% of the POVs in China by the end of 2027, which we believe will establish a strong network foundation for the launch of our rFSAV.
- (iii) *Building a Diversified Long-Term Product Portfolio.* In addition to our near-term pipeline candidates, we are strategically cultivating long-term pipelines focusing on addressing significant medical needs, particularly in the field of superbugs. Our portfolio includes vaccine candidates targeting pathogens such as *Pseudomonas aeruginosa* (rFPAV), *Acinetobacter baumannii* (rABV), and *Helicobacter pylori* (rHPV). The continued research and development of these candidates, and their potential future commercialization, are integral to our long-term strategy to build a diversified product matrix, reduce our dependence on any single product, and enhance our overall risk resilience and long-term competitiveness.
- (iv) *Maintaining the Market Position of our Adsorbed Tetanus Vaccine.* While pursuing diversification, we intend to continue our efforts to maintain the market leadership of our Adsorbed Tetanus Vaccine. We plan to continue investing in the advocacy for the establishment of preventative vaccination clinics within comprehensive hospitals to preserve our first-mover advantage. Our strategy is further supported by recent national policy developments aimed at improving the standardization of tetanus prevention and treatment. For example, in September 2025, on National Tetanus Day, the “Double Zero” initiative was introduced. This initiative, promoted through provincial, municipal, and district/county level CDC, aims to achieve “zero incidence of tetanus in trauma patients through standardized management and zero deaths among treated tetanus patients.” In conjunction with this, hospitals are encouraged to establish a hospital-wide integrated management system for tetanus prevention, implementing internal quality control and ensuring standardized and consistent management protocols across all relevant departments. This creates a “one-stop” service for trauma patients covering the entire process from debridement and suturing to preventative treatment. These initiatives align closely with our strategy of promoting standardized post-exposure prophylaxis in clinical settings. While we anticipate that the entry of competing products may result in a gradual decline in our market share, we also believe that a more competitive landscape, coupled with these national initiatives, is likely to promote broader market education on standardized protocols, which could in turn contribute to an expansion of the overall market size. Accordingly, our competitive strategy will increasingly focus on product differentiation, brand equity, and the cultivation of long-term channel partnerships with clinical hospitals.

The successful development and commercialization of our pipeline products are subject to the inherent risks and uncertainties of the drug development process, and there can be no assurance that our pipeline products will receive regulatory approval or achieve commercial success. However, we believe that the systematic implementation of the foregoing strategies will, over time, enable us to broaden our revenue base and support our sustainable growth.

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Haemophilus Influenzae Type b Conjugate Vaccine (b型流感嗜血桿菌結合疫苗)

Overview

Our Hib Conjugate Vaccine (is a polysaccharide conjugate vaccine for the prevention of invasive diseases caused by *Haemophilus Influenzae Type b* (b型流感嗜血桿菌), a leading cause of bacterial meningitis, pneumonia, and sepsis, particularly in young children. The vaccine is indicated for active immunization of infants and children from three months to five years of age.

Mechanism of Action

The primary virulence factor of the Hib bacterium is its polysaccharide capsule, composed of polyribosylribitol phosphate (“PRP”). As a pure polysaccharide, PRP is a T-cell independent antigen, which is poorly immunogenic in infants and young children under two years of age, as their immune systems are not mature enough to mount an effective response. Our vaccine overcomes this limitation by employing conjugation technology. We covalently link the PRP polysaccharide to a carrier protein, TT, which is a highly immunogenic protein. This conjugation transforms the polysaccharide into a T-cell dependent antigen. The carrier protein is recognized by T-helper cells, which in turn provide help to PRP-specific B-cells. This T-cell help stimulates the B-cells to undergo affinity maturation, class switching to produce high-avidity IgG antibodies, and differentiation into long-lived plasma cells and memory B-cells. This process results in a robust, high-titer antibody response and the generation of immunological memory, providing both immediate and long-term protection against Hib infection in the target pediatric population.

Our Technology and Competitive Advantages

Our Hib Conjugate Vaccine is developed based on our mature polysaccharide-protein conjugate technology platform. During bacterial fermentation for the production of PRP polysaccharide, we use a chemically defined culture medium with hemin chloride as a substitute for animal blood components, which helps reduce the risk of introducing adventitious agents from animal-derived materials and enhances vaccine safety. We also apply automated control technology during key polysaccharide activation and protein conjugation steps to improve process precision, reduce variability and support batch-to-batch consistency. In addition, our internal release specifications are stricter than the requirements under the 2025 edition of the Chinese Pharmacopoeia for several key quality attributes, supporting higher product purity and quality.

Regulatory Status

Our Hib Conjugate Vaccine was approved by the NMPA on May 18, 2017 under the approval number Guoyao Zhunzi S20170005 (國藥准字S20170005).

Group A and C Meningococcal Polysaccharide Conjugate Vaccine (A群C群腦膜炎球菌多糖結合疫苗)

Overview

Our AC Conjugate Vaccine is indicated for the active immunization of infants and children from three months to five years of age for the prevention of epidemic cerebrospinal meningitis caused by *Neisseria meningitidis* serogroups A and C. These two serogroups are historically the predominant causes of meningococcal disease in China.

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Mechanism of Action

The mechanism of action is analogous to that of our Hib Conjugate Vaccine. The vaccine is composed of purified capsular polysaccharides from *Neisseria meningitidis* serogroups A and C, which are individually conjugated to a TT carrier protein. This conjugation process converts the T-cell independent polysaccharide antigens into T-cell dependent antigens. Upon administration, the vaccine elicits a robust, T-cell dependent immune response.

Our Technology and Competitive Advantages

Our AC Conjugate Vaccine leverages our core polysaccharide-protein conjugate technology platform, with distinguishing features in design and production. We have developed and patented an optimized purification process for Group A and C meningococcal polysaccharides, which more effectively removes protein impurities than conventional methods and improves the purity of the final polysaccharide antigens. The vaccine is manufactured under a strictly controlled aseptic process and is preservative-free, supporting its safety and tolerability profile. In addition, our clinical development program includes a booster dose at 18 months of age, which is designed to provide more durable and long-lasting protection against meningococcal disease and differentiate our product from other marketed AC conjugate vaccines in China.

Regulatory Status

Our AC Conjugate Vaccine was approved by the NMPA on September 30, 2020 under the approval number Guoyao Zhunzi S20200021 (國藥准字S20200021).

Our three commercialized products are required to be stored and transported in accordance with the specific conditions stipulated in their respective marketing authorizations to ensure their safety, quality, and efficacy throughout their approved shelf-life. The storage conditions and approved shelf-life for each of our commercialized products are summarized in the table below:

Product	Storage Conditions	Approved Shelf-life
Adsorbed Tetanus Vaccine	To be stored and transported at 2°C to 8°C, protected from light.	36 months
Hib Conjugate Vaccine	To be stored and transported at 2°C to 8°C, protected from light.	24 months
AC Conjugate Vaccine	To be stored and transported at 2°C to 8°C, protected from light.	24 months

Our commercialized products are vaccines that address diseases with stable epidemiological profiles and are based on well-established and mature technologies. Consequently, we do not anticipate that our products will face obsolescence due to fundamental shifts in the targeted diseases or disruptive technological advancements in the foreseeable future. The life cycle of our commercialized products is therefore not typically limited by patent expiration or technological replacement in the same manner as certain other pharmaceutical products. Instead, the continuation of a product’s life cycle is primarily contingent upon our ability to maintain its marketing authorization through periodic re-registration with the NMPA in China.

Our Pipeline Products

Our innovative pipeline is strategically focused on two key areas, namely, superbug vaccines and adult vaccines.

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Our Superbug Vaccine Candidates

Our superbug vaccine candidates include rFSAV, rHPV, rFPAV, rABV and GAS Vaccine, all of which are being developed as Class II vaccines, the details of which are set out below.

Recombinant Five-antigen Staphylococcus Aureus Vaccine (重組金葡萄菌疫苗)

Overview

Our rFSAV is a multi-antigen subunit vaccine candidate for the prevention of infections caused by *Staphylococcus aureus*, including methicillin-resistant *Staphylococcus aureus*, a pathogen designated by the WHO as a high-priority “superbug”. The vaccine is being developed in collaboration with our Key R&D Partner. According to the CIC Report, it is currently the only vaccine candidate targeting *Staphylococcus aureus* globally that is undergoing a Phase III clinical trial. As of the Latest Practicable Date, we have completed enrollment of 6,014 planned subjects for such clinical trial. We anticipate completing the clinical trial and unblinding the data in the third quarter of 2026.

The initial indication for our vaccine is the prevention of postoperative *Staphylococcus aureus* infections in patients undergoing orthopedic surgery, a population at high risk for hospital-acquired infections. Given the widespread prevalence of *Staphylococcus aureus* across various clinical settings, the vaccine’s first indication targets the prevention of postoperative infections following orthopedic procedures. We plan to systematically expand its application to other high-risk populations, including patients susceptible to hospital-acquired infections such as surgical site infections, hospital-acquired pneumonia, endocarditis, and sepsis; immunocompromised groups such as the elderly and children who are prone to soft tissue infections and community-acquired pneumonia; as well as emergency responders exposed to burn injuries and combat-related wounds. Ultimately, our goal is to achieve broad clinical application across these target populations.

Medical Need and Market Opportunity

Staphylococcus aureus is a major cause of hospital- and community-acquired infections, including skin infections, pneumonia, bloodstream infections, osteomyelitis and endocarditis. Antibiotic-resistant strains, especially MRSA, have made treatment more difficult and can lead to longer hospital stays, higher medical costs and increased mortality. In China, the average MRSA detection rate among clinical *Staphylococcus aureus* isolates was 30.9% according to a 2018 CARSS report. According to the CIC Report, global MRSA infections were estimated at 6.7 million in 2025 and are expected to reach 7.4 million by 2035. Despite this disease burden, there is currently no approved vaccine for preventing *Staphylococcus aureus* infections globally. Several late-stage vaccine programs by major pharmaceutical companies have failed, mainly due to insufficient protective antigen coverage and limited ability to generate rapid immune responses in perioperative settings. This creates a significant unmet medical need. We believe an effective vaccine could help prevent infections, reduce antibiotic use and slow antimicrobial resistance. According to the CIC Report, the global *Staphylococcus aureus* vaccine market is expected to emerge in 2028 and reach US\$1,773.1 million by 2035, with a total addressable market estimated at US\$22.0 billion in 2028.

Market Competition

The development of a vaccine against *Staphylococcus aureus* has been a significant challenge for the global pharmaceutical industry, with a history of high-profile, late-stage clinical trial failures. As of the Latest Practicable Date, there are no approved *Staphylococcus aureus* vaccines on the market globally, according to the CIC Report. Our rFSAV is the only active candidate worldwide that is currently undergoing Phase III clinical trial. Major international pharmaceutical companies, including Pfizer, Merck, and GSK, have invested heavily in *Staphylococcus aureus* vaccine development but have not succeeded to date. For instance, Pfizer’s four-antigen vaccine (SA4Ag) was terminated in a Phase IIb clinical trial after failing to meet its primary efficacy endpoint. Similarly, Merck’s single-antigen vaccine (V710) was discontinued during the clinical trial stage due to safety concerns, where a higher mortality rate was observed in the vaccine group compared to the placebo group for reasons that could not be fully explained. These failures have been largely attributed to the limitations in vaccine design, such as an insufficient number of antigens to counter the bacterium’s complex pathogenic mechanisms. The development of passive immunization therapies, such as monoclonal antibodies, has also faced significant hurdles, with candidates from companies like Arsanis (ASN100) and Ardis (AR-301) failing to meet their primary endpoints in clinical trials. Please see “Industry Overview — *Staphylococcus aureus* Vaccines — Competitive Landscape of *Staphylococcus aureus* Vaccines” for details on publicly known active *Staphylococcus aureus* vaccine candidates.

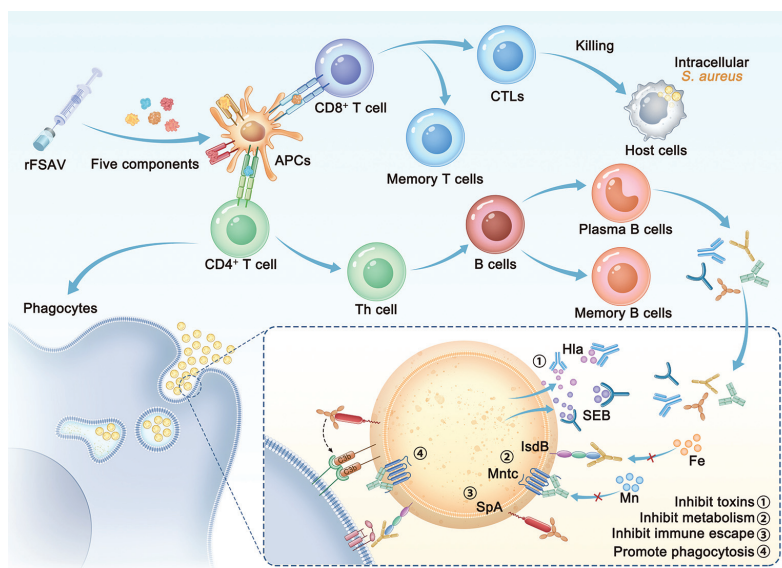
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Our Solution and Mechanism of Action

Our rFSAV is a multi-component, recombinant protein subunit vaccine engineered to overcome the challenges that led to previous failures. It contains five distinct recombinant protein antigens, each specifically mutated or modified to be highly immunogenic while eliminating toxicity. This multi-antigen design creates a “combination punch” defense mechanism by comprehensively targeting the core pathways of *Staphylococcus aureus* pathogenesis: first, by targeting toxin secretion to protect the host from severe cellular damage and systemic inflammation, the vaccine includes detoxified versions of two key bacterial toxins: Alpha-hemolysin, designed to prevent the destruction of host cells, and Staphylococcal enterotoxin B, a modified superantigen designed to prevent the massive inflammatory response that can lead to toxic shock; second, by inhibiting survival and metabolism to starve the bacterium of essential nutrients needed for growth and defense, the vaccine targets two critical uptake pathways, including Iron-regulated surface determinant B to block the acquisition of iron from the host, and Manganese transporter C (“MntC”) to disrupt the uptake of manganese, a metal essential for the bacterium’s defense against the immune system; and third, by overcoming immune evasion and preventing adhesion to counter the bacterium’s defense mechanisms and inhibit its ability to colonize host tissues, the vaccine targets the multi-functional surface protein Staphylococcal protein A (“SpA”). SpA acts as a shield to help the bacterium evade the immune system. Our vaccine is designed to generate antibodies that neutralize this shielding effect for effective immune clearance, while also interfering with the bacterium’s initial attachment to host cells.

By presenting this five-component “cocktail” to the immune system, our rFSAV is designed to induce a multi-pronged immune response. Crucially, these targeted virulence pathways are essential for both antibiotic-susceptible and antibiotic-resistant strains of *Staphylococcus aureus*. Therefore, the vaccine is designed to be effective against a wide range of strains, including methicillin-resistant *Staphylococcus aureus*, directly addressing the challenge of drug resistance. The antigens are adsorbed onto an aluminum adjuvant to enhance the magnitude and durability of the immune response.

The following diagram illustrates the mechanism of action of our rFSAV candidate:



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Our Technology and Competitive Advantages

We believe our rFSAV possesses several key advantages that position it for success where others have failed:

- ***Advanced Development Status:*** According to the CIC Report, our vaccine is the only *Staphylococcus aureus* vaccine candidate globally to have entered and completed the enrollment for a Phase III clinical trial. This gives us a substantial first-mover advantage over competitors such as Limma Tech Biologics AG (Phase I clinical trials started in December 2024).
- ***Superior Multi-antigen “Cocktail” Design:*** Different from the single-target approach, our five-component recombinant protein design targets multiple, distinct virulence pathways. This is the most comprehensive design in terms of number of antigen components for vaccines targeting *Staphylococcus aureus* in China, intended to block adhesion, toxin secretion, metabolism, and immune evasion simultaneously, according to the CIC Report.
- ***Innovative and Clinically-adapted Immunization Strategy:*** Our vaccine employs a novel “perioperative” immunization schedule designed for the surgical setting to rapidly induce a protective immune response. A key innovation is the rapid onset of efficacy; our Phase I clinical trial demonstrated that a high-level immune response is generated three to seven days after the first injection, peaking at 14 to 21 days, a feature not reported by any other competitor and critical for preventing acute post-surgical infections.
- ***Robust Preclinical and Early Clinical Trial Data:***
 - ***Preclinical:*** In extensive preclinical animal models (including mice, rats, rabbits, and monkeys), our vaccine demonstrated a high degree of efficacy and provided high levels of protection against various clinical strains of *Staphylococcus aureus*, significantly higher than other vaccine candidates globally.
 - ***Phase I/II Clinical Trials:*** Our Phase Ia, Ib, and II clinical trials have consistently demonstrated a good safety and immunogenicity profile. Notably, the vaccine was able to induce a rapid immune response, with specific antibodies detectable as early as seven days post-immunization and peaking at 14-21 days, validating our rapid immunization strategy.

Summary of Clinical Trials

We received an IND approval for Phase I, II, and III clinical trials for our rFSAV from the NMPA in June 2015. We have since completed. We have since completed Phase Ia, Phase Ib and Phase II clinical trials in September 2017, December 2019 and July 2021, respectively, and have completed enrollment for our pivotal Phase III clinical trial in May 2025. Below is a summary of such clinical trials in reverse chronological order.

Ongoing Phase III Clinical Trial

- ***Clinical Trial Design.*** This is a multi-center, randomized, double-blind, placebo-controlled study conducted in China to evaluate the efficacy, safety, and immunogenicity of our rFSAV.
 - ***Patient Population:*** A total of 6,014 subjects aged between 18 and 70 years scheduled to undergo elective surgery for closed fractures were enrolled across more than 60 clinical centers in China.

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- **Vaccine and Placebo:** The study vaccine is administered as a 0.6ml injection containing 30µg of mHIN2 protein, 30µg of SpA5 protein, 15µg of mSEB protein, and 15µg of MntC protein. The placebo is a 0.6ml sodium chloride injection.
- **Primary Endpoint:** The primary efficacy endpoint is the protective efficacy of the vaccine in preventing confirmed *Staphylococcus aureus* infections within 42 days post-surgery.
- **Secondary Endpoints:** Secondary endpoints include a comprehensive evaluation of safety and immunogenicity.
 - **Safety Endpoints:** Incidence of AEs within 30 minutes of each immunization; solicited AEs within 14 days of each immunization; unsolicited AEs, vaccine-related adverse reactions, and all AEs within 42 days post-surgery; AEs of special interest within 180 days; and serious AEs (“SAEs”) within 365 days.
 - **Immunogenicity Endpoints:** For a subgroup of 600 subjects, geometric mean concentration (“GMC”), geometric mean fold rise (“GMFR”), and four-fold increase rate of antibodies against each antigen component will be measured at day 0, day 14, day 42 post-surgery, and day 180. Opsonophagocytic killing (“OPK”) functional antibody levels will also be measured. For the remaining 5,400 subjects, GMC, GMFR, and four-fold increase rate will be measured at day 0 and day 42 post-surgery.
- **Clinical Trial Status.** As of Latest Practicable Date, we have completed the enrollment of all 6,014 subjects for the Phase III clinical trial. We anticipate completing the clinical trial and unblinding the data in the third quarter of 2026.

Completed Phase II Clinical Trial

- **Clinical Trial Design.** This was a multi-center, randomized, double-blind, placebo-controlled clinical trial conducted in China designed to evaluate the immunogenicity and safety of our rFSaV in the target patient population.
 - **Timeline:** The first subject signed the informed consent form on October 30, 2018, and the last subject completed the follow-up visit on July 21, 2021.
 - **Patient Population:** The clinical trial planned to enroll 348 subjects. A total of 380 subjects were screened, and 348 eligible subjects were enrolled. The subjects were aged 18 to 70 years.
 - **Randomization and Dosing:** Subjects were randomized on a 1:1 basis to receive either the study vaccine or a placebo. Based on the results of the Phase Ib clinical trial, a 0/0-7 day immunization schedule was selected, where subjects received two doses on day 0 and one dose on day 7.
 - **Primary Endpoint (Primary Efficacy Indicator):** GMC of antibodies against each antigen component in the serum at 10 to 14 days after the first immunization.
 - **Secondary Endpoints (Secondary Efficacy Indicators):**
 - **Immunogenicity:** (1) GMC, geometric mean fold increase (“GMFI”), and four-fold growth rate of antibodies against each antigen component in serum at day 7 after the first immunization; (2) GMFI and four-fold growth rate of antibodies against each antigen component in serum at day 10 to 14 after the first immunization; (3) GMC, GMFI, and four-fold growth rate of antibodies against each antigen

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component in serum at day 42 after the first immunization; (4) GMC, GMFI, and four-fold growth rate of antibodies against each antigen component in serum at day 180 after the first immunization; (5) OPK functional antibody levels in subject serum at day 7 after the first immunization; (6) OPK functional antibody levels in subject serum at day 10 to 14 after the first immunization; (7) OPK functional antibody levels in subject serum at day 42 after the first immunization; and (8) OPK functional antibody levels in subject serum at day 180 after the first immunization.

- *Safety Evaluation Criteria – Laboratory Indicators:* During the study, adverse events were observed, and vital signs, blood routine, urine routine, blood biochemistry, and 12-lead ECG results were recorded.
- *Safety Evaluation Criteria – Vaccine Adverse Event Evaluation:* (1) incidence of adverse reactions within 0 to 7 days after the first immunization (1st dose and 2nd dose); (2) incidence of adverse reactions within 0 to 7 days after the second immunization; (3) changes in blood routine and blood biochemistry detection indices in the subject population at day 10-14 after the first immunization; (4) incidence of solicited adverse events within 0 to 7 days after the first immunization (1st dose and 2nd dose); (5) incidence of solicited adverse events within 0 to 7 days after the second immunization; (6) incidence of unsolicited adverse events in the subject population from the first immunization up to day 180; and (7) incidence of SAEs in the subject population from the first immunization up to day 180.
- **Results.**
 - *Primary Endpoint (Day 10-14 GMC):* At day 10-14 after the first immunization, the differences in antibody GMC levels for all five antigen components between the vaccine group and the placebo group were statistically significant ($P < 0.0001$) in both the Immunogenicity Full Analysis Set ("I-FAS") and the Immunogenicity Per-Protocol Set ("I-PPS").
 - *I-FAS Data:* In the vaccine group, the GMC levels of anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 6,965.13, 6,562.48, 5,835.58, 3,521.39, and 6,236.49, respectively. In the placebo group, the corresponding GMC levels were 626.66, 509.25, 995.97, 49.61, and 176.67, respectively.
 - *I-PPS Data:* In the vaccine group, the GMC levels of anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 9,263.31, 8,979.50, 7,296.36, 4,878.34, and 8,611.25, respectively. In the placebo group, the corresponding GMC levels were 655.99, 549.04, 1,034.28, 51.11, and 188.34, respectively.
 - *Secondary Endpoints (Immunogenicity):*
 - *Day 7 Post-Immunization:* At day 7, the differences in antibody GMC and GMFI for all five antigen components between the vaccine group and the placebo group were statistically significant ($P < 0.0001$) in both I-FAS and I-PPS datasets. In the I-FAS dataset, the GMC levels in the vaccine group for anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 1,017.95, 977.83, 872.63, 300.64, and 753.20, respectively; in the placebo group, the levels were 384.35, 286.39, 384.63, 32.57, and 116.43, respectively.

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- *Day 10-14 Post-Immunization (GMFI):* At day 10-14, the differences in antibody GMFI for all five antigen components between the groups were statistically significant ($P < 0.0001$). In the I-FAS dataset, the GMFI (concentration growth multiples) in the vaccine group for anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 15.08, 19.30, 9.06, 96.21, and 51.60, respectively; in the placebo group, the multiples were 1.46, 1.61, 1.54, 1.38, and 1.47, respectively.
 - *Day 42 Post-Immunization:* At day 42, the differences in antibody GMC and GMFI for all five antigen components between the groups were statistically significant ($P < 0.0001$). In the I-FAS dataset, the GMC levels in the vaccine group for anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 6,219.15, 5,998.22, 3,165.09, 3,285.06, and 4,150.55, respectively; in the placebo group, the levels were 379.27, 380.44, 511.63, 34.03, and 163.68, respectively.
 - *Day 180 Post-Immunization:* At day 180, the differences in antibody GMC and GMFI for all five antigen components between the groups were statistically significant ($P < 0.0001$). In the I-FAS dataset, the GMC levels in the vaccine group for anti-mHla, anti-IsdB-N2, anti-SpA5, anti-mSEB, and anti-MntC antibodies were 2,089.26, 1,831.98, 1,673.43, 1,081.55, and 996.98, respectively; in the placebo group, the levels were 479.50, 383.75, 691.02, 36.30, and 157.55, respectively.
 - *Four-Fold Increase Rate:* At day 7, day 14, day 42, and day 180 post-immunization, the differences in the four-fold antibody growth rates between the vaccine and placebo groups were statistically significant ($P < 0.0001$) in both I-FAS and I-PPS datasets.
 - *OPK Functional Antibody Levels:* At day 7, day 14, day 42, and day 180 post-immunization, the differences in OPK functional antibody levels between the vaccine and placebo groups were statistically significant ($P < 0.0001$) in both I-FAS and I-PPS datasets. In the I-FAS dataset, the OPK levels in the vaccine group were 55.51, 90.38, 124.25, and 82.20, respectively; in the placebo group, the levels were 11.92, 10.41, 9.17, and 9.85, respectively.
- *Safety:*
- *Overall AEs:* In the safety analysis of 341 subjects, 194 subjects experienced a total of 455 adverse reactions within 180 days post-vaccination, representing an overall incidence rate of 56.89%. In the vaccine group, 111 out of 169 subjects experienced a total of 308 adverse reactions (incidence rate of 65.68%). In the placebo group, 83 out of 172 subjects experienced a total of 147 adverse reactions (incidence rate of 48.26%). The difference between the groups was statistically significant ($P = 0.0015$). All local adverse reactions were grade 1 (mild) or grade 2 (moderate), and primarily consisted of injection site pain, induration, redness, swelling and pruritus.
 - *Local Adverse Events:* The difference in overall adverse reactions was primarily attributable to local adverse reactions. A total of 78 subjects experienced 165 local adverse events (incidence rate of 22.87%). In the vaccine group, 63 out of 169 subjects experienced 142 local adverse events (incidence rate of 37.28%). In the placebo group, 15 out of 172 subjects experienced 23 local adverse events (incidence rate of 8.72%). The difference between the groups was statistically significant ($P < 0.0001$).

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- **Other Adverse Events:** There were no statistically significant differences between the vaccine and placebo groups regarding systemic adverse reactions or unsolicited adverse events.
- **SAEs:** A total of 25 subjects (7.33%) experienced 28 SAEs during the clinical trial. All SAEs were determined to be unrelated to the study vaccine.
- **Laboratory Indicators:** From the pre-vaccination baseline to the day 180 follow-up, no obvious changes in the mean values of blood routine, blood biochemistry, or urine routine were observed, nor were there any clinically meaningful differences between the groups.
- **Conclusion.** The rFSAV demonstrated a good safety profile in the target population of orthopedic surgery patients aged 18 to 70 years in China. Immunogenicity was good, with specific antibody levels for the five antigen components reaching their peak at 14 days post-first immunization, achieving geometric mean fold increases of over 10 times. Specific antibody levels remained at a plateau from day 14 to day 42; thereafter, levels declined but remained significantly higher than baseline and the placebo group at day 180. This vaccine also induced rapid and potent functional bactericidal antibodies.

We compared the GMC levels from the Phase II clinical trial with data from the Phase Ib clinical trial utilizing a consistent immunization schedule. As shown in the graphs below, the Phase II cohort exhibited a rapid and robust antibody increase that closely mirrors the Phase Ib trajectory across all five antigens, while maintaining a statistically significant margin over the placebo group from Day 7 through Day 180.

Figure 1 (mHla):

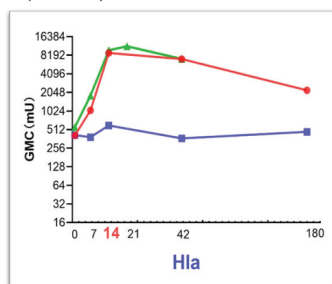


Figure 2 (IsdB-N2):

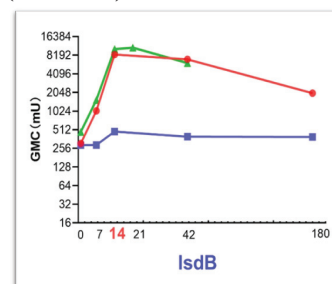


Figure 3 (SpA5):

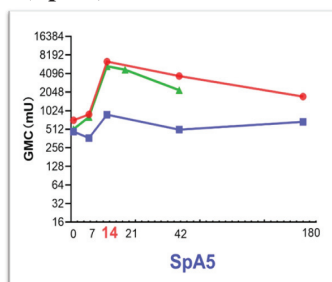


Figure 4 (mSEB):

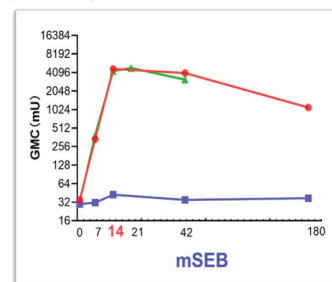
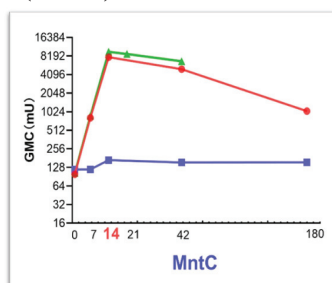


Figure 5 (MntC):



Red: Phase II clinical trial vaccine groups
Blue: Phase II clinical trial placebo groups
Green: Phase Ib clinical trial vaccine groups

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Completed Phase Ib Clinical Trial

We completed a single-center, open-label Phase Ib clinical trial in China to evaluate the safety and preliminary immunogenicity of different rapid immunization schedules. A total of 144 healthy adults aged 18 to 70 were enrolled. The primary objective was to assess four rapid immunization schedules and select the optimal regimen for perioperative use. The tested schedules were: one dose on days 0, 3 and 7; two doses on day 0 and one dose on day 7; two doses on day 0 and one dose on days 3 and 7; and two doses on day 0 and one dose on days 7 and 14. All four immunization schedules were well-tolerated, with no statistically significant differences in the incidence of overall, local or systemic adverse reactions among the groups. Most adverse reactions were Grade 1 or 2, and no SAEs were observed. All schedules also elicited a rapid and strong immune response, with specific antibodies detectable as early as day 7 and peaking at 14 to 21 days, supporting our rapid immunization strategy. Based on a comprehensive analysis of safety, immunogenicity and clinical compliance data, the 0/0-7 day immunization schedule was selected for the subsequent Phase II clinical trial.

Completed Phase Ia Clinical Trial

This was a single-center, dose-escalation, randomized, double-blind, placebo-controlled clinical trial conducted in China. A total of 174 healthy adults aged 18 to 65 were enrolled. The objective was to evaluate the initial safety, tolerability and immunogenicity profile of the vaccine across low, medium and high dose levels to inform subsequent dose selection. The vaccine demonstrated an acceptable clinical safety profile. Although the incidence of adverse reactions in the vaccine groups was statistically higher than in the placebo group, there was no significant difference among the three dose levels. Most adverse reactions were Grade 1 or 2. One case of a Grade 3 local adverse reaction, involving redness, swelling and induration, was reported in the high-dose group. No vaccine-related abnormal laboratory changes were observed, and all three reported SAEs were determined to be unrelated to the vaccine. The vaccine also showed good immunogenicity, inducing both humoral and cellular immune responses as early as day 7, with antibody levels peaking at 14 to 21 days. A dose-response relationship was observed across the different dose levels.

Summary of Preclinical Studies

We conducted a series of comprehensive preclinical studies to evaluate the safety and efficacy of our rFSAV, which formed the basis for our successful IND application. These studies, conducted in close to 10,000 animals, including mice, rats, rabbits, and monkeys, demonstrated a good overall safety profile and robust immunogenicity. In challenge studies, the vaccine provided high levels of protection against various clinical isolates of *Staphylococcus aureus* that differed in origin, antibiotic resistance, and virulence. Based on this robust preclinical data package, we received approval in June 2015 from the NMPA to conduct Phase I/II/III clinical trials.

Oral Recombinant Helicobacter Pylori Vaccine (E. Coli) (口服重組幽門螺桿菌疫苗(大腸桿菌))

Overview

Our rHPV is an innovative vaccine candidate designed for the prevention of infection by *Helicobacter pylori*, a Gram-negative bacterium that colonizes the human stomach and upper duodenum. *Helicobacter pylori* infection is a major public health issue, recognized by the WHO as a Group 1 carcinogen due to its causal link to gastric cancer. This vaccine candidate is expected to be delivered orally, a route of administration we believe is optimal for inducing a protective mucosal immune response in the gastrointestinal tract. This product is another key component of our “superbug vaccine” strategy.

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Medical Need and Market Opportunity

The imperative to develop a vaccine targeting *Helicobacter pylori* infection is underscored by its classification as a Group 1 carcinogen by the WHO’s International Agency for Research on Cancer, its vast global prevalence, and the rising failure of antibiotic therapies. The public health rationale is therefore distinct from the focus of our other superbug vaccine candidates, which primarily targets bacteria associated with acute, life-threatening infections. Instead, the pursuit of a vaccine targeting *Helicobacter pylori* infection is intended to address the long-term, widespread risks of gastric cancer and other chronic diseases, which represents a significant and distinct public health challenge.

Helicobacter pylori infection is one of the most common chronic bacterial infections in humans, with a global prevalence of approximately 50% in 2024 with a higher prevalence in developing countries, according to the CIC Report. Further, it is estimated that the number of infected individuals will increase from 3.5 billion in 2025 to 3.8 billion in 2035, according to the same report. In China, the infection rate is similarly high, affecting nearly half the population in 2025, which corresponded to an estimated 612.0 million individuals. Chronic infection can lead to a spectrum of diseases, including chronic gastritis, peptic ulcers, and is the strongest known risk factor for gastric adenocarcinoma and mucosa-associated lymphoid tissue lymphoma. In particular, *Helicobacter pylori* infection is responsible for more than 90% of duodenal ulcers and up to 80% of gastric ulcers and infected persons have a two- to six-fold increased risk of developing gastric cancer compared to uninfected individuals, according to the CIC Report. According to the same report, the market for *Helicobacter pylori* vaccines is projected to emerge in the coming years, with an estimated market size across the globe reaching US\$482.1 million in 2028 and growing to US\$6,331.6 million by 2035. The total addressable market for *Helicobacter pylori* vaccines around the globe is estimated to be US\$84.4 billion in 2028. Current management of *Helicobacter pylori* infection primarily relies on multi-drug antibiotic regimens, which impose a substantial economic burden on patients and healthcare systems and face significant challenges, including (i) growing antibiotic resistance, as the efficacy of standard therapies is declining globally due to increasing resistance to clarithromycin and other key antibiotics; (ii) high recurrence rates, as reinfection rates can be high even after successful treatment, particularly in endemic areas; and (iii) adverse effects and poor compliance, as complex antibiotic regimens often cause side effects, leading to poor patient adherence.

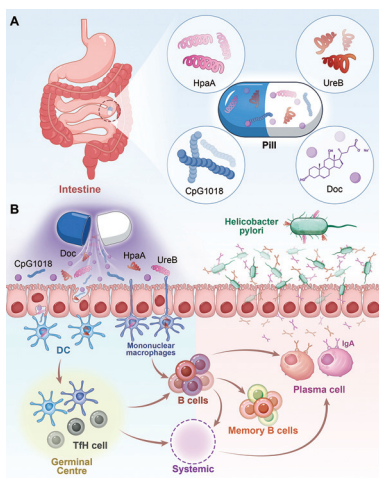
Given these limitations, there is a substantial unmet need for a vaccine to prevent infection, thereby reducing the occurrence of *Helicobacter pylori*-associated diseases and the reliance on antibiotics. Despite decades of research by academic institutions and pharmaceutical companies worldwide, there is currently no approved *Helicobacter pylori* vaccine available globally, presenting a significant market opportunity for us. In particular, a successful *Helicobacter pylori* vaccine would enjoy significant addressable demand in high-prevalence regions and meaningful long-term market potential driven by infection prevention and downstream cancer-risk reduction, according to the CIC Report.

Our Solution and Mechanism of Action

This vaccine candidate is designed to be an oral subunit vaccine composed of recombinant *Helicobacter pylori* protein antigens produced in *E. coli*. The oral delivery route is specifically chosen to stimulate a robust mucosal immune response within the stomach lining, the site of *Helicobacter pylori* colonization. The goal is to induce the production of secretory IgA (“sIgA”) antibodies in the gastric mucosa. These sIgA antibodies can prevent the bacteria from adhering to and colonizing the gastric epithelium, providing a first line of defense against infection. In addition to mucosal immunity, the vaccine is also expected to induce a systemic immune response.

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The following diagram illustrates the mechanism of action of our rHPV candidate:



Our Technology and Competitive Advantages

We have developed key technologies to address the main challenges of an oral *Helicobacter pylori* vaccine, focusing on formulation, antigen selection and immunogenicity. A key challenge for oral vaccines is protecting protein antigens from degradation in the gastrointestinal tract. Our vaccine candidate is being developed as an oral capsule to improve on the previous liquid version, which had a large volume, unpleasant taste and required gastric acid neutralizing agents. The capsule uses an enteric coating to help release the antigen in the intestine and improve patient compliance. Our vaccine candidate uses recombinant protein antigens selected through systematic screening. We initially screened 1,480 *Helicobacter pylori* antigen proteins and selected two based on immune protection rates in preclinical studies. To improve oral absorption and immune response, our formulation includes absorption enhancers and adjuvants. In animal studies, our vaccine candidate induced both systemic antibodies, or immunoglobulin G (“IgG”), and mucosal antibodies, or immunoglobulin A (“IgA”), responses. It also showed serum antibody levels 100 to 1,000 times higher than certain other oral vaccines in development and significantly reduced bacterial colonization, supporting its protective potential in preclinical models.

Clinical Development

Our rHPV is the first of our “superbug” pipeline candidates to receive the clinical trial approval outside of China, underscoring our overseas development strategy. In June 2024, we received ethical clearance from an Australian Human Research Ethics Committee and completed the clinical trial notification (“CTN”) process with the TGA to initiate a Phase I clinical trial (CTN No. CT-2024-CTN-01799-1). In parallel with our overseas clinical progress, we are also pursuing the domestic regulatory pathway in China and plan to submit an IND application for the rHPV candidate to the NMPA in the second half of 2026. We will continue to evaluate opportunities to conduct additional clinical studies in China and overseas, as appropriate, to support the overseas development and commercialization of this innovative vaccine candidate.

Recombinant four-antigen *Pseudomonas Aeruginosa* vaccine (重組銅綠假單胞菌疫苗)

Overview

Our rFPAV is a multi-component subunit vaccine candidate being developed for the prevention of infections caused by *Pseudomonas aeruginosa*.

BUSINESS

Medical Need and Market Opportunity

Pseudomonas aeruginosa is a formidable opportunistic pathogen and a leading cause of severe, often fatal, hospital-acquired infections, particularly in immunocompromised patients, burn victims, and individuals with cystic fibrosis. In recognition of its high rates of antibiotic resistance, the WHO has classified carbapenem-resistant *Pseudomonas aeruginosa* as a “critical” priority pathogen for which new treatments are urgently needed. The genetic diversity of *Pseudomonas aeruginosa*, which includes over 600 serotypes, has made vaccine development exceptionally challenging. To date, there is no approved vaccine for the prevention of *Pseudomonas aeruginosa* infections globally, representing a significant medical need.

Our Solution and Mechanism of Action

This vaccine candidate is a four-component recombinant protein-based vaccine. This design, which includes multiple distinct protein antigens, aims to elicit a broad immune response against a wide spectrum of *Pseudomonas aeruginosa* serotypes. By stimulating the production of specific functional antibodies, the vaccine is designed to prevent bacterial colonization, neutralize toxins, and facilitate immune clearance of the pathogen. According to the CIC Report, this multi-component formulation is the most component-rich rFPAV candidate in development globally as of the Latest Practicable Date.

Our Technology and Competitive Advantages

The vaccine is developed using a gene engineering technology pathway — one of our Company’s core technologies — integrated with artificial intelligence-driven antigen design and optimization. Based on a proprietary database of protective and non-protective antigens discovered by our project team, a generative adversarial network model was preliminarily established and trained to facilitate the selection and modification of candidate antigen targets. Upon immunization, the vaccine can induce a strong and comprehensive cellular and humoral immune response, effectively eliminating bacteria and controlling infections. It has demonstrated promising protective efficacy across multiple animal models, including those of acute pneumonia, burn-associated infections, and systemic infections.

Development Status

The vaccine candidate is in the late preclinical research stage. We have completed the Pre-IND submission and are currently completing supplementary studies in preparation for the IND application to the NMPA, which we plan to submit in the second half of 2026.

Recombinant Acinetobacter Baumannii Vaccine (重組鮑曼不動桿菌蛋白疫苗)

Overview

Our rABV is a vaccine candidate for the prevention of infections caused by *Acinetobacter baumannii*, a Gram-negative bacterium that has emerged as one of the most critical threats in healthcare settings. According to the CIC Report, this vaccine candidate is the world’s first active candidate targeting this pathogen to enter the formal research and development stage for this pathogen.

Medical Need and Market Opportunity

Carbapenem-resistant *Acinetobacter baumannii* is listed by the WHO as a “critical” priority pathogen, on par with *Pseudomonas aeruginosa*. It is responsible for a significant proportion of hospital-acquired infections, particularly pneumonia and bloodstream infections in ICU patients. It is characterized by its extreme resilience and its remarkable ability to acquire resistance to nearly all available antibiotics, with some strains becoming pan-drug-resistant. It is one of the “ESCAPE” pathogens, a group of clinically important organisms known for their potential to develop significant antimicrobial resistance. The absence of specific preventive measures, together with the high incidence of infection cases, creates an urgent and significant medical need for a vaccine.

BUSINESS

Our Solution and Mechanism of Action

Our vaccine candidate employs a sophisticated “multi-antigen protein combination” design. This design utilizes genetic engineering techniques to select immunogenic epitopes from multiple conserved *Acinetobacter baumannii* antigens (such as metabolic regulatory proteins and various lipoproteins), which are combined to collectively form the rABV construct.

Our Technology and Competitive Advantages

- ***Dual Modulation of Non-Specific and Specific Immunity:*** This vaccine candidate is designed as a new-concept vaccine integrating both non-specific and specific immune modulation, addressing the characteristics of strict hospital-acquired bacterial infections, susceptibility among immunocompromised or invasively treated patients, low vaccination willingness among non-infected risk groups, and the need for both emergency prevention and therapeutic response. By activating trained immunity, the vaccine can rapidly enable patients to mount an immediate defensive response against *Acinetobacter baumannii* infection, while activation of adaptive immunity provides the conventional, long-term preventive protection typical of vaccines.
- ***Multi-Specific Protective Antigen Combination Design:*** Based on structural and functional genomics research of *Acinetobacter baumannii* and employing techniques such as reverse vaccinology, this vaccine adopts a multi-antigen combination approach. A large number of candidate antigens were repeatedly screened and individually demonstrated protective efficacy, and the optimized combination of these selected antigens allows for the broadest possible coverage of diverse *Acinetobacter baumannii* types and potential strain variants, thereby offering maximal redundant protection for clinical prevention and control.
- ***Cross-species Protection and Platform for Future Multi-pathogen Vaccine Development:*** The vaccine design exhibits a degree of cross-species protection, showing potential protective effects against other hospital-acquired pathogens beyond *Acinetobacter baumannii*, such as *Staphylococcus aureus*, *Pseudomonas aeruginosa*, and *Klebsiella pneumoniae*. The underlying design concept may also be extended to the development of combination vaccines targeting multiple drug-resistant hospital-acquired bacteria within our pipeline.

Development Status

We are currently at the preclinical stage, focusing on process development and the establishment of quality standards for the vaccine, and are preparing to submit an IND application to the NMPA by the end of 2027.

Group A Streptococcus Vaccine (A群鏈球菌疫苗)

Overview

Our GAS Vaccine is an innovative peptide conjugate vaccine candidate being developed for the prevention of diseases caused by Group A Streptococcus, which is a gram-positive, nonspore-forming bacterium that grows in pairs and chains. It is responsible for a wide spectrum of skin, soft tissue, and respiratory tract infections, ranging from pharyngitis, scarlet fever, impetigo, cellulitis, and erysipelas to severe invasive infections such as streptococcal toxic shock syndrome and necrotizing fasciitis.

BUSINESS

Medical Need and Technical Challenge

GAS infections pose a major global health burden, primarily in low- and middle-income countries. Despite the significant morbidity and mortality associated with GAS, there is currently no approved vaccine available. A major historical challenge in GAS Vaccine development has been safety, specifically the risk of inducing cross-reactive antibodies that could trigger autoimmune reactions, such as acute rheumatic fever.

Our Solution and Technology

This vaccine candidate is based on an innovative multi-peptide vaccine design specifically developed to address historical safety concerns. The vaccine employs two peptide antigens, each targeting distinct virulence mechanisms of Group A Streptococcus, with the design focused on (i) broader protective coverage, as GAS comprises more than 150 serotypes with limited cross-protection among them, meaning that vaccines developed against specific serotypes may offer only partial coverage. One of our selected peptide antigens is derived from the conserved region of the bacterial M protein and is designed to provide broader protection across multiple GAS serotypes; (ii) improved protection against CovR/S mutant strains, as the SpyCEP protein is up-regulated in CovR/S mutant strains, making these mutant strains more infectious than their wild-type counterparts. Our second peptide antigen specifically targets highly pathogenic GAS CovR/S mutant strains to deliver enhanced protection; and (iii) avoidance of autoimmune cross-reactivity, as the selected peptide epitopes have been carefully screened and designed to avoid homology with human tissue proteins, particularly cardiac myosin, thereby minimizing the theoretical risk of inducing autoimmune responses that could lead to rheumatic fever.

Development Status

Our GAS Vaccine is currently in the preclinical research stage. We are conducting studies to confirm the immunogenicity and protective efficacy of the peptide antigen formulation in animal models. We plan to submit an IND application to the NMPA by the end of 2028.

Our Key Pipeline Candidates

In addition to our superbug vaccine candidates, we also develop several key pipeline products, including (i) influenza related vaccine candidates including Quadrivalent Influenza Vaccine, Trivalent Influenza Vaccine, and Adjuvanted Trivalent Influenza Vaccine all of which are being developed as Class II vaccines, and (ii) therapeutic monoclonal antibody candidates, which we collectively referred to herein as our key pipeline candidates.

Quadrivalent, Trivalent and Adjuvanted Trivalent Influenza Virus Split Vaccines (MDCK Cells)
(四價/三價/三價佐劑流感病毒裂解疫苗(MDCK細胞))

Overview

We are developing (i) a Quadrivalent Influenza Vaccine, (ii) a Trivalent Influenza Vaccine, and (iii) an Adjuvanted Trivalent Influenza Vaccine. These vaccine candidates are part of our strategic focus on the adult vaccine market. They are produced using a cell-culture technology platform as a superior alternative to traditional egg-based production. The Quadrivalent Influenza Vaccine is designed to target two influenza A strains and two influenza B strains, while the Trivalent Influenza Vaccine targets two A strains and one B lineage. The Adjuvanted Trivalent Influenza Vaccine is designed for populations with weaker immune responses, aiming to provide enhanced protection for elderly individuals during influenza seasons.

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Rationale and Unmet Need

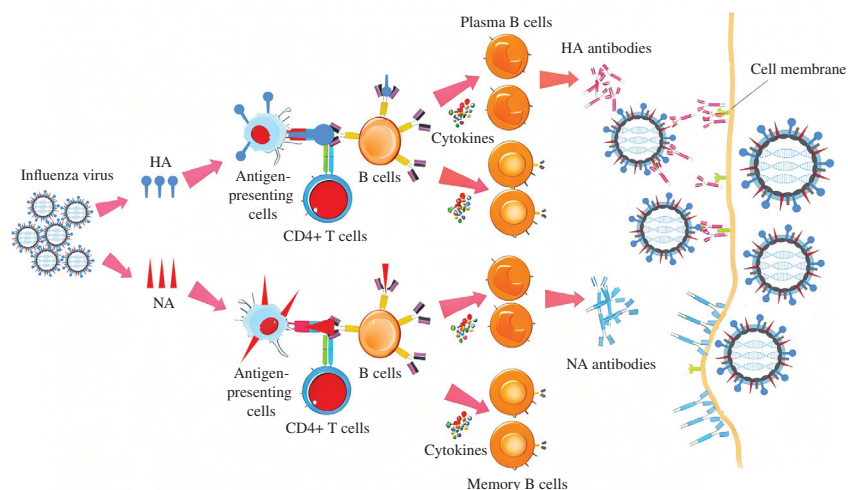
Seasonal influenza is a major public health concern, causing widespread respiratory illness, significant morbidity and mortality, and substantial economic burden each year. According to the CIC Report, the incidence of influenza in China increased rapidly from 20.4 million cases in 2019 to an estimated 27.8 million cases in 2025, is projected to reach 51.2 million in 2035.

Annual vaccination is the most effective way to prevent influenza and its complications. Traditional influenza vaccines are produced by cultivating the virus in embryonated chicken eggs, but this method has several limitations, including (i) a long production cycle, as egg-based production can take up to six months and may become a bottleneck during a pandemic; (ii) risk of egg-adapted mutations, as influenza viruses may mutate when grown in eggs, potentially causing a mismatch between the vaccine strain and circulating human strains and reducing vaccine effectiveness; (iii) allergy concerns, as egg-based vaccines may not be suitable for individuals with severe egg allergies; and (iv) supply chain vulnerability, as production depends on a stable supply of high-quality, specific-pathogenfree eggs and may be disrupted by events such as avian flu outbreaks.

Our Solution and Technology and Competitive Advantages

Our influenza vaccine candidates are produced using a MDCK cell-culture platform, a modern alternative to traditional egg-based production. This platform offers several key advantages, including (i) faster production and scalability, as cell-based production has a shorter manufacturing cycle than egg-based production, allowing faster and more flexible vaccine supply for seasonal epidemics and potential pandemics; (ii) lower risk of antigenic mismatch, as growing the virus in MDCK cells reduces egg-adapted mutations, which may help produce vaccine viruses that are closer to circulating human influenza strains and potentially improve efficacy; (iii) enhanced safety profile, as our proprietary MDCK cell line has been confirmed to be negative for tumorigenicity and oncogenicity through single-clone screening and suspension adaptation, and is also free from egg proteins, making it more suitable for individuals with egg allergies; and (iv) automated and efficient production, as the vaccine is designed for large-scale bioreactor suspension culture in a fully enclosed and automated process, which may reduce contamination risk, require less facility space and support scale-up compared with egg-based production.

The following diagram illustrates the mechanism of action of our influenza vaccine candidates:



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Development Status

For our Quadrivalent Influenza Vaccine and Trivalent Influenza Vaccine: In May and October 2024, our Quadrivalent Influenza Vaccine and Trivalent Influenza Vaccine each received clinical trial approvals from the NMPA. Both vaccine candidates commenced Phase I clinical trials in early 2025, and the first subjects were successfully enrolled soon after initiation. Based on the interim results of the Phase I clinical trial, the Quadrivalent Influenza Vaccine entered Phase III clinical trials in October 2025. On November 21, 2025, we completed full subject enrollment for the Phase IIIa clinical trial. We subsequently obtained the clinical study report for the Phase I clinical trial of the Quadrivalent Influenza Vaccine in May 2026. The Quadrivalent Influenza Vaccine has completed its Phase I clinical trial and, building on those results, entered Phase III clinical trials in October 2025, with first-subject enrollment completed. The Phase III clinical trial is designed to further evaluate the vaccine’s efficacy and safety and to provide clinical evidence in support of its registration with the NMPA. We have also completed the Phase I clinical trial for the Trivalent Influenza Vaccine and obtained the corresponding clinical study report in May 2026. Our line of influenza vaccine candidates are categorized as Class 2.2 vaccine candidate. In accordance with the relevant laws and regulatory requirements, such products are generally not required to conduct a separate Phase II clinical trial prior to entering Phase III clinical trial.

The clinical development of our Quadrivalent Influenza Vaccine and Trivalent Influenza Vaccine proceeded directly from Phase I to Phase III trials, without conducting a separate Phase II clinical trial. This streamlined clinical pathway is based on and in accordance with applicable regulatory guidelines, the specific classification of these vaccine candidates, established industry practice, specific regulatory endorsement of our clinical trial plans. The NMPA’s Guideline on General Considerations for Drug Clinical Trials (《藥物臨床試驗技術指導指南》) provides that while the clinical development of vaccines is typically described in sequential phases (Phase I, II, III, and IV), this phasing is intended for descriptive convenience and is not a rigid, mandatory requirement. This principle allows for flexible, scientifically-justified clinical development plans. This streamlined approach is particularly applicable to our line of influenza vaccine candidates, which are categorized as Class 2.2 vaccine candidates (具有重大技術改進的疫苗). In accordance with the relevant laws and regulatory requirements, such products, which represent improved vaccines with significant technical advancements, are generally not required to conduct a separate Phase II clinical trial prior to entering a Phase III clinical trial. In connection with our IND applications for Quadrivalent Influenza Vaccine and Trivalent Influenza Vaccine, we submitted our proposed clinical development plans to the Center for Drug Evaluation under the NMPA (CDE). These plans detailed a clinical pathway that comprised only Phase I and Phase III trials. Following its review, the CDE approved our IND applications, including the proposed clinical plans, and did not require us to conduct or add a Phase II clinical trial. We believe the CDE’s approval of our IND applications without such a request constitutes its endorsement of our proposed clinical development pathway for these candidates. We are conducting, and will continue to conduct, our Phase I and Phase III clinical trials in strict adherence to the CDE-approved protocols. We maintain ongoing communication with the CDE regarding trial progress and results. As confirmed by the CIC, omitting a standalone Phase II trial for these vaccine candidates is consistent with recognized industry practice in China, particularly for Class 2.2 vaccine candidates that are based on established technical platforms. Our PRC Legal Advisors, confirm that our clinical development strategy for our Quadrivalent Influenza Vaccine and Trivalent Influenza Vaccine, including the omission of a standalone Phase II clinical trial based on the CDE’s approval of our clinical trial plan, does not violate the applicable PRC laws, regulations and normative documents.

Our Adjuvanted Trivalent Influenza Vaccine is currently at the pre-clinical stage.

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Therapeutic Monoclonal Antibody Candidates

As part of our pipeline portfolio diversification strategy to expand beyond vaccines, we are developing therapeutic, fully human monoclonal antibodies (“mAbs”) targeting major bacterial infections and toxin-mediated diseases. These mAbs candidates apply our proprietary antigen discovery, immune-library and antibody-engineering technologies first established through our recombinant vaccine research. Our therapeutic monoclonal antibody pipeline includes (i) Anti-Staphylococcus aureus Fully Human Monoclonal Antibody (抗金黃色葡萄球菌單克隆抗體); (ii) Anti-Pseudomonas aeruginosa Fully Human Monoclonal Antibody (抗銅綠假單胞菌單克隆抗體); and (iii) Anti-Tetanus Toxin Fully Human Monoclonal Antibody (全人源破傷風單克隆抗體).

Technology Platform

We built an integrated fully human antibody discovery and screening platform combining antigen design, fully human immune-library construction and single B-cell screening technologies. This platform supports rapid identification of antibody molecules with high affinity, specificity and druggability.

Key technological components include the Fully Human Immune Library (全人源免疫庫). For the Staphylococcus aureus and tetanus mAbs candidates, peripheral blood samples were collected from volunteers administered with our rFSAV and Adsorbed Tetanus Vaccine, respectively. Antigen-stimulated B cells were isolated to construct fully human immune libraries rich in antigen-specific, high-affinity antibodies. For the Pseudomonas aeruginosa mAbs candidate, the immune library was derived from a fully human antibody mouse platform in which the human antibody heavy- and light-chain variable regions had been completely replaced in situ, enabling generation of fully human antibodies with strong binding activity. Regarding Targeting Conserved Protective Antigens (靶向保護性保守抗原), for the Staphylococcus aureus and Pseudomonas aeruginosa mAbs candidates, antibody targets were selected from protective and conserved antigens discovered in our vaccine research, ensuring broad coverage across bacterial strains while minimizing escape mutation risk. Finally, regarding Single Memory B-Cell Screening Technology (單個記憶B細胞篩選技術), for the Staphylococcus aureus and tetanus mAbs candidates, antigen-specific single memory B-cell screening combined with next-generation sequencing (NGS) was adopted to identify fully human antibodies while maintaining natural heavy-/light-chain pairing, preserving antibody diversity and biological authenticity.

Anti-Staphylococcus aureus Fully Human Monoclonal Antibody (抗金黃色葡萄球菌單克隆抗體)

This candidate is based on the five protective antigens from our rFSAV. Using peripheral blood samples from volunteers who participated in the clinical studies for rFSAV, we constructed a fully human monoclonal antibody library targeting these five antigens through our established discovery platform. Following in-depth bioactivity and developability evaluation, we selected a therapeutic “cocktail” of antibodies capable of neutralizing Staphylococcus aureus toxins, inhibiting bacterial adhesion and invasion, and enhancing immune-mediated bacterial clearance. The therapy is intended for use alongside antibiotics to improve efficacy and reduce resistance risk. We have confirmed the lead antibody sequences, and the project is currently in the preclinical development stage, focusing on cell-line construction, process optimization, analytical method validation and IND-enabling studies. We plan to submit an IND application for this candidate to the NMPA by the end of 2027.

Anti-Pseudomonas aeruginosa Fully Human Monoclonal Antibody (抗銅綠假單胞菌單克隆抗體)

This candidate is built on four protective antigens from our rFPAV. Using our fully human antibody mouse platform, we generated a corresponding human monoclonal antibody library targeting these four antigenic sites. Through integrated in vitro and in vivo screening, we selected a multi-antibody “cocktail” that neutralizes virulence factors and exotoxins and promotes immune clearance. This therapy is designed to be used in combination with antibiotics to shorten treatment duration and alleviate antimicrobial resistance. Lead antibody sequences have been finalized, and the project is at the preclinical stage, focusing on manufacturing process development, analytical validation and IND preparation.

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Anti-Tetanus Toxin Fully Human Monoclonal Antibody (全人源破傷風單克隆抗體)

This candidate is based on our self-developed Adsorbed Tetanus Vaccine. We collected peripheral blood samples from vaccinated volunteers and used them to construct a fully human monoclonal antibody library against the tetanus toxin. Through systematic molecular and biological screening, we identified a lead antibody capable of rapidly binding to and neutralizing active tetanus toxin, thereby preventing its attachment to peripheral nerve endings and entry into the central nervous system, effectively avoiding the onset of clinical tetanus. We further engineered the antibody’s Fc region to extend serum half-life, providing longer protection and fewer administrations compared with plasma-derived tetanus immunoglobulins. The antibody sequence has been confirmed, and the project is in the preclinical stage, focusing on process development, stability testing and quality-standard establishment for IND submission.

Additional Pipeline Candidates

In addition to our superbug vaccine candidates and key pipeline candidates, we are advancing a diversified vaccine pipeline targeting both adult and pediatric populations. These include our recombinant Zoster vaccine (重組帶狀疱疹疫苗), acellular Pertussis (three-component) vaccine and acellular Diphtheria-tetanus-pertussis combined vaccine (無細胞百日咳(三組分)疫苗及無細胞百白破(三組分)聯合疫苗), Group B meningococcal vaccine (B群腦膜炎球菌疫苗) and AC-Hib conjugate vaccine (AC-Hib 聯合疫苗). These candidates form an important extension of our platform technology capabilities and reinforce our long-term focus on population-wide infectious disease prevention.

RESEARCH AND DEVELOPMENT

Our commitment to research and development is fundamental to our growth strategy and a cornerstone of our competitive advantage. We believe that continuous innovation is essential to addressing significant medical needs and solidifying our position as a technology leader in the global vaccine industry.

Our R&D Process

We have established a comprehensive, stage-gated governance framework for our R&D activities, ensuring our projects are managed systematically, efficiently, and with robust oversight from discovery to regulatory submission.

Our R&D process is a systematic, multi-stage workflow designed to advance vaccine candidates from concept to clinical readiness. Based on our current framework, the preclinical development of a novel vaccine generally includes (i) project initiation and feasibility analysis, where our knowledge management team reviews industry trends, technology developments and epidemiological data, prepares a feasibility report covering the technical basis, intellectual property landscape, market potential and resource requirements, and submits it to our scientific committee for review and approval; (ii) exploration and discovery, where we identify viable vaccine candidates through pathogen analysis, target screening and candidate antigen or platform design, including the use of bioinformatics and reverse vaccinology for certain “superbug” vaccines, which typically takes two to four years for a novel vaccine; (iii) druggability research, where promising candidates are further optimized and assessed for product viability, including developability, early pharmacokinetic and toxicology screening, and pre-formulation studies, which typically takes six to 12 months; (iv) formal preclinical evaluation, where we validate the manufacturing process, establish quality standards, conduct formal pharmacology and efficacy studies, and produce GMP-grade batches for safety assessment and clinical trial application, which normally takes one to two years; and (v) IND application preparation, where our regulatory affairs team compiles the chemistry, manufacturing and controls, pharmacology and toxicology data and prepares the IND application for submission to regulatory authorities, which typically takes several weeks to several months.

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Before Phase III clinical trials and in preparation for commercial manufacturing, we also carry out technology and document transfer, which typically takes several months. A dedicated project team from R&D, manufacturing, quality control and engineering oversees the transfer of process knowledge, manufacturing procedures, quality control standards and analytical methods from R&D to production departments to support the transition from development to large-scale GMP-compliant manufacturing.

Our R&D Capabilities and Core Technology Platforms

Our R&D capabilities are built upon four integrated and synergistic core technology platforms that span the entire vaccine development value chain. These platforms cover the full process from early-stage target discovery and vaccine design, polysaccharide-protein conjugation process optimization, and comprehensive efficacy evaluation, to final-stage digital and automated industrialization. They provide a technological foundation for our existing and future product pipelines.

Genetic Engineering and Multi-dimensional Target Vaccine Design Platform (基因工程與多維靶標疫苗設計平台)

This platform is fundamental to our vaccine development, focusing on addressing the challenges in innovative bacterial vaccine R&D, such as the difficulty of target screening and insufficient immunogenicity.

Platform Technologies and Advantages

- ***Multi-dimensional Target Discovery Strategy:*** We employ a “multi-target, multi-dimensional” strategy for developing combination vaccines. This strategy aims to achieve more comprehensive protection by blocking key pathogenic pathways of bacteria, including survival metabolism, adhesion and colonization, toxin secretion, immune evasion, and mutation and drug resistance. We integrate technologies such as bacterial infection immunoproteomics, bacteria-host interactomics, computer-aided target screening, and in vivo screening of random recombinant libraries to systematically identify and validate antigen combinations with synergistic protective potential from thousands of candidates.
- ***Target Optimization and Synergistic Enhancement Technology:*** Our target optimization and synergistic enhancement technology focuses on improving vaccine safety, immunogenicity and formulation compatibility. We use structural vaccinology to identify and precisely modify key toxicity-related epitopes of toxic proteins, with the aim of reducing toxicity while preserving immunogenicity and minimizing interference from pre-existing antibodies. We also apply protein antigen self-polymerization and surface display technologies to enhance the immune response to selected vaccine targets. In addition, we optimize antigen combinations through approaches such as chimerization, fusion and combination to reduce immune interference among different antigens. Based on factors including isoelectric point, adsorption rate, compatibility and immunogenicity, we have established a formulation optimization model for antigen components and adjuvants, providing a scientific basis for developing multicomponent vaccines with synergistic effects.

Applications and Achievements

Utilizing this platform, we have screened and identified multiple novel and effective vaccine targets from tens of thousands of open reading frames of pathogens such as *Staphylococcus aureus*, *Pseudomonas aeruginosa*, *Helicobacter pylori*, and *Acinetobacter baumannii*. Based on these findings, we have successfully developed several innovative vaccine candidates

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Polysaccharide-Protein Conjugation Technology Platform (多糖蛋白結合技術平台)

This platform is focused on overcoming the technical bottlenecks of traditional polysaccharide vaccines. Through innovative conjugation processes, it aims to provide safer and more effective immune protection for key vulnerable populations, such as infants and young children.

Platform Technologies and Advantages

- ***Innovative Conjugation Process:*** We possess a proprietary technology system for polysaccharide activation, derivatization, and protein conjugation. Compared to traditional processes, this technology system increases the yield of vaccine bulk solution and significantly improves product homogeneity and stability.
- ***High-quality Carrier Protein Technology:*** We have mastered the preparation process for low-polymerization tetanus toxoid, which helps reduce the rate of adverse reactions post-vaccination. Furthermore, our independently developed non-toxic diphtheria toxin mutant, CRM197, has been filed with the U.S. FDA under Drug Master File (DMF) number 037792, indicating that our carrier protein technology has reached an internationally recognized standard.

Applications and Achievements

We have successfully applied this platform to develop and commercialize several products, including our Hib Conjugate Vaccine and AC Conjugate Vaccine. Notably, our AC Conjugate Vaccine is the only product approved in China for booster immunization in children at 18 months of age, addressing the issue of insufficient long-term immunity in this age group.

Integrated “Molecule-to-human” Vaccine Efficacy Evaluation Platform (“分子-細胞-動物-人體”一體化疫苗效力評價平台)

This platform provides comprehensive efficacy evaluation support for our innovative vaccines, from preclinical research through to clinical trials, and is a key element in ensuring our R&D process is scientific and efficient.

Platform Technologies and Advantages

- ***Animal Models that Highly Simulate Clinical Conditions:*** We have established a series of infection animal models that cover various clinical scenarios, including acute/chronic pneumonia, systemic sepsis, fracture trauma, burn infections, skin and soft tissue infections, and chronic gastritis. Combined with techniques like in vivo fluorescent tracing of live bacteria, we can directly and dynamically evaluate the true protective effect of vaccines in animals.
- ***Innovative Immunological Evaluation Methods:***
 - We have established an Opsonophagocytic Activity Assay, a functional antibody detection technology for non-polysaccharide bacterial vaccines, to evaluate the functional quality of the immune response.
 - We have also established a Luminex-based bead-based multiplex assay for the simultaneous and quantitative detection of multiple specific antibodies, enabling a comprehensive and precise analysis of the immune response to multi-component vaccines.

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Applications and Achievements

This platform provided critical data support for the successful execution of the Phase I, II, and III clinical trials of our rFSAV. Our evaluation models and testing technologies have been adopted by many institutions in China and have received positive commentary from international peers, including scholars from Harvard Medical School.

Digital and Automated Vaccine Industrialization Platform (數字化與自動化疫苗產業化平台)

This platform is focused on addressing challenges in traditional bacterial vaccine manufacturing through advanced production processes and quality control measures, aiming to achieve high-quality, high-efficiency, and high-consistency commercial-scale production.

Platform Technologies and Advantages

- ***High-density Fermentation and Purification Technology:*** We have established a multi-scale, digitally controlled high-density fermentation process, along with a column chromatography purification system. These technologies have increased the proportion of high-quality, low-polymerization toxoid in a specific product, increased the yield of Hib polysaccharide, and ensured our product quality exceeds the standards of the current Chinese Pharmacopoeia. This has also contributed to a reduction in the incidence of adverse reactions for related vaccines.
- ***Green and Digitalized Precision Control Processes:*** We employ more environmentally friendly process technologies, such as using glutaraldehyde instead of formaldehyde for detoxification, dynamic tangential flow filtration instead of traditional phenol/ethanol precipitation, and high-efficiency cyanate ester bond conjugation instead of highly toxic cyanogen bromide activation. We have also implemented digital control technologies, such as a fully enclosed magnetic-stirring detoxification system with automated temperature control, to achieve automated monitoring of key production steps, ensuring batch-to-batch consistency and stability.

Applications and Achievements

This platform has successfully supported the commercial-scale production of our marketed products. We have built a modern production base which includes multiple GMP-compliant production workshops, providing a strong guarantee for the quality and safety record of our marketed products.

Our R&D Infrastructure

We conduct our R&D activities primarily through two research centers located in Chengdu and Chongqing, which together provide the facilities necessary to advance our vaccine candidates from early-stage research to pilot-scale production and technology transfer for commercialization. The Chengdu R&D center focuses on the development of bacterial and viral vaccines, the application of adjuvant technologies, and process development for vaccine industrialization. It operates two independent, GMP-compliant pilot workshops, both certified as Biosafety Level 2 (BSL-2) laboratories, enabling work with a range of pathogens. The Chengdu R&D Center has been designated by the Chengdu High-tech Zone Science and Technology Innovation Bureau (成都高新區科技創新局) and Chengdu Tianfu International Bio-town (成都天府國際生物城) as a “Chengdu High-tech Zone Pilot Platform” (成都高新區中試平台) and a “Public Technology Service Platform for Process Development and Quality Research” (工藝開發與品質研究公共技術服務平台), respectively. The Chongqing R&D center is primarily engaged in the research and development of anti-infective antibody drugs. It includes a GMP-standard pilot production line. It has been designated as the “Chongqing Innovative Biologics Concept Validation Center” (重慶市創新生物製品概念驗證中心) by the Chongqing Development and Reform Commission.

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Our R&D Team and Core Members

As of December 31, 2025, we had a dedicated R&D team of 143 members. Our team is educated and experienced, with a deep understanding of vaccine development, from discovery through to industrialization. Our R&D team includes several scientists with over 30 years of experience in the vaccine industry, who previously held leadership positions at leading national research institutions and have contributed to the successful development and commercialization of multiple vaccines, including those under national major drug innovation programs. These senior scientists possess extensive experience in end-to-end vaccine R&D, production management, and enterprise establishment within the biopharmaceutical sector, and collectively hold numerous invention patents and provincial- and ministerial-level recognitions. In addition, our R&D leadership includes experts with doctoral degrees in biomedical engineering and related disciplines, who have led the development of our key pipeline candidates targeting multidrug-resistant bacterial infections. Their expertise covers reverse vaccinology, AI-assisted vaccine design, and multi-dimensional vaccine efficacy evaluation platforms. Members of our R&D leadership have participated in multiple national major scientific projects, published extensively in peer-reviewed scientific journals, and received industry awards for innovation and technological advancement.

Collaboration and License Arrangements

We actively in-license promising technologies and product candidates to supplement our internal R&D efforts. The nature of these arrangements varies, ranging from active co-development partnerships to technology acquisitions where we lead subsequent development and commercialization. We developed our commercialized products internally. During the Track Record Period, we incurred and paid approximately RMB53.9 million, RMB73.9 million, and RMB81.9 million, respectively, in connection with these arrangements. These payments, which primarily represent upfront fees, milestone payments, and funding for research and development activities conducted by our collaboration partners, were recognized as expenses and charged to our consolidated statements of profit or loss in the respective reporting periods. The following table specifies the development model for each of our superbug vaccine candidates and key vaccine candidates.

Commercialized Product/ Product Candidate	Partner(s)	Relationship Type	Key Characteristics and Rationale
rFSAV	Our Key R&D Partner	Joint Development and Co-Creation	A long-term, joint R&D collaboration. The partner leads pre-clinical work; we lead all clinical, manufacturing, and commercialization activities. IP is co-owned, with exclusive commercial rights granted to us.
rHPV	rHPV Partner	Technology Acquisition and In-house Development	A complete technology acquisition. We acquired sole IP ownership and are fully responsible for all future development and commercialization. The partner’s role is limited to providing technical consultation upon request.

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Commercialized Product/ Product Candidate	Partner(s)	Relationship Type	Key Characteristics and Rationale
rFPAV	Beijing Partner and Our Key R&D Partner	Co-Ownership and Collaborative Development	A hybrid model combining IP acquisition with active collaboration. We acquired 50% IP co-ownership, while the partner remains actively involved in the entire development process through to NDA approval.
rABV	Beijing Partner and rABV Original Patent Holder	Technology Acquisition and In-house Development	A technology acquisition. We acquired 100% IP ownership and assume sole responsibility for late-stage development (NDA) and commercialization. The partner’s involvement is limited to early regulatory stages.
GAS Vaccine	GAS Partner	Exclusive In-Licensing and Co-Development	An exclusive in-license with a co-development framework. The partner leads core research, while we manage manufacturing and clinical development in our territory. Both parties share key clinical data.
Influenza Virus Split Vaccines	MDCK Licensor	Non-Exclusive Technology In- Licensing	A non-exclusive license MDCK cell-based Technology. The partner provides the core technology; we lead all development, regulatory, and commercialization activities for any resulting vaccine.

A summary of the key agreements regarding our superbug vaccine candidates are shown below:

Collaboration with Our Key R&D Partner on rFSAV

Our collaboration with our Key R&D Partner dates back to 2011. We have jointly conducted the research and development of rFSAV under the principle of industry-academia-research collaboration and innovation. On this basis, in April 2011, we entered into a technology development and cooperation contract and, subsequently, entered into a series of related project-specific supplemental agreements (collectively, the “rFSAV Agreements”) with our Key R&D Partner, which set out the arrangements regarding the technology development, intellectual property ownership, and subsequent commercialization of this candidate.

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Scope, Objectives and Division of Responsibilities

Under the rFSAV Agreements, we and our Key R&D Partner aim to jointly advance the research and development of the vaccine candidate, with the ultimate goal of co-obtaining the IND approval, the NDA approval, and the production license in China. Per the rFSAV Agreements, our Key R&D Partner’s primary responsibilities involve conducting the pre-clinical research work, including but not limited to pharmacology, primary pharmacodynamics, toxicology, and animal pharmacokinetic studies, and drafting the relevant regulatory submission dossiers for clinical trials. Our primary responsibilities are focused on the commercialization aspects of the development, which include providing all necessary funding for the project, organizing and implementing Phase I, II, and III clinical trials, leading the development of manufacturing processes and clinical trial production, being responsible for regulatory submissions to the authorities for clinical trials, the new drug certificate, GMP certification, and the final production license, and ultimately overseeing the project’s industrialization. To ensure effective project management, the rFSAV Agreements stipulate that the project operates under a principal investigator responsibility system.

Financial Commitments

As part of our commitment, we have agreed to bear the costs for the project from early-stage risk research through the completion of pre-clinical studies, with a budgeted amount of RMB16.0 million. This budget does not cover subsequent clinical trial expenses, which will be paid by us separately and directly to the institutions conducting the clinical trials.

In addition to the R&D budget, we are obligated to make certain milestone payments to our Key R&D Partner. Specifically, we are required to make a one-time payment of RMB1.0 million within 30 business days of obtaining the clinical trial approval for the vaccine candidate, and a one-time payment of RMB3.0 million within 30 business days of obtaining the new drug certificate. Following the commercial launch of the rFSAV, we are required to pay sales royalties to our Key R&D Partner. The royalty is calculated at a low-single-digit percentage of the net annual pre-tax sales revenue of the product, payable annually for a term of 10 years. The rFSAV Agreements include a guaranteed minimum aggregate royalty payment of RMB50.0 million. If, at the end of the 10-year term, the cumulative royalty payments have not reached this amount, we are obligated to pay the shortfall to our Key R&D Partner in a lump sum at the end of the tenth year.

Intellectual Property and Commercialization Rights

Pursuant to the rFSAV Agreements, all technological results and related intellectual property, including patents, generated during the collaboration are co-owned by us and our Key R&D Partner. Notwithstanding the co-ownership, the rFSAV Agreements grant us an exclusive license to use all related patents for subsequent development, manufacturing, and commercialization activities. Furthermore, we hold the exclusive manufacturing rights for the product and will be designated as the first-named holder of the new drug certificate. We may not assign or license the patent rights to a third party without the written consent of our Key R&D Partner; however, such consent should be granted provided that such an arrangement does not prejudice our Key R&D Partner’s economic interests under the rFSAV Agreements.

Technology Transfer Agreement for rHPV

In August 2021, we entered into a “Recombinant *Helicobacter pylori* Protein Vaccine Technology Transfer Cooperation Agreement” (the “rHPV Agreement”) with an innovative vaccine company in Chengdu (the “rHPV Partner”). Pursuant to the rHPV Agreement, rHPV Partner has agreed to transfer to us the exclusive global rights for the development, manufacturing, and commercialization of rHPV. The transfer encompasses all project-related intellectual property, including patents and software copyrights, technical know-how, and materials.

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Scope, Objectives and Division of Responsibilities

Under the rHPV Agreement, we are fully responsible for conducting and funding the continued research, development, and commercialization of the rHPV. The rHPV Partner is only obligated to provide ongoing technical consultation and assist with communications with regulatory agencies upon requests from us to support the project’s advancement.

Financial Commitments

The total consideration for the technology transfer consists of milestone payments and post-launch sales royalties. The aggregate milestone payments total RMB50.0 million, payable to rHPV Partner in six installments contingent upon the achievement of specific development and regulatory milestones: (i) RMB3.0 million upon the agreement becoming effective, which includes RMB0.5 million for the transfer of equipment; (ii) RMB5.0 million upon the successful transfer of all project-related intellectual property rights to our name; (iii) RMB3.0 million following the completion of successful mouse immunization studies; (iv) RMB4.0 million upon the complete delivery of all technical materials and know-how; (v) RMB5.0 million upon receiving the clinical trial application acceptance notice; and (vi) RMB30.0 million upon obtaining the NDA approval.

Following the commercial launch of the rHPV, we are obligated to pay rHPV Partner a sales royalty calculated at a low-single-digit percentage of the product’s annual sales revenue. These royalty payments are subject to an annual cap of RMB10.0 million and will be paid for a term of 10 years, with the total cumulative royalty payments capped at RMB100.0 million. The agreement includes a provision that if, in the tenth year of sales, the cumulative royalties paid have not reached RMB100.0 million and the sales revenue for that year exceeds RMB3.5 billion, we will make a one-time payment to bring the total royalty amount to the RMB100.0 million cap. Furthermore, the agreements stipulate that upon the project’s cumulative sales revenue reaching RMB3.5 billion, the parties will separately negotiate an additional performance-based award for rHPV Partner’s research and development team.

Intellectual Property and Commercialization Rights

Under the terms of the rHPV Agreement, we have acquired sole ownership of all existing intellectual property related to the project, including nine patent applications and ten software copyrights. We are also the sole owner of any future intellectual property developed from the project. Consequently, we will be the sole applicant for all clinical trial and marketing authorizations and the exclusive holder of the final drug registration certificate globally. rHPV Partner is contractually prohibited from re-developing or transferring the project technology to any third party.

Technology Transfer Agreement for rFPAV

In June 2023, we entered into a technology transfer agreement (the “rFPAV Agreement”) with a leading research company in Beijing, China (the “Beijing Partner”). Pursuant to the rFPAV Agreement, our Beijing Partner, acting on behalf of the original patent holder, our Key R&D Partner, has agreed to transfer to us a 50% co-ownership stake in the patent rights and related technology for a vaccine candidate against *Pseudomonas aeruginosa*.

Scope, Objectives and Division of Responsibilities

Under the rFPAV Agreement, the parties aim to advance the vaccine candidate through clinical development and to commercialization. The agreement outlines a collaborative framework where our Key R&D Partner remains involved in the technical aspects of the project. Specifically, our Key R&D Partner is obligated to participate throughout the entire development process, from pre-clinical research through Phase I, II, and III clinical trials, until the final NDA approval is obtained. Should regulatory authorities require supplementary technical studies, our Key R&D Partner’s team will take the lead in study design, expert communication, and report writing, while our responsibilities include executing the studies and bearing all associated costs.

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Financial Commitments

The total consideration for the technology transfer consists of an entry fee and sales royalties. The total entry fee is RMB30.0 million, payable to our Beijing Partner in eight installments contingent upon the achievement of specific development and regulatory milestones: (i) RMB1.0 million upon the agreement becoming effective; (ii) RMB1.0 million upon the successful registration of our patent co-ownership; (iii) RMB8.0 million upon the delivery and successful reproduction of key technical materials; (iv) RMB5.0 million upon receiving the IND approval notice; (v) RMB3.0 million upon completion of the Phase I clinical trial; (vi) RMB4.0 million upon completion of the Phase II clinical trial; (vii) RMB5.0 million upon completion of the Phase III clinical trial; and (viii) RMB3.0 million upon obtaining the NDA approval.

Following the commercial launch of the rFPAV, we are obligated to pay a sales royalty to our Beijing Partner, calculated at a mid-single-digit percentage of the global annual net sales revenue of the product. This royalty is payable annually for a term of 10 years. The rFPAV Agreement includes a guaranteed minimum aggregate royalty payment of RMB250.0 million. If, at the end of the 10-year term, the cumulative royalty payments have not reached this amount, the royalty period will be extended until the RMB250.0 million threshold is met. If the threshold is met within the 10-year term, royalty payments will continue for the full duration of the term.

Intellectual Property and Commercialization Rights

Under the terms of the rFPAV Agreement, we will acquire a 50% co-ownership of the nine subject patents and patent applications related to the rFPAV project, with our Key R&D Partner retaining the other 50%. Notwithstanding the co-ownership, the agreement grants us the right to be the sole applicant for clinical trials and the NDA, and to be the sole holder of the final drug registration certificate (i.e., the marketing authorization holder). Any subsequent improvements we develop from the transferred technology will be owned solely by us. Should our Key R&D Partner develop its own subsequent improvements, they will retain ownership of such new technology. We may not assign, license, or otherwise transfer the project-related information or patents to a third party (excluding wholly-owned or controlled subsidiaries) without providing prior written notification to our Beijing Partner, who has 30 business days to respond. A lack of response is deemed as consent.

Technology Transfer Agreement for rABV

In March 2023, we entered into a technology transfer agreement (the “rABV Agreement”) with our Beijing Partner. Pursuant to the rABV Agreement, our Beijing Partner, acting on behalf of the original patent holder, a leading research institute in China (the “rABV Original Patent Holder”), has agreed to transfer to us the patent rights and related technology for a vaccine candidate against *Acinetobacter baumannii*.

Intellectual Property and Commercialization Rights

Under the terms of the rABV Agreement, we will acquire 100% ownership of the subject patents, which include the Chinese invention patent titled “Immunogenicity of *Acinetobacter baumannii* Ata protein” and its entire global patent family. The transfer also includes essential technical know-how, specifically the engineering strain and the fermentation and purification technology for the CTB-Ata α recombinant subunit vaccine.

The rABV Agreement stipulates that the application for the IND approval will be filed jointly in our name and the name of the rABV Original Patent Holder. However, the subsequent application for the NDA approval will be filed solely in our name. The rABV Original Patent Holder will not participate in the commercial production or sales of the final product. Any subsequent improvements we develop independently from the transferred technology will be owned solely by

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us. Should the rABV Original Patent Holder develop its own subsequent improvements, they will retain ownership, but we are granted a priority right to use such new technology under equivalent conditions. We may not assign or license the patent rights to a third party without the prior written consent of our Beijing Partner.

Financial Commitments

The total consideration for the technology transfer consists of an entry fee and sales royalties. The total entry fee is RMB5.0 million, payable to our Beijing Partner in three installments based on the achievement of specific development milestones: (i) RMB2.0 million within 30 days of the rABV Agreement becoming effective; (ii) RMB2.0 million within 30 days of receiving the IND approval notice from the NMPA; (iii) RMB1.0 million within 30 days of obtaining the new drug certificate. Following the first commercial sale of the product in China, we are obligated to pay a sales royalty to our Beijing Partner. The royalty is calculated at a low-single-digit percentage of the annual net sales revenue of the product. This royalty is payable annually for a term of 10 years, after which no further royalty payments are required.

Technical Support and Deliverables

To ensure the effective transfer and implementation of the technology, our Beijing Partner is obligated to provide us with a comprehensive set of technical materials within 50 days of receiving the first payment. These deliverables include all relevant experimental records, complete patent application and prosecution files, proof of patent validity, and information on reagents, equipment, and raw materials used. Furthermore, our Beijing Partner has agreed to provide necessary technical guidance and support upon our request, including through teleconferences or by dispatching technical personnel to our site, with any associated travel and accommodation expenses to be borne by us.

Collaboration Agreement for GAS Vaccine

We entered into a series of agreements, including the main “Intellectual Property License (with Transfer Option) and Vaccine Co-Development Contract” (the “GAS Agreement”) with a comprehensive research university known for its strength in health science in Australia (the “GAS Partner”) in September 2019 (collectively, the “GAS Agreements”). The GAS Agreement has a term of 20 years from the date of signing or/until the expiration of the last patent, whichever is later. Pursuant to the GAS Agreements, the university has granted us an exclusive license to develop and commercialize a vaccine candidate, the GAS Vaccine.

Scope, Objectives, and Division of Responsibilities

The primary objective of the GAS Agreement is to advance the GAS Vaccine through pre-clinical and clinical development towards commercialization. The agreement establishes a clear division of responsibilities throughout this process. During the pre-clinical phase, our GAS Partner is responsible for the core research activities, while we will manage manufacturing process development and regulatory affairs. As the project moves to the clinical stage, we are legally and financially responsible for conducting all clinical trial phases in China. Concurrently, our GAS Partner will conduct its own Phase I clinical trial in Australia, for which we will provide GMP-compliant vaccine product, free of charge, for this purpose. The parties will then share the data from their respective Phase I studies. Our ongoing obligations also include managing and funding the licensed patents in our designated territory and providing our GAS Partner with annual reports on the vaccine’s development progress.

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Financial Commitments

The agreement stipulates a series of payments, royalties, and a patent purchase option

- ***License and Maintenance Fees:*** Upon execution of the agreement, we are obligated to pay a one-time license effectuation fee of AUD10,000. Additionally, we are required to pay an annual maintenance fee of AUD25,000 for five years, totaling AUD125,000.
- ***Pre-Clinical Development Fees:*** We are committed to funding the pre-clinical research conducted by our GAS Partner. This involves payments tied to the initiation and completion of specific tasks within the pre-clinical development plan.
- ***Clinical and Regulatory Milestone Payments:*** We are obligated to make milestone payments to our GAS Partner totaling AUD1,025,000, contingent upon the achievement of specific development and regulatory milestones in China: (i) AUD75,000 upon the NMPA’s acceptance of our clinical trial application; (ii) AUD100,000 upon initiation of the Phase I clinical trial; (iii) AUD175,000 upon initiation of the Phase II clinical trial; and (iv) AUD175,000 upon initiation of the Phase III clinical trial; and (v) AUD500,000 upon receipt of final marketing approval from the NMPA.
- ***Royalties:*** We are obligated to pay our GAS Partner an annual royalty at a mid single-digit percentage of the gross revenue generated from the licensed patents in the preceding year. This obligation ceases if we exercise the option to purchase the patents.
- ***Patent Purchase Option:*** The agreement grants us an exclusive option to purchase the patent rights for the Designated Territory (Chinese Mainland, Hong Kong and Taiwan) at various stages. The exercise price is set at: (i) AUD25 million upon completion of the Phase II clinical trial in China; (ii) AUD30 million upon completion of the Phase III clinical trial in China; or (iii) AUD35 million upon receiving marketing approval from the NMPA.

Intellectual Property and Commercialization Rights

Under the terms of our GAS Partner, we hold an exclusive license to the patent applications and any derivative patents for use in the field of conjugate vaccines for preventing GAS infection within the Designated Territory. The agreement includes an option for us to expand this territory to include Australia by exercising the option within the first four months of Phase 1 research and paying an associated option fee.

Any new intellectual property we create during the manufacturing or regulatory phases will be owned solely by us. However, we are required to grant our GAS Partner a non-exclusive, perpetual, royalty-free license to use this new IP for research and for commercialization outside the Designated Territory. This license to our GAS Partner explicitly excludes the right to commercialize any of our manufacturing-related intellectual property. Upon the natural expiration of the agreement’s term, we are granted a perpetual, royalty-free license to continue commercializing the patents.

License Agreement for MDCK Cell-based Technology

Since July 2022, we have entered in to a series of proprietary technology license agreements, (collectively, the “MDCK License Agreements”) with a PRC company primarily engaged in the R&D, production and sale of cell-culture media, biological materials and animal vaccine technologies (the “**MDCK Licensor**”), among other parties. Pursuant to the MDCK License Agreements, the MDCK Licensor has granted us a non-exclusive license to its proprietary MDCK cell-based technology for the development, manufacture, and commercialization of influenza vaccines.

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Scope, Objectives and Division of Responsibilities

Under the MDCK License Agreements, the parties aim to develop, manufacture, and commercialize the influenza vaccine candidate. The MDCK Licensors are obligated to provide the complete technology package, including its proprietary MDCK-XF06 suspension cell line (master and working cell banks), and the related know-how for the entire production process. The MDCK Licensors must also provide technical assistance and necessary documentation for our regulatory submissions.

Our primary responsibilities include leading the regulatory progression and commercialization of the vaccine. We are designated as the primary applicant for the IND application and will be the sole applicant for the new drug certificate, positioning us as the marketing authorization holder for the final product in China.

Financial Commitments

The total consideration under the MDCK License Agreements consists of fixed license fees and a sales-based commission. The aggregate fixed license fee is RMB60.0 million, payable to the MDCK Licensors in three installments contingent upon the achievement of specific milestones by us: (i) RMB20.0 million within 10 days of the agreement’s execution; (ii) RMB20.0 million within 10 days following the delivery of the MDCK-XF06 cell bank and associated documentation; and (iii) RMB20.0 million within 10 days after the completion of preclinical studies and the submission of a Pre-IND application.

Following the commercial launch of the vaccine, we are obligated to pay the MDCK Licensors a tiered sales commission at low single-digit percentages based on annual net sales. This obligation continues for a term of 10 years or until a total of RMB60.0 million in commissions has been paid, whichever occurs first. If the cumulative commissions paid at the end of the 10-year term are less than RMB60.0 million we are required to make a one-time supplementary payment to cover the shortfall.

Intellectual Property and Commercialization Rights

Under the terms of the MDCK License Agreements, the MDCK Licensors retain full ownership of the intellectual property related to the MDCK-XF06 cell line and the associated vaccine production process technology. Any new inventions or substantial technical improvements made by any party during the collaboration will be owned by the party that developed them.

International Sanctions-related Implications

As advised by our legal advisors to international sanctions, our Key R&D Partner is on the Section 1286 List of the U.S. Department of War (the “Section 1286 List”), and the rABV Original Patent Holder is designated by the Bureau of Industry and Security of the U.S. Department of Commerce (the “BIS”) to the Entity List. With respect to our Key R&D Partner, our legal advisors to international sanctions advised us that no specific sanction currently stems from being identified on the Section 1286 List. Rather, the U.S. government advises caution for researchers, academic institutions, or industry partners engaging with institutions on this list. Accordingly, since the Section 1286 List is merely informative, and no specific sanction or restriction stems from the inclusion of our Key R&D Partner on such list, our dealings with it do not violate U.S. sanctions. With respect to the rABV Original Patent Holder, our legal advisors to international sanctions advised us that the transfers of items that are subject to the U.S. Export Administration Regulations (“EAR”) to an entity on the Entity List would require a license from BIS. However, as our arrangement under the rABV Agreement only involved the transfer of the relevant technology and patent from the rABV Original Patent Holder to us, the Entity List restrictions are not applicable in this context.

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PRODUCTION

Overview

Our production philosophy is centered on stringent quality standards and regulatory compliance. All our manufacturing facilities and processes are designed, operated, and maintained in strict adherence to China’s GMP standards. We have a proven track record of passing all GMP inspections from the NMPA during the Track Record Period. Our production capacity is designed for both scale and flexibility, with highly automated lines and a modular facility design that allows us to rapidly scale up production by optimizing schedules and adding shifts to meet market demand.

Production Facilities

As of the Latest Practicable Date, our primary manufacturing base is located in Chengdu, Sichuan Province. The facilities are designed with a modular approach, housing dedicated and physically separated substances workshops for different vaccine types, such as bacterial, viral, and recombinant protein vaccines, to prevent cross-contamination and optimize process flows. All our production sites are self-owned.

The table below sets forth the details of our key production facilities as of the Latest Practicable Date:

Building	Location	Primary Function	Approximate GFA (sq.m.)	Key Production Areas Housed
Building #2	Olin Bio Factory Campus, No. 99 Tianxin Road, Chengdu High- tech Zone	Commercial and clinical-scale manufacturing	18,314.71	Tetanus Workshop; Polysaccharide Workshop; <i>S. aureus</i> Vaccine Workshop; Filling and Packaging Workshop (including Filling Lines #1, #2, #3, and #4 ⁽⁴⁾ , and Packaging Lines #1 and #2); Culture Media Workshop
Building #3	Olin Bio Factory Campus, No. 99 Tianxin Road, Chengdu High- tech Zone	Commercial and clinical-scale manufacturing	22,535.88	Tetanus Workshop Line #2 ⁽¹⁾ ; Culture Media Workshop Support Center ⁽²⁾
Building #4	Olin Bio Factory Campus, No. 99 Tianxin Road, Chengdu High- tech Zone	Commercial and clinical-scale manufacturing	18,623.97	Influenza Bulk Substance Workshop ⁽³⁾ ; Filling and Packaging Workshop, Filling Line #5 ⁽⁴⁾

Notes:

- (1) Tetanus Workshop Line #2: Facility construction and equipment installation have been completed. It is currently in the facility and equipment commissioning phase. Following the completion of commissioning and process validation, it can be used for commercial production upon approval from the relevant government authorities.
- (2) Culture Media Workshop Support Center: Equipment validation has been completed. It can be put into use for the commercial production of supporting products upon approval from the relevant government authorities.

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- (3) Influenza Bulk Substance Workshop: Equipment installation and commissioning have been completed, and it is currently in the process validation stage. Following the completion of clinical trials of the relevant influenza candidates, it can be used for commercial batch production upon approval from the relevant government authorities.
- (4) Filling and Packaging Workshop: Filling Line #4 – Process validation for the vaccine diluent has been completed. It can be used for the production of marketed vaccine diluents upon approval from the relevant government authorities. Filling Line #5 – Facility construction and equipment installation have been completed. It is currently in the facility and equipment commissioning phase. Following the completion of commissioning and process validation, it can be used for commercial production upon approval from the relevant government authorities.

To ensure efficient and smooth production processes, we place strong emphasis on the acquisition of advanced equipment and the maintenance of our production lines. We maintain our production lines to meet the PRC national standards and perform inspections of our equipment on a regular basis. All the machinery and equipment for our production lines are owned by us. We primarily purchased our production machinery and equipment from domestic suppliers in the PRC. We conduct regular inspections of our production machinery and equipment and have in place maintenance systems for our production machinery and equipment. Maintenance is carried out by our repair staff, and we engage the repair team of the manufacturer of a particular machine when necessary. During the Track Record Period, we did not experience any material or prolonged interruption to our production processes due to machinery or equipment failure.

Production Process

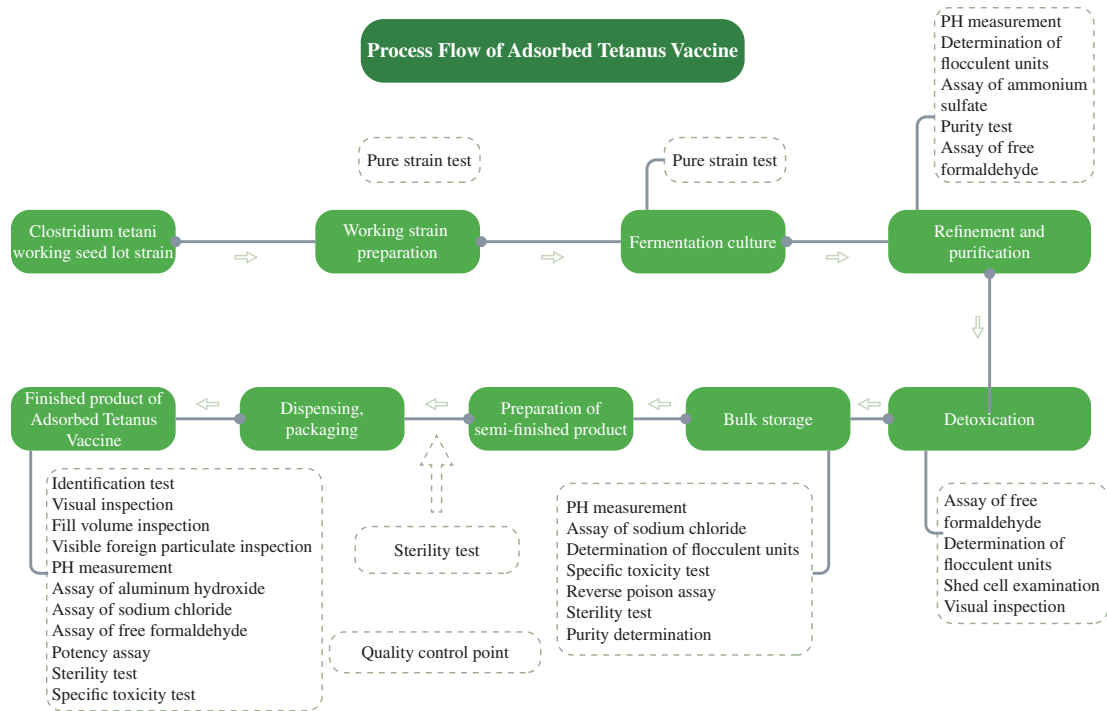
The general production flow consists of two main stages: (i) upstream production, which focuses on manufacturing the bulk drug substance, namely the active vaccine antigen, and generally includes cultivation of bacterial or cell lines, harvesting, purification and, where applicable, detoxification or conjugation to produce the final bulk concentrate; and (ii) downstream production, which involves formulating the bulk drug substance with adjuvants, if any, and other excipients, aseptically filling it into final containers such as vials or pre-filled syringes, freeze-drying, if applicable, visual inspection, labeling and final packaging.

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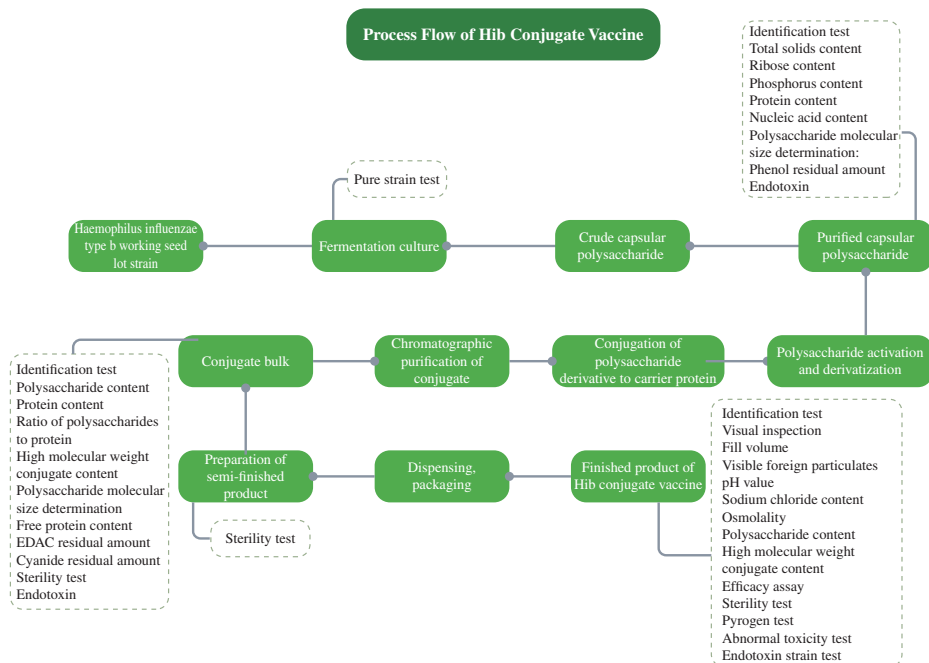
Production Process for Commercialized Products

Our commercialized vaccine products are Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine and AC Conjugate Vaccine. The production process for each of our commercialized products are as follows:

Adsorbed Tetanus Vaccine

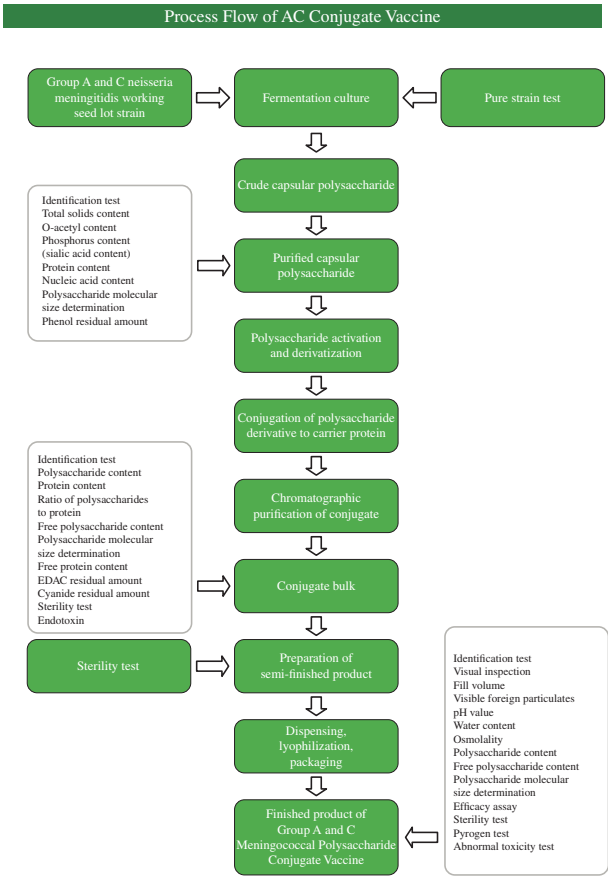


Hib Conjugate Vaccine



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AC Conjugate Vaccine



Production Lines

Our facilities are equipped with multiple dedicated upstream workshops and flexible downstream filling lines featuring advanced, automated equipment to support our operations.

Upstream Production Workshops (原液車間)

Workshop	Primary Product(s)	Key Manufacturing Equipment
Tetanus Workshop	Refined TT Bulk	Biosecurity Cabinets, Fermentation Systems, Ultrafiltration Systems, Detoxification Tanks
Polysaccharide Workshop	Hib Conjugate Bulk, Group A Meningococcal Polysaccharide Conjugate Bulk, Group C Meningococcal Polysaccharide Conjugate Bulk	Biosecurity Cabinets, Fermentation Systems, Continuous Flow Centrifuges, Ultrafiltration Systems, Activation Tanks, Coupling Tanks, Chromatography Systems

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Workshop	Primary Product(s)	Key Manufacturing Equipment
<i>Staphylococcus aureus Vaccine Workshop</i> . . .	4-component Staphylococcus aureus protein bulk	Preparation (Solution Mixing) System, Constant-Temperature Incubator Shaker, Fermentation System, Tubular Centrifuge, High-Pressure Homogenizer, High-Speed Refrigerated Centrifuge, Chromatography System, Aseptic Isolator
<i>Influenza Workshop</i> ⁽¹⁾ . . .	Quadrivalent and Trivalent Influenza virus bulks	10L-500L Bioreactors, Ultrafiltration Systems, Enzyme Digestion and Inactivation Systems, Inactivation Hydrolysis Systems, Refrigerated Centrifuges, Chromatography Systems, Lysis Systems, and GEA Disc Centrifuges

Note:

- (1) Influenza Workshop: Equipment installation and commissioning have been completed, and it is currently in the process validation stage.

Downstream Aseptic Filling Lines (分包裝車間)

Filling Line	Presentation Format	Current/Planned Products	Key Manufacturing Equipment
Line #1	Vials (Liquid & Lyophilized)	AC Conjugate Vaccine and its accompanying Vaccine Diluents	Formulation Systems, Vial Washers, Tunnel Ovens, Filling Machines, Lyophilizers (Freeze-dryers), Capping Machines, Sterilization Cabinets (Autoclaves)
Line #2	Vials (Liquid)	Adsorbed Tetanus Vaccine, rFSAV	Formulation Systems, Stopper Washers, Vial Washers, Tunnel Ovens, Filling Machines, Capping Machines
Line #3	Pre-filled Syringes (PFS)	Hib Conjugate Vaccine, Adsorbed Tetanus Vaccine, Quadrivalent Influenza Virus Split Vaccine (MDCK cells), Trivalent Influenza Virus Split Vaccine (MDCK cells)	Formulation Systems, PFS Debaggers, PFS Filling and Stoppering Machines, Sterilization Cabinets
Line #4 ⁽¹⁾ . . .	Vials (Liquid)	Vaccine Diluents (for use with lyophilized formulations)	Formulation Systems, Vial Washers, Tunnel Ovens, Filling Machines, Capping Machines, Sterilization Cabinets (Autoclaves)
Line #5 ⁽²⁾ . . .	Vials (Liquid & Lyophilized)	Future pipeline products	Formulation Systems, Ultrafiltration Systems, VHP Pass-through Chambers, Vial Washers, Tunnel Ovens, Filling Machines, Lyophilizers, Capping Machines

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Notes:

- (1) Line #4 has completed process validation for the vaccine diluent and, after approval from the relevant government authority, can be used for the production of diluents for marketed vaccines. It is expected to complete production registration and certification by December 2026.
- (2) Line #5 has completed construction and equipment installation and is currently in the workshop and equipment commissioning stage. After commissioning and process validation are completed, it can be used for commercial production upon approval from the relevant government authority. It is expected to complete production registration and certification by December 2027.

Production Capacity, Volume and Utilization Rate

Our overall production output is generally constrained by the capacity of our downstream aseptic filling lines and the availability of qualified technical personnel to operate them. These serve as the rate-limiting steps for our manufacturing process. While we manufacture a diverse portfolio of bulk drug substances through various upstream processes, the final output volume is dictated by the availability of these filling lines and associated staffing. Consequently, our production planning is primarily driven by market demand forecasts, which are influenced by historical sales data, anticipated orders from our customers, and inventory levels.

The following table sets forth our effective designed annual production capacity, actual production volume:

	For the Year Ended December 31,		
	2023	2024	2025
Effective Designed Production Capacity (in million doses) ⁽¹⁾	8.7	8.7	8.7
Actual Production Volume (in million doses)	4.8	3.9	5.3
Utilization Rate ⁽²⁾ (%)	55.2%	44.8%	60.9%

Notes:

- (1) Effective designed production capacity represents the maximum output of our downstream filling lines under our current staffing model and normal operating conditions. This calculation assumes a standard number of operating shifts and days per year, excluding time required for planned maintenance, cleaning, validation, and changeovers.

Our calculation is based on the following key operational assumptions:

- **Operational days:** We assume 200 available working days per annum (derived from 250 total working days minus 50 days allocated for mandatory validation and annual equipment maintenance).
- **Single-shift staffing model:** We currently operate our three filling lines using a single team of production personnel. Consequently, the three lines cannot operate at full capacity simultaneously. The available 200 working days are allocated among the three lines based on our production planning and market demand for specific vaccine products. We strategically opt to operate our three filling lines using a single, cross-trained team of production personnel based on two key factors, namely, (i) the specialized nature of our production lines and (ii) our demand-driven staffing model. Our three production lines are not interchangeable, as each is designed for a different dosage form and presentation: Line #1 for lyophilized powder for injection (vial), Line #2 for liquid formulation (vial), and Line #3 for pre-filled syringes. Each line features distinct equipment and requires specific operational expertise to comply with GMP standards. Our production is planned based on sales forecasts. Currently, the production volume generated from a single-shift operation is sufficient to meet market demand. To maximize operational efficiency and flexibility, we utilize a “multi-skilled expert” model where all production personnel are trained and certified on the aseptic processes, standard operating procedures, and distinct gowning protocols for all three lines. This ensures we can flexibly allocate our highly-trained staff to the required production line based on the dynamic production schedule, rather than maintaining three separate, underutilized teams. Furthermore, the use of a single, flexible production team is a common strategy in the biopharmaceutical industry, particularly for multi-product facilities where demand is variable. This approach allows companies to remain agile and cost-effective, avoiding the significant expense of maintaining multiple, dedicated teams that would be underutilized when demand for specific products is low. By cross-training employees, companies can

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efficiently allocate skilled personnel to different production lines as needed, ensuring operational readiness without incurring unnecessary fixed labor costs. According to the CIC Report, this flexible staffing model is aligned with industry norms for manufacturers that manage a diverse product portfolio and calibrate production volumes to meet fluctuating market demand, rather than operating continuously at maximum theoretical capacity. It is common industry practice for vaccine manufacturers not to operate production lines at full capacity, as vaccine demand can vary depending on factors such as seasonality, disease outbreaks, and government procurement cycles. In addition, given that vaccines have a limited shelf life, companies typically maintain additional production lines and reserve capacity to ensure supply flexibility in response to sudden surges in demand. Operating continuously at full capacity would therefore lead to inefficient use of resources during normal periods of market demand.

The breakdown of the effective designed capacity of 8.7 million doses is calculated as follows:

- **Line #1 (AC Conjugate Vaccine & Diluent):**
 - *Cycle time:* Requires six days to produce one batch (comprising one batch of vaccine and one batch of diluent).
 - *Allocation:* Based on production planning during the Track Record Period, an average of 72 working days is allocated to this line.
 - *Output:* 72 days allow for 12 batches. At approximately 53,000 doses per batch, the effective designed production capacity is 0.64 million doses.
- **Line #2 (Adsorbed Tetanus Vaccine (Vial Formulation)):**
 - *Cycle time:* Requires two days to produce one batch.
 - *Allocation:* Based on production planning during the Track Record Period, an average of 64 days is allocated to this line.
 - *Output:* 64 days allow for 32 batches. At approximately 142,000 doses per batch, the effective designed production capacity is 4.54 million doses.
- **Line #3 (Adsorbed Tetanus Vaccine (Pre-filled Syringe Formulation)):**
 - *Cycle time:* Requires two days to produce one batch.
 - *Allocation:* Based on production planning during the Track Record Period, an average of 64 days is allocated to this line.
 - *Output:* 64 days allow for 32 batches. At approximately 110,000 doses per batch, the effective designed production capacity is 3.52 million doses.

- (2) Utilization rate is calculated by dividing the actual production volume by the effective designed production capacity for the relevant period.

Production Facility Utilization Rates

The utilization rates of our production facilities are determined by several key factors inherent to the biopharmaceutical manufacturing industry. These rates are principally governed by several interconnected drivers: (i) the strategic management of production capacity to address market volatility and ensure supply security; (ii) the stringent regulatory and quality assurance requirements mandated for pharmaceutical production; and (iii) the intrinsic technical complexities of biologic manufacturing processes.

We strategically maintain a level of reserve production capacity as a critical component of our long-term business strategy and risk management framework. This approach is a direct response to the significant challenges in demand forecasting and the inherent volatility of the pharmaceutical market. The demand for many of our products, particularly vaccines, is difficult to predict with high accuracy due to its inconsistent and fragmented nature.

Regulatory compliance and the maintenance of the highest quality standards are paramount in our operations and directly influence facility uptime. Our manufacturing activities are conducted in strict adherence to GMP as stipulated by global regulatory authorities. A fundamental aspect of

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GMP compliance, particularly in multi-product facilities, is the prevention of cross-contamination. This necessitates comprehensive and time-consuming changeover procedures between the production of different products or even different batches.

Production Management and Personnel

As of December 31, 2025, our production department was comprised of 114 employees. The department is organized into functional units, including upstream production, downstream filling, packaging, engineering and maintenance, and production planning. All personnel undergo rigorous pre-employment and annual retraining on GMP, specific standard operating procedures, and safety. We have an internal certification system to ensure that only qualified and authorized personnel can perform critical tasks. Staff operating special equipment, such as sterilization autoclaves, hold the required government-issued special operation certificates.

QUALITY CONTROL

We believe an effective and robust quality control system is critical to ensuring the consistent quality, safety, and efficacy of our products. As a vaccine manufacturer, product safety and quality are the cornerstones of our business, and this philosophy is embedded throughout the entire product lifecycle, from initial process development and raw material sourcing to final product delivery. All our workshops and production lines for our commercial products have obtained GMP Compliance Inspection Notices from the NMPA and have consistently passed all subsequent annual inspections. Our senior management team actively participates in formulating internal quality control policies and overseeing our overall quality management system. We have established comprehensive quality control procedures and protocols that comply with China’s GMP requirements and we strive to continuously improve our quality management system. Our quality department operates independently from our production team and is tasked with implementing these procedures.

Quality Management System and Personnel

We have established a comprehensive Quality Management System (QMS) that governs every aspect of our operations. This system, detailed in our Quality Manual (質量手冊), is certified under ISO 9001:2015 (Quality Management), ISO 14001 (Environmental Management), and ISO 45001 (Occupational Health and Safety) standards.

Raw Material Quality Control

We purchase raw materials used in our production exclusively from our list of qualified suppliers. For details on our supplier management, please see “— Procurement and Supply Chain Management” in this section. Upon receipt, all incoming raw materials are subject to strict quality control procedures. Our warehousing personnel verify the packaging information and integrity before taking delivery, and incoming raw materials are stored in designated areas pending inspection. Our quality control team subsequently selects representative samples for testing against pre-approved methods to verify their quality. Only raw materials that pass these quality control tests are released by the quality department and dispatched for use in our production processes.

Quality Control of Starting Materials

As a biologics manufacturer, the quality of our starting materials, such as master seed lots and working seed lots, is paramount. We have established a rigorous quality control system for these critical biological assets.

In-process Quality Control

We implement stringent in-process quality controls to monitor our manufacturing processes and ensure the quality of our intermediate products at every critical stage. Our production processes are continuously monitored to ensure adherence to validated parameters. We have implemented information systems to ensure the integrity and traceability of all production and quality data.

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Critical manufacturing steps are monitored in real-time via video surveillance, and on-site quality control personnel are stationed to oversee key operations to ensure continuous compliance. Our quality control team conducts sample testing on each batch of intermediate products at specific, pre-defined stages. For key quality attributes, we have established internal alert and action limits, which are tighter than the final release specifications. This allows us to monitor process trends and take proactive corrective actions to ensure consistent product quality. After completing each production run, we perform validated cleaning procedures to prevent cross-contamination. We verify that the production line has been properly cleaned before proceeding to the next batch or product. The environment within our cleanrooms is also continuously monitored for particle counts and microbial levels to ensure it remains within GMP-specified limits.

Final Product Quality Control

Every batch of our final products must pass comprehensive quality testing before release for sale. The release process includes two key steps. First, our quality control team tests samples from each finished batch against our internal release specifications and reviews all batch-related documents under procedures such as our Finished Product Release Audit Management Procedure. Our internal standards are often stricter than the Chinese Pharmacopoeia requirements. For example, the potency test results for our Adsorbed Tetanus Vaccine are nearly double the Chinese Pharmacopoeia requirement, and our products are formulated without preservatives to enhance safety. Only after all tests and documentation reviews are completed will our authorized quality personnel approve internal release. Second, as required for biological products in China, each internally released batch is submitted to the NIFDC for independent testing and approval through the batch release process. A product may only be sold after receiving a batch release certificate from the NIFDC. We have not experienced any production accidents, major quality events, or product recalls. Final products that do not meet our quality standards at any stage are not released and are disposed of according to our internal procedures.

LOGISTICS, TRANSPORTATION AND INVENTORY MANAGEMENT

Logistics and Transportation

Our products are temperature-sensitive biologicals that require strict, uninterrupted cold chain logistics to ensure their safety, quality, and efficacy. The entire storage and transportation process is conducted in compliance with China’s Good Supply Practice for pharmaceutical products. We engage qualified third-party logistics service providers for the delivery of our products from our GMP-certified warehouses to our customers, which are primarily CDCs in China and blood product manufacturing companies. We select our logistics partners through a rigorous qualification process, evaluating them based on their pharmaceutical cold chain experience, regulatory compliance, service quality, network coverage, and cost-effectiveness. During the Track Record Period, we did not experience any material product spoilage or loss due to failures in logistics or transportation.

Inventory Management

We have established a comprehensive internal inventory management policy and conduct regular inventory counts and audits to ensure accuracy and control. Our inventory management is closely integrated with our production and sales planning. Our production operations team formulates a master production schedule based on annual and quarterly market demand forecasts based on historical sales data and anticipated orders. This schedule is then used by our procurement department to create a corresponding purchasing plan for raw materials. We aim to maintain an optimal inventory level of raw materials and generally maintain a safety stock for key materials sufficient for six months of production to prevent disruptions. A unique and critical aspect of our finished goods inventory management is the regulatory testing period. After our vaccines are fully manufactured and packaged, they are held in our temperature-controlled finished goods warehouse in a “testing” status. They cannot be sold until each batch has been individually tested and approved for release by the NIFDC in a process known as “batch release” (批簽發). This regulatory

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requirement is a key factor influencing our level of finished goods inventory at any given time. As of December 31, 2023, 2024 and 2025, our inventories (before write-down of inventories) amounted to RMB82.9 million, RMB93.5 million and RMB83.8 million, respectively, while our write-down of inventories was RMB10.8 million, RMB7.8 million and RMB21.4 million, respectively.

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

Procurement

We have established a systematic procurement system, governed by our internal policies and managed by our procurement department, to ensure the timely supply of high-quality materials while optimizing costs. Our procurement process is initiated based on an annual budget and is managed through regular cross-departmental coordination to align with the needs of our R&D, production, and finance departments. The process is centralized, with all purchases executed via an inquiry and price comparison process or an invitation to quote. For operational control and efficiency, we adhere to a formal negotiation management procedure and have implemented a tiered approval system based on transaction value. Upon arrival, all materials undergo a mandatory quality inspection before being accepted into our inventory. During the Track Record Period, we have not experienced any material returns for non-conforming materials.

The key materials for our operations include, among others: (i) biological and chemical raw materials, such as culture media and chemical reagents; (ii) consumables, such as specialized filters and filtration systems; (iii) primary packaging materials, such as pre-filled syringe components; and (iv) secondary packaging materials, such as boxes and labels. Our sourcing strategy is focused on domestic suppliers in the PRC, in line with our long-term localization strategy. During the Track Record Period, we did not experience any significant delays or shortages in the supply of materials that had a material adverse impact on our business operations.

Supplier Selection and Management

We use a rigorous supplier selection and management process to maintain the quality and stability of our supply chain. Before adding a new supplier to our qualified supplier list, we review its technical capabilities, quality certifications, financial condition, production capacity and track record. Suppliers that pass the initial review are subject to an on-site audit, focusing on their quality control systems and manufacturing processes. We also conduct periodic performance evaluations of qualified suppliers based on product quality, delivery timeliness and service. Suppliers that fail to meet our standards must take corrective actions or may be removed from our qualified supplier list and replaced.

Contracts with Suppliers

Our approach to supplier contracting is tailored to the nature of the relationship. For suppliers providing materials on an as-needed basis, we typically operate on the basis of standalone purchase contracts. For our key suppliers of critical or frequently purchased materials, we typically enter into annual framework agreements to govern the long-term relationship.

The principal terms of our procurement contracts are generally summarized below:

Term	Description
<i>Specifications</i>	Specifications, quantities, and pricing are generally set out in the contract or purchase order.
<i>Quality and Inspection</i>	We perform incoming quality inspections on all materials. We are entitled to return any materials that do not meet our pre-agreed specifications.

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Term	Description
<i>Payment and Credit Term . . .</i>	Payment terms are typically structured as recurring settlement within a credit period.
<i>Delivery</i>	Goods are typically delivered to our designated factory warehouse, with transportation costs borne by the supplier.

Engagement with Third-party CROs

Besides suppliers for the manufacturing of our vaccine products, in line with industry practice, we engage qualified CROs to support our R&D activities, which allows us to leverage external expertise, access specialized capabilities, and enhance the efficiency of our development programs.

We have established a systematic process for selecting and managing CRO partners to ensure quality, compliance and operational efficiency. We assess CRO candidates based on their clinical trial experience, project management capabilities, regulatory compliance record, industry reputation and ability to meet our project needs, including staffing and managing multi-center clinical trials. We also verify that they have passed relevant regulatory inspections and have not been placed on regulatory blacklists. Following a comprehensive evaluation, we enter into project-specific contracts and robust confidentiality agreements with our selected CRO partners to ensure our core technologies and proprietary information are protected. We have established strong collaborative relationships with leading CROs in China for services including clinical trial management, data management, and statistical analysis.

Our agreements with CROs are comprehensive and are entered into on an arm’s length basis, with terms negotiated to protect our interests and ensure the successful execution of our R&D programs. The typical key terms of these agreements are as follows:

- ***Scope and Term:*** The agreements are project-based, clearly defining the scope of services to be provided for a specific clinical trial phase. The term of an agreement typically lasts for the duration of the project. Should a study or clinical trial be ongoing at the contract’s expiration date, the term automatically extends until the work is completed to ensure continuity.
- ***Payment Terms:*** We make payments to our CRO partners in installments based on the achievement of pre-agreed milestones. These milestones may include, but are not limited to, contract execution, study initiation, clinical trial process, and final report submission. Final payment is typically contingent upon our receipt and acceptance of the final, signed-off study report, ensuring services are completed to our satisfaction.
- ***Intellectual Property:*** We retain full and exclusive ownership of all intellectual property rights related to our product candidates. Our agreements explicitly stipulate that all data, results, reports, inventions, discoveries, and other deliverables generated by the CRO in the course of providing the contracted services (the “Technical Service Results”) are our sole and exclusive property. The CRO is prohibited from publishing or otherwise using any such information without our prior written consent, and this obligation survives the termination of the agreement. While the CRO retains ownership of its pre-existing background intellectual property and any general tools, methods, or software developed during the engagement (the “Experimental Techniques”), we are granted a limited license to use such intellectual property solely to the extent necessary to utilize the Technical Service Results. Our agreements also include clear provisions for resolving any potential disputes over IP ownership and contain mutual indemnification clauses regarding third-party IP infringement.
- ***Confidentiality:*** Our CRO partners are bound by confidentiality and non-compete obligations to safeguard our sensitive research data and commercial information.

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Engagement with Marketing Service Providers

To facilitate the market penetration and academic promotion of our vaccine products, we have adopted a strategy of collaborating with a network of third-party marketing service providers. This approach enables us to efficiently access established local networks and specialized expertise, thereby enhancing our market reach and brand recognition in a cost-effective way. Our agreements with market service providers are entered into on an arm’s length basis and contain terms designed to ensure effective market promotion while upholding strict compliance and ethical standards. The typical key terms of these agreements are summarized as follows:

- ***Scope of Services:*** The agreements define a comprehensive suite of marketing services to be performed by the market service providers within a designated territory. These services include, among others, conducting market research on product usage and competitor activity; academic promotion through organizing conferences providing product training and academic materials; and assisting with ancillary tasks such as coordinating deliveries. Marketing service providers are not responsible for the sale, distribution, storage or transportation of our vaccine products.
- ***Term and Non-exclusivity:*** The agreements are typically entered into for a fixed term, often on an annual basis. We retain the right to appoint multiple market service providers within the same service area, ensuring flexibility and preventing reliance on a single provider in any given region.
- ***Service Fees:*** Market service providers are compensated through a service fee. The compensation structure for marketing service providers is academic-service-oriented and consists primarily of base service fees, activity-based fees and service rewards. The fees payable to marketing service providers are determined with reference to, among others, the nature, scope, workload, frequency and complexity of the promotional services performed, the geographic coverage of the relevant service area, the number and scale of academic promotion activities conducted, the quality and timeliness of deliverables, the level of local market resources and service capabilities of the relevant provider, historical cooperation results, and prevailing market rates for comparable services. In particular, the compensation payable to marketing service providers generally comprises: (i) base service fees, which are determined with reference to the agreed scope and workload of promotional activities; (ii) fixed fees for specific deliverables, such as quarterly market research reports; and (iii) activity-based fees for academic promotion activities, which are calculated with reference to objective activity parameters, such as the number of attendees at relevant academic events. In addition, marketing service providers may be eligible for service rewards under a multi-tiered incentive mechanism, including a basic annual bonus where agreed service performance indicators and accounts receivable collection targets are achieved. Payments are made monthly, subject to the relevant marketing service provider providing verifiable supporting documents evidencing the completion of promotional activities, such as conference sign-in sheets, meeting materials, activity photos, visit logs and other supporting records.
- ***Performance Assessments and Penalties:*** The agreements include quarterly performance targets. The performance of marketing service providers is assessed primarily by reference to service-related indicators, including completion of agreed promotional activities, quality and timeliness of deliverables, coverage of target customers, compliance with reporting obligations, collection support and feedback from our sales and marketing team. Failure to meet these targets may result in financial penalties, where the third-party marketing service provider is required to make a deposit for the shortfall, which is refundable if performance improves in subsequent quarters. Persistent underperformance may lead to an adjustment of their designated service area or termination of the agreement.

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- ***Compliance and Anti-bribery:*** Market service providers are required to strictly adhere to all applicable PRC laws and regulations concerning anti-bribery and anti-corruption, as well as our internal compliance policies. It is explicitly prohibit any form of commercial bribery and require the third-party marketing service provider to sign a “Clean Promotion Commitment Letter”. We retain the right to inspect their books and records related to our business and to immediately terminate the agreement in the event of any suspected or actual violation of these compliance obligations.
- ***Confidentiality and Non-compete:*** Our market service providers are bound by strict confidentiality obligations to protect our commercial secrets and market data, with such obligations surviving the termination of the agreement. They are also prohibited from promoting products that compete with ours during the term of the agreement without our prior written consent.
- ***Pharmacovigilance and Reporting:*** Market service providers are contractually obligated to act as a key channel for post-market surveillance. They are required to report any AEs, product complaints, or other safety-related information to our designated contact person within 24 hours of receipt, in accordance with our pharmacovigilance procedures.
- ***Termination:*** Our agreements include provisions granting us the right to unilaterally terminate the contract under specific circumstances. These include, but are not limited to, the third-party marketing service provider’s failure to remedy a breach of contract after receiving notice, engagement in illegal or non-compliant activities discovered during an audit, breach of anti-bribery or non-compete clauses, and unauthorized subcontracting of its obligations. In cases of serious violations, such as those related to bribery, we may terminate the agreement with immediate effect.

As advised by our PRC Legal Advisers, under the currently applicable PRC laws and regulations, third-party marketing service providers engaged by us for marketing, market research and academic promotion services are not required to hold any specific industry license for providing such services, provided that they do not engage in regulated activities such as the sale, distribution, storage or transportation of vaccines or other pharmaceutical products, or other activities which would require specific regulatory permits. However, they are required to complete the relevant basic corporate registration and compliance requirements, including holding a valid business license with an approved business scope covering market promotion, marketing services, consulting services or other relevant service categories.

We also require our marketing service providers to have organizational and compliance management capabilities commensurate with the scale and nature of their promotional activities, including internal compliance policies, personnel management procedures and record-keeping mechanisms. Our marketing service providers generally have backgrounds in the pharmaceutical or healthcare industry, and some of them possess specific experience in academic promotion in the pharmaceutical or vaccine sectors and existing relationship with local hospitals or disease control and prevention institution.

All of our third-party marketing service providers during the Track Record Period were Independent Third Parties. For each of the years ended December 31, 2023, 2024 and 2025, three, two and three of our top five suppliers, respectively, were third-party marketing service providers.

The following table sets forth the number of customers originated from or served through our marketing service providers, the promotion service fees incurred and the corresponding customer acquisition cost during the Track Record Period:

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Year	Number of customers originated from third-party marketing service providers	Promotion service fees <i>(RMB in Million)</i>	Customer acquisition cost <i>(RMB in Thousand)</i>
2023	1,769	217.9	127
2024	1,949	253.9	136
2025	2,049	319.8	162

Customer acquisition cost is calculated by dividing the promotion service fees incurred for the relevant year by the number of customers originated from or served through marketing service providers in the same year. The increase in customer acquisition cost during the Track Record Period was primarily attributable to the increase in promotion service fees incurred in connection with the expansion and deepening of our marketing and academic promotion activities, including increased coverage of customers and the enhanced frequency and scale of academic promotion activities. As of December 31, 2023, 2024 and 2025, we had 110, 97 and 113 marketing service providers, respectively. During each of the years ended December 31, 2023, 2024 and 2025, the promotion service fees amounted to RMB217.9 million, RMB253.9 million and RMB319.8 million, respectively.

Supply Chain Stability and Risk Mitigation

A core part of our procurement strategy is to ensure supply chain resilience by qualifying multiple suppliers for each of our key raw materials and focusing on domestic suppliers. We are not dependent on any single supplier. In the event we need to switch a key supplier, we estimate the transition period, including validation and qualification, would be approximately one to three months. To manage supply and price risks, we maintain a dynamic safety stock for key materials based on procurement cycles and production needs. The purchase prices of raw materials are primarily influenced by prevailing market rates for materials of similar quality. During the Track Record Period and up to the Latest Practicable Date, there have been no significant increases in the prices of our major raw materials, nor any fluctuations that materially and adversely affected our operations or gross profit margins. For the sensitivity analysis and breakeven analysis of raw material costs, see “Financial Information — Description of Major Components of Our Consolidated Statements of Profit or Loss and Comprehensive Income — Cost of Revenue” in this document.

Our Suppliers

During the Track Record Period, our major suppliers mainly included third-party CROs, marketing service providers, equipment providers and providers of technologies for product development. In 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB156.3 million, RMB215.8 million and RMB214.4 million, respectively, accounting for 31.7%, 32.5% and 32.1%, respectively, of our procurement for the corresponding years. In 2023, 2024 and 2025, purchases from our largest supplier in each year during the Track Record Period amounted to RMB43.6 million, RMB57.3 million and RMB52.6 million, respectively, accounting for 8.9%, 8.6% and 7.9%, respectively, of our total procurement for the corresponding years. The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

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For the year ended December 31, 2023

Rank	Supplier	Principal Business	Types of Service/ Product Supplied	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Transaction Amount	As Percentage of Our Procurement
						<i>Days</i>	<i>RMB'000</i>	<i>%</i>
1. . . .	Supplier A	A company listed on the Shenzhen Stock Exchange primarily engaged in the provision of CRO services and four of its subsidiaries	CRO services	By telegraphic transfer	2022	Payment upon the receipt of the invoices	43,642	8.9
2.	Supplier B	A company listed on the Shenzhen Stock Exchange primarily engaged in research and development, production, and sales of pharmaceutical equipment and two of its subsidiaries.	Equipment	By telegraphic transfer	2011	Payment upon the receipt of the invoices	34,421	7.0
3.	Supplier C	A group of three companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party.	Marketing services	By telegraphic transfer	2020	25	28,785	5.8
4.	Supplier D	A group of 12 companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	Marketing services	By telegraphic transfer	2019	25	28,304	5.7
5.	Supplier E	A company primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	Marketing services	By telegraphic transfer	2017	25	21,100	4.3
Total . . .							<u>156,252</u>	<u>31.7</u>

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For the year ended December 31, 2024

Rank	Supplier	Principal Business	Types of Service/ Product Supplied	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Transaction Amount	As Percentage of Our Procurement
						<i>Days</i>	<i>RMB'000</i>	<i>%</i>
1. . . .	Supplier F	A company primarily engaged in cleanroom air conditioning and automation system engineering, manufacturing and R&D of central air-conditioning equipment, and cleanroom installation and two of its subsidiaries	Equipment	By telegraphic transfer	2013	Payment upon the receipt of the invoices	57,255	8.6
2.	Supplier A	A company listed on the Shenzhen Stock Exchange primarily engaged in the provision of CRO services and four of its subsidiaries	CRO services	By telegraphic transfer	2022	Payment upon the receipt of the invoices	44,950	6.8
3.	Supplier G	A company primarily engaged in the R&D, production and sale of cell-culture media, biological materials and animal vaccine technologies and two of its subsidiaries	Technologies for product development	By telegraphic transfer	2022	60	39,583	6.0
4.	Supplier D	A group of 12 companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	Marketing services	By telegraphic transfer	2019	25	37,897	5.7
5.	Supplier C	A group of three companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	Marketing services	By telegraphic transfer	2020	25	36,114	5.4
Total . . .							<u>215,799</u>	<u>32.5</u>

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For the year ended December 31, 2025

Rank	Supplier	Principal Business	Types of Service/ Product Supplied	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Transaction Amount	As Percentage of Our Procurement
						Days	RMB '000	%
1.	Supplier C	A group of three companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party.	Marketing services	By telegraphic transfer	2022	Payment upon the receipt of the invoices	52,556	7.9
2. . . .	Supplier A	A company listed on the Shenzhen Stock Exchange primarily engaged in the provision of CRO services and four of its subsidiaries of CRO services primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	CRO services	By telegraphic transfer	2020	25	51,378	7.7
3.	Supplier D	A group of 12 companies primarily engaged in marketing and promoting pharmaceutical products as third-party marketing service providers. During the Track Record Period, these companies were controlled by an Independent Third Party	Marketing services	By telegraphic transfer	2019	25	42,606	6.4
4.	Supplier H	A company primarily engaged in cleanroom air conditioning and automation system engineering, manufacturing and R&D of central air-conditioning equipment, and cleanroom installation and two of its subsidiaries	Equipment	By telegraphic transfer	2020	25	38,221	5.7
5.	Supplier I	A group of three companies primarily engaged in the wholesale distribution of drugs, biological products and medical devices. During the Track Record Period, these companies were controlled by a company quoted on the NEEQ, an Independent Third Party.	Marketing services	By telegraphic transfer	2019	25	29,621	4.4
Total . .							<u>214,382</u>	<u>32.1</u>

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To the best knowledge of our Directors, during the Track Record Period, all of our five largest suppliers in each year during the Track Record Period were Independent Third Parties. None of our Directors, their respective close associates, or any Shareholder who, to the knowledge of our Directors, owns more than 5% of our issued capital, had any interest in these suppliers during the Track Record Period and up to the Latest Practicable Date.

SALES AND MARKETING

Commercialization of the Vaccine Products

Our commercialized products and pipeline products are, and are expected to be, classified as non-immunization program vaccine (非免疫規劃疫苗), or Class II vaccines, in the PRC. According to the CIC Report, Class II vaccines are optional vaccines purchased voluntarily by individuals at market prices. The commercialization of our vaccine products is conducted in strict accordance with the PRC Vaccine Administration Law (《中華人民共和國疫苗管理法》). This regulatory framework mandates that Class II vaccines must be procured through provincial-level centralized public tender platforms. Vaccine manufacturers are required to sell their products directly to district or county-level CDCs under a “single-invoice system” (一票制). Following the sale, we are responsible for delivering the vaccines directly to these CDCs by commissioning a qualified third-party cold-chain logistics provider. The CDCs then manage the subsequent circulation and supply of the vaccines to the final POVs, such as community health centers or hospital-based clinics. As advised by our PRC Legal Advisors, this is a vaccine circulation process without any sales relationship between CDCs and POVs. The vaccines are ultimately administered to vaccinees on a voluntary, self-paid basis.

Sales and Marketing Organization

Our commercial operations are managed by our marketing center. As of December 31, 2025, our marketing center had 35 employees across sales management, marketing, medical affairs and logistics operations. It is organized into four departments: (i) sales, responsible for marketing service providers, regional sales execution, orders, payment collection and sales targets; (ii) marketing, responsible for brand strategy, product positioning, academic conferences, promotional materials, bidding and market analysis; (iii) medical affairs, responsible for medical and academic support, training, post-marketing studies, pharmacovigilance and AE handling; and (iv) comprehensive, responsible for order management, cross-functional coordination and internal communication. During the years ended December 31, 2023, 2024 and 2025, our total selling and distribution expenses were RMB257.8 million, RMB302.9 million, and RMB380.9 million, respectively.

Marketing Service Provider Network

Since the commercial launch of our vaccine products, we have engaged a network of marketing service providers to conduct academic promotion and marketing activities on our behalf. This model allows us to leverage local resources, expertise, and relationships in a cost-effective manner to achieve broad market coverage and penetration. As these providers only offer marketing services and do not engage in the sale or distribution of vaccine products, they are not required to obtain vaccine sales licenses. According to the CIC Report, engaging marketing service providers is common among companies operating in both the vaccine industry and the broader healthcare industry in China.

As of December 31, 2023, 2024 and 2025, we had 110, 97, 113 marketing service providers, respectively. During the years ended December 31, 2023, 2024 and 2025, the promotion service fees amounted to RMB217.9 million, RMB253.9 million, and RMB319.8 million, respectively.

Our marketing service providers primarily support academic promotion, market information collection, administrative coordination and pharmacovigilance. Under our agreements, they are responsible for (i) academic promotion and information communication, including visits to local CDCs and vaccination clinics, organizing or participating in academic conferences and training

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sessions, and providing disease prevention and vaccination materials; (ii) market information collection, including reporting disease prevalence, purchase intentions, inventory and usage levels, competitor activities and product safety information; (iii) administrative and logistical support, including assisting with order verification, document transmission, delivery coordination and customer inquiries; and (iv) pharmacovigilance and safety reporting, including reporting any product-related safety information, such as adverse reactions, adverse events, misuse or immunization failure, to us within 24 hours after becoming aware of it.

Marketing Strategies

Our marketing strategy is designed to operate in full compliance with the regulated sales channel mandated by the PRC Vaccine Administration Law, under which the commercial sales of vaccines occur between the manufacturers and CDCs. Accordingly, we do not sell our products directly to hospitals. Rather, we use academic promotion and market education initiatives to assist hospitals, which are the primary sites for trauma treatment, in obtaining the requisite qualifications from local health administrative departments to become legitimate POVs. By facilitating the establishment of compliant vaccination capabilities within the hospital setting, this strategy enables patients to receive necessary post-exposure prophylaxis at the same location where they receive trauma care. This approach bridges the traditional separation between medical treatment sites and vaccination sites in China.

Selling Process and Market Access

Our revenue is primarily generated through a direct sales model to district/county-level CDCs. We also sell our Adsorbed Tetanus Vaccine products to blood product manufacturers. In addition, on a very limited and non-recurring basis, we sell our Hib Conjugate Vaccine and AC Conjugate Vaccine products to certain entities which they use as clinical trial control samples for their vaccine candidates under development. We do not actively seek to market or sell our products to these entities in our ordinary course of business.

Sales to CDCs

We are required to participate in the public tender and re-tender process held by provincial-level CDCs to sell our products, which are, or are expected to be, Class II vaccines, in China. For Class II vaccines, public tenders and re-tenders serve as an admission for entry to market of the relevant province. The public tenders are typically held once a year; however, in certain provinces, they may take place once every two to three years or at even longer intervals. Once we win a public tender, we are eligible to sell the vaccines (subject to local selection process) to CDCs in a province, typically for one year. Public re-tenders are also held occasionally and, once awarded, are typically valid until the next public tender is held in that province. The following table sets forth a summary of the number of provincial tenders we submitted and were awarded for our commercialized products during the Track Record Period.

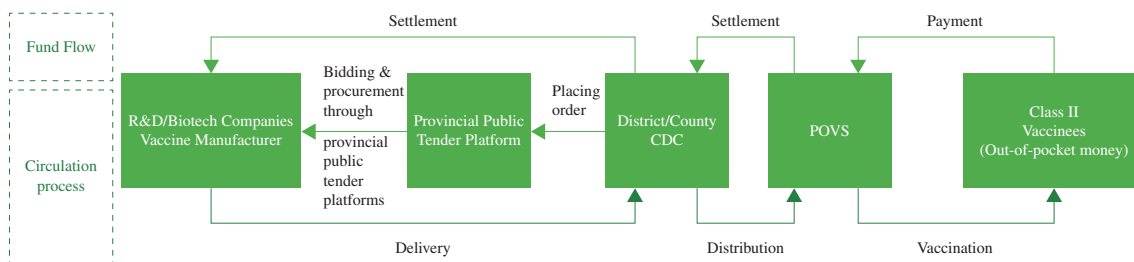
	Adsorbed Tetanus Vaccine		Hib Conjugate Vaccine		AC Conjugate Vaccine	
	Tenders Submitted	Tenders Awarded	Tenders Submitted	Tenders Awarded	Tenders Submitted	Tenders Awarded
For the year ended						
December 31,						
2023	12	12	7	7	6	6
2024	25	25	10	10	10	10
2025	9	9	8	8	8	8

The success rates for provincial vaccine tenders during the Track Record Period were 100% for all products.

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Following the public tenders, we are required to participate in the local selection process held by district- or county-level CDCs to sell our products to specific districts or counties. The local selection process, depending on the specific district or county, are typically held once a year. Once selected by a district- or county-level CDC, we can enter into a sales agreement with such CDC, which will specify the supply volume. The district- or county-level CDC can continue to procure from us until the next public tender is held for the province. The public tenders and local selections do not specify any quota or the volume to be admitted and each CDC will negotiate with us on the actual supply volume based on demand of POVs. We generally compete with competitors on the technical designs, registration classification, bid price, clinical effectiveness and quality of product, as well as reputation.

The following flowchart summarizes the selling process of Class II vaccines to CDCs in China.



As of the Latest Practicable Date, our Adsorbed Tetanus Vaccine (vial formulation) had completed the market-entry process in 30 provinces in the PRC (except Tibet Autonomous Region, which had not conducted any public tenders applicable to our commercialized vaccine products), while our Adsorbed Tetanus Vaccine (pre-filled syringe formulation), which was launched in 2023, had completed the market-entry process in 29 provinces (except Guizhou Province, which had not yet conducted a new tender or supplementary tender for such products after its launch). In addition, our AC Conjugate Vaccine and Hib Conjugate Vaccine had completed the market-entry process in 29 provinces (except Shanghai). As of the Latest Practicable Date, we have established direct commercial relationships with over 2,000 district- and county-level CDCs, and one or more of our three commercialized vaccine products were available at approximately 9,100 POVs nationwide, including approximately 2,400 general hospitals.

Sales to Blood Product Manufacturers

In addition to our primary sales channel to CDCs, we also sell Adsorbed Tetanus Vaccine directly to blood product manufacturers. These customers purchase our product as a raw material for their production of Tetanus Immunoglobulin. The sales process for this channel typically involves direct commercial negotiations, customer qualification review, confirmation of purchase orders, and execution of sales contracts. We generally provide a credit period of up to three months to these customers.

Pricing

Under the Vaccine Administration Law, Class II vaccine companies are required to follow reasonable pricing principles. For our vaccine products, we participate in provincial-level centralized bidding processes, prior to which we also set bidding prices in a reasonable and independent manner. If we win the bids, our bidding prices become the selling price of such product in the respective province. The bidding price of our products is one of the factors considered by provincial CDCs.

As Class II vaccines are ultimately paid by vaccinees, our pricing for such vaccines is primarily market-driven. We take into consideration factors such as our costs of production, price quotations of competing products in the bidding process, our technological advantages, product quality and market trends, and vaccinees’ purchasing power.

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We set the prices for our commercialized products primarily considering existing prices for competing products in the PRC, along with an evaluation of our manufacturing costs. Our commercialized products represent notable technological advancements over certain existing products in the market, offering benefits such as improved safety profiles or enhanced convenience of use, which may also result in increased production costs. Correspondingly, the set prices are determined to reflect these product advantages and are competitive with other comparable products marketed in the PRC.

Compliance and Management of Marketing Activities

We are committed to conducting our marketing and promotional activities in strict compliance with all applicable PRC laws and regulations. We have implemented a robust internal control system, governed by our Marketing Center Compliance Management System (《营销中心合规管理制度》), to prevent bribery and other improper conduct. For our employees, we have strict internal management and reimbursement policies. All activities must comply with company regulations, and expenses are subject to rigorous review. For third-party marketing service providers, we exercise oversight through the following measures:

- ***Contractual compliance undertakings.*** We enter into service cooperation agreements with third-party marketing service providers, which expressly set out anti-commercial bribery provisions, prohibitions on false promotion, compliance undertaking provisions and liabilities for breach. Marketing service providers and their employees are prohibited from providing any form of improper benefits to relevant institutions or personnel. All promotional activities must be genuine, and fabricated conferences and false expense claims are strictly prohibited. Marketing service providers are required to comply with applicable PRC laws and regulations and our compliance management requirements. Breach of compliance obligations may result in deduction of service fees, termination of cooperation and pursuit of legal liability in accordance with the relevant agreements.
- ***Review of qualifications and background.*** Before engaging a marketing service provider, we assess whether it holds a valid business license and whether its business scope covers market promotion, marketing services, consulting services or other relevant service categories. We also consider its service capability, relevant industry background and whether it has compliance management arrangements commensurate with the scale and nature of the proposed services.
- ***Compliance training.*** We require marketing service providers to organize relevant promotional personnel to attend our annual compliance training. The training covers, among others, applicable laws and regulations, standards of promotional conduct and warnings based on typical non-compliance cases. We maintain training materials, attendance records and other training documentation for compliance audit purposes.
- ***Ongoing supervision of promotional activities.*** We supervise the promotional activities conducted by marketing service providers in their respective territories. Such supervision includes reviewing supporting documents provided by marketing service providers, such as conference sign-in sheets, visit logs, market research reports and other documents evidencing the completion of promotional activities. In addition, payment of promotion service fees is subject to the relevant marketing service provider providing verifiable supporting documents evidencing completion of the relevant promotional activities.

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- **Termination.** We have the right to unilaterally terminate the contract if a marketing service provider breaches anti-bribery laws, violates our compliance policies, engages in illegal or non-compliant activities, breaches the anti-bribery or non-compete provisions. In cases of serious violations, including bribery-related misconduct, we may terminate the agreement with immediate effect.

After-Sale Services, Product Integrity, and Post-Market Surveillance

Our sales and marketing team is responsible for maintaining contact with CDCs after sales to gather timely feedback. If we receive a complaint about our products, our responsible point of contact will forward it to our relevant departments, which will then follow up on such complaint. Our pharmacovigilance team and quality control department handle complaints involving adverse effects. Our quality control department conducts internal investigations and reports to the sales and marketing department, which then responds to the complaining customer. They also make investigations as necessary and coordinate with other departments internally, to respond until the complaint is resolved. We also have a self-checking and recall protocol in place, which will be activated when we consider a recall is necessary. We are required to make a report to the NMPA if we initiate a product recall. During the Track Record Period and up to the Latest Practicable Date, we had not received any material complaints on the quality of our vaccine products or been involved in any significant litigation or disputes arising from customer complaints, nor have we initiated a product recall.

As advised by our PRC Legal Advisors, as the marketing authorization holder, we are primarily responsible for product liability arising from adverse reactions to vaccinations due to defects in the vaccines. We maintain product liability insurance policies for adverse reactions to vaccination, which provide relevant coverage for any related expenses and compensation arising from any adverse reaction to our vaccine products. See “— Insurance” in this section for further details.

Return and Exchange

In line with industry practice, we accept returns of products that are defective, substandard, have damaged packaging, or are otherwise unmarketable due to our fault. Customers are required to provide reasons for returns, and we typically bear the return cost from the CDCs to our warehouse. Returned vaccine products are disposed of in accordance with applicable laws and regulations. To support CDC customers and maintain long-term relationships, we also maintain a flexible return policy, subject to our case-by-case approval and discretion. We do not automatically accept all return requests. For products returned because they are close to expiry but otherwise remain in good condition, we may resell them to other customers after re-inspection confirms that they meet all quality standards. During the Track Record Period and up to the Latest Practicable Date, we had no material product returns due to product quality issues, Adverse Events or improper handling during transportation.

Our Customers

Our customers primarily consist of CDCs at the county or district level across the PRC. We also sell Adsorbed Tetanus Vaccine to qualified blood product manufacturing companies as raw materials for their production of Tetanus Immunoglobulin. Blood product manufacturing companies are specialized companies that create medicines from human plasma. Our Adsorbed Tetanus Vaccine is administered to plasma donors to stimulate the production of high levels of tetanus antibodies. This antibody-rich plasma is then collected and processed by these manufacturers to produce Tetanus Immunoglobulin, a product used for immediate protection against tetanus. In addition, we occasionally sell our Hib Conjugate Vaccine and AC Conjugate Vaccine to certain entities on a highly limited and non-recurring basis. They use our products as clinical trial control samples for their vaccine candidates under development.

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The table below sets forth a breakdown of our number of customers by type during the Track Record Period:

	For the Year Ended December 31,		
	2023	2024	2025
Customer Type			
CDCs	1,769	1,949	2,049
Blood Product Manufacturing Companies	14	16	15

* The table above excludes certain entities with whom we engaged in highly isolated transactions conducted on a very limited and non-recurring basis, consisting of one entity in 2023 and one entity in 2025. These entities, which were independently developing or conducting clinical trials for their own vaccine candidates, purchased our Hib Conjugate Vaccine and AC Conjugate Vaccine solely to serve as clinical trial control samples. We do not actively market or seek to sell our products to these entities.

Our sales to CDCs are conducted under a direct sales model. Following our successful bidding on provincial-level public resource trading platforms, which grants us market access within a province, we enter into purchase and sale agreements directly with county or district-level CDCs. Pursuant to these agreements, we are responsible for the logistics and delivery of our vaccine products to the designated locations. Revenue is recognized upon the CDC’s formal acceptance of the products. We settle payments directly with the CDCs and typically grant them a credit period of three to six months. For our sales to blood product manufacturing companies, we enter into direct purchase agreements with these companies and generally grant them a credit period of up to three months.

Agreements with Customers

Our sales to CDCs are typically conducted pursuant to our successful bids in provincial public tender processes. The terms of our agreements with individual CDCs are standardized based on the requirements of the tender documents. Our sales to CDCs are typically governed by the individual sales contract we entered with them. The principal terms of these contracts are generally summarized below:

Term	Description
Product and Quantity	The contract specifies the exact type of vaccine product(s) and the quantity to be supplied. This quantity is determined by the individual CDC’s procurement plan
Pricing Mechanism	In line with the PRC Vaccine Administration Law’s principles for reasonable pricing, the selling price is determined through our participation in provincial-level centralized bidding processes. The unit price specified in the contract is the winning bid price, which remains fixed for the duration of the supply period covered by the bid. The contract would typically reference the relevant bid award document.
Payment Terms	Payment is generally required from the CDC after the delivery and acceptance of the products. The specific credit period is negotiated and stipulated in the contract.
Delivery and Acceptance . .	We are responsible for delivering the products to a designated warehouse or location specified by the CDC. Transportation and associated costs are generally borne by us. Upon delivery, the CDC conducts an inspection for quantity, packaging, and conformity. The contract specifies a period within which the CDC must raise any claims related to these aspects.
Quality Assurance	We warrant that the products conform to the national standards of the PRC, the specifications outlined in the product registration certificates, and the terms of the contract. The contract will specify our obligations in the event of a quality defect attributable to manufacturing.

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Our sales to commercial blood product manufacturing companies are conducted through direct commercial negotiations. We do not enter into long-term framework supply agreements with them; instead, we enter into individual sales agreements covering each purchase to be delivered under the agreement. The principal terms of these contracts are generally summarized below.

Term	Description
Product, Specifications and Quantity	The contract explicitly defines the product, its technical specifications, and the exact quantity to be purchased.
Pricing Mechanism	The unit price is determined through commercial negotiation between us and the customer. The final price per unit is fixed and stated in the contract.
Payment Terms	Payment terms are commercially negotiated. The contract may require partial pre-payment, full payment upon delivery, or grant a credit period to the customer.
Delivery and Acceptance	The contract specifies the delivery location (e.g., the customer’s factory), the party responsible for transport costs, and the delivery timeline. The customer is generally granted a specified period after receipt to inspect the goods for conformity and quality. Any claims must be raised within such specified period.
Quality and Warranty	We provide a warranty that the products meet the agreed-upon specifications and quality standards as set out in the contract. A specific warranty period is provided, during which we are responsible for addressing any quality issues not caused by the customer’s improper storage or handling.

In 2023, 2024 and 2025, the revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB38.1 million, RMB34.4 million and RMB35.3 million, respectively, accounting for 7.8%, 5.9% and 5.0% of our total revenue for the corresponding years. Revenue generated to our largest customer in each period of the Track Record Period amounted to RMB12.8 million, RMB10.4 million and RMB11.6 million, respectively, accounting for 2.6%, 1.8% and 1.7% of our total revenue for the corresponding years. The following tables provide details of our five largest customers in each year during the Track Record Period in terms of revenue contribution during the Track Record Period.

BUSINESS

For the year ended December 31, 2023

Rank	Customer	Principal Business	Types of Service/ Product Provided	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Amount of Revenue	As Percentage of Our Total Revenue
						<i>Days</i>	<i>RMB'000</i>	<i>%</i>
1. . . .	Customer A	A company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of self-manufactured biological and blood products and one of its subsidiary	Adsorbed Tetanus Vaccine (as raw materials)	50% by telegraphic transfer and 50% by bank acceptance draft	2017	Prepayment	12,816	2.6
2.	Customer B	A company primarily engaged in production, sales, import-export of blood products and other pharmaceutical formulations as well as relevant technology services	Adsorbed Tetanus Vaccine (as raw materials)	By telegraphic transfer and bank acceptance draft	2019	30	8,738	1.8
3.	Customer C	Two subsidiaries of a company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of blood products and R&D of biopharmaceuticals and vaccines	Adsorbed Tetanus Vaccine (as raw materials)	By telegraphic transfer	2018	Payment upon the receipt of the invoices	6,990	1.4
4.	Customer D	A group of two companies primarily engaged in the R&D, production and sales of biological products	Adsorbed Tetanus Vaccine	By telegraphic transfer	2018	180	5,243	1.1
5.	Customer E	A CDC in Beijing	Adsorbed Tetanus Vaccine, AC Conjugate Vaccine, and Hib Conjugate Vaccine	By telegraphic transfer	2018	90	4,264	0.9
Total . .							<u>38,051</u>	<u>7.8</u>

BUSINESS

For the year ended December 31, 2024

Rank	Customer	Principal Business	Types of Service/ Product Provided	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Amount of Revenue	As Percentage of Our Total Revenue
						Days	RMB'000	%
1. . . .	Customer E	A CDC in Beijing	Adsorbed Tetanus Vaccine, AC Conjugate Vaccine, and Hib Conjugate Vaccine	By telegraphic transfer	2018	90	10,397	1.8
2.	Customer A	A company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of self-manufactured biological and blood products and one of its subsidiary	Adsorbed Tetanus Vaccine (as raw materials)	50% by telegraphic transfer and 50% by bank acceptance draft	2017	Prepayment	7,573	1.3
3.	Customer B	A company primarily engaged in production, sales, import-export of blood products and other pharmaceutical formulations as well as relevant technology services	Adsorbed Tetanus Vaccine (as raw materials)	By telegraphic transfer and bank acceptance draft	2019	30	6,019	1.0
4.	Customer F	A CDC in Shandong province	Adsorbed Tetanus Vaccine and AC Conjugate Vaccine	By bank transfer	2019	180	5,735	1.0
5.	Customer C	Two subsidiaries of a company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of blood products and R&D of biopharmaceuticals and vaccine	Adsorbed Tetanus Vaccine (as raw materials)	By telegraphic transfer	2018	90	4,660	0.8
Total							<u>34,384</u>	<u>5.9</u>

BUSINESS

For the year ended December 31, 2025

Rank	Customer	Principal Business	Types of Service/ Product Provided	Primary Payment Method	Year of Commencement of Business Relationship	Typical Credit Term	Amount of Revenue	As Percentage of Our Total Revenue
						Days	RMB'000	%
1. . . .	Customer G ⁽¹⁾	A national institution specializing in international economic and technological exchange and cooperation.	Adsorbed Tetanus Vaccine	By telegraphic transfer	2025	Payment upon third-party audit after project completion	11,585	1.7
2.	Customer F	A CDC in Shandong province	Adsorbed Tetanus Vaccine and AC Conjugate Vaccine	By bank transfer	2019	180	6,158	0.9
3.	Customer A	A company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of self-manufactured biological and blood products and one of its subsidiary	Adsorbed Tetanus Vaccine (as raw materials)	50% by telegraphic transfer and 50% by bank acceptance draft	2017	Prepayment	6,090	0.9
4.	Customer C	Two subsidiaries of a company listed on the Shenzhen Stock Exchange primarily engaged in production and sales of blood products and	Adsorbed Tetanus Vaccine (as raw materials)	By telegraphic transfer	2018	90	5,732	0.8
5.	Customer H	R&D of pharmaceuticals and vaccines A CDC in Guangdong province	Adsorbed Tetanus Vaccine, Hib Conjugate Vaccine and AC Conjugate Vaccine	By telegraphic transfer	2019	180	5,703	0.8
Total . .							<u>35,268</u>	<u>5.0</u>

(1) We entered into a transaction with Customer G, a governmental institution specializing in international economic and technological exchange and cooperation MOFCOM, in March 2025. The background to this engagement was a major earthquake that occurred in Myanmar, which led MOFCOM to initiate a humanitarian aid program to supply essential medical supplies, including a batch of tetanus vaccines. After a comprehensive review of the potential suppliers, we were selected to supply our Adsorbed Tetanus Vaccines for this aid project. The sale was made directly by us to Customer G and is considered a one-off, non-recurring transaction driven by an emergency humanitarian purchase. Our primary business involves the sale of vaccines to district- and county-level CDCs in China resulting in a dispersed customer base. In contrast, the transaction with Customer G was a single, large-scale, centralized procurement for the humanitarian aid initiative. The value of this one-off order exceeded the revenue generated from any of our regular customers during the same period. Therefore, Customer G became our largest customer in 2025.

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To the best knowledge of our Directors, during the Track Record Period, all of our five largest customers in each year during the Track Record Period were Independent Third Parties. None of our Directors, their respective close associates, or any Shareholder who, to the knowledge of our Directors, owns more than 5% of our issued capital, had any interest in these customers during the Track Record Period and up to the Latest Practicable Date.

Seasonality

Our Directors believe that our business operations and financial results are not subject to significant seasonality. While our business does not experience material seasonal fluctuations, our revenue is typically lower in the first quarter of each year. This is primarily attributable to the general slowdown in business and logistical activities across the PRC during and around the Chinese New Year holiday period. Our revenue levels in the remaining three quarters of the year have historically been relatively stable.

COMPETITION

Vaccine markets in China and globally are highly competitive, rapidly evolving and characterized by constant technological advancement and innovation. We face actual and potential competition from a wide range of companies, including large multinational and domestic pharmaceutical and biotechnology enterprises that have commercialized, are commercializing, or are developing vaccines targeting diseases that our commercialized and pipeline products are designed to address. Competition in the vaccine industry generally takes place across various dimensions, including, among others, product efficacy, safety, pricing, convenience of administration, brand recognition, research and development capabilities, technology platforms, production capacity and manufacturing quality standards. We believe we primarily compete on the strength of our commercialized vaccine products, especially our Adsorbed Tantalus Vaccine, our vaccine pipelines, our proprietary technology platforms, our research and development expertise, as well as our manufacturing facilities and processes. For further details relating to market opportunities and competition in respect of our products and pipelines, see “Industry Overview” and “— Our Commercialized and Pipeline Products.”

OUR EMPLOYEES

As of December 31, 2025, we had a total of 451 employees, all of whom are located in China. The table below sets forth a breakdown of our employees by function as of December 31, 2025.

Function	Number of Employees	% of Total
Technical	69	15.3
Production	114	25.3
R&D	143	31.7
Management and logistics	83	18.4
Finance	7	1.6
Sales	35	7.8
Total	451	100.0

We believe our success depends partly on our ability to attract, recruit and retain qualified employees. We aim to provide a collaborative work environment, effective training and competitive remuneration. Our training includes orientation on corporate culture, policies, work ethics and occupational safety, as well as on-the-job training on environmental, health and safety systems and other legally required topics. To support our growth, we regularly review our workforce needs and adjust our team to maintain the right mix of expertise. We offer competitive salaries and performance-based cash bonuses. During the Track Record Period and up to the Latest Practicable Date, we recruited through online channels, social recruitment, campus recruitment and internal referrals. In selecting candidates, we consider their education, work experience, expertise and skills, as well as the requirements of the relevant position.

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As required by the applicable PRC laws and regulations, we participate in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. See "Risk Factors — General Risks Relating to Our Business — We may be subject to fines and penalties as a result of our historical non-compliance with certain PRC laws and regulations regarding social insurance and housing provident fund contributions". Our employees have employee union at our Company level. We believe we maintain a cordial working relationship with our employees, and we have not experienced any material labor disputes during the Track Record Period and up to the Latest Practicable Date.

DATA PRIVACY AND SECURITY

We routinely receive, collect, and store desensitized and deidentified codes of subjects enrolled in our clinical trials, and process, transmit and maintain medical data treatment records and other personal details of the subjects, along with other personal or sensitive information for the purposes of conducting clinical trials. We do not receive, collect and store information of general public vaccines, except for any product complaint. In this case, we collect personal information from individuals who report adverse event details to us through telephone communications, which typical include name, gender, contact information, age and other adverse event details. We had not transferred the state secrets or human genetic resources information, or materials to foreign parties.

We collect and retain data only as permitted by law and as necessary for our clinical studies. Personal information of participants enrolled in our clinical studies and the corresponding clinical data are collected and processed in accordance with the informed consent agreed upon by the participants. To ensure the rigorous protection of patient data from the inception of our clinical trials, our clinical protocols, which are jointly reviewed and approved by all relevant parties, outline the screening and exclusion criteria for subject enrollment. Eligible subjects are screened and examined in accordance with these protocols and are informed of the scope of data collection through informed consent forms prior to enrollment. Crucially, the personal information of clinical trial subjects is managed exclusively by the respective clinical trial sites (hospitals), and we do not directly hold such identifying data. All clinical data transmitted to us by these clinical sites undergoes strict desensitization and anonymization, presented solely under subject codes and containing only information essential for the trials. All clinical trial documents copy-sent to us by hospitals are stripped of key personal identifier information. Furthermore, we have established robust internal control measures to ensure the accuracy, completeness, and secure monitoring of clinical data. Our clinical personnel input trial data into a dedicated database that maintains full traceability for all historical entries and enables remote verification of data completeness, allowing for prompt communication and resolution of any anomalies. Our clinical research associates conduct on-site source data verification to reconcile database entries against source documents, while dedicated data management personnel continuously monitor data consistency. In addition, our medical monitoring team regularly checks data logic, temporal accuracy, and cross-parameter consistency. We require employees involved in clinical studies to comply with confidentiality requirements and we provide related training to employees.

We are committed to protecting the data privacy and security of subjects enrolled in our clinical studies. In addition to technical measures implemented to safeguard the security and confidentiality of data we access in the operations, we have designed data protection policies to ensure that the collection, use, storage and processing of medical data comply with applicable laws and prevalent industry practices. Beyond clinical trial data safeguards, we have instituted comprehensive corporate policies and IT controls to secure our internal research, development, and operational data. We have implemented a confidentiality management regulation to govern the classification, handling, and protection of confidential and secret documents. Our specific data security measures during the R&D process include: (i) the installation of advanced data encryption software on all corporate computers, which automatically renders outbound electronic files unreadable (garbled text) to prevent unauthorized data leaks; and (ii) strict equipment and system permission controls, under which access to operational and quality control process equipment is strictly segregated by job roles, defining clear individual rights for equipment operations, parameter modifications, and data backups. To further standardize the management lifecycle of our confidential data and information assets, we have implemented a comprehensive suite of internal protocols governing electronic data backup and recovery, corporate IT and information system security, and intellectual property compliance. Furthermore, we maintain rigorous internal tracking registries and administrative ledgers to strictly monitor, record, and control access to all confidential files and internal archives.

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During the Track Record Period and up to the Latest Practicable Date, we had not encountered any material data breaches or personal information leaks and were not subject to any material claims, lawsuits, penalties or administrative actions, or regulatory enquiries relating to non-compliance with applicable laws and regulations for data privacy and protection. Based on the foregoing, our Data Compliance Advisor is of the view that, during the Track Record Period and up to the Latest Practicable Date, we are in compliance with the applicable PRC data privacy and security laws and regulations in all material aspects.

LICENSES, PERMITS AND APPROVALS

As of the Latest Practicable Date, we had obtained all necessary licenses, permits, and approvals from the relevant PRC government authorities that are material for our business operations. The following is a summary of the material licenses, permits, and approvals we hold for our operations in the PRC.

Drug Manufacturing Permit (藥品生產許可證)

Our core manufacturing activities are conducted under the following permit:

Holder	License No.	Scope	Issuing Authority	Validity Period
Our Company . . .	川 20160202	Preventive Biological Products	Sichuan Provincial Medical Products Administration (四川省藥品監督管理局)	November 27, 2025 to November 26, 2030

Drug Registration Approvals (藥品註冊批件)

We have obtained the following drug registration approvals, which are required to market and sell our products in the PRC.

Drug Name	Approval No.	Issuing Authority	Valid until
Adsorbed Tetanus Vaccine (Vial) (吸附破傷風疫苗(西林瓶)) . . .	Guoyao Zhunzi S20160004 (國藥准字S20160004)	Sichuan Provincial Medical Products Administration	September 15, 2031
Adsorbed Tetanus Vaccine (Pre-filled Syringe) (吸附破傷風疫苗(預灌封))	Guoyao Zhunzi S20237005 (國藥准字S20237005)	Sichuan Provincial Medical Products Administration	September 15, 2031
Haemophilus Influenzae type b Conjugate Vaccine (b型流感嗜血桿菌結合疫苗)	Guoyao Zhunzi S20170005 (國藥准字S20170005)	Sichuan Provincial Medical Products Administration	May 4, 2027
Group A and C Meningococcal Polysaccharide Conjugate Vaccine (A群C群腦膜炎球菌多糖結合疫苗)	Guoyao Zhunzi S20200021 (國藥准字S20200021)	Sichuan Provincial Medical Products Administration	September 29, 2030

Following regulatory reforms in the PRC, GMP compliance is now inspected and confirmed as a condition for the issuance and renewal of our Drug Manufacturing Permit, rather than through the issuance of separate GMP certificates. We have consistently passed all required GMP inspections for our commercial production facilities.

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Permit for Use of Laboratory Animals (實驗動物使用許可證)

Our research, development, and quality control activities are conducted under the following permit:

License No.	Scope of Use	Issuing Authority	Validity Period
SYXK (川) 2024-0191 . . .	Rabbit, Guinea Pig (conventional environment); Rat, Mouse, Guinea Pig, Gerbil (barrier environment) 兔、豚鼠(普通環境); 大鼠、 小鼠、豚鼠、沙鼠(屏障環境)	Sichuan Provincial Department of Science and Technology (四川 省科學技術廳)	July 10, 2024 to July 9, 2029

As advised by our PRC Legal Advisors and as confirmed by our Directors, during the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, certificates and permits from relevant authorities that are material to our operations in the PRC as of the Latest Practicable Date. We are required to renew such licenses, permits, approvals and certificates from time to time. We do not expect any material legal obstacles in such renewal once the relevant documents are submitted as required by the relevant government authorities. For details of the laws and regulations of China that are applicable to our business operations, please see “Regulatory Overview” in this document.

AWARDS AND RECOGNITIONS

During the Track Record Period, we have received awards and recognitions for the quality and popularity of our services and products. Some of the significant awards and recognitions we have received are set forth below.

Award Year	Award/Recognition	Awarding Institution/Authority
2025	Sichuan Top 100 Enterprises in R&D Investment (四川名營企業研發投入100家 榜單)	Sichuan Federation of Industry and Commerce (四川省工商業聯合會)
2024	Sichuan Top 100 New Economy Enterprises (四川省新經濟企業100強)	Sichuan Academy of Industrial and Information Technology (四川省工業和信 息化研究院)
2024	Second Prize of the 2023 Productivity Promotion (Innovation Development) Award (2023年度生產力促進(創新發展)二 等獎)	China Productivity Promotion Center Association (中國生產力促進中心協會)
2024	Top 100 Sichuan Enterprises by Number of Invention Patents Owned (四川企業發明專 利擁有量百強企業)	Sichuan Enterprise Confederation (四川省企 業聯合會), Sichuan Entrepreneurs Association (四川省企業家協會), Sichuan Enterprise Development Promotion Center (四川省企業發展促進中心)
2024	Chongqing First Prize of the Technical Invention Award (重慶市技術發明獎一等 獎)	Chongqing Municipal Science and Technology Bureau (重慶市科技局)

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Award Year	Award/Recognition	Awarding Institution/Authority
2024	Top 50 Pharmaceutical Enterprises in Sichuan Province for Year 2023 (2023年四川省醫藥企業50強)	Sichuan Pharmaceutical Industry Association (四川省醫藥行業協會)
2023	National High-tech Enterprise (國家高新技術企業)	Sichuan Provincial Department of Science and Technology
2023	“Sci-Tech China” Pioneer Technology List (「科創中國」先導技術榜)	China Association for Science and Technology (中國科學技術協會)
2023	Top 100 Sichuan Enterprises by Number of Invention Patents Owned (四川企業發明專利擁有量百強企業)	Sichuan Enterprise Confederation (四川省企業聯合會), Sichuan Entrepreneurs Association (四川省企業家協會), Sichuan Enterprise Development Promotion Center (四川省企業發展促進中心), Sichuan Economic Daily (四川經濟日報社)

INTELLECTUAL PROPERTY

We believe our intellectual property rights are important to our competitiveness. As of the Latest Practicable Date, we had 97 patents in China, including 89 invention patents and eight utility models, and eight overseas invention patents. We also had 45 patent applications in China and two overseas patent applications. As of the same date, 80 of our patents and 43 of our patent applications were self-owned. See “Appendix VI — B. Further Information about Our Business — 2. Intellectual Property Rights”. Our Directors believe we have sufficient patent protection for our commercialized products and product candidates. Our IP Counsel, Jingtian and Gongcheng, conducted patent due diligence and a freedom-to-operate analysis with respect to rFSAV in China, which found no material legal risks concerning our patents. We also had 36 registered trademarks in Chinese Mainland, three trademark in Hong Kong and two domain names in China. We protect our intellectual property through internal policies, timely registration and filing, monitoring of IP status and potential conflicts, and clear IP ownership and protection provisions in employment agreements. We also rely on patent, trade secret, copyright and trademark laws, license agreements, confidentiality procedures and technical measures. Our Directors, senior management and key personnel are subject to confidentiality arrangements, and our core R&D personnel must assign to us inventions, designs and technologies developed during their employment.

INSURANCE

As of the Latest Practicable Date, we primarily maintained social security insurance for our staff. In addition, we maintained different types of insurance policies, such as product liability insurance policies, clinical trials liability insurance and employee commercial insurance. We believe that our insurance coverage is adequate and in line with industry practice. During the Track Record Period and up to the Latest Practicable Date, we had not made or been the subject of any material insurance claims.

PROPERTIES

As of the Latest Practicable Date, we (i) obtained the land use right of one parcel of land located in Chengdu, Sichuan Province, the PRC, with a total gross site area of approximately 52,626.01 sq.m.; and (ii) obtained building ownership certificates for seven properties located in Chengdu, Sichuan Province, the PRC with a total gross floor area of approximately 79,044.36 sq.m. In addition, we leased two properties from Independent Third Parties with an aggregate gross floor area of approximately 8,347.91 sq.m in China. The properties are primarily used for production, research and development, warehousing, and office purposes.

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As of December 31, 2025, no single property interest that forms part of non-property activities has a carrying amount of 15%. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our Group’s interests in land or buildings.

Owned Properties

Land

As of the Latest Practicable Date, we had obtained the land use right certificate for one parcel of land with a total site area of approximately 52,626.01 sq.m. This parcel of land was obtained by us through a government land grant and is used for industrial purposes. The following table sets forth the details of the parcel of land we owned as of the Latest Practicable Date:

Land Use Right Owner	Certificate No.	Location	Gross Site Area (sq.m.)	Existing Use	Expiry Date
Our Company	Cheng Gao Guo Yong (2010) No. 11082 (成 高國用(2010)第11082 號)	Western Area of Chengdu High-tech Zone, Chengdu	52,626.01	Industrial	March 28, 2060

Buildings

As of the Latest Practicable Date, we had obtained building ownership certificates or real estate title certificates for seven properties with an aggregate gross floor area of approximately 79,044.36 sq.m. These buildings are primarily used for production, R&D, and ancillary purposes. The following table sets forth details of the buildings owned by us with title certificates as of the Latest Practicable Date:

No.	Holder of Certificate	Certificate No.	Location	Gross Floor Area (sq.m.)	Planned Use
1. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3340190 (成房權 證監證字第3340190 號)	1-5/F, Building 1, No. 99 Tianxin Road, High-tech Zone	13,319.46	Quality inspection and R&D center
2. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3340201 (成房權 證監證字第3340201 號)	1-3/F, Building 2, No. 99 Tianxin Road, High-tech Zone	19,317.56	Production plant, corridors, etc.

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No.	Holder of Certificate	Certificate No.	Location	Gross Floor Area (sq.m.)	Planned Use
3. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3530469 (成房權 證監證字第3530469 號)	1/F, Building 5, No. 99 Tianxin Road, High-tech Zone	1,147.04	Raw and auxiliary material warehouse
4. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3530477 (成房權 證監證字第3530477 號)	1/F, Building 6, No. 99 Tianxin Road, High-tech Zone	2,592.75	Laboratory animal house
5. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3530472 (成房權 證監證字第3530472 號)	1/F, Building 7, No. 99 Tianxin Road, High-tech Zone	1,083.23	Power center
6. . . .	Our Company	Cheng Fang Quan Zheng Jian Zheng Zi No. 3340196 (成房權 證監證字第3340196 號)	1-4/F, Building 8, No. 99 Tianxin Road, High-tech Zone	2,335.68	Dormitory, activity hall, canteen
7. . . .	Our Company	Chuan (2024) Chengdu Shi Bu Dong Chan Quan No. 0349284 (川(2024)成都市不動 產權第0349284號)	Buildings 3 & 4, No. 99 Tianxin Road, High-tech Zone	39,248.64	Industrial use/Industrial building (factory)

Leased Properties

As of the Latest Practicable Date, we leased two properties in the PRC from Independent Third Parties with an aggregate gross floor area of approximately 8,347.91 sq.m. The lease agreements for these properties generally have a term of three to five years. These leased properties are primarily used for R&D, production, and office purposes. As confirmed by our PRC Legal Advisors, the lessors are the owners of such leased properties, and the relevant lease agreements are legally valid and binding on parties. See “Risk Factors — General Risks Relating to Our Business — We are subject to risks relating to some of the properties we use”.

TAX INSPECTION

On February 21, 2025, we received a Notice of Tax Inspection from the relevant tax authority in China (the “Tax Authority”), initiating a tax inspection (the “Tax Inspection”) for the period from January 1, 2021, to December 31, 2023 (the “Inspection Period”) regarding our tax treatment. Following a self-inspection conducted by us parallel with the Tax Inspection and based on preliminary communications with the Tax Authority, we made a provisional corporate income tax payment of approximately RMB4.2 million in December 2025. On June 18, 2026, based on an interview conducted with a representative of the Tax Authority regarding the Tax Inspection, the Tax Authority indicated that the final amount for the tax shortfall and late payment surcharge is RMB87.4 million. The Tax Authority further indicated that the difference between the final tax payable and the preliminary estimate resulted from adjustments following further investigation by

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the Tax Authority. The Tax Authority also indicated that such adjustment was customary during such tax inspection process. In addition, the Tax Authority confirmed during such interview that the matters underlying the Tax Inspection did not constitute tax evasion, fraud, material tax noncompliance, intentional misconduct or an administrative penalty involving us, our Directors or our senior management, nor do they give rise to any obligation or liability on the part of our Directors or senior management. The Tax Authority further indicated that, upon our full compliance with the tax treatment decision issued in connection with this matter, the Tax Inspection would be fully resolved and closed, and there would be no subsequent investigation, enquiry, penalty, recovery action or administrative or other legal liability against us, our Directors or our senior management in respect of the same matter. On June 18, 2026, the Tax Authority issued a Tax Treatment Decision (稅務處理決定書) to us, pursuant to which we were required to pay tax shortfall and late payment surcharge totaling RMB87.4 million. After deducting the provisional corporate income tax payment of RMB4.2 million made by us in December 2025, which was recorded under income tax for the year ended December 31, 2025, the remaining amount payable was RMB83.2 million, which will be expensed in our consolidated statements of profit or loss and other comprehensive income for the year ending December 31, 2026. As of the Latest Practicable Date, we had paid such remaining amount in full. We have engaged an internal control consultant (the “Internal Control Consultant”) who has concluded that our internal control measures are adequate and effective in all material respects to ensure ongoing tax compliance. Furthermore, our Internal Control Consultant confirmed that as of the Latest Practicable Date, there had been no material changes to our internal control environment. Accordingly, our Directors are of the view that the Tax Inspection will not have a material adverse impact on our continued business operations.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. See “Risk Factors — General Risks Relating to Our Business — We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business.” As of the Latest Practicable Date, except as disclosed below, we were not involved in any court, arbitral or administrative proceedings that are material to our assets and liabilities or profits and losses, nor, so far as we are aware, are any such proceedings pending or threatened against us. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Litigation in Relation to a Contract Dispute

In December 2025, we received an action response notice and related legal documents from the Chengdu Intermediate People’s Court of Sichuan Province (四川省成都市中級人民法院) in relation to legal proceedings initiated against us as the defendant by an individual, Mr. Wang Jianhua (the “Plaintiff”).

The dispute arises from a technology transfer contract entered into between our Company and the Plaintiff in 2011 (the “Agreement”). The Plaintiff alleges that he has fully performed his contractual obligations by providing us with all technical materials for two vaccine technologies, namely (i) “A, C group and A, C, Y, W135 group meningococcal polysaccharide vaccine and conjugate vaccine using tetanus toxoid as a carrier” and (ii) “Hib conjugate vaccine using tetanus toxoid as a carrier”. The Plaintiff claims he is therefore entitled to product royalty payments, liquidated damages and, following his amended claims, a technology transfer fee from us. The Plaintiff’s claims against us were initially RMB19.2 million, comprising (i) product royalty payments of RMB16.0 million in respect of the two products, namely the Hib Conjugate Vaccine and AC Conjugate Vaccine; and (ii) liquidated damages of RMB3.2 million, calculated at 20% of

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the claimed product royalty payments of RMB16.0 million. The Plaintiff also requested that we bear all litigation costs, asset preservation fees and other reasonable expenses incurred in connection with the enforcement of his creditor’s rights. In January 2026, the Plaintiff amended his claims to additionally claim a technology transfer fee of RMB1.4 million and to adjust the liquidated damages to RMB3.5 million, calculated at 20% of the claimed outstanding amount of RMB17.4 million. As a result, the total amount claimed by the Plaintiff, excluding litigation and other costs, was increased from RMB19.2 million to RMB20.9 million.

Based on a comprehensive review and analysis of the relevant contracts, we are of the view that the Plaintiff’s claims lack sufficient factual and legal basis, and we do not accept the Plaintiff’s claims. As advised by the legal advisor representing the Company in this case, we are of the view that the Plaintiff would likely be found to have failed to perform the technology transfer contract in accordance with its terms, which constitutes a fundamental breach, and that the likelihood of us being required to pay the relevant technology transfer fee, royalty payments and liquidated damages to the Plaintiff is remote. The Hib Conjugate Vaccine and AC Conjugate Vaccine involved in this litigation are products that we have legally launched and marketed. The research and development, production, and sales of these products are in compliance with all relevant PRC laws and regulations. Accordingly, we do not believe this litigation will have a material adverse effect on our revenue, the production and operation of our existing products, or our market sales. As of the Latest Practicable Date, our business operations remain normal.

Further to our defense, on January 23, 2026, we filed a counterclaim against the Plaintiff in the same proceedings and subsequently received the notice of case acceptance from the Chengdu Intermediate People’s Court. The basis for our counterclaim is that the Plaintiff committed a fundamental breach of the Agreement. The Agreement covered the transfer of five vaccine production technologies. We allege that the Plaintiff failed to provide any technical materials for three of the five technologies. For the remaining two technologies, the Plaintiff only provided limited materials, and we allege that certain key materials were deficient. For instance, the culture medium formula provided for the Hib conjugate vaccine failed to produce qualified polysaccharides, a foundational step for all subsequent research and development, which compelled us to independently research and develop a new, successful formula. We therefore allege that the Plaintiff failed to perform his primary obligations under the Agreement. In our counterclaim, we sought, among other relief, a declaration that the Agreement was terminated on March 1, 2013 or, alternatively, an order terminating the Agreement.

As of the Latest Practicable Date, the first court hearing for both the original claim and our counterclaim has been held. No judgment has been rendered by the court. Based on the current progress of the litigation, we currently expect that the first instance judgment will be rendered between July and August 2026. The amount claimed by the Plaintiff represents only his unilateral assertion and does not represent a final determination by the court. The outcome of the litigation and its potential effect on our profits for the current or future periods remain uncertain. The final actual impact will be subject to the court’s final judgment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

Governance Regarding Environmental, Social and Climate-related Risks

Our Board holds the ultimate responsibility for overseeing our Environmental, Social, and Governance (“ESG”) strategy, policies, and performance. The Board has established a robust corporate governance structure to ensure effective decision-making and oversight. This structure is composed of the Shareholders’ General Meeting, the Board, and the Supervisory Committee. The Board is further supported by four specialized committees: the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. This framework ensures that ESG considerations are embedded in our strategic planning and risk management processes.

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To manage ESG-related risks, we have implemented a “three lines of defense” model (i) the first line of defense, where our individual business and operational departments are responsible for the day-to-day identification, assessment, and management of risks within their respective functions, acting as the primary barrier to potential risks; (ii) the second line of defense, where our dedicated risk management functions, including our Environmental and Safety Department and legal compliance teams, establish group-wide risk management policies, monitor the effectiveness of controls implemented by the first line, and track the resolution of identified issues; and (iii) the third line of defense, where our Internal Audit Department, operating under the direct oversight of the Board’s Audit Committee, provides independent and objective supervision and assessment of the overall effectiveness of our risk management and internal control systems.

We recognize our exposure to climate-related risks, which we categorize into transition risks and physical risks, and have developed targeted strategies to address them. The transition risks arise from policy, legal, technological, and market changes aimed at a lower-carbon economy. This includes compliance with increasingly stringent carbon emission regulations and evolving environmental standards for pharmaceutical manufacturing. To mitigate these risks, we continuously monitor regulatory developments, invest in low-carbon technologies such as low-NOx burners for our boilers, enhance the energy efficiency of our production processes, and actively explore opportunities in green logistics. The physical risks stem from acute events (e.g., extreme heatwaves, floods, and storms) and chronic changes (e.g., rising average temperatures). Such events could disrupt our operations and supply chain, particularly at our facilities in Chengdu, and compromise the storage conditions of our raw materials and finished products. To address these risks, we have formulated a detailed Contingency Plan for Environmental Emergencies (突發環境事件應急預案), conducted regular emergency drills, and proactively assessed our supply chain to diversify our sourcing and reduce reliance on suppliers in high-risk geographical areas.

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, our Group has not been subject to any material fines or penalties for the violation of environmental or safety laws that would have a material adverse impact on our business and financial condition.

Environmental Protection and Monitoring

We are committed to minimizing our environmental footprint and operating in an environmentally responsible manner. We have implemented a comprehensive environmental management system certified under the ISO 14001 standard and have formulated detailed internal policies, including the Environmental Factor Identification and Evaluation Control Procedure (環境因素識別和評價控制程序) and the Environmental Monitoring and Measurement Control Procedure (環境的監測和測量控制程序). In 2023, 2024 and 2025, our total investment in environmental protection amounted to approximately RMB0.7 million, RMB1.0 million and RMB0.2 million, respectively.

Our Environmental Protection Measures

Our production process generates wastewater, air emissions, solid waste and noise. We have adopted measures to ensure our emissions comply with applicable national and local standards. For wastewater, we operate a dedicated wastewater treatment station. Production wastewater is treated through equalization, anoxic treatment, contact oxidation, coagulation-sedimentation and disinfection. High-risk or toxic wastewater is sterilized by high-pressure steam before treatment. Domestic sewage is treated separately before discharge into the municipal network. We also collect and reuse rainwater for non-production purposes, such as irrigation and cooling tower replenishment. For air emissions, we control pollutants at source. Boiler emissions are treated with low-NOx burners. Exhaust from fermentation, animal facilities and laboratories is treated through sterilizing filtration, scrubbers and/or activated carbon adsorption before discharge through exhaust stacks. For solid waste, we apply strict waste classification. Hazardous waste, including medical waste, expired pharmaceutical waste and used laboratory animal carcasses, is sterilized, stored in designated areas and transferred to qualified third-party contractors for compliant disposal, mainly

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by incineration. Non-hazardous and recyclable materials are handled separately. During the Track Record Period, our compliant solid waste disposal rate was 100%. For noise, we use low-noise equipment, acoustic insulation and barriers, and regular maintenance to control noise from chillers, air compressors and water pumps. We also provide personal protective equipment, such as earplugs and earmuffs, to employees in high-noise areas. During the Track Record Period, our factory boundary noise compliance rate was 100%.

Our Environmental Protection Performance

We systematically monitor our environmental performance to track our progress in resource efficiency and emissions reduction. The table below sets forth our key environmental performance data for the Track Record Period.

Item	For the year ended December 31,		
	2023	2024	2025
Total greenhouse gas (GHG) emissions and intensity			
– Scope 1: Direct emissions (tCO ₂ e)	4,211.99	3,811.22	3,589.93
– Scope 2: Indirect energy emissions (tCO ₂ e)	5,282.89	5,349.70	6,259.00
Energy Consumption			
– Purchased electricity (MWh)	9,947.087	9,969.60	11,784.52
– Natural gas consumption ('000 m ³)	1,948.020	1,762.67	1,660.32
Water Management			
– Total water consumption (tonnes)	157,961	157,142	160,781
– Recycled water volume (tonnes)	5,250	1,268	6,999.7
Air Emissions			
– Total air emissions volume ('000 m ³)	10,000	10,800	10,800
Wastewater Discharge			
– Total wastewater discharge (tonnes).	74,108.975	75,809.68	74,856.03
Waste Generation			
– Total hazardous waste generated (tonnes)	59.414	50.37	33.85
– Total non-hazardous waste generated (tonnes)	2.095	3.57	4.93

Our Emissions Targets

To align with our commitment to sustainable development and industry low-carbon trends, we have established specific, measurable targets for our environmental metrics, supported by concrete implementation measures and resource allocation plans. Using 2026 as our baseline year, we target to reduce both our comprehensive energy consumption intensity (measured in tons of standard coal per RMB million of revenue) and our GHG emission intensity (measured in kilotons of CO₂ equivalent per RMB million of revenue) by 5% by the year 2031. To achieve these targets from the source, we plan to implement targeted energy-saving and carbon-reduction initiatives focusing on our production and operations, including (i) optimizing our air-conditioning and refrigeration systems and expanding the coverage of high-efficiency plant rooms to reduce overall electricity consumption at our facilities; (ii) establishing a steam condensate recovery system to achieve the recycling and reuse of both water resources and thermal energy; and (iii) gradually phasing out and replacing older, energy-intensive machinery to enhance the overall energy efficiency of our equipment. Using 2026 as our baseline year, we target to reduce our water consumption intensity (measured in thousand cubic meters per RMB million of revenue) by 3% by the year 2031. To ensure the realization of this water conservation target, we plan to implement supporting measures including the deployment of precise water metering systems, the enhancement of water recycling and reuse mechanisms, and the upgrading of our production processes to integrate advanced water-saving technologies.

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Supply Chain Management

We have established a standardized and scientific supplier management system governed by internal policies such as the Supplier Management Procedure (物資供應商管理規程) and the Material Procurement Management Procedure (物資採購管理規程). Our selection process requires suppliers to possess all necessary legal and quality certifications, and we give preference to suppliers who demonstrate strong performance in environmental protection, social responsibility, and safety management. We conduct annual performance reviews of our suppliers based on quality, delivery, price, and service. To enhance supply chain resilience, we classify key materials into four risk levels (Special, Level I, II, and III) and develop tailored procurement and inventory strategies for each. We also practice “Responsible Procurement,” requiring key suppliers to sign an Integrity Agreement (廉潔協議書) and a Discipline Commitment Letter (紀律承諾書) to ensure compliance with our anti-corruption standards.

Business Ethics and Compliance

We are committed to upholding the highest standards of business ethics and operating with integrity in all our activities. We maintain a zero-tolerance policy towards all forms of bribery, corruption, and fraud. To enforce this, we have implemented a robust compliance framework, including an Anti-Commercial Bribery Management System (反商業賄賂管理制度) and a Conflict-of-Interest Management Policy (利益衝突管理辦法). Our measures include requiring all managers and key personnel to sign an Anti-Commercial Bribery Commitment (反商業賄賂承諾書) and ensuring all external promotional materials are medically reviewed for accuracy and compliance. To ensure the effectiveness of our compliance framework, we have established confidential and secure whistleblowing channels to encourage employees and external partners to report any suspected misconduct. These channels include a dedicated compliance email address and a compliance hotline. We ensure strict confidentiality for all whistleblowers and have a strict non-retaliation policy to protect them from any form of reprisal. In addition to our anti-corruption efforts, we staunchly support fair competition and strictly abide by all relevant laws and regulations, including the PRC Anti-Unfair Competition Law and the PRC Anti-Monopoly Law. Our compliance program includes regular internal reviews and employee training focused on preventing anti-competitive practices such as false advertising, collusive agreements, and abuse of market position. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material legal cases or disciplinary actions related to corruption, bribery, or anti-competitive behavior.

Occupational Health and Work Safety

The health and safety of our employees are of paramount importance. We have established a robust occupational health and safety management system, which is certified under the ISO 45001 standard and governed by our Safety Production Management System Compilation (安全生產管理制度匯編). Our Safety Production Committee, chaired by senior management, oversees the implementation of all safety policies. Our safety measures include risk identification and control, occupational health management, and safety training. We use a dual system of risk grading and hazard investigation, supported by safety risk maps and regular inspections of high-risk areas such as chemical storage rooms. For occupational health, we follow the “three-simultaneously” principle for new construction projects, conduct regular health checks for employees exposed to occupational hazards, maintain health records and post risk notices at relevant workstations. We also provide regular safety training and emergency drills, including through our annual “Safety Production Month”. During the Track Record Period, we conducted 13 safety training sessions and four emergency drills covering biological safety incidents, chemical spills and fire evacuations. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material safety accidents or receive any material penalties for violations of occupational health and safety regulations.

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Corporate Social Responsibility

We are committed to using our scientific expertise to create lasting social value. We promote disease awareness, medical education and vaccine accessibility. In 2024, we organized or participated in 1,520 academic conferences and events, training over 64,000 medical professionals across 174 cities in China, and we adopt a rational pricing strategy to support broader access to our vaccines. In addition, we support industry-wide innovation through collaboration with academic institutions, including our Key R&D Partner and Griffith University in Australia. We also provide our GMP-compliant pilot-scale development platform to smaller enterprises and research institutions to help accelerate vaccine R&D and reduce development costs. For these efforts, we received the 2023 China Industry-University- Research Cooperation Innovation Award.

RISK MANAGEMENT AND INTERNAL CONTROL

Internal Control

We have engaged the Internal Control Consultant to perform certain agreed-upon procedures in connection with the internal control of our Company and our major subsidiaries and to report factual findings on our Group’s entity-level controls and internal controls of various processes, including environment of control, risk assessment, information and communication, internal control, financial reporting and disclosure controls, sales, accounts receivable and collection, procurement, accounts payable and payment, inventory, logistics and cost management, management of fixed assets and intangible assets, human resources and payroll management, cash and treasury management, taxation management, project management, general controls of IT system (including protection of data and privacy), R&D management, insurance management, production management, health, safety and environment protection and contract management. The Internal Control Consultant performed procedures in October 2025 and follow-up procedures in November 2025 on our Company’s system of internal control. As of the Latest Practicable Date, there was no material issue remaining in relation to the internal controls of our Group.

We have adopted various measures and procedures regarding each aspect of our operations, such as protection of intellectual property, environmental protection and occupational health and safety. We provide periodic training on these measures and procedures to our employees as part of our employee training program. We also regularly monitor the implementation of those measures and procedures through our internal control personnel for each stage of the production process. Our Directors (who are responsible for overseeing our corporate governance) with assistance from our legal advisors, will periodically review our compliance status with all relevant laws and regulations after the [REDACTED].

We have implemented or plan to implement the following internal control policies, measures and procedures, (i) we have established the Audit Committee, which shall be responsible to review and supervise our financial reporting process and internal control system of our Group, oversee the audit process, risk management process and external audit functions. For more details, see the section headed “Directors and Senior Management — Board Committees — Audit Committee” in this document; (ii) we have engaged Alliance Capital Partners Limited as our compliance advisor to provide advice to our Directors and management team until the end of the first fiscal year after the [REDACTED] regarding matters relating to the Listing Rules. Our compliance advisor is expected to ensure our use of funding complies with the section headed “Future Plans and Use of [REDACTED]” in this document after the [REDACTED], as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion; and (iii) we plan to engage a PRC law firm to advise us on and keep us abreast with the PRC laws and regulations after the [REDACTED]. We will continue to arrange various trainings to be provided by external legal advisors from time to time when necessary and/or any appropriate accredited institution to update our Directors, senior management, and relevant employees on the latest PRC laws and regulations.

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Risk Management

We recognize that risk management is critical to the success of our business operation. Key operational risks faced by us include changes in the general market conditions and the applicable regulatory environment, our ability to offer quality services, our ability to manage our anticipated growth and to execute on our growth strategies, and our ability to compete with our competitors. See “Risk Factors” in this document for a discussion of various risks and uncertainties we face. We have established a risk management system consisting of the relevant policies and procedures that we believe are appropriate for our business operations. Pursuant to our risk management policy, our key risk management objectives include: (i) identifying different types of risks; (ii) assessing and prioritizing the identified risks; (iii) developing appropriate risk management strategies for different types of risks; (iv) identifying, monitoring and managing risks and our risk tolerance level; and (v) execution of risk response measures. Our Board oversees and manages the overall risks associated with our business operations. Moreover, our Audit Committee will review and supervise our financial reporting process and internal controls system. The Audit Committee consists of three members, namely, Dr. Duan Hong, Dr. Chen Zhengxu and Dr. Ju Dianwen. For qualifications and experience of the members of the Audit Committee, see “Directors and Senior Management” in this document.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Shanghai Wushan, Mr. Fan Shaowen and Dr. Fan Fan directly held 60,216,322, 15,638,795 and 30,546,020 A Shares, respectively, accounting for approximately 14.84%, 3.85% and 7.53% of the issued share capital of our Company, respectively. Meanwhile, Mr. Fan Shaowen held approximately 47.22% of Shanghai Wushan and Dr. Fan Fan, who is the daughter of Mr. Fan Shaowen, held approximately 6.78% of Shanghai Wushan. On August 17, 2020, Mr. Fan Shaowen and Dr. Fan Fan entered into the Concert Parties Agreement, pursuant to which (i) it was confirmed that Mr. Fan Shaowen and Dr. Fan Fan, by virtue of their relationship as father and daughter, have been acting in concert since April 29, 2015 when Dr. Fan Fan became a shareholder of our Company; and (ii) they agreed to continue to act in concert in relation to the operational development of our Company. Therefore, Shanghai Wushan, Mr. Fan Shaowen and Dr. Fan Fan are regarded as the Single Largest Group of Shareholders of our Company.

Accordingly, the Single Largest Group of Shareholders was entitled to exercise voting rights attached to the 106,401,137 A Shares, representing approximately 26.22% of the total issued share capital of our Company as of the Latest Practicable Date. Immediately following the completion of the [REDACTED], the Single Largest Group of Shareholders will be interested in approximately [REDACTED]% of our total share capital (assuming the [REDACTED] and the [REDACTED] are not exercised and no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED]) or approximately [REDACTED]% of our total share capital (assuming the [REDACTED] and the [REDACTED] are exercised in full).

NO COMPETITION AND CLEAR DELINEATION OF BUSINESS

For the purpose of the listing of our A Shares on the SSE STAR Market in June 2021, each of our Single Largest Group of Shareholders entered into a non-competition undertaking in favor of our Company on June 17, 2020, pursuant to which each of our Single Largest Group of Shareholders has undertaken, among others, that: (i) it/he/she will not, and will procure that enterprises controlled by it/him/her will not, directly or indirectly engage in any business that competes or may compete with the existing or future business of our Group, nor will it/he/she invest in any other enterprise that competes or is likely to compete with the business of our Group; and (ii) in the event of a breach of any terms of this undertaking causing loss to our Company, it/him/her agrees to indemnify our Company against all direct or indirect economic losses suffered.

Each member of the Single Largest Group of Shareholders confirmed that, as of the Latest Practicable Date, he/she/it did not have any interest in any business, other than our business, which competes, or is likely to compete, either directly or indirectly, with our business and would require disclosure under Rule 8.10 of the Hong Kong Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independent from our Single Largest Group of Shareholders after [REDACTED].

Management Independence

Our daily operational and management decisions are made collectively by our executive Directors and our senior management, with our Board having an overall supervision of our management. Our Board consists of four executive Directors, two non-executive Directors and three independent non-executive Directors. We believe that our Directors and senior management can independently perform their duties in our Company and we can operate independently from our Single Largest Group of Shareholders for the following reasons:

- each of our Directors is aware of his/her fiduciary duties as a director of our Company which requires, among other things, that he/she acts for the benefit and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interest;

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

- although Mr. Fan Shaowen, one of our Single Largest Group of Shareholders, acts as an executive Director of both Shanghai Wushan and our Company, the decision-making power of our Company for major events is not vested solely on Mr. Fan Shaowen. All other eight Directors of our Board and other members of the senior management are entitled to exercise the decision-making power of our Company according to laws, regulations and the Articles of Association, and are responsible for the daily operations in various aspects of our Company. The operating mechanism of our Board and the senior management has ensured the balance of rights and powers. Most members of our Board and the senior management of our Company have worked in our Group for many years and have substantial working experience in the industry in which our Group is engaged. They are familiar with our Group’s business and will therefore be able to make business decisions that are in the best interests of our Group;
- there will be three independent non-executive Directors in the nine-member Board who are able to independently monitor the formulation and implementation of major decisions of our Company based on their education background and related working experience;
- in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Single Largest Group of Shareholders or its associates, the interested Director(s), if any, shall abstain from voting at the relevant Board meetings of our Company in respect of such transactions and shall not be counted in the quorum;
- we have adopted sufficient and effective control mechanisms to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders, which would support our independent management. See the paragraph headed “– Corporate Governance Measures” in this section below.

Having considered the above factor, our Directors are satisfied that our executive Directors and senior management are able to perform their managerial roles in our Company independently, and our Directors are of the view that we are capable of managing our business independently from our Single Largest Group of Shareholders after [REDACTED].

Operational Independence

We have full rights to make all decisions on, and to carry out, our own business operations independently. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate independently from our Single Largest Group of Shareholders and their close associates. We hold the licenses, intellectual property rights and qualifications necessary to carry on our principal business. We also have independent access to suppliers and customers, and have sufficient capital, facilities and employees to operate our business independently from our Single Largest Group of Shareholders and their close associates.

Based on the above, our Directors believe that we will be able to operate independently from our Single Largest Group of Shareholders and their close associates.

Financial Independence

Our Group has an independent financial system. We make financial decisions according to our own business needs and neither our Single Largest Group of Shareholders nor its close associates may intervene with our use of funds. We have opened accounts with banks independently and do not share any bank accounts with our Single Largest Group of Shareholders or its close associates. We have established an independent finance department as well as implemented sound and independent audit, accounting and financial management systems. We have adequate internal resources and a credit profile to support our daily operations.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, there were no loans, which are or may be secured by guarantees provided to us by the Single Largest Group of Shareholders.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance to protect the interest of our Shareholders. We would adopt the following corporate governance measures to manage potential conflict of interests between our Group and our Single Largest Group of Shareholders:

- (a) where a general meeting is held for considering proposed transactions in which any member of our Single Largest Group of Shareholders has a material interest, he/she/it shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;
- (b) where a Board meeting is held for the matters in which a Director has a material interest, such Director shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;
- (c) in the event that our independent non-executive Directors are requested to review any conflict of interest between our Group and any member of our Single Largest Group of Shareholders, he/she/it shall provide the independent non-executive Directors with all necessary information and our Company shall disclose the decisions of the independent non-executive Directors either in its annual reports or by way of announcements;
- (d) our Directors (including our independent non-executive Directors) will seek independent and professional opinions from external advisors at our Company's cost as and when appropriate in accordance with the Corporate Governance Code and Corporate Governance Report set out in Appendix C1 of the Hong Kong Listing Rules;
- (e) any transactions between our Company and its connected persons shall be in compliance with the relevant requirements of Chapter 14A of the Hong Kong Listing Rules, including the announcement, annual reporting and independent Shareholders' approval requirements (if applicable) under the Hong Kong Listing Rules;
- (f) the independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and our Single Largest Group of Shareholders and provide impartial and professional advice to protect the interests of our Shareholders; and
- (g) we have appointed Alliance Capital Partners Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Hong Kong Listing Rules, including various requirements relating to directors' duties and corporate governance.

Based on above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Single Largest Group of Shareholders and/or other Directors to protect minority Shareholders' rights after the [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Our Board is responsible and has general powers for the management and operation of our business. Our Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. Pursuant to the Articles of Association, our Directors are elected and appointed by our Shareholders at a Shareholders’ meeting for a term of three years each. The following table sets forth information regarding members of our Board:

Name	Age	Position	Date of First Appointment as Director	Date of First Joining Our Group	Roles and Responsibilities	Relationship with Other Directors and/or Senior Management
Mr. Fan Shaowen (樊紹文) . . .	[73]	Chairman of our Board, executive Director and general manager	December 11, 2009	December 11, 2009	Overall strategic planning and development of our Group	Father of Dr. Fan Fan
Dr. Fan Fan (樊飢)	[44]	Vice chairlady of our Board and executive Director	January 12, 2011 ⁽¹⁾	September 21, 2010	Assisting the Chairman in strategic planning and managing our Group’s R&D and business development	Daughter of Mr. Fan Shaowen
Ms. Chen Aimin (陳愛民) . . .	[71]	Executive Director and deputy general manager	December 11, 2009	December 11, 2009	Assisting the Chairman in strategic planning and business management	None
Mr. Cheng Tianjun (程天駿) . . .	[36]	Executive Director and employee representative Director	July 30, 2025	December 17, 2013	Managing our Group’s securities affairs	None
Mr. Zhang Pengfei (張鵬飛) . . .	[40]	Non-executive Director	February 28, 2012 ⁽²⁾	February 28, 2012	Providing professional advice to the Board	None
Dr. Yu Yunhui (余雲輝) . . .	[62]	Non-executive Director	June 17, 2013	June 9, 2013	Providing professional advice to the Board	None
Dr. Ju Dianwen (鞠佃文) . . .	[57]	Independent Non-executive Director	July 30, 2025	July 30, 2025	Supervising and providing independent opinion judgment to our Board	None
Dr. Chen Zhengxu (陳正旭) . . .	[57]	Independent Non-executive Director	July 30, 2025	July 30, 2025	Supervising and providing independent opinion judgment to our Board	None
Dr. Duan Hong (段宏)	[61]	Independent Non-executive Director	July 30, 2025	July 30, 2025	Supervising and providing independent opinion judgment to our Board	None

DIRECTORS AND SENIOR MANAGEMENT

Notes:

- (1) Dr. Fan was first appointed as a Director from January 12, 2011 to June 17, 2013 and was re-appointed as a Director on June 19, 2016.
- (2) Mr. Zhang was first appointed as a Director from February 28, 2012 to June 19, 2016 and was re-appointed as a Director on July 30, 2025.

EXECUTIVE DIRECTORS

Mr. Fan Shaowen (樊紹文), aged [73], is the chairman of our Board, executive Director and general manager. Mr. Fan is primarily responsible for overall strategic planning and development of our Group. Mr. Fan joined our Group in December 2009 and has been serving as the chairman of our Board and general manager since then. He has held key positions in two subsidiaries within our Group, including (i) the executive director of Chongqing Yuanlun since December 2010; and (ii) the executive director of Chengdu XENOMIX since September 2021.

Mr. Fan has dedicated nearly five decades to the biopharmaceutical field, accumulating extensive experience across research, development and commercialization. His major career experience includes serving as (i) the head of the protein laboratory at the Institute of Blood Transfusion, Chinese Academy of Medical Sciences (中國醫學科學院輸血研究所) from February 1976 to January 1991; (ii) a vice president of Chengdu Shuyang Pharmaceutical Factory (成都蜀陽製藥廠) (the predecessor of Yuanda Shuyang Life Science (Chengdu) Co., Ltd. (遠大蜀陽生命科學(成都)有限公司)) from January 1991 to December 2000; (iii) a director and general manager of Guiyang Qianfeng Bioproducts Co., Ltd. (貴陽黔峰生物製品有限責任公司) (the predecessor of Guizhou Taibang Bioproducts Co., Ltd. (貴州泰邦生物製品有限公司)) from June 2005 to November 2009; and (iv) a director of Chengdu Union Biotechnology Co., Ltd. (成都協和生物技術有限責任公司) from May 2011 to July 2024.

Mr. Fan obtained a postgraduate degree in regional economics from Southwest Normal University (西南師範大學) in the PRC in August 2000. He was certified as a practicing pharmacist by the National Medical Products Administration of the PRC (國家醫藥管理局) in December 1997.

Dr. Fan Fan (樊飢), aged [44], is the vice chairlady of our Board and an executive Director. She is primarily responsible for assisting Mr. Fan in strategic planning and managing our Group's R&D and business development. Dr. Fan joined our Group in September 2010 and has since held various positions, including assistant to the general manager and director of administration and human resources, board secretary, Director and executive deputy general manager. Dr. Fan was first appointed as a Director of our Group from January 12, 2011 to June 17, 2013 and was re-appointed as a Director on June 19, 2016. She was then appointed as the vice chairlady of our Board since May 2022. Dr. Fan has also served as a director of Olymvax Hong Kong since January 19, 2026.

Dr. Fan has extensive experience in corporate management and operations. Prior to joining our Group, she served several managerial roles within Starwood Hotel & Resorts World, Inc. (喜達屋酒店及度假酒店國際集團) from 2007 to 2010. Since July 2024, Dr. Fan has held position as a director of Chengdu Union Biotechnology Co., Ltd. (成都協和生物技術有限責任公司), a company primarily engaged in the research and development, production, and sales of diagnostic reagents related to transfusion medicine.

Dr. Fan obtained a bachelor of arts in international hospitality management from The Manchester Metropolitan University in the United Kingdom in June 2004, a master of science in management from Imperial College of Science, Technology and Medicine to the University of London in the United Kingdom in November 2006 and a doctorate in legal history from Southwest University of Political Science and Law (西南政法大學) in the PRC in June 2015. Dr. Fan has recently obtained a degree of master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in December 2024. Dr. Fan also held several part-time positions across industry associations and social organizations, including, among others, as an executive member of the Supply Chain Branch of the China Association for Vaccines (中國疫苗行業協會供應鏈分會).

DIRECTORS AND SENIOR MANAGEMENT

Ms. Chen Aimin (陳愛民), aged [71], is an executive Director and a deputy general manager of our Group. She is primarily responsible for assisting Mr. Fan in strategic planning and business management. Ms. Chen joined our Group in December 2009 and has since then held various positions within our Group, including production director, Director and deputy general manager.

Ms. Chen has over four decades of experience in the biopharmaceutical industry. Prior to joining our Group, she served as (i) a technician and project team leader at the Institute of Blood Transfusion, Chinese Academy of Medical Sciences (中國醫學科學院輸血研究所) from February 1979 to December 1990; (ii) the chief quality officer at Chengdu Shuyang Pharmaceutical Factory (成都蜀陽製藥廠) (the predecessor of Yuanda Shuyang Life Science (Chengdu) Co., Ltd. (遠大蜀陽生命科學(成都)有限公司)) from January 1991 to December 2000; and (iii) a director, board secretary and assistant to the general manager at Guiyang Qianfeng Bioproducts Co., Ltd. (貴陽黔峰生物製品有限責任公司) from June 2005 to November 2009.

Ms. Chen obtained a college diploma in business management from Sichuan Higher Vocational College of Commerce (四川商業高等專科學校) in the PRC in June 1997. She was accredited as a senior engineer by the Chengdu Military Region Logistics Department Production Management Department (成都軍區後勤部生產管理部) in December 1995.

Mr. Cheng Tianjun (程天駿), aged [36], is an executive Director and the employee representative Director of our Company. He is primarily responsible for managing our Group’s securities affairs.

Mr. Cheng commenced his career with our Company in December 2013 and has since held several positions within our Group, including: (i) an employee in our finance department and audit department from December 2013 to August 2016; (ii) our securities affairs representative since August 2016; (iii) the manager of our securities investment department since August 2021; (iv) our employee representative supervisor from May 2022 to July 2025; and (v) our employee representative Director since July 2025. In addition, Mr. Cheng has held key positions in two subsidiaries within our Group, including (i) a supervisor of Chongqing Yuanlun since July 2022; and (ii) a supervisor of Chengdu XENOMIX since January 2023.

Mr. Cheng obtained a bachelor’s degree in accounting and finance from Lancaster University in the United Kingdom in October 2012 and a degree of master of science in business analysis & management from Loughborough University in the United Kingdom in December 2013.

NON-EXECUTIVE DIRECTORS

Mr. Zhang Pengfei (張鵬飛), aged [40], is a non-executive Director of our Company. He is primarily responsible for providing professional advice to the Board. Mr. Zhang joined our Group in February 2012 and has since held various positions within our Group, including as a Director of our Company from February 2012 to June 2016 and as the chairman of the supervisory committee of our Company from June 2016 to July 2025. He was re-appointed as a Director of our Company in July 2025.

Mr. Zhang has extensive experience in corporate management. Prior to and alongside his roles within our Group, he has served as the chairman and president of Taichang Group Co., Ltd. (泰昌集團有限公司) since July 2003.

Mr. Zhang obtained a bachelor’s degree in business administration from Chongqing University (重慶大學) in the PRC in July 2019 through its college of online education.

Mr. Zhang currently holds several social positions, including, among others, as a member of the Zhejiang Provincial Committee of the Chinese People’s Political Consultative Conference (中國人民政治協商會議浙江省委員會委員). He has also been awarded honorary titles including (i) the Zhejiang Youth May Fourth Medal (浙江青年五四獎章).

DIRECTORS AND SENIOR MANAGEMENT

Dr. Yu Yunhui (余雲輝), aged [62], is a non-executive Director. He is primarily responsible for providing professional advice to the Board. Dr. Yu joined our Group in June 2013 and has since then been a Director of our Company.

Dr. Yu has extensive experience in finance and corporate management. Prior to his current roles, he served senior managerial positions at several leading securities companies, including Haitong Securities Co., Ltd. (海通證券股份有限公司) and Tebon Securities Co., Ltd. (德邦證券有限公司). In addition to his position with our Company, Dr. Yu currently holds several other positions, including (i) the chairman of Gutian County Lantian Academy Cultural Tourism Development Co., Ltd. (古田縣藍田書院文化旅遊發展有限公司); (ii) the general manager of Shanghai Lianhuansheng Industrial Co., Ltd. (上海聯寰生實業有限公司); (iii) a director of Xiamen Chunsheng Environmental Protection Technology Co., Ltd. (廈門淳生環保科技有限公司); (iv) a director of Fujian Dawei Energy Co., Ltd. (福建大為能源有限公司); (v) a director of Changchun Jida Little Swan Instrument Co., Ltd. (長春吉大小天鵝儀器有限公司); and (vi) a director of Shanghai Fuyou Financial Services Group Co., Ltd. (上海富友金融服務集團股份有限公司). Dr. Yu obtained a bachelor’s degree in economics from Jilin University (吉林大學) in the PRC in July 1986 and a doctorate degree in economics from the Institute of Economics of Xiamen University (廈門大學經濟研究所) in the PRC in July 1994.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Ju Dianwen (鞠佃文), aged [57], was appointed as an independent director of our Company on July 30, 2025 and redesignated as independent non-executive Director of our Company on October 28, 2025. He is primarily responsible for supervising and providing independent opinion judgment to our Board.

Dr. Ju has extensive experience in the pharmaceutical and biomedical research fields. Prior to joining our Group, earlier in his career, Dr. Ju served as a teaching assistant and lecturer in the Department of Medical Immunology at the Naval Medical University (中國人民解放軍海軍軍醫大學) (formerly known as the Second Military Medical University (第二軍醫大學)), and subsequently as a deputy general manager of Shanghai MediPharm Biotech Co., Ltd. (上海美恩生物技術有限公司). Dr. Ju recently served as an independent director at Shanghai Baolong Pharmaceutical Co., Ltd. (上海寶龍藥業股份有限公司) from April 2020 to December 2024.

Currently, Dr. Ju holds several positions in multiple institutions and companies, including as: (i) researcher and doctoral supervisor in the Department of Biomedicines, School of Pharmacy at Fudan University (復旦大學) since January 2011; (ii) supervisor of Shanghai Dongci Biotechnology Co., Ltd. (上海東慈生物科技股份有限公司) since March 2019; (iii) scientific advisor to Novatim Immune Therapeutics (Zhejiang) Co., Ltd. (科弈(浙江)藥業科技有限公司) since October 2019; (iv) director of Shanghai Xinze Venture Capital Management Co., Ltd. (上海莘澤創業投資管理股份有限公司) since December 2019; (v) director of Xingshen Biotechnology (Hangzhou) Co., Ltd. (行深生物科技(杭州)有限公司) (previously known as Shanghai Xingshen Biotechnology Co., Ltd. (上海行深生物科技有限公司)) since April 2020; (vi) independent director of Suzhou Wangshan Wangshui Biopharmaceutical Co., Ltd. (蘇州旺山旺水生物醫藥股份有限公司) (a company listed on the Stock Exchange, stock code: 02630) since March 2023; and (vii) independent director of Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司) since July 2024.

Dr. Ju obtained a bachelor’s degree in pharmacy, a master’s degree in pharmacology, and a doctoral degree in medical immunology from Naval Medical University (中國人民解放軍海軍軍醫大學) (formerly known as the Second Military Medical University (第二軍醫大學)) in the PRC in July 1991, July 1994, and July 1999, respectively. Dr. Ju has been honored with multiple awards and recognitions, including, but not limited to, the Second Prize of National Science and Technology Progress Award (國家科學技術進步二等獎) by the State Council of the PRC (中華人民共和國國務院) in December 2014.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Chen Zhengxu (陳正旭), aged [57], was appointed as an independent director of our Company on July 30, 2025 and redesignated as independent non-executive Director of our Company on October 28, 2025. He is primarily responsible for supervising and providing independent opinion judgment to our Board.

Dr. Chen has accumulated extensive experience in finance and corporate governance during his career as an investment banker at several securities companies. His notable achievements include leading the initial public offering of Kweichow Moutai Co., Ltd. (貴州茅台酒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600519) while at China Southern Securities Co., Ltd. (南方證券股份有限公司) in 2001. Dr. Chen’s recent experience includes, but is not limited to, serving as: (i) executive director and general manager of Shenzhen Dingfeng Mingdao Asset Management Co., Ltd. (深圳鼎鋒明道資產管理有限公司) since August 2014; (ii) director of Beijing Jielian Weixin Technology Co., Ltd. (北京捷聯微芯科技有限公司) since December 2017; and (iii) executive director and general manager of Shenzhen Pumao Culture and Art Co., Ltd. (深圳樸茂文化藝術有限公司) since June 2019.

Furthermore, Dr. Chen has served as an independent director of (i) Shenzhen Jinzheng Technology Co., Ltd. (深圳市金證科技股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600446) from February 2017 to September 2020; (ii) Shenzhen BTR New Energy Materials Co., Ltd. (深圳市貝特瑞新能源材料股份有限公司) (a company listed on the Beijing Stock Exchange, stock code: 835185) from May 2019 to May 2022; (iii) Shenzhen Topband Co., Ltd. (深圳拓邦股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002139) since September 2023; and (iv) Guangdong Feinan Resources Recycling Co., Ltd. (廣東飛南資源利用股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 301500) since May 2025.

Dr. Chen received a bachelor’s degree in geology from Xiangtan Mining Institute (湘潭礦業學院) in July 1990, a master’s degree in business administration from Southwestern University of Finance and Economics (西南財經大學) in July 1997, a doctorate in management from Shanghai Jiao Tong University (上海交通大學) in July 2009, and a master’s degree in business administration from the China Europe International Business School (中歐國際工商學院) in September 2014, all in the PRC.

Dr. Duan Hong (段宏), aged [61], was appointed as an independent director of our Company on July 30, 2025 and redesignated as independent non-executive Director of our Company on October 28, 2025. She is primarily responsible for supervising and providing independent opinion judgment to our Board.

Dr. Duan has extensive experience in accounting and corporate management. In her early career, she served as a project manager at Sichuan Huaxin (Group) Certified Public Accountants (四川華信(集團)會計師事務所) and the deputy director of Sichuan Tongde Certified Public Accountants (四川同德會計師事務所). Her subsequent positions include: (i) an associate professor in the accounting department of the School of Economics and Management at Southwest Jiaotong University (西南交通大學經濟管理學院) from April 2007 to June 2024; (ii) an independent director at Chengdu Techcent Environment Co., Ltd. (成都天翔環境股份有限公司) from November 2018 to April 2021; and (iii) an independent director at Haitian Water Group Co., Ltd. (海天水務集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603759) from December 2019 to April 2025. In addition to her position with our Company, Dr. Duan currently serves as an independent director of Yili Chuanning Biotechnology Co., Ltd. (伊犁川寧生物技術股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 301301).

Dr. Duan obtained a doctorate degree in management from Southwest Jiaotong University (西南交通大學) in the PRC in January 2007. She was qualified as a Certified Public Accountant qualification by the Sichuan Institute of Certified Public Accountants (四川省註冊會計師協會) in April 1999 and as a Registered Tax Agent by the Sichuan Provincial Department of Personnel (四川省人事廳) in October 1999. She was subsequently recognized as a Senior Accountant (高級會計師) in March 2003.

Dr. Duan possesses appropriate professional accounting or related financial management expertise required under Rule 3.10(2) of the Listing Rules and confirms that she has gained such expertise through her experiences.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Position	Date of first appointment as a senior management	Date of first joining our Group	Roles and responsibilities	Relationship with other Directors and/or senior management
Mr. Fan Shaowen (樊紹文) . . .	[73]	General manager	December 11, 2019	December 11, 2019	Overall strategic planning and development of our Group	Father of Dr. Fan Fan
Ms. Chen Aimin (陳愛民) . . .	[71]	Deputy general manager	December 11, 2009	December 11, 2009	Assisting the Chairman in strategic planning and business management	None
Mr. Wu Wei (吳畏)	[44]	Deputy general manager, board secretary	January 28, 2013	December 17, 2009	Managing matters related to our Board and overseeing securities affairs and legal compliance management	None
Mr. Tan Yong (譚勇)	[52]	Deputy general manager, chief financial officer	December 11, 2009	December 11, 2009	Overseeing the financial management, accounting, and tax planning of our Group	None

Mr. Fan Shaowen (樊紹文), aged [73], is our general manager. For his biography, see “[— Board of Directors — Executive Directors]”

Ms. Chen Aimin (陳愛民), aged [71], is our deputy general manager. For her biography, see “[— Board of Directors — Executive Directors]”

Mr. Wu Wei (吳畏), aged [44], is our deputy general manager and board secretary. He is primarily responsible for managing matters related to our Board and overseeing securities affairs and legal compliance management. Mr. Wu joined our Group in December 2009 and has since held various positions, including administrative assistant, general manager’s secretary, administrative and human resources manager, and administrative and human resources director. He has served as our board secretary since July 2016 and as deputy general manager since July 2025.

Mr. Wu obtained a bachelor’s degree in business and finance from Leeds Beckett University (利茲貝克特大學) (formerly known as Leeds Metropolitan University (利茲城市大學)) in the United Kingdom in June 2005 and a master’s degree in banking and finance from the University of Leeds (利茲大學) in the United Kingdom in November 2006.

Mr. Tan Yong (譚勇), aged [52], is our deputy general manager and chief financial officer. He is primarily responsible for overseeing the financial management, accounting, and tax planning of our Group. Mr. Tan joined our Group as our chief financial officer in December 2009 and has concurrently served as a deputy general manager since July 2025.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Tan has more than two decades of experience in finance, accounting and auditing. Prior to joining our Group, he served as a project manager at Sichuan Yidiantong Tax Accountant Co., Ltd. (四川一點通稅務師事務所有限公司) from July 2003 to December 2009.

Mr. Tan obtained a bachelor’s degree in accounting from Southwestern University of Finance and Economics (西南財經大學) in the PRC in December 2003. He obtained his (i) Certified Public Accountant qualification from the Sichuan Institute of Certified Public Accountants (四川省註冊會計師協會) in 2005; (ii) Registered Tax Agent qualification from the Sichuan Provincial Department of Personnel (四川省人事廳) in August 2005; and (iii) Certified Internal Auditor from China Institute of Internal Auditors (中國內部審計師協會) in May 2007.

JOINT COMPANY SECRETARIES

Mr. Wu Wei (吳畏) will be one of our joint company secretaries with effect from the [REDACTED]. For details of his biography, see “— Senior Management” in this section.

Ms. Wong Mei Fung Carrie (黃美鳳) will be one of our joint company secretaries with effect from the [REDACTED].

Ms. Wong has over 20 years of work experience in the field of corporate secretarial and regulatory compliance services. Ms. Wong currently serves as a manager of entity solutions at Computershare Hong Kong Investor Services Limited and a joint company secretary of each of TUHU Car Inc. (a company listed on the Stock Exchange, stock code: 9690). GenFleet Therapeutics (Shanghai) Inc. (a company listed on the Stock Exchange, stock code: 2595). Ms. Wong previously served as a senior manager of corporate services at a professional services firm, providing company secretarial services to clients globally.

Ms. Wong holds a degree of Bachelor of Arts in Accounting and Finance from Edinburgh Napier University. She is a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Audit Committee

We established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and paragraph D.3.3 of the Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to make recommendations to our Board on the appointment and removal of external auditor, and to assist our Board in fulfilling its oversight responsibilities in relation to our Group’s financial reporting, internal control structure, risk management processes and external audit functions, and corporate governance responsibilities and perform other duties as assigned by our Board and/or required by the applicable laws and regulations. The Audit Committee of our Company consists of three members, being Dr. Duan Hong, Dr. Chen Zhengxu and Dr. Ju Dianwen, and Dr. Duan Hong is the chairperson of our Audit Committee.

Pursuant to the PRC Company Law, a joint stock limited company may, under the articles of association, set up an audit committee composed of directors in the board of directors, which shall exercise the functions and powers of the board of supervisors as provided for in the PRC Company Law. Accordingly, our Company will not set up the board of supervisors after the [REDACTED].

Nomination Committee

We established a Nomination Committee in compliance with Rule 3.27A of the Listing Rules and paragraph B.3.1 of the Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board regarding candidates to fill vacancies on the Board. The Nomination Committee consists of three members, being Dr. Chen Zhengxu, Dr. Duan Hong and Mr. Zhang Pengfei, and Dr. Chen Zhengxu is the chairperson of our Nomination Committee.

DIRECTORS AND SENIOR MANAGEMENT

Remuneration and Appraisal Committee

We established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and paragraph E.1.2 of the Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to evaluate and make recommendations to our Board on the overall remuneration policy and structure relating to all Directors and senior management of our Group, review performance-based remuneration and ensure none of our Directors determine their own remuneration. The Remuneration and Appraisal Committee consists of three members, being Dr. Ju Dianwen, Dr. Chen Zhengxu and Dr. Fan Fan, and Dr. Ju Dianwen is the chairman of our Remuneration and Appraisal Committee.

Strategy Committee

We have established the Strategy Committee in compliance with the Articles of Association. The primary duties of the Strategy Committee are to make recommendations to our Board on the long-term development strategy and major investments and projects of our Company. The Strategy Committee consists of three members, being Mr. Fan Shaowen, Dr. Yu Yunhui and Dr. Ju Dianwen, and Mr. Fan Shaowen is the chairman of our Strategy Committee.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on November 14, 2025, and (ii) understands his or her obligations as a director of a listed issuer on the Stock Exchange under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors confirms (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) that he/she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

Rule 13.51(2) of the Listing Rules

Save as disclosed above, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, as of the Latest Practicable Date, none of our Directors and senior managers (i) had any other relationship with any Director, senior management or Single Largest Group of Shareholders of our Company; and (ii) held any other directorships in the three years prior to the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong and/or overseas.

Saved as disclosed in the “Substantial Shareholders” and “Appendix VI — Statutory and General Information — C. Further Information about our Directors and substantial Shareholders — 1. Disclosure of Interests,” as of the Latest Practicable Date, none of our Directors held any interest in the securities within the meaning of Part XV of the SFO.

There are no other matters with respect to the appointment of our Directors that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

REMUNERATION POLICY

We value our employees and recognize the importance of a good relationship with our employees. The remuneration to our employees includes salaries, bonuses, benefits and other welfares. Our Group offers competitive remuneration packages to our Directors, the aggregate amounts of emoluments (including fees, salaries, allowances and benefits in kind, bonuses, retirement scheme contributions and share-based payments) for our Directors in 2023, 2024 and 2025 were RMB3.42 million, RMB3.02 million and RMB2.55 million, respectively. In 2023, 2024 and 2025, the aggregate amounts of emoluments (including short-term employee benefits, share-based payment expenses and post employment benefits) for the five highest paid individuals (excluding our Directors) were RMB4.41 million, RMB5.25 million and RMB6.25 million, respectively.

We have not paid any remuneration to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office during the Track Record Period. Furthermore, none of our Directors had waived any remuneration during the Track Record Period. The primary goal of the remuneration policy with regard to the remuneration packages of our Directors is to enable us to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives achieved. The principal elements of our Directors remuneration packages include salaries, allowances and other benefits, discretionary bonuses, and retirement scheme contribution.

Under the arrangements currently in force, we estimate that the aggregate amounts of emoluments (including fees, salaries, allowances and benefits in kind, bonuses, retirement scheme contributions and share-based payments) payable to our Directors for the year ending December 31, 2026 will be approximately RMB3.55 million.

We have not experienced any significant problems with our employees or disruption to our operations due to labor disputes, nor have we experienced any difficulties in the recruitment and retention of experienced staff.

For additional information on Directors’ remuneration during the Track Record Period as well as information on the highest paid individuals, see note 8 and note 9 of the Accountants’ Report set out in Appendix I to this document.

Employee Restricted Share Incentive Plan

We have adopted the Employee Restricted Share Incentive Plan in 2023. For further details, see “Statutory and General Information — D. Employee Restricted Share Incentive Plan” in Appendix VI to this Document.

CORPORATE GOVERNANCE CODE

Our Group is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders. To accomplish this, our Group has adopted the code provisions of the Corporate Governance Code as our code on corporate governance. Our Directors will review and monitor the practices of our Company from time to time with an aim to maintain and improve the standard of our corporate governance practices. We intend to comply with the code provisions of the Corporate Governance Code upon the [REDACTED].

The roles of chairman of the Board and general manager of our Company are currently performed by Mr. Fan. In view of Mr. Fan’s substantial contribution to our Group since our establishment and his extensive experience, we consider that having Mr. Fan acting as both the chairman of our Board and general manager will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Mr. Fan continues to act as both the chairman of our Board and general manager after the [REDACTED], and therefore currently do not propose to separate the functions of chairman of our Board and general manager. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the

DIRECTORS AND SENIOR MANAGEMENT

Board and the management of our Company, given that: (a) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (b) Mr. Fan and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (c) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman of our Board and general manager is necessary.

BOARD DIVERSITY POLICY

We have adopted a board diversity policy which sets out the approach to achieve and maintain an appropriate balance of diverse perspectives of our Board that are relevant to our business growth. Pursuant to our board diversity policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, business operation and accounting and financial management. We have three independent non-executive Directors who have different industry backgrounds, representing one-third of our Board members. Currently, three of our Directors are female. Our Company has reviewed the membership, structure and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of our Directors in various aspects and fields can enable our Company to maintain high standard of operation.

Our Nomination Committee is responsible for ensuring the diversity of our Board. After the [REDACTED], our Nomination Committee will review our board diversity policy from time to time to ensure its continued effectiveness and we will disclose the implementation of our board diversity policy in our corporate governance report on an annual basis.

COMPLIANCE ADVISOR

Our Company has appointed Alliance Capital Partners Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will advise our Company on the following matters:

- (1) before the publication of any regulatory announcement, circular or financial report;
- (2) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share buy-backs;
- (3) where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate, or other information in this document; and
- (4) where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our H Shares.

The term of the appointment shall commence on the [REDACTED] and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the [REDACTED] and such appointment may be subject to extension by mutual agreement.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] and without taking into account any H Shares which may be issued pursuant to the exercise of the [REDACTED] and the [REDACTED] and assuming no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED], the following persons will, immediately after the completion of the [REDACTED], have an interest or short position in our Shares or underlying Shares which are required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at the general meetings of our Company:

Shareholder	Nature of Interest	Number and Description of Shares ⁽¹⁾	Approximate Percentage of Shareholding in the A Shares shortly after the [REDACTED]	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company immediately after the [REDACTED]
Shanghai Wushan ⁽²⁾	Beneficial interest	60,216,322 A Shares	14.84%	[REDACTED]%
Mr. Fan Shaowen	Beneficial interest	15,638,795 A Shares	3.85%	[REDACTED]%
	Interest in controlled corporation ⁽²⁾	60,216,322 A Shares	14.84%	[REDACTED]%
	Interest of person acting in concert ⁽³⁾	30,546,020 A Shares	7.53%	[REDACTED]%
Dr. Fan Fan	Beneficial interest	30,546,020 A Shares	7.53%	[REDACTED]%
	Interest of person acting in concert ⁽³⁾	75,855,117 A Shares	18.71%	[REDACTED]%
Taichang Group ⁽⁵⁾	Beneficial interest	25,893,040 A Shares	6.38%	[REDACTED]%
Zhang Pengfei	Interest in controlled corporation ⁽⁴⁾	25,893,040 A Shares	6.38%	[REDACTED]%
China Merchants Bank Co., Ltd. ⁽⁶⁾	Trustee	25,193,758 A Shares	6.21%	[REDACTED]%

Notes:

- (1) All interests are long positions.
- (2) As of the Latest Practicable Date, Shanghai Wushan was held as to approximately: (i) 47.22% by Mr. Fan Shaowen, the chairman of the Board, an executive Director and the general manager of our Company; (ii) 20.00% by Ms. Chen Aimin, an executive Director and a deputy general manager of our Company; (iii) 13.00% by Mrs. Chen Aiguo; (iv) 6.78% by Dr. Fan Fan, the vice chairlady of the Board and an executive Director; (v) 6.00% by Mr. Qiu Yumou; (vi) 5.00% by Mr. Ai Xing; and (vii) 2.00% by Mr. Li Hongguang. Thus, Mr. Fan Shaowen is deemed to be interested in all the Shares held by Shanghai Wushan by virtue of the SFO.
- (3) Mr. Fan Shaowen and Dr. Fan Fan are parties acting in concert. Please refer to “History and Corporate Structure — Our Shareholders Acting in Concert” for further details.
- (4) As of the Latest Practicable Date, Taichang Group was held as to 54.00% by Mr. Zhang Pengfei, a non-executive Director. Thus, Mr. Zhang Pengfei was deemed to be interested in all Shares held by Taichang Group by virtue of the SFO.
- (5) As of the Latest Practicable Date, Taichang Group had pledged an aggregate of 19,410,000 A Shares, representing approximately 4.78% of the total issued share capital of our Company. Of the 19,410,000 A Shares pledged by Taichang Group as of the Latest Practicable Date, 13,410,000 A Shares were pledged to Bank of Hangzhou Co., Ltd. Wenzhou Technology Sub-branch and 6,000,000 A Shares to Shanghai Pudong Development Bank Co., Ltd. Wenzhou Branch, representing approximately 3.31% and 1.48% of the total issued share capital of our Company, respectively.
- (6) As of the Latest Practicable Date, China Merchants Bank Co., Ltd. was the trustee of its eight securities investment funds which held equity interests in our A Shares.

Save as disclosed above, our Directors are not aware of any person who will, immediately following the [REDACTED], have an interest or short position in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

SHARE CAPITAL

SHARE CAPITAL

The following is a description of the share capital of our Company before and immediately following completion of the [REDACTED].

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB405,708,900, comprising 405,708,900 A Shares with a nominal value of RMB1.00 each, all of which are listed on the Shanghai Stock Exchange.

UPON THE COMPLETION OF THE [REDACTED]

Immediately following the [REDACTED], assuming (i) the [REDACTED] and the [REDACTED] are not exercised; and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED], the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate Percentage of the Total Share Capital of our Company (%)
A Shares in issue	405,708,900	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following the [REDACTED], assuming the [REDACTED] is exercised in full and the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate Percentage of the Total Share Capital of our Company (%)
A Shares in issue	405,708,900	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following the [REDACTED], assuming the [REDACTED] is not exercised and the [REDACTED] are exercised in full, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate Percentage of the Total Share Capital of our Company (%)
A Shares in issue	405,708,900	[REDACTED]

SHARE CAPITAL

Description of Shares	Number of Shares	Approximate Percentage of the Total Share Capital of our Company (%)
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following the [REDACTED], assuming the [REDACTED] and the [REDACTED] are exercised in full, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate Percentage of the Total Share Capital of our Company (%)
A Shares in issue	405,708,900	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

OUR SHARES

Upon the completion of the [REDACTED], our H Shares in issue and our A Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in Chinese Mainland, the qualified investors in Chinese Mainland under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (if our H Shares are eligible securities for that purpose) and other persons who are entitled to hold our H Shares pursuant to relevant PRC law or upon approvals of any competent authorities, H Shares generally cannot be subscribed for by, or traded between, legal or natural persons in Chinese Mainland.

Shanghai-Hong Kong Stock Connect has established a stock connect mechanism between Chinese Mainland and Hong Kong. Our A Shares can be subscribed for and traded by investors in Chinese Mainland, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shanghai-Hong Kong Stock Connect. If our H Shares are eligible securities under the Southbound Trading Link, they can also be [REDACTED] for and [REDACTED] by investors in Chinese Mainland in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

RANKING

Except for the differences set out in “— Our Shares” above, H Shares and our A Shares are regarded as one class of Shares under our Articles of Association and will rank pari passu with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. Dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

SHARE CAPITAL

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR [REDACTED] AND [REDACTED] ON THE STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the [REDACTED]. The Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請“全流通”業務指引》) announced by the CSRC are not applicable to companies dual [REDACTED] on the stock exchanges in Chinese Mainland and on the Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that holders of our A Shares may convert the A Shares held by them into H Shares for [REDACTED] and [REDACTED] on the Stock Exchange.

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE [REDACTED]

Approval from holders of A Shares is required for our Company to issue H Shares and seek the [REDACTED] of H Shares on the Stock Exchange. Such approval was obtained by us at the shareholders’ meeting of our Company held on November 14, 2025 and is subject to, among other things, the following conditions:

- (i) *Size of the [REDACTED]*. The proposed number of H Shares to be [REDACTED] shall not exceed [REDACTED]% of the total issued share capital enlarged by the H Shares to be issued pursuant to the [REDACTED] (before the exercise of the [REDACTED]). The number of H Shares to be issued pursuant to the full exercise of the [REDACTED] shall not exceed [REDACTED]% of the total number of H Shares to be [REDACTED] initially under the [REDACTED].
- (ii) *Method of [REDACTED]*. The method of [REDACTED] shall be by way of an [REDACTED] to institutional investors and a [REDACTED] for subscription in Hong Kong.
- (iii) *Target [REDACTED]*. The H Shares shall be issued to overseas institutional [REDACTED], corporations and individual investors, as well as qualified domestic institutional [REDACTED] and other [REDACTED] who fulfill the relevant laws and regulations.
- (iv) *[REDACTED] basis*. The [REDACTED] of the H Shares will be determined by the Board and its authorized person with the authorization of the Shareholders’ general meetings, together with the [REDACTED], after full consideration of the interests of existing Shareholders and the conditions of domestic and international capital markets conditions with reference to the international practices and through demands for orders and book-building process using a market-oriented [REDACTED] method.
- (v) *Validity period*. The issue and [REDACTED] of H Shares on the Stock Exchange shall be completed within 24 months from the date on which such matters were approved at the Shareholders’ meeting held on November 14, 2025. If our Company has obtained approval or filing from relevant regulatory bodies for the issuance and [REDACTED] of the H Shares within such validity period, the validity period of the resolution will automatically be extended to the later of (i) the completion of the issuance and [REDACTED] of the H Shares; and (ii) the completion of the issue and delivery of shares upon the exercise of the [REDACTED] (if any).

SHAREHOLDERS’ GENERAL MEETING

For details of circumstances under which our Shareholders’ general meeting is required, see “Appendix IV — Summary of Principal Legal and Regulatory Provisions” and “Appendix V — Summary of Articles of Association.”

FINANCIAL INFORMATION

You should read the following discussion in conjunction with the consolidated financial statements and the notes thereto included in the Accountants’ Report in Appendix I to this document which has been prepared in accordance with IFRS Accounting Standards, and the selected historical financial information and operating data included elsewhere in this document.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future development, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in the sections headed “Risk Factors” and “Forward-Looking Statements” and elsewhere in this document.

OVERVIEW

We are a biopharmaceutical company dedicated to the research, development, manufacturing, and commercialization of innovative vaccines. We have established a systematic product development framework that prioritizes key research areas and manages our R&D projects across different development stages. Our strategic focus centers on two key areas, namely, “superbug vaccines” (超級細菌疫苗) and “adult vaccines (成人疫苗).” For further details, please see “Business — Overview”.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition, results of operations and the period-to period comparability of our financial results have been and are expected to continue to be affected by several factors, primarily including those set out below:

Growth of China’s Vaccine Market

Our financial performance and future growth are dependent on the overall growth of the vaccine market in the PRC. This market is projected to expand significantly, driven by powerful secular trends, including ongoing technological innovation, a rapidly aging population, and rising public health awareness and affordability. According to the CIC Report, the vaccine market in China is expected to grow from RMB101.5 billion in 2025 to RMB354.7 billion in 2035, representing a CAGR of 13.3%. This expansion is fueled by increasing demand for preventative healthcare solutions, particularly among adults and elderly populations who are more susceptible to infectious diseases. Specifically, an aging demographic profile increases the prevalence of chronic conditions and vulnerability to infections, creating a substantial and growing need for adult-focused vaccines. Our strategic focus on “adult vaccines” and innovative “superbug vaccines” is designed to directly address and capitalize on these significant and expanding market segments.

Government Policies and the Regulatory Environment

Our business is subject to extensive government regulation and supervision, which creates both opportunities and risks. Policies related to vaccine procurement, pricing, reimbursement, and inclusion in national immunization programs have a direct and significant impact on our operations and profitability. Our current commercialized products are primarily classified as Class II vaccines, which are voluntary and privately paid by consumers. This classification generally provides us with greater pricing autonomy and the potential for higher profit margins compared to Class I vaccines, which are mandated, centrally procured by the government for the national immunization program, and often subject to significant pricing pressure. However, the regulatory landscape is dynamic. Future changes in PRC government policies, such as the implementation of new pricing

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mechanisms for Class II vaccines, the expansion of centralized procurement models, or adjustments to the national immunization program, will continue to shape the competitive environment. While such developments could impact our pricing and profitability, they could also create significant opportunities for our products to achieve broader market access and sales volume. The ultimate effect of these policy shifts on our sales, revenue, and profitability will depend on their specific nature and our ability to adapt strategically. See “Industry Overview” for more details on the PRC vaccine market and its regulatory framework.

Our Ability to Successfully Develop and Commercialize Our Pipeline of Innovative Vaccine Candidates

Our long-term growth and future success are critically dependent on our ability to advance our pipeline candidates through clinical development, obtain regulatory approvals, and achieve successful commercialization. Our R&D strategy is focused on two key areas with significant medical needs, namely, “superbug vaccines” and “adult vaccines”.

Our lead pipeline product, the rFSAV represents the cornerstone of our future growth strategy. If successful, rFSAV has the potential to establish a new standard of care for preventing *Staphylococcus aureus* infections, a significant global health threat, and could become a major driver of our future revenue. As of the Latest Practicable Date, we had completed patient enrollment for its pivotal Phase III clinical trial and anticipate unblinding the data in the third quarter of 2026. The successful outcome of clinical trials, however, is never guaranteed. Delays in clinical trial timelines, unfavorable clinical data, or a failure to obtain NDA approval for rFSAV or our other vaccine candidates, such as our rHPV, which has received approval for a Phase I clinical trial in Australia, would significantly delay or prevent the generation of revenue from these products, which could adversely affect our business, results of operations, financial condition and prospects.

Our Revenue, Profitability, and Product Mix

Our financial performance is directly linked to the sales volume and pricing of our commercialized products. In 2023, 2024 and 2025, our revenue was substantially derived from our three commercialized products, with our Adsorbed Tetanus Vaccine being the primary source, accounting for 93.7%, 91.4% and 87.6% of our total revenue in those periods, respectively. This significant reliance on a single product exposes us to risks related to market competition, pricing pressure, or any unforeseen issues with its production or supply.

Our future growth and profitability are therefore highly dependent on a strategic shift in our product mix. The potential commercialization of our pipeline products, particularly a high-value, innovative product such as rFSAV, would materially alter this mix. This evolution is expected to diversify our revenue streams and potentially lead to a significant expansion of our overall gross profit margin, moving us from a portfolio of stable, mature products to one that includes high-growth, innovative vaccines with different pricing and margin profiles. The timing and success of this transition will be a key determinant of our future profitability.

Our Cost Structure

Our results of operations are significantly affected by our cost structure, which is primarily composed of cost of revenue, R&D expenses, selling and distribution expenses, and administrative expenses. R&D activities are fundamental to our business model. Our research and development expenses were RMB114.7 million, RMB134.2 million and RMB132.9 million in 2023, 2024 and 2025, respectively. We expect these expenses to remain substantial and likely increase as we incur significant costs associated with the final stages of our pivotal Phase III clinical trial for rFSAV, advance our earlier-stage candidates into more expensive mid-to-late-stage clinical development, and expand our R&D headcount.

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Furthermore, our accounting treatment of R&D costs affects our financial results. We expense R&D costs as incurred until specific criteria are met for capitalization as an intangible asset. In 2023, 2024 and 2025, our additions of development costs of RMB64.6 million, RMB96.8 million and RMB65.7 million, respectively. This accounting policy can lead to volatility in our reported net income, as the timing of capitalization versus expensing can vary significantly from period to period based on the specific stage and progress of our development projects. We also expect our selling and distribution expenses, and administrative expenses to increase as we prepare for potential new product launches and incur additional costs associated with being a [REDACTED] company in Hong Kong.

Our Ability to Maintain Adequate Funding for Our Operations

We have historically funded our operations through a combination of cash generated from sales, bank borrowings, and equity financings including our listing on the Shanghai Stock Exchange. As of December 31, 2023, 2024 and 2025, our total bank loans amounted to RMB233.2 million, RMB361.2 million and RMB422.5 million, respectively.

The continued advancement of our extensive pipeline will require substantial ongoing investment to fund our large-scale clinical trials, scale up our manufacturing capabilities to commercial-grade standards, build out our commercial infrastructure for product launches, and for general working capital. Our ability to fund these critical operations is paramount. Going forward, we expect to fund our operations through cash generated from sales, the net [REDACTED] from the [REDACTED], and potentially through additional bank borrowings and/or other equity or debt financings. Our ability to secure this funding on commercially acceptable terms is critical to executing our long-term strategy. Any inability to obtain sufficient financing could force us to delay, reduce the scope of, or eliminate our R&D programs or commercialization efforts, which would have a material adverse effect on our business, cash flows, and results of operations.

BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

The historical financial information for each of the years ended December 31, 2023, 2024 and 2025 has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this historical financial information, our Group has adopted all applicable new and revised IFRS Accounting Standards consistently throughout the Relevant Periods, except for any new standards or interpretations that are not yet effective for the accounting period beginning January 1, 2025. The historical financial information also complies with the applicable disclosure provisions of the Listing Rules. The interim financial information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the historical financial information. The historical financial information and the interim financial information are presented in RMB, rounded to the nearest thousand (“RMB’000”), unless otherwise indicated.

MATERIAL ACCOUNTING POLICIES AND KEY ESTIMATES

We have identified certain accounting policies that we believe are most material to the preparation of our combined financial statements. Some of our material accounting policies involve subjective assumptions and estimates, as well as complex judgments by our management relating to accounting items. The estimates and associated assumptions are based on our historical experience and various other relevant factors that we believe are reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Our material accounting policies and accounting judgments and estimates are set forth in detail in notes 2 and 3 of the Accountants’ Report included in Appendix I to this document.

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RESULTS OF OPERATIONS

The table below presents a summary of our consolidated statement of profit or loss and other comprehensive income for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue	494,287	586,104	700,128
Cost of revenue	(34,278)	(34,913)	(54,594)
Gross profit	460,009	551,191	645,534
Other net income/(loss)	(3,362)	3,651	(6,162)
Selling and distribution expenses	(257,806)	(302,900)	(380,936)
Administrative expenses	(59,730)	(70,570)	(65,543)
Research and development expenses	(114,729)	(134,235)	(132,904)
Impairment losses on trade and other receivables	(1,587)	(10,376)	(13,033)
Profit/(loss) from operations	22,795	36,761	46,956
Finance costs	(7,178)	(14,459)	(15,060)
Profit/(loss) before taxation	15,617	22,302	31,896
Income tax	(4,175)	(6,583)	(9,996)
Profit/(loss) and total comprehensive income for the year	11,442	15,719	21,900
Attributable to:			
Equity shareholders of the Company	17,556	20,757	22,262
Non-controlling interests	(6,114)	(5,038)	(362)
Earnings/(loss) per share			
Basic (RMB)	0.04	0.05	0.05
Diluted (RMB)	0.04	0.05	0.05

DESCRIPTION OF MAJOR COMPONENTS OF OUR CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

Revenue

During the Track Record Period, we generated revenue from the sales of our commercialized vaccine products. Our customers primarily consist of CDCs at the county or district level across the PRC. We also sell Adsorbed Tetanus Vaccine to qualified blood product manufacturing companies as raw materials for their production of Tetanus Immunoglobulin. In addition, on a very limited and non-recurring basis, we sell our Hib Conjugate Vaccine and AC Conjugate Vaccine products to certain entities to serve as clinical trial control samples for their vaccine candidates under development. In 2023, 2024 and 2025, we generated revenue of RMB494.3 million, RMB586.1 million and RMB700.1 million, respectively.

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The following table sets forth a breakdown of our revenue by commercialized product and type of customers, both in absolute amounts and as a percentage of total revenue, for the periods indicated:

	For the years ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Adsorbed Tetanus Vaccine . .	462,960	93.7	535,781	91.4	613,657	87.6
– CDCs	420,599	85.1	508,021	86.7	579,314	82.7
– Blood product manufacturers	42,361	8.6	27,760	4.7	34,343	4.9
Hib Conjugate Vaccine	27,265	5.5	23,497	4.0	18,763	2.7
– CDCs	27,250	5.5	23,497	4.0	18,763	2.7
– Others ⁽²⁾	15	*	–	–	–	–
AC Conjugate Vaccine	3,883	0.8	26,422	4.5	65,347	9.3
– CDCs	3,838	0.8	26,422	4.5	65,310	9.3
– Others ⁽²⁾	45	*	–	–	37	*
Others⁽¹⁾	179	–	404	0.1	2,361	0.3
– Blood product manufacturers	179	*	404	0.1	2,361	0.3
Total	494,287	100.0	586,104	100.0	700,128	100.0

Note:

- (1) Others represent refined TT bulk, an intermediary product of adsorbed tetanus vaccine.
- (2) Represents highly isolated transactions conducted on a very limited and non-recurring basis with entities that were developing or conducting clinical trials for their own vaccine candidates, and purchased our Hib Conjugate Vaccine and AC Conjugate Vaccine to serve as clinical trial control samples. We do not actively market or seek to sell our products to these entities.

* less than 0.1%

The following table sets forth a breakdown of our sales volume and average selling price by commercialized product and type of customers for the periods indicated:

	For the years ended December 31,					
	2023		2024		2025	
	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP
	('000 doses)	(RMB/dose)	('000 doses)	(RMB/dose)	('000 doses)	(RMB/dose)
Adsorbed Tetanus Vaccine . .	3,148	147	3,363	159	3,830	160
– CDCs	2,418	174	2,844	179	3,322	174
– Blood product manufacturers	730	58	519	53	508	68
Hib Conjugate Vaccine	253	108	219	107	179	105
– CDCs	252	108	219	107	179	105
– Others	1	103	–	–	–	–
AC Conjugate Vaccine	319	12	252	105	415	157
– CDCs	318	12	252	105	414	158
– Others	1	151	–	–	1	158

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Cost of Revenue

Our cost of revenue primarily comprises (i) direct labor; (ii) direct materials; (iii) manufacturing overhead; (iv) transportation costs; and (v) taxes and surcharges. Direct labor mainly represents wages, benefits and other remuneration for personnel in our production workshops, as well as costs allocated from auxiliary departments, such as our quality department, based on actual work performed. Direct materials primarily represent costs of materials directly related to production, including key raw materials, and filling and packaging materials. Manufacturing overhead mainly represents costs such as fuel and power, depreciation and amortization, as well as other overhead costs allocated from auxiliary production departments. Transportation costs are primarily freight charges related to the delivery of our products. Taxes and surcharges mainly represent government levies and surcharges incurred in connection with our sales.

The table below sets forth the major components of our cost of revenue and the components as a percentage of total cost of revenue for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Direct labor	5,909	17.2	5,424	15.5	8,088	14.8
Direct materials	4,158	12.1	5,017	14.4	11,872	21.7
Manufacturing overhead	11,570	33.8	11,752	33.7	17,356	31.8
Transportation	9,320	27.2	9,004	25.8	11,226	20.6
Taxes and surcharges	3,321	9.7	3,716	10.6	6,052	11.1
Total	34,278	100.0	34,913	100.0	54,594	100.0

Gross Profit and Gross Profit Margin

The table below sets forth our gross profit and gross profit margin by product and type of customers for the periods indicated:

	For the years ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	%	RMB'000	%	RMB'000	%
Adsorbed Tetanus Vaccine . .	442,440	95.6	512,041	95.6	576,974	94.0
– CDCs	404,401	96.1	487,596	96.0	547,090	94.4
– Blood product manufacturers	38,039	89.8	24,445	88.1	29,884	87.0
Hib Conjugate Vaccine	21,183	77.7	18,859	80.3	15,085	80.4
– CDCs	21,169	77.7	18,859	80.3	15,085	80.4
– Others	14	93.3	–	–	–	–
AC Conjugate Vaccine	(3,731)	(96.1)	20,150	76.3	52,885	80.9
– CDCs	(3,775)	(98.4)	20,150	76.3	52,849	80.4
– Others	44	97.8	–	–	36	97.3
Others	117	65.4	141	34.9	590	25.0
– Blood product manufacturers	117	65.4	141	34.9	590	25.0
Total	460,009	93.1	551,191	94.0	645,534	92.2

FINANCIAL INFORMATION

Other Net Income/(Loss)

Other net income/(loss) primarily represents (i) interest income from bank deposits; (ii) government grants; (iii) net realized and unrealized gain on financial assets measured at fair value through profit or loss (“FVPL”); (iv) write-down of inventories, (v) net (losses)/gains on disposal of property, plant and equipment and (vi) others. Government grants mainly represent subsidy income received from various government organizations to support the operation, research and development activities and construction of assets of our Group. These grants are either asset-related, such as subsidies for the construction of our production facilities, or income-related, to support our research and development activities and daily operations. While we receive certain smaller subsidies on a recurring basis, our government grants are primarily non-recurring in nature and are tied to the achievement of specific milestones, such as the initial public offering and listing of our A Shares on the SSE STAR Market, or are designated for particular projects. Net realized and unrealized gain on financial assets measured at FVPL mainly relates to our investments in wealth management products issued by banks and securities companies in the PRC. Write-down of inventories primarily represent provisions made for our vaccine products that are within six months of their expiry dates, as well as bulk substance solutions and semi-finished products nearing their expiry dates, in accordance with our internal policy. Net (losses)/gains on disposal of property, plant and equipment primarily include the net effect from the disposal of certain fixed assets. Others primarily include net income from other businesses, such as rental income, and net non-operating income.

The following table sets forth the components of our other income and the components as a percentage of total other income for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest income from bank deposits	2,554	4,508	604
Government grants	15,759	10,133	12,567
Net realized and unrealized gain on financial assets measured at FVPL	1,042	856	498
Write-down of inventories	(23,368)	(12,982)	(23,216)
Net (losses)/gains on disposal of property, plant and equipment	(150)	(31)	9
Others	801	1,167	3,376
Total	(3,362)	3,651	(6,162)

Selling And Distribution Expenses

Selling and distribution expenses principally represent (i) labor costs, (ii) office, travel, and entertainment expenses, (iii) promotion service fees, (iv) freight and miscellaneous fees, and (v) others. Promotion service fees, which constitute a significant portion of our selling and distribution expenses, are primarily fees paid to specialized third-party service providers who assist us in the professional promotion and marketing of our vaccine products. Such fees are accrued based on product sales in accordance with the terms of the relevant service agreements.

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The following table sets forth the components of our selling and distribution expenses and the components as a percentage of total selling expenses for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor Costs	12,649	4.9	13,438	4.4	16,031	4.2
Office, travel, and entertainment expenses . .	5,420	2.1	4,522	1.5	4,235	1.1
Promotion service fees	217,939	84.5	253,899	83.8	319,774	83.9
Freight and miscellaneous fees	14,116	5.5	19,838	6.5	29,271	7.7
Others	7,682	3.0	11,203	3.8	11,625	3.1
Total	257,806	100.0	302,900	100.0	380,936	100.0

Administrative Expenses

Administrative expenses primarily represent (i) labor costs, (ii) equity-settled share-based payments, (iii) depreciation and amortization, (iv) office, travel and entertainment expenses, (v) professional consulting fees, (vi) testing and validation fees, and (vii) others. Labor costs primarily consist of salaries and benefits for our administrative personnel. Testing and validation fees primarily represent costs incurred to ensure our production complies with the relevant regulatory standards. Others primarily consist of bank handling fees and miscellaneous expenses.

The following table sets forth the components of our administrative expenses and the components as a percentage of total administrative expenses for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor Costs	24,621	41.2	28,500	40.4	32,432	49.5
Equity-settled share-based payments	5,188	8.7	1,638	2.3	(7,974)	(12.2)
Depreciation and amortization	6,299	10.5	8,362	11.8	14,195	21.7
Office, travel, and entertainment expenses . .	5,901	9.9	4,428	6.3	5,220	8.0
Professional consulting fees	2,251	3.8	2,780	3.9	3,725	5.7
Testing and validation fees	7,230	12.1	12,859	18.2	2,768	4.2
Others	8,240	13.8	12,003	17.1	15,177	23.1
Total	59,730	100.0	70,570	100.0	65,543	100.0

Research and Development Expenses

Our research and development expenses primarily comprise (i) compensation for R&D employees, (ii) raw materials expenses, (iii) technology transfer fees, (iv) technical service fees, which primarily consist of payments made under licensing or collaboration agreements for the rights to use or acquire technologies for our pipeline candidates, (v) depreciation and amortization of assets used for research and development activities, (vi) clinical trial fees in connection with the management and execution of our clinical trials, and (vii) others, primarily including fuel and power expenses related to our R&D facilities and activities, office and travel expenses and process validation and testing fees.

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The following table sets forth the components of our research and development expenses and the components as a percentage of total research and development expenses for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Employee compensation	31,453	27.4	33,885	25.2	29,300	22.0
Raw materials	23,248	20.3	17,512	13.0	22,810	17.2
Technology transfer fees	4,000	3.5	20,000	14.9	8,000	6.0
Technical service fees	14,572	12.7	19,051	14.2	29,118	21.9
Depreciation and amortization	12,946	11.3	14,610	10.9	17,069	12.8
Clinical trial fees	10,788	9.4	16,572	12.3	7,395	5.6
Others	17,722	15.4	12,605	9.5	19,212	14.5
Total	114,729	100.0	134,235	100.0	132,904	100.0

Impairment losses on trade and other receivables

Our impairment losses on trade and other receivables primarily represent expected credit losses recognized on our trade and other receivables, which are calculated based on an aging analysis and our provisioning policy in accordance with applicable accounting standards.

In 2023, 2024 and 2025, our impairment losses on trade and other receivables were RMB1.6 million, RMB10.4 million and RMB13.0 million, respectively.

Finance Costs

Finance costs principally represent (i) interest on interest-bearing bank and other borrowings; and (ii) interest on lease liabilities. The following table sets forth the components of our finance costs and the components as a percentage of total finance costs for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Interest on bank loans	6,842	95.3	14,284	98.8	14,717	97.7
Interest on lease liabilities	336	4.7	175	1.2	343	2.3
Total	7,178	100.0	14,459	100.0	15,060	100.0

Income Tax

Income tax expense primarily represents the sum of the current tax and deferred tax. The following table sets forth a breakdown of our income tax expense for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current tax — PRC tax	8,541	10,972	10,757
Deferred tax	(4,366)	(4,389)	(761)
Total	4,175	6,583	9,996

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Our Company and subsidiaries of our Group were incorporated in the PRC. Under the relevant PRC corporate income tax law and respective regulations, our Company and subsidiaries within our Group were subject to corporate income tax at the statutory rate of 25% during the Track Record Period unless otherwise specified below.

According to the PRC income tax law and its relevant regulations, entities that qualified as high-technology enterprise are entitled to a preferential income tax rate of 15%. Our Company obtained the certificates of high-technology enterprise on September 11, 2020 and October 16, 2023, and was therefore subject to a reduced rate of income tax rate at 15% for a three-year period from the date of the respective certificate. In 2023, 2024 and 2025, our effective tax rate was 26.7%, 29.5% and 31.3%, respectively.

During the years ended December 31, 2023, 2024 and 2025, an additional 100% of qualified research and development expenses incurred was allowed to be deducted from taxable income under the PRC income tax law and its relevant regulations.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by RMB114.0 million, or 19.5%, from RMB586.1 million in 2024 to RMB700.1 million in 2025. This increase was primarily driven by the substantial growth in revenue from our Adsorbed Tetanus Vaccine and AC Conjugate Vaccine.

- ***Adsorbed Tetanus Vaccine:*** Revenue from our Adsorbed Tetanus Vaccine increased RMB77.9 million, or 14.5%, from RMB535.8 million in 2024 to RMB613.7 million in 2025. This growth was primarily attributable to a 11.8% increase in the sales volume from 3.4 million doses to 3.8 million doses, which was a result of the successful implementation of our targeted product enhancement and market penetration strategies. Specifically, the increase of the sales volume was primarily because (i) we continued to promote the pre-filled syringe formulation of our Adsorbed Tetanus Vaccine, which offers enhanced convenience for healthcare professionals and resulted in wider adoption; (ii) we collaborated with a leading national preventive medicine association to launch a pilot project aimed at improving the integration of tetanus prevention and treatment. This strategic initiative enhanced our market access and increased the admission and utilization rates of our Adsorbed Tetanus Vaccine products within the hospital channel; and (iii) we engaged in extensive academic promotion and physician education as part of our collaboration with the aforementioned medical association to raise awareness among medical personnel regarding the standardized prevention and treatment protocols for post-trauma tetanus. These educational efforts increased the recognition and adoption of vaccination for tetanus prevention among hospitals, thereby boosting demand for our product. The average selling price of Adsorbed Tetanus Vaccine remained relatively stable at RMB159 and RMB160 per dose in 2024 and 2025, respectively.
- ***Hib Conjugate Vaccine:*** Revenue from our Hib Conjugate Vaccine decreased by RMB4.7 million, or 20.0%, from RMB23.5 million in 2024 to RMB18.8 million in 2025. This decrease was primarily attributable to an 18.3% decrease in sales volume from 219 thousand doses to 179 thousand doses, mainly as a result of increased market competition from existing market participants. The average selling price of our Hib Conjugate Vaccine remained relatively stable at RMB107 and RMB105 per dose in 2024 and 2025, respectively.

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- **AC Conjugate Vaccine:** Revenue from our AC Conjugate Vaccine increased significantly by RMB38.9 million, or 147.3%, from RMB26.4 million in 2024 to RMB65.3 million in 2025. This increase was primarily driven by (i) a 49.5% increase in the average selling price from RMB105 per dose to RMB157 per dose, reflecting the full conclusion of lower-priced sales of this vaccine that had been supplied under the provincial immunization program in Anhui mentioned below; and (ii) a 64.7% increase in sales volume from 252 thousand doses to 415 thousand doses, resulting from our enhanced marketing efforts.

Cost of Revenue

Our cost of revenue increased by RMB19.7 million, or 56.4%, from RMB34.9 million in 2024 to RMB54.6 million in 2025. This increase was principally attributable to the growth in our sales volume during the period, which resulted in corresponding increases in manufacturing overhead, direct labor costs, transportation costs and direct materials costs. Furthermore, the rate of increase in our cost of revenue outpaced the rate of increase in our revenue for the same period. This was mainly due to a change in our formulation mix towards products with higher unit production costs, specifically an increased proportion of sales from our Adsorbed Tetanus Vaccine sold in the pre-filled syringe formulation, which carries a higher unit cost compared to such products sold in vial formulation.

Gross Profit and Gross Profit Margin

Our gross profit increased by RMB94.3 million, or 17.1%, from RMB551.2 million in 2024 to RMB645.5 million in 2025. Our overall gross profit margin decreased from 94.0% to 92.2% for the same periods. This decrease was primarily due to (i) a lower gross profit margin from our Adsorbed Tetanus Vaccine; and (ii) a change in product mix towards a higher proportion of sales from our AC Conjugate Vaccine, which carries a lower gross profit margin compared to our Adsorbed Tetanus Vaccine.

- **Adsorbed Tetanus Vaccine:** Our gross profit for sales of Adsorbed Tetanus Vaccine increased by RMB65.0 million, or 12.7%, from RMB512.0 million in 2024 to RMB577.0 million in 2025. Our gross profit margin for sales of Adsorbed Tetanus Vaccine decreased from 95.6% in 2024 to 94.0% in 2025, primarily due to a change in formulation mix towards a higher percentage of sales from the pre-filled syringe formulation, which carries a higher unit cost and thus a lower margin compared to the vial formulation.
- **Hib Conjugate Vaccine:** Our gross profit for sales of Hib Conjugate Vaccine decreased by RMB3.8 million, or 20.1%, from RMB18.9 million in 2024 to RMB15.1 million in 2025, in line with the decrease in its revenue. The gross profit margin for our Hib Conjugate Vaccine remained stable at 80.4% and 80.5% in 2024 and 2025, respectively.
- **AC Conjugate Vaccine:** Our gross profit for sales of AC Conjugate Vaccine increased significantly by RMB32.7 million, or 161.9%, from RMB20.2 million in 2024 to RMB52.9 million in 2025. The gross profit margin for this vaccine increased from 76.5% to 81.0% for the same periods. This margin improvement was primarily driven by the increase in its average selling price following the conclusion of a provincial immunization program in Anhui, to which we had previously supplied the vaccine at a lower price, and a lower unit cost of revenue, as sales during the year ended December 31, 2024 included several batches manufactured during periods of lower production volume, which resulted in higher unit costs.

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Other Net Income/(Loss)

We recorded other net income of RMB3.7 million in 2024. We recorded other net loss of RMB6.2 million in 2025. This decrease was primarily attributable to (i) an higher write-down of inventories, rising from RMB13.0 million in 2024 to RMB23.2 million in 2025 due to provisions for certain products nearing their expiry dates; and (ii) a decrease of RMB3.9 million in the interest from bank deposits, as interest income in 2024 included a significant amount recognized from a large-value certificate of deposit, which did not recur in 2025. This decrease was partially offset by an increase in the government grants from RMB10.1 million to RMB12.6 million.

Selling and Distribution Expenses

Our selling and distribution expenses increased by RMB78.0 million, or 25.8%, from RMB302.9 million in 2024 to RMB380.9 million in 2025. This increase was primarily attributable to a RMB65.9 million increase in promotion service fees as well as a RMB9.4 million increase in associated freight and miscellaneous fees, as we intensified our promotion efforts to drive revenue growth.

Administrative Expenses

Our administrative expenses decreased by RMB5.1 million, or 7.2%, from RMB70.6 million in 2024 to RMB65.5 million in 2025. This decrease was primarily attributable to (i) a reversal of equity-settled share-based payments of RMB8.0 million in during the year ended December 31, 2025, compared to equity-settled share-based payments of RMB1.6 million in the same period of 2024. This reversal mainly resulted from the write-off of amortization associated with options that became non-exercisable; (ii) a decrease of testing and validation fees from RMB12.9 million in 2024 to RMB2.8 million in 2025. The higher expense in 2024 was primarily attributable to the validation of a new supplier for our AC Conjugate Vaccine, an activity which was not repeated in 2025. However, the decrease was partially offset by an increase in depreciation and amortization from RMB8.4 million in 2024 to RMB14.2 million in 2025, which was mainly attributable to the depreciation of our newly constructed production facilities that were transferred to fixed assets at the end of 2024. Such depreciation was charged to administrative expenses as these facilities had not yet commenced production.

Research and Development Expenses

Our research and development expenses remained relatively stable at RMB134.2 million and RMB132.9 million in 2024 and 2025, respectively.

Impairment Losses on Trade and Other Receivables

Our impairment losses on trade and other receivables increased by RMB2.6 million, or 25.0%, from RMB10.4 million in 2024 to RMB13.0 million in 2025. The increase was primarily due to a larger provision for expected credit losses recognized on our growing trade receivables balance, which was in line with our revenue growth.

Finance Costs

Our finance costs increased by RMB0.6 million, or 4.1%, from RMB14.5 million in 2024 to RMB15.1 million in 2025. This increase was primarily due to an increase in interest on bank loans, driven by a larger average balance of outstanding bank borrowings during the period to fund our operations and capital expenditures.

Profit/(Loss) Before Taxation

As a result of the foregoing, our results improved by 43.0% from a profit before taxation of RMB22.3 million in 2024 to a profit before taxation of RMB31.9 million in 2025.

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Income Tax

Our income tax expenses increased by RMB3.4 million from RMB6.6 million in 2024 to RMB10.0 million in 2025.

Profit/(Loss) and Total Comprehensive Income for the Period

As a result of the foregoing, our profit and total comprehensive income for the year increased by RMB6.2 million, or 39.5%, from RMB15.7 million in 2024 to RMB21.9 million in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by RMB91.8 million, or 18.6%, from RMB494.3 million in 2023 to RMB586.1 million in 2024. This increase was primarily attributable to the continued growth in revenue from our key commercialized product, Adsorbed Tetanus Vaccine, and a significant increase in revenue from our other vaccine products.

- ***Adsorbed Tetanus Vaccine:*** Revenue from our Adsorbed Tetanus Vaccine increased by RMB72.8 million, or 15.7%, from RMB463.0 million in 2023 to RMB535.8 million in 2024. This increase was primarily attributable to (i) an 8.2% increase in the average selling price from RMB147 per dose to RMB159 per dose, resulting from a shift in product mix towards our higher-priced pre-filled syringe formulation; and (ii) a 9.7% increase in sales volume from 3.1 million doses to 3.4 million doses, following the successful introduction of the pre-filled syringe formulation in 2024.
- ***Hib Conjugate Vaccine:*** Revenue from our Hib Conjugate Vaccine decreased by RMB3.8 million, or 13.9%, from RMB27.3 million in 2023 to RMB23.5 million in 2024. This decrease was primarily attributable to a 13.4% decrease in sales volume from 253 thousand doses to 219 thousand doses, mainly as a result of increased market competition. The average selling price of our Hib Conjugate Vaccine remained stable at RMB108 per dose and RMB107 per dose in 2023 and 2024, respectively.
- ***AC Conjugate Vaccine:*** Revenue from our AC Conjugate Vaccine increased significantly by RMB22.5 million, or 576.9%, from RMB3.9 million in 2023 to RMB26.4 million in 2024. This increase was principally driven by a substantial increase in the average selling price from RMB12 per dose in 2023 to RMB105 per dose in 2024. This followed the conclusion of a provincial immunization program in Anhui, to which we had previously supplied our AC Conjugate Vaccine at a lower unit price.

Cost of Revenue

Our cost of revenue remained relatively stable, increasing by RMB0.6 million, or 1.9%, from RMB34.3 million in 2023 to RMB34.9 million in 2024, despite an 18.6% revenue increase over the same period, reflects significant improvements in our operational efficiency and cost control. This was primarily attributable to an 8.2% reduction in direct labor costs from RMB5.9 million in 2023 to RMB5.4 million in 2024 as a result of our initiatives to enhance labor efficiency and automation, partially offset by a 20.7% increase in direct materials costs from RMB4.2 million in 2023 to RMB5.0 million in 2024, which was in line with higher sales volumes.

Gross Profit and Gross Profit Margin

Our gross profit increased by RMB91.2 million, or 19.8%, from RMB460.0 million in 2023 to RMB551.2 million in 2024. Our overall gross profit margin increased from 93.1% in 2023 to 94.0% in 2024. This increase was primarily due to the significant margin recovery for our AC Conjugate Vaccine.

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- **Adsorbed Tetanus Vaccine:** Our gross profit for sales of Adsorbed Tetanus Vaccine increased by RMB69.6 million, or 15.7%, from RMB442.4 million in 2023 to RMB512.0 million in 2024, in line with its revenue growth. Our gross profit margin for this product remained stable at 95.6% for both years.
- **Hib Conjugate Vaccine:** Our gross profit for sales of Hib Conjugate Vaccine decreased by RMB2.3 million, or 10.8%, from RMB21.2 million in 2023 to RMB18.9 million in 2024, in line with the decrease in its revenue. The gross profit margin for our Hib Conjugate Vaccine remained relatively stable at 77.8% and 80.4% in 2023 and 2024, respectively.
- **AC Conjugate Vaccine:** We recorded a significant turnaround in the gross profit of our AC Conjugate Vaccine, from a gross loss of RMB3.7 million in 2023 to a gross profit of RMB20.2 million in 2024. Consequently, the gross profit margin improved from -96.1% to 76.5% during the same period. This was primarily due to a significant increase in the average selling price of our AC Conjugate Vaccine from RMB12 in 2023 to RMB105 in 2024, as sales at a lower unit price to the provincial immunization program in Anhui were concluded in 2024.

Other Net Income/(Loss)

We recorded other net income of RMB3.7 million in 2024, compared to a other net loss of RMB3.4 million in 2023. This change was primarily attributable to a decrease in the write-down of inventories from RMB23.4 million in 2023 to RMB13.0 million in 2024, as there were fewer near-expiry products requiring provision during the year. This improvement was partially offset by a decrease in government grants from RMB15.8 million to RMB10.1 million, as we received certain large, non-recurring subsidies in 2023, such as an RMB8.5 million award related to our initial public offering on the SSE STAR Market.

Selling and Distribution Expenses

Our selling and distribution expenses increased by RMB45.1 million, or 17.5%, from RMB257.8 million in 2023 to RMB302.9 million in 2024. This increase was primarily attributable to (i) a RMB36.0 million increase in promotion service fees, and (ii) a RMB5.7 million increase in freight and miscellaneous fees, both of which were commensurate with our business growth and expanded sales activities during the year.

Administrative Expenses

Our administrative expenses increased by RMB10.8 million, or 18.1%, from RMB59.7 million in 2023 to RMB70.6 million in 2024. This increase was primarily attributable to (i) an increase in testing and validation fees from RMB7.2 million to RMB12.9 million, which was related to certain works that we carried out in 2024 for the maintenance of GMP certifications for the manufacturing of our commercialized vaccine products, and (ii) an increase in depreciation and amortization from RMB6.3 million to RMB8.4 million, mainly due to the depreciation on our newly constructed production facilities being charged to administrative expenses in 2024, as the facilities had not yet commenced the production.

Research and Development Expenses

Our research and development expenses increased by RMB19.5 million, or 17.0%, from RMB114.7 million in 2023 to RMB134.2 million in 2024. This increase was primarily due to (i) an increase in technology transfer fees, as we recognized RMB20.0 million in 2024 in licensing fees pursuant to an agreement with the MDCK Licensor in connection with the transfer of license to use its MDCK-XF06 cell line and related technology for the development of our influenza vaccine candidates, compared to RMB4.0 million in 2023, and (ii) an increase in clinical trial fees from RMB10.8 million to RMB16.6 million, as we advanced the post-approval study for our AC Conjugate Vaccine.

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Impairment Losses on Trade and Other Receivables

Our impairment losses on trade and other receivables increased by RMB8.8 million, or 553.8%, from RMB1.6 million in 2023 to RMB10.4 million in 2024. This increase was primarily due to (i) the growth in our revenue in 2024, which resulted in a corresponding increase in our trade receivables; and (ii) an increase in the balance of long-aged trade receivables, as the settlement cycles for certain CDC customers were prolonged due to their fiscal appropriation and administrative procedures, resulting in a higher provision for expected credit losses.

Finance Costs

Our finance costs increased by RMB7.3 million, or 101.4%, from RMB7.2 million in 2023 to RMB14.5 million in 2024. This increase was primarily attributable to an increase in interest on bank loans from RMB6.8 million to RMB14.3 million, driven by a larger average balance of outstanding bank borrowings during 2024 to support our operational and capital expenditure needs.

Profit Before Taxation

As a result of the foregoing, our profit before taxation increased by RMB6.7 million, or 42.8%, from RMB15.6 million in 2023 to RMB22.3 million in 2024.

Income Tax

Our income tax expense increased by RMB2.4 million, or 57.7%, from RMB4.2 million in 2023 to RMB6.6 million in 2024, primarily as a result of the increase in our profit before taxation.

Profit and Total Comprehensive Income for the Year

As a result of the foregoing, our profit and total comprehensive income for the year increased by RMB4.3 million, or 37.4%, from RMB11.4 million in 2023 to RMB15.7 million in 2024.

DESCRIPTION OF CERTAIN KEY ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Current Assets and Current Liabilities

The table below sets forth the breakdown of our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Current assets:				
Inventories	72,116	85,682	62,383	66,105
Trade and other receivables	497,003	580,803	684,742	765,348
Finance assets measured at FVPL	—	17,500	2,600	2,600
Restricted deposits	6,536	6,382	21,433	21,433
Cash and cash equivalents	355,535	217,777	225,176	219,391
Total current assets	931,190	908,144	996,334	1,074,877

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	As of December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Current liabilities:				
Trade and other payables	414,187	474,553	647,516	649,215
Contract liabilities	3,622	511	986	3,405
Lease liabilities	3,816	639	3,240	2,646
Bank loans	55,890	111,620	98,815	184,279
Current taxation	3,736	9,442	–	1,453
Total current liabilities	481,251	596,765	750,557	840,998
Net current assets	449,939	311,379	245,777	233,879

Our net current assets decreased from RMB449.9 million as of December 31, 2023 to RMB311.4 million as of December 31, 2024. The decrease in net current assets was primarily due to the decrease in our total current assets and the increase in our total current liabilities. Our total current assets decreased by RMB23.1 million from RMB931.2 million as of December 31, 2023 to RMB908.1 million as of December 31, 2024, primarily due to a decrease of RMB137.8 million in cash and cash equivalents as we utilized cash to pay for clinical trial fees, make fixed asset investments and purchase new wealth management products. This was partially offset by (i) an increase of RMB83.8 million in trade and other receivables, in line with our revenue growth; (ii) an increase of RMB13.6 million in inventories, mainly due to increased procurement of pre-filled syringe components and raw materials for R&D projects; and (iii) an increase of RMB17.5 million in financial assets measured at FVPL, attributable to our investment in a private equity fund. Our total current liabilities increased by RMB115.5 million from RMB481.3 million as of December 31, 2023 to RMB596.8 million as of December 31, 2024, primarily due to: (i) an increase of RMB60.4 million in trade and other payables, mainly reflecting higher payables for promotion service fees and raw materials; and (ii) an increase of RMB55.7 million in bank loans to support our working capital needs.

Our net current assets decreased from RMB311.4 million as of December 31, 2024 to RMB245.8 million as of December 31, 2025. This decrease was primarily due to a significant increase in our total current liabilities that outpaced the growth in our total current assets. Our total current assets increased by RMB88.2 million from RMB908.1 million as of December 31, 2024 to RMB996.3 million as of December 31, 2025, primarily driven by (i) an increase of RMB103.9 million in trade and other receivables, reflecting our continued business expansion and the recognition of [REDACTED] expenses to be deducted from equity; and (ii) an increase of RMB7.4 million in cash and cash equivalents, attributable to proceeds from new bank borrowings and strong collections from prior-year receivables. This was partially offset by a decrease of RMB23.3 million in inventories, as we strategically consumed existing raw materials and sold finished goods that had accumulated at the end of 2024. Our total current liabilities increased by RMB153.8 million from RMB596.8 million as of December 31, 2024 to RMB750.6 million as of December 31, 2025. This was primarily due to an increase of RMB173 million in trade and other payables, which was mainly attributable to higher payables for the continued construction of our production facilities, increased marketing service fees in line with our revenue growth, and the accrual of [REDACTED]-related expenses. This increase was partially offset by a decrease of RMB12.8 million in the current portion of our bank loans following scheduled repayments.

Our net current assets decreased from RMB245.8 million as of December 31, 2025 to RMB233.9 million as of May 31, 2026. This decrease was primarily due to an increase in our total current liabilities while our total current assets remained relatively stable. Our total current liabilities increased by RMB90.4 million from RMB750.6 million as of December 31, 2025 to RMB841.0 million as of May 31, 2026 primarily due to an increase of RMB85.5 million in bank loans to support our working capital needs.

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Inventories

Our inventories primarily consist of raw materials, work in progress and finished goods. Raw materials mainly include packaging materials, filters, and reagents. Work in progress mainly comprises unfinished products and semi-finished goods, such as fermentation stock. Finished goods represent our vaccine products that have received batch release approval.

The following table sets forth a summary of our balance of inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Raw materials	7,914	12,381	8,917
Work in progress	55,413	58,326	56,838
Finished goods	19,564	22,814	18,052
	82,891	93,521	83,807
Less: write-down of inventories	(10,775)	(7,839)	(21,424)
	<u>72,116</u>	<u>85,682</u>	<u>62,383</u>

Our inventories increased from RMB72.1 million as of December 31, 2023 to RMB85.7 million as of December 31, 2024. This increase was primarily attributable to (i) an increase in raw materials of RMB4.5 million, as we procured more pre-filled syringe components for our Adsorbed Tetanus Vaccines and Hib Conjugate Vaccines and stockpiled materials for our influenza vaccine R&D project; and (ii) an increase in finished goods of RMB3.3 million, which resulted from the volume of production that received batch release approvals during the year exceeding the volume of products sold. The slower-than-expected depletion of finished goods was mainly due to a decline in sales for our AC Conjugate Vaccine and Hib Conjugate Vaccine; and (iii) a decrease in the write-down of RMB2.9 million, which contributed to a higher net carrying amount of inventories. This decrease in the provision was mainly because a smaller portion of our inventory was nearing its expiry date as of year-end compared to the prior year.

Our inventories decreased from RMB85.7 million as of December 31, 2024 to RMB62.4 million as of December 31, 2025, primarily due to (i) a decrease of RMB3.5 million in raw materials, as we prioritized consuming existing stock and slowed our overall procurement of new raw materials in 2025 based on our production plan; (ii) a decrease of RMB1.5 million in work in progress, mainly due to a lower volume of production during the year; and (iii) a decrease of RMB4.8 million in finished goods, primarily due to the sale of inventory that had accumulated at the end of 2024. The finished goods balance as of December 31, 2024 was relatively high as (a) four new batches of our Adsorbed Tetanus Vaccine received batch release approval late in that year, and (b) new batches of our AC Conjugate and Hib Conjugate Vaccines also received approvals while their sales volumes for 2024 had declined.

We perform a write-down for inventories when their net realizable value is lower than their carrying cost. In determining the provision for inventory write-downs, we consider factors such as inventory aging, expected future consumption, and expiry dates. We believe our inventory write-down policy is appropriate and the provisions made are adequate as of the respective dates. During the Track Record Period, we recorded write-downs of inventories in respect of inventory obsolescence of approximately RMB10.8 million, RMB7.8 million, and RMB21.4 million as of December 31, 2023, 2024, and 2025, respectively. The inventory obsolescence primarily related to

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raw materials became obsolete due to adjustments of our R&D plans, as well as finished goods that had passed their shelf lives. For vaccine products, we make full provisions for inventories that are not expected to be utilized/sold or when they are within six months of their expiry date. As of December 31, 2023, 2024, and 2025, the gross carrying amount of our inventories that are within six months of their respective expiry dates was approximately RMB10.4 million, RMB13.2 million, and RMB19.7 million, respectively.

The following table sets forth, for the periods indicated, our average inventory turnover days for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
Average inventory turnover days ⁽¹⁾	524	606	412

Note:

- (1) The average inventory turnover in days for any given period is calculated by dividing the number of days in that specific period by the inventory turnover ratio. The inventory turnover ratio is the sum of cost of revenue and raw materials in R&D expenses divided by the average of beginning and ending inventory balance.

Our average inventory turnover days increased from 524 days in 2023 to 606 days in 2024, primarily due to the continued buildup of our semi-finished goods inventory for future production. Our average inventory turnover days decreased from 606 days in 2024 to 412 days in 2025 primarily due to the significant consumption of raw materials for production and research and development activities.

Our average inventory turnover days remained at a relatively high level during the Track Record Period. This was primarily because we maintain a strategic level of work in progress items, such as fermentation stock solutions, which can be stored for up to 36 months in the case of solutions used for manufacturing our Adsorbed Tetanus Vaccine, to ensure a stable and timely supply for our commercialized vaccine products and to prepare for future production needs. This contributes to a higher balance of work in progress relative to our current cost of revenue.

Despite the prolonged inventory turnover days during the Track Record Period, our Directors are of the view that there is no material impairment issue for our inventories, and sufficient provisions have been made. As explained above, our prolonged inventory turnover days were structurally driven by our strategic stockpiling of work-in-progress (such as fermentation stock solutions) to ensure a stable supply for our commercialized vaccine products. We continuously monitor the shelf life and viability of our raw materials, work-in-progress, and finished goods. Given the extended shelf life of our primary work-in-progress, our policy of inventory provisions and the fact that subsequent utilization is trackable and advancing in accordance with our production plans, our Directors consider our inventory provisions to be fully adequate.

The following table sets out the aging analysis of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
Within 1 year	66,318	66,698	46,398
One year to two years	11,115	15,034	18,533
Two years to three years	5,458	11,789	18,876
Total	82,891	93,521	83,807

As of May 31, 2026, RMB36.1 million, or 43.1%, of our inventories as of December 31, 2025 had been subsequently utilized.

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Trade And Other Receivables

Our trade and other receivables primarily consist of (i) trade receivables, (ii) bills receivables, (iii) other receivables and (iv) prepayments. We generally grant our customers, which are primarily county or district level CDCs in the PRC, a credit period of 90 to 180 days. For other customers including blood product manufacturing companies, the credit period is typically 30 to 90 days from the invoice date. We seek to maintain strict control over our outstanding receivables to minimize credit risk. Our management reviews overdue balances on a regular basis. We generally do not hold any collateral over our trade receivable balances. Trade receivables are non-interest-bearing.

The following table sets forth a breakdown of our trade and other receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivable	525,743	611,109	713,466
Less: losses allowance	(34,495)	(44,688)	(57,896)
Trade receivables, net	491,248	566,421	655,570
Bills receivables	300	3,931	405
Other receivables	1,239	1,327	2,725
Less: losses allowance	(141)	(324)	(150)
Other receivables, net	1,098	1,003	2,575
Prepayments	4,357	9,448	7,837
Prepaid tax	—	—	757
[REDACTED] expenses to be deducted from equity	—	—	17,598
Total	<u>497,003</u>	<u>580,803</u>	<u>684,742</u>

Our trade and other receivables increased from RMB497.0 million as of December 31, 2023 to RMB580.8 million as of December 31, 2024, primarily due to (i) an increase in our trade receivables in line with our overall revenue growth; (ii) an increase in bills receivables as more customers used bank acceptance drafts for payment, which had not yet matured as of December 31, 2024; and (iii) an increase in prepayments for raw materials. Our trade and other receivables increased from RMB580.8 million as of December 31, 2024 to RMB684.7 million as of December 31, 2025, primarily due to primarily due to (i) an increase in trade receivables in line with our overall revenue growth; and (ii) the recognition of [REDACTED] expenses to be deducted from equity of RMB17.6 million in connection with the proposed [REDACTED].

Our losses allowance for trade receivables increased from approximately RMB34.5 million as of December 31, 2023, to RMB44.7 million as of December 31, 2024, and further to RMB57.9 million as of December 31, 2025. The increase in the absolute amount of the losses allowance during the Track Record Period was primarily attributable to the corresponding growth in our gross trade receivables, which in turn was driven by the continuous growth of our business and revenue.

The following table sets forth, our average trade receivables turnover days for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
Average trade receivables turnover days ⁽¹⁾	382	349	341

Note:

- (1) The average trade receivables turnover days for a certain period is the average of opening and closing balance of trade receivables divided by revenue and multiplied by the number of days in the relevant period.

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In 2023, 2024 and 2025, our average trade receivables turnover days remained relatively stable, which were 382 days, 349 days, and 341 days, respectively.

The following table sets out the aging analysis of our trade receivables and bills receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	398,903	437,157	489,030
1 to 2 years	84,337	114,614	135,429
2 to 3 years	7,448	17,396	26,652
Over 3 years	860	1,185	4,864
Total	491,548	570,352	655,975

As of December 31, 2025, our trade receivables and bills receivables aged over one year amounted to RMB166.9 million, representing 25.4% of our total trade receivables and bills receivables. In respect of these long-aged trade receivables, our Directors, after assessing their recoverability, are of the view that they are not credit-impaired and the allowance for credit losses made is adequate. This assessment is based on the following key factors:

- **Credit Profile of Customer Base:** The vast majority of our customers are district- and county-level CDCs in the PRC. These are government-affiliated entities with strong credit standing and a history of fulfilling payment obligations, albeit with longer settlement cycles.
- **Historical Payment Record:** Our customers have established long-term relationships and demonstrated a consistent historical repayment record with us. The delays in settlement are generally not a result of financial difficulty on the part of the customer.
- **Nature of Payment Delays:** The longer settlement cycles are primarily attributable to the budgetary and fund allocation processes inherent in government bodies, which often require multiple layers of internal approval before payment can be disbursed. These delays are procedural in nature and are not indicative of an inability to pay.
- **Active Management and Collection Efforts:** Our finance and sales teams maintain regular communication with these customers to monitor the status of outstanding balances and facilitate the payment process. Based on these communications and our ongoing assessment, we were not aware of any specific circumstances that would indicate a high risk of default for these balances.

Our Directors are of the view that our range of average trade receivables turnover days during the Track Record Period is in line with common practice in the market for vaccine suppliers in the PRC. According to the CIC Report, it is a common industry practice for vaccine manufacturers in the PRC to experience relatively long trade receivable turnover days. This is mainly because the primary customers, CDCs, operate under a centralized procurement model and are subject to government budgetary cycles and administrative payment procedures, which typically results in extended payment terms compared to commercial enterprises.

Furthermore, according to CIC, the average trade receivables turnover days for major vaccine manufacturers in the PRC was approximately 200 to 500 days. Our average trade receivables turnover days of 341 to 382 during the Track Record Period are within this industry range.

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Taking into account the robust credit profiles of our CDC customer base, our historical collection experience, and the procedural nature of the settlement delays as detailed above, our Directors are of the view that there is no material recoverability issue associated with our trade receivables, and that the allowance for credit losses made under the expected credit loss model is sufficient and fully adequate as of each respective date during the Track Record Period notwithstanding the prolonged trade receivables turnover days, the significant balance of trade receivables aged over one year under our aging analysis, and the relatively low subsequent settlement rate, as these trends are reflective of industry-wide administrative patterns rather than an increase in credit or default risks as explained above.

As of May 31, 2026, RMB203.4 million, or 28.5%, of our trade receivables as of December 31, 2025 had been subsequently settled.

Financial Assets Measured at Fair Value Through Profit or Loss (FVPL)

Our financial assets measured at FVPL consist of (i) wealth management products (WMPs) issued by commercial banks and securities companies in the PRC, and (ii) an investment in a private equity fund in which our Company serves as a limited partner.

The following table sets forth the carrying amounts of our financial assets measured at FVPL as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Wealth management products	–	15,000	–
Unlisted equity securities ⁽¹⁾	–	2,500	2,600
Total	–	17,500	2,600

Note:

- (1) In November 2024, we invested as a limited partner in a biopharmaceutical private equity fund specializing in vaccines to support external pipeline expansion and supplement our in-house R&D. Acting as the advisory committee convener, we leverage our industry expertise to guide investment selection. The investment in private equity fund was RMB2.5 million as of December 31, 2024 and RMB2.6 million as of December 31, 2025.

Wealth Management Products

Our wealth management products are primarily structured deposits placed with reputable commercial banks in the PRC. These products typically have floating returns linked to financial indicators such as foreign exchange rates, with both principal and return payable at maturity. The initial terms are generally short, ranging from approximately one week to six months, and the expected annualized return rates range from 0.5% to 4.14%.

As of December 31, 2023, 2024 and 2025, our investment in wealth management products was nil, RMB15.0 million and nil, respectively. The fluctuations were primarily a result of our treasury management activities, where we deployed surplus cash to earn better returns while ensuring sufficient liquidity for our operational needs. The decrease in 2023 and 2025 were mainly due to the redemption of structured deposits upon maturity and the utilization of the funds for operational or capital expenditures, while the investment in 2024 reflected the allocation of available surplus cash to low-risk financial products. Following the [REDACTED], any investment in wealth management products will be subject to compliance with the applicable requirements of Chapter 14 of the Listing Rules.

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Our Investment Policy and Risk Management Measures

We aim to maintain a reasonable level of cash and cash equivalents to support our day-to-day operations, capital expenditures, and R&D activities. We deploy surplus short-term funds in low-risk and/or highly-rated wealth management products issued by reputable financial institutions to optimize returns while safeguarding liquidity and principal. We do not engage in speculative trading activities. To regulate these investment activities, control risks, and safeguard our assets, we have established the External Investment Management System (對外投資管理制度), under which all investments are subject to a rigorous evaluation and approval process.

Our internal control measures regarding investment activities include the following:

(i) Approval Hierarchy and Decision-Making Authority

We have implemented a hierarchical approval process based on the materiality and significance of the investment. No investment may be executed without authorization from the appropriate governing body that includes (i) the Shareholders’ general meeting, which is the highest decision-making body for material investments. Approval from our Shareholders is strictly required for investments where the transaction amount, total asset values or relevant financial ratios exceed 50% of our corresponding audited financial metrics, or as otherwise required by the relevant rules and our Articles of Association; (ii) the Board, which is responsible for approving investments that meet specific materiality thresholds and formulating our overall investment strategies; and (iii) the chairman, who is authorized to approve investment matters falling below the decision-making thresholds of the Board, provided that such matters are within the specific scope and limits authorized by the Board.

(ii) Special Controls for Financial and Securities Investments

We maintain heightened scrutiny over securities investments, entrusted wealth management, and derivatives. Pursuant to the Policy, strictly defined decision-making procedures apply to these activities, which are governed by three core principles, namely, (i) non-delegation of authority, as the authority to approve securities investments, entrusted wealth management or derivative transactions is vested exclusively in the Board or the Shareholders’ general meeting. The Board and Shareholders do not delegate this specific approval authority to individual Directors or senior management; (ii) funding restrictions, as the source of funds for securities investments, entrusted wealth management or derivative investments is strictly limited to our self-owned funds; and (iii) feasibility analysis, as the responsible department must conduct a feasibility analysis before any such investment is executed, evaluating the potential returns and risks to ensure that the investment aligns with our financial condition.

(iii) Segregation of Duties and Custody

We strictly separate the responsibilities of investment decision-making, execution, and financial management to ensure a system of checks and balances (i) functional separation, as personnel responsible for securities investment operations are functionally segregated from those responsible for fund and financial management. This ensures mutual supervision and prevents unilateral control over assets; (ii) custody controls, as we enforce a strict securities custody system requiring joint control. The Policy mandates that no single individual is permitted to access investment assets independently, and any deposit or withdrawal of investment assets requires the joint signatures or authorization of at least two authorized staff members; and (iii) account management, as the finance department is responsible for opening and managing specific investment accounts. Funds utilized for investment must be earmarked and managed in accordance with strict financial procedures.

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(iv) Execution, Monitoring, and Post-Investment Management

After approval is granted, our general manager is responsible for organizing the implementation of external investments, while our finance department is responsible for raising funds, handling financial procedures and executing payments. For short-term investments, our investment analysts are required to preselect investment opportunities based on macroeconomic conditions and prepare an annual short-term investment plan based on the profitability and safety of the relevant targets. Such plan is subject to review and approval by the chairman, the Board or the Shareholders according to the prescribed approval limits. During the investment holding period, our finance department is responsible for periodically monitoring the usage and balance of securities investment funds. If material changes occur in an investment project, such as significant losses, litigation or arbitration, the responsible department must immediately report to the Board to facilitate timely decision-making. We also conduct comprehensive inventories of our long-term and short-term investments at the end of each financial year, and our audit department and finance department are responsible for supervising investment projects and rectifying any irregularities.

Cash and Cash Equivalents and Restricted Cash

The following table sets forth a breakdown of our cash and cash equivalents and restricted cash as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash and bank balance	362,071	224,159	246,609
Less:			
Restricted bank deposits	(6,536)	(6,382)	(21,433)
Total	<u>355,535</u>	<u>217,777</u>	<u>225,176</u>

As of December 31, 2023, 2024 and 2025, our cash and cash equivalents amounted to RMB355.5 million, RMB217.8 million, and RMB225.2 million, respectively.

The decrease in our cash and cash equivalents from December 31, 2023 to December 31, 2024 further was mainly due to the use of cash for (i) payments related to our clinical trial expenses as we advanced our product pipeline; (ii) capital expenditures for investments in fixed assets; and (iii) the purchase of wealth management products as part of our treasury management activities. The subsequent increase in our cash and cash equivalents from December 31, 2024 to December 31, 2025 was mainly due to an increase in cash collections from the settlement of trade receivables from prior years.

Our cash and cash equivalents were primarily denominated in RMB. The RMB is not freely convertible into other currencies; however, under the PRC’s Foreign Exchange Control Regulations and Administration of Settlement, Sale, and Payment of Foreign Exchange Regulations, we are permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business. Cash at banks earns interest at floating rates based on daily bank deposit rates. Our bank balances are deposited with creditworthy banks with no recent history of default. Our Directors confirm that our cash and cash equivalents are maintained at a level sufficient to meet our present operational requirements.

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Restricted Cash

As of December 31, 2023, 2024 and 2025, we had restricted cash of RMB6.5 million, RMB6.4 million, and RMB21.4 million, respectively.

Our restricted cash primarily represents government grants received that are subject to the fulfillment of certain conditions, such as project acceptance and inspection, before the funds can be utilized by us. The decrease in restricted cash in 2025 was mainly because a portion of the government grants became unrestricted after we met the relevant conditions during the year. The balance remained relatively stable thereafter as of the Latest Practicable Date.

Trade and Other Payables

Our trade and other payables primarily include bills payable, trade payables for raw materials, payables relating to property, plant and equipment, accrued payrolls and benefits, other tax payables, and marketing service fees payables. The credit terms granted to us have not experienced any material changes during the Track Record Period.

The following table sets forth our trade and other payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade payables	15,676	16,359	23,474
Payables relating to property, plant and equipment and intangible assets	2,675	42,292	93,696
Marketing service fees payables	329,696	349,041	446,052
Other payables	48,001	46,800	51,018
Financial liabilities measured at amortised cost	396,048	454,492	614,240
Accrued payroll and benefits	13,808	15,196	16,117
Other tax payables	3,118	4,333	3,674
Other accruals	1,213	532	13,485
	414,187	474,553	647,516

As of December 31, 2023, 2024 and 2025, the balance of our trade and other payables amounted to RMB414.2 million, RMB474.6 million and RMB647.5 million, respectively.

Our trade and other payables increased from RMB414.2 million as of December 31, 2023 to RMB474.6 million as of December 31, 2024, primarily due to (i) the increase of RMB39.6 million in payables relating to property, plant and equipment, which was mainly attributable to unsettled payments for equipment related to the construction of our production facilities; and (ii) the increase of RMB19.4 million in marketing service fees payables, which were mainly attributable to higher accrued fees to our marketing service providers, which were generally in line with our increased revenue during the period.

Our trade and other payables increased from RMB474.6 million as of December 31, 2024 to RMB647.5 million as of December 31, 2025, primarily due to (i) the increase of RMB7.1 million in trade payables, which was mainly attributable to an increase in our procurement activities corresponding with our business expansion; (ii) the increase of RMB51.4 million in payables relating to property, plant and equipment and intangible assets due to the continued construction of our production facilities and related unsettled payments for equipment; (iii) the increase of RMB97.0 million in marketing service fees payables, reflecting a rise in accrued fees to our marketing service providers that was in line with our revenue growth; and (iv) the increase of RMB13.0 million in other accruals as we accrued certain professional fees in relation to our proposed [REDACTED].

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The following table sets forth an aging analysis of our trade payables, bills payables and payables relating to property, plant and equipment as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	6,781	48,451	87,289
1 to 2 years	6,868	4,388	27,048
2 to 3 years	4,173	3,312	2,415
More than 3 years	529	2,500	418
	18,351	58,651	117,170

The following table sets forth our trade payables turnover days for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
Trade payables turnover days ⁽¹⁾	297	165	131

Note:

- (1) The calculation of trade payables turnover days is based on the average of the opening balance and closing balance of trade payables for the relevant year divided by cost of revenue and multiplied by the number of days in the relevant year.

Trade payables turnover days indicate the average time we take to make cash payments to suppliers. Our average trade payables turnover days decreased from 297 days in 2023 to 165 days in 2024, and further decreased to 131 days in 2025. The decrease was mainly attributable to our improved revenue and profit performance, which enabled us to accelerate payment cycles and settle with our suppliers more promptly.

As of May 31, 2026, RMB31.3 million, or 26.7%, of our trade payables and payables relating to property, plant and equipment as of December 31, 2025 had been subsequently settled.

Cash Conversion Cycle

The following table sets forth a summary of our cash conversion cycle during the Track Record Period:

	For the year ended December 31,		
	2023	2024	2025
Average inventory turnover days	524	606	412
Average trade receivables turnover days . . .	382	349	341
Less: Average trade payables turnover days .	297	165	131
Cash conversion cycle (days)⁽¹⁾	609	790	622

Note:

- (1) Cash conversion cycle equals average inventory turnover days plus average trade receivables turnover days minus average trade payables turnover days.

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Our cash conversion cycle increased from 609 days in 2023 to 790 days in 2024. This was primarily driven by (i) the increase in our average inventory turnover days from 524 days to 606 days due to the strategic buildup of our semi-finished goods inventory, and (ii) a significant decrease in our average trade payables turnover days from 297 days to 165 days as we expedited payments to certain key suppliers. Our cash conversion cycle subsequently improved and decreased to 622 days in 2025. This was primarily attributable to the substantial reduction in our average inventory turnover days to 412 days, resulting from the active consumption of raw materials and optimization of inventory levels.

Contract Liabilities

Our contract liabilities mainly represent advances we receive from our customers, primarily blood product company customers. As of December 31, 2023, 2024 and 2025, we had contract liabilities of RMB3.6 million, RMB0.5 million and RMB1.0 million, respectively.

Our contract liabilities further decreased from RMB3.6 million as of December 31, 2023 to RMB0.5 million as of December 31, 2024, primarily due to (i) the completion of delivery in 2024 for products related to an advance payment received from a major customer in 2022; and (ii) the delivery of products in January 2024 related to an advance payment received from a major blood product company customer in December 2023.

Our contract liabilities increased from RMB0.5 million as of December 31, 2024 to RMB1.0 million as of December 31, 2025, primarily due to receipts of advance payments from our blood product company customers.

Non-current Assets and Non-current Liabilities

The following table sets forth our non-current assets and non-current liabilities as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current assets			
Property and equipment	430,302	579,369	624,761
Right-of-use assets	15,846	11,858	21,421
Intangible assets	192,305	288,906	355,430
Deferred tax assets	11,361	15,750	16,511
Other non-current assets	28,887	558	218
	678,701	896,441	1,018,341
Non-current liabilities			
Bank loans	177,288	249,532	323,717
Deferred income	19,978	24,786	29,163
Lease liabilities	611	—	7,258
	197,877	274,318	360,138

Property, Plant and Equipment

Our property, plant and equipment primarily represent our production, machinery and equipment, motor vehicles and construction in progress. As of December 31, 2023, 2024 and 2025, our property, plant and equipment amounted to RMB430.3 million, RMB579.4 million and RMB624.8 million, respectively.

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Our property, plant and equipment increased from RMB430.3 million as of December 31, 2023 to RMB579.4 million as of December 31, 2024, primarily due to the continued investment in construction in progress for new machinery and equipment. Our property, plant and equipment increased from RMB579.4 million as of December 31, 2024 to RMB624.8 million as of December 31, 2025, primarily because of the continued increase in construction in progress for the installation of new machinery and equipment in our workshops, as well as additions of new equipment, partially offset by depreciation charged during the period.

Right-of-Use Assets

Our right-of-use assets represent (i) land use rights for our production site, which commenced in April 2010 with an amortization period of 50 years; and (ii) properties leased for our research and development base. As of December 31, 2023, 2024 and 2025, our right-of-use assets amounted to RMB15.8 million, RMB11.9 million and RMB21.4 million, respectively.

The decrease in our right-of-use assets from RMB15.8 million as of December 31, 2023 to RMB11.9 million as of December 31, 2024 was primarily due to the ongoing amortization of our right-of-use assets during the year. The increase in our right-of-use assets from RMB11.9 million as of December 31, 2024 to RMB21.4 million as of December 31, 2025 was primarily due to the recognition of new right-of-use assets upon entering into a new lease agreement for our research and development base.

Intangible Assets

Our intangible assets primarily consist of (i) development costs capitalized for our vaccine candidates; and (ii) software for production, quality control and finance. The carrying amount of our intangible assets increased continuously during the Track Record Period, from RMB192.3 million as of December 31, 2023, to RMB288.9 million as of December 31, 2024, and to RMB355.4 million as of December 31, 2025. This increase was primarily attributable to the continuous capitalization of development costs related to the clinical trials of our rFSAV candidate, reflecting the progress of patient enrollment and clinical trial activities. The carrying amount of our software fluctuated due to additions of new software systems, and ongoing amortization.

Other Non-current Assets

Other non-current assets represent prepayment for property, plant and equipment and prepayment for clinical trial costs.

The following table sets forth our other non-current assets as of the dates indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayment for property, plant and equipment	23,393	558	218
Prepayment for clinical trial costs	5,494	—	—
	<u>28,887</u>	<u>558</u>	<u>218</u>

The decrease in our other non-current assets from RMB28.9 million as of December 31, 2023 to RMB0.6 million as of December 31, 2024 was primarily due to the decrease of our prepayment for property, plant and equipment from RMB24.0 million to RMB0.6 million as the equipment was delivered. Our other non-current assets decreased from RMB0.6 million as of December 31, 2024 to RMB0.2 million as of December 31, 2025 as the equipment continued to be delivered.

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Deferred Income

Our deferred income represents government grants received in relation to our assets. Certain grants are conditional upon us meeting specific requirements, such as achieving designated project construction milestones, before the funds can be utilized.

The following table sets forth our deferred income as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Government grants	19,978	24,786	29,163

Our deferred income increased from RMB20.0 million as of December 31, 2023 to RMB24.8 million as of December 31, 2024. This increase was primarily attributable to the receipt of new government grants related to our construction projects, which was partially offset by the ongoing amortization of the grant balance. Our deferred income increased from RMB24.8 million as of December 31, 2024 to RMB29.2 million as of December 31, 2025. This increase was primarily attributable to the receipt of new government grants related to our construction projects.

INDEBTEDNESS

As of December 31, 2023, 2024 and 2025, and May 31, 2026, we had indebtedness in the form of bank loans and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Bank Loans				
Current Portion	55,890	111,620	98,815	184,279
Non-current portion	177,288	249,532	323,717	252,848
Lease Liabilities				
Current Portion	3,816	639	3,240	2,646
Non-current portion	611	—	7,258	5,048

Bank Loans

During the Track Record Period, our bank loans consisted of long-term bank loans and short-term bank loans representing secured and unsecured and bank loans primarily to supplement our working capital. The following table sets forth our borrowings as of the dates indicated:

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Secured bank loans	79,048	222,712	224,292	209,945
Unsecured bank loans	154,130	128,440	178,540	207,482
Guaranteed bank loans	—	10,000	19,700	19,700
	<u>233,178</u>	<u>361,152</u>	<u>422,532</u>	<u>437,127</u>

As of December 31, 2023, 2024 and 2025, our secured bank loans carried an interest rate at 4.5% per annum, 3.45%-4.5% per annum and 3.7%-4.2% per annum, respectively.

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These loans were secured by certain amounts of our Company’s property, plant and equipment, trade receivables and right-of-use assets. The following table sets forth details of assets securing our secured bank loans as of the dates indicated:

	For the year ended December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Property, plant and equipment .	—	51,327	49,575	48,845
Trade and other receivables . . .	—	150,000	150,000	150,000
Right-of-use assets	—	10,318	10,025	9,903
	—	<u>211,645</u>	<u>209,600</u>	<u>208,748</u>

As of December 31, 2023, 2024 and 2025, our unsecured bank loans carried an interest at 3.45%-4.5% per annum, 3.9-4.5% per annum and 3.35%-4.55% per annum, respectively. Our bank borrowing agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. Our Directors confirm that we had not experienced any difficulty in obtaining bank borrowings, default in payment of bank borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date. As of the Latest Practicable Date, there were no loans secured, or to be secured, by guarantees provided by the Single Largest Group of Shareholders. For further details, see “Relationship with Our Single Largest Group of Shareholders” in this document.

As of May 31, 2026, our bank facilities available for use were RMB664.0 million, and we had utilized RMB437.1 million, with RMB226.9 million committed but unutilized.

Lease Liabilities

Our lease liabilities represent the present value of future lease payments for our right-of-use assets. These primarily relate to properties leased by us.

As of December 31, 2023, 2024 and 2025, and May 31, 2026, we recorded lease liabilities of RMB4.4 million, RMB0.6 million, RMB10.5 million and RMB7.7 million, respectively. The decrease in lease liabilities from December 31, 2023 to December 31, 2024 was mainly due to the normal repayment for existing lease contracts, which gradually reduces our lease liabilities. Our lease liabilities increased from RMB0.6 million as of December 31, 2024 to RMB10.5 million as of December 31, 2025. The increase was primarily due to the entering of a new lease agreement for our research and development base during the year ended December 31, 2025. Our lease liabilities decreased to RMB7.7 million as of May 31, 2026, mainly due to the normal repayment for existing lease contracts.

Statement of Indebtedness

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and there was no breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that our Group did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

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Except as disclosed above, and apart from intra-group liabilities and normal trade payables, as of May 31, 2026, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other material contingent liabilities. Our Directors confirm that there has not been any material change in our indebtedness since May 31, 2026 and up to the Latest Practicable Date.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow Analysis

During the Track Record Period, we have financed our operations and other capital requirements primarily through cash generated from our business operations, bank borrowings, debt financing and equity financing. Upon the completion of the [REDACTED], we expect to meet our working capital needs primarily through cash flows from cash generated from our business operations, bank borrowings, debt financing and equity financing including the net [REDACTED] to our Company from the [REDACTED].

The table below sets forth a summary of our cash flows for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net cash (used in)/generated from			
operating activities	49,808	(5,737)	105,447
Net cash used in investing activities	(78,843)	(223,934)	(83,346)
Net cash generated from financing			
activities	123,459	91,913	(14,702)
Net increase/(decrease) in cash and cash			
equivalents	94,424	(137,758)	7,399
Cash and cash equivalents at beginning of			
the year	<u>261,111</u>	<u>355,535</u>	<u>217,777</u>
Cash and cash equivalents at end of the			
year	<u>355,535</u>	<u>217,777</u>	<u>225,176</u>

Net Cash Flows (Used in)/Generated from Operating Activities

During the Track Record Period, net cash used in operating activities primarily comprised our profit before tax and changes in working capital, such as decreases in trade and other payables and decreases in restricted deposits.

In 2025, our net cash flows generated from operating activities was RMB105.4 million. This net cash inflow was primarily attributable to (i) profit before taxation of RMB31.9 million; (ii) positive total adjustments before movements in working capital of RMB81.3 million, primarily reflecting (a) RMB13.0 million of positive adjustments for impairment losses on trade and other receivables, (b) RMB37.3 million of positive adjustments for depreciation of property and equipment, (c) RMB23.2 million of positive adjustments for impairment losses on inventories, and (d) RMB15.1 million of positive adjustments for finance costs; (iii) positive movements in working capital of RMB13.2 million, primarily reflecting an RMB116.2 million decrease in trade and other receivables, partially offset by an RMB139.5 million decrease in trade and other payables; and (iv) PRC corporate income tax paid of RMB4.4 million.

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In 2024, our net cash flows used in operating activities was RMB5.7 million. This net cash outflow was primarily attributable to (i) profit before taxation of RMB22.3 million; (ii) positive total adjustments before movements in working capital of RMB75.4 million, primarily reflecting (a) RMB31.2 million of positive adjustments for depreciation of property and equipment, (b) RMB14.5 million of positive adjustments for finance costs, and (c) RMB10.4 million of positive adjustments for impairment losses on trade and other receivables; (iii) negative movements in working capital of RMB98.2 million, primarily reflecting (a) an RMB94.2 million increase in trade and other receivables and (b) an RMB26.5 million increase in inventories, partially offset by an RMB20.7 million increase in trade and other payables; and (iv) PRC corporate income tax paid of RMB5.3 million.

In 2023, our net cash flows generated from operating activities was RMB49.8 million. This net cash inflow was primarily attributable to (i) profit before taxation of RMB15.6 million; (ii) positive total adjustments before movements in working capital of RMB73.7 million, primarily reflecting (a) RMB29.4 million of positive adjustments for depreciation of property and equipment, (b) RMB7.2 million of positive adjustments for finance costs, and (c) RMB23.4 million of positive adjustments for impairment losses on inventories; (iii) negative movements in working capital of RMB25.3 million, primarily reflecting an RMB6.2 million decrease in trade and other payables, partially offset by an RMB1.6 million increase in restricted deposits; and (iv) PRC corporate income tax of RMB14.3 million.

Net Cash Flows Used in Investing Activities

In 2025, our net cash used in investing activities was RMB83.3 million. This net cash outflow was primarily attributable to (i) payment for the purchase of property, plant and equipment, intangible assets and other non-current assets of RMB98.8 million and (ii) payment for purchases of financial assets measured at FVPL of RMB185.1 million, partially offset by proceeds from the maturity of financial assets measured at FVPL of RMB200.5 million.

In 2024, our net cash used in investing activities was RMB223.9 million. This net cash outflow was primarily attributable to (i) payment for purchases of financial assets measured at FVPL of RMB236.5 million and (ii) payment for the purchase of property, plant and equipment, intangible assets and other non-current assets of RMB207.3 million, partially offset by proceeds from the maturity of financial assets measured at FVPL of RMB219.9 million.

In 2023, our net cash used in investing activities was RMB78.8 million. This net cash outflow was primarily attributable to (i) payment for the purchase of property, plant and equipment, intangible assets and other non-current assets of RMB169.9 million and (ii) payment for purchases of financial assets measured at FVPL of RMB60.0 million, partially offset by proceeds from the maturity of financial assets measured at FVPL of RMB151.0 million.

Net Cash Flows Generated from Financing Activities

In 2025, our net cash used in financing activities was RMB14.7 million. This net cash outflow was primarily attributable to (i) repayments of bank loans of RMB114.7 million, (ii) acquisition of non-controlling interests of a subsidiary of RMB39.1 million, and (iii) payment for [REDACTED] expenses of RMB15.3 million, partially offset by proceeds from new bank loans of RMB176.1 million.

In 2024, our net cash generated from financing activities was RMB91.9 million. This net cash inflow was primarily attributable to proceeds from new bank loans of RMB206.8 million, partially offset by (i) repayments of bank loans of RMB78.9 million, (ii) payment for dividends of RMB15.4 million, (iii) interest paid of RMB14.3 million, and (iv) payment for share repurchase of RMB2.4 million.

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In 2023, our net cash generated from financing activities was RMB123.5 million. This net cash inflow was primarily attributable to (i) proceeds from new bank loans of RMB208.2 million, (ii) proceeds from capital contribution from non-controlling interests of RMB16.7 million, and (iii) proceeds from the issuance of restricted and vesting shares totaling RMB10.4 million. These inflows were partially offset by (a) repayments of bank loans of RMB100.1 million and (b) interest paid of RMB6.8 million.

WORKING CAPITAL SUFFICIENCY

Historically, we financed our working capital needs primarily through cash flow from operating activities and financing activities. Taking into account the financial resources available to our Group, including the cash flow from operating activities, existing borrowings and the estimated net [REDACTED] from the [REDACTED], our Directors are of the view, after due and careful inquiry, that we have sufficient available working capital for our present requirements for at least the next 12 months from the date of this document.

CAPITAL EXPENDITURES

Our capital expenditures during the Track Record Period primarily consisted of property and equipment, right-of-use assets and intangible assets. Our payment for the purchase of property, plant and equipment, intangible assets and other non-current assets and payment on lease rentals amounted to RMB174.8 million, RMB211.3 million, and RMB103.4 million in 2023, 2024 and 2025, respectively.

We expect to incur RMB128.6 million of capital expenditures in 2026, primarily relating to upgrades of our existing production lines. We expect to fund these capital expenditures primarily with cash from operating activities, bank borrowings and the net [REDACTED] from the [REDACTED]. Our current capital expenditure plans for any future period are subject to change, and we may adjust our capital expenditures according to our future cash flows, results of operations and financial condition, our business plans, market conditions and various other factors.

CAPITAL COMMITMENTS

Commitments outstanding at December 31, 2023, 2024 and 2025 not provided for in the financial statements were as follows:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contracted for construction in progress . .	<u>185,002</u>	<u>200,787</u>	<u>142,115</u>

CONTINGENT LIABILITIES

During the Track Record Period and up to the Latest Practicable Date, we did not have any material contingent liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

During the Track Record Period, we did not have any material off-balance sheet arrangements or any variable interest in any unconsolidated entity that provides financing, liquidity, financial risk or credit support for us. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

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MATERIAL RELATED PARTY TRANSACTIONS

During the Track Record Period, other than the compensation to our key management personnel, we had certain related party transactions with our related parties, details of which are set out in note 30 to the Accountants’ Report in Appendix I to this document. Our Directors are of the view that the related party transactions were conducted at arm’s length and on normal commercial terms and/or that such terms were no less favorable to us than terms available from Independent Third Parties which are fair and reasonable and in the interest of our Company and our Shareholders as a whole.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated:

	As of the year ended December 31,		
	2023	2024	2025
Current ratio ⁽¹⁾	1.9	1.5	1.3
Gearing ratio ⁽²⁾	0.3	0.4	0.5
Quick ratio ⁽³⁾	1.8	1.4	1.2

Notes:

- (1) Current ratio equals our current assets divided by current liabilities as of the end of the period.
- (2) Gearing ratio equals total debt as of the end of the period divided by total equity as of the end of the same period. Total debt includes all bank loans and lease liabilities.
- (3) Our quick ratio equals current assets less inventories divided by current liabilities as of the end of each period.

Our current ratio decreased from 1.9 as of December 31, 2023 to 1.5 as of December 31, 2024, primarily due to (i) a decrease in current assets, mainly attributable to a decrease in cash and cash equivalents as we utilized cash for business operations and investments; and (ii) an increase in current liabilities, driven by higher trade and other payables and increased bank loans to support our working capital. Our current ratio decreased from 1.5 as of December 31, 2024 to 1.3 as of December 31, 2025, primarily due to an increase in current liabilities, mainly attributable to an increase in trade and other payables, which was partially offset by an increase in current assets, primarily driven by an increase in trade and other receivables and cash and cash equivalents.

Our gearing ratio was 0.3 and 0.4 as of December 31, 2023 and 2024. The increase was primarily due to increases in total bank loans to support our working capital and business operations. Our gearing ratio remained stable at 0.4 as of December 31, 2024 and 0.5 as of December 31, 2025.

Our quick ratio decreased from 1.8 as of December 31, 2023 to 1.4 as of December 31, 2024, primarily due to (i) a significant decrease in cash and cash equivalents; and (ii) an increase in current liabilities including trade payables and bank loans. Our quick ratio decreased from 1.4 as of December 31, 2024 to 1.2 as of December 31, 2025, primarily due to an increase in current liabilities, mainly attributable to an increase in trade and other payables, which was partially offset by an increase in current assets excluding inventories, primarily driven by an increase in trade and other receivables and cash and cash equivalents.

FINANCIAL INFORMATION

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain financial risks including foreign currency risk, credit risk and liquidity risk in the normal course of business. For further details of our financial risk management, see note 28 to the Accountants’ Report set out in Appendix I to this document.

DIVIDENDS

Our Company has adopted a formal dividend policy as set out in our Articles of Association. The policy seeks to provide reasonable investment returns to shareholders while supporting our Company’s long-term and sustainable development. In determining dividend distributions, the Board considers factors such as profitability, cash flow, operational requirements, and future development needs, with cash dividends being the preferred form of distribution when conditions permit.

Any proposed dividend distribution is recommended by the Board in accordance with the Articles of Association and is subject to approval by shareholders. Our Company does not maintain a fixed dividend distribution ratio.

During the Track Record Period, we declared or paid cash dividends to our shareholders. On June 19, 2024, based on the total number of shares registered as of the record date for the distribution plan, our Board of Directors declared cash dividends to be distributed to our Company’s A-share shareholders, with a cash dividend of RMB0.038 per share (tax inclusive). Based on the total number of shares as of the record date for the distribution plan, which was 406,158,000 shares, the cash dividend amount was RMB15,434,000 (tax inclusive). This dividend was fully paid on June 25, 2024, and was funded by our Company’s internal cash flow.

With respect to the dividend distribution, our ability to distribute dividends is determined based on the distributable profits of the Company at the parent company level in accordance with the PRC Company Law and our Articles of Association. Under the applicable PRC laws and regulations, a company may distribute dividends if it satisfies certain conditions, including, among others, that (i) the company has positive undistributed profits at the parent company level after making up for prior years’ losses and making appropriations to the statutory reserve fund; (ii) the company has sufficient cash flow for such distribution; and (iii) the company is not otherwise restricted from distributing dividends by regulatory authorities.

As of December 31, 2023, our Company had accumulated distributable profits of RMB77.5 million at the parent company level, which was sufficient to cover the total dividend payment. Our Company confirmed that after making up for losses and making appropriations to statutory reserves, its undistributed profits at the parent company level remained positive throughout the Track Record Period. The dividend distribution plan was duly reviewed and approved by our Board of Directors before being submitted to and approved at the Shareholders’ meeting. Our Board of Directors was of the opinion that the dividend plan was in line with our Company’s actual situation and conducive to its sustainable development.

Our PRC Legal Advisers have advised us that, based on their review, the dividend distribution by the Company during the Track Record Period was determined based on the parent company’s distributable profits and was in compliance with the requirements under the applicable PRC laws and regulations and the Articles of Association.

No other dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period.

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DISTRIBUTABLE RESERVES

As of December 31, 2025, our Company had retained earnings of RMB148.3 million, which represent the reserves available for distribution to shareholders of the Company as of the same date.

[REDACTED] EXPENSES

Our [REDACTED] expenses mainly include [REDACTED] fees and commissions and professional fees paid to legal advisors and service providers for their services rendered in relation to the [REDACTED]. Based on an indicative [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the maximum [REDACTED]), we expect to incur [REDACTED] expenses of approximately RMB[REDACTED] assuming the [REDACTED] and the [REDACTED] are not exercised), which consist of (i) [REDACTED]-related expenses (including [REDACTED] commissions and fees) of approximately RMB[REDACTED] million; and (ii) non-[REDACTED]-related expenses of approximately RMB[REDACTED] million, comprising (a) fees and expenses of legal advisors and accountants of approximately RMB[21.3] million, and (b) other fees and expenses of approximately RMB[7.0] million. Among the total estimated [REDACTED] expenses, approximately RMB[REDACTED] is directly attributable to the issue of our Shares and will be accounted for as a deduction from equity upon the completion of the [REDACTED]. The remaining approximately RMB[REDACTED] will be expensed in our consolidated statements of profit or loss and other comprehensive income. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and for reference only and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the Latest Practicable Date, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the period reported on in the Accountants’ Report as set out in Appendix I, and there is no event since December 31, 2025 which would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

DISCLOSURE UNDER RULE 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

See Appendix II to this document for details on our unaudited [REDACTED] adjusted net tangible assets.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

For a detailed description of our future plans, please see “Business — Our Strategies”.

USE OF [REDACTED]

Assuming that the [REDACTED] and the [REDACTED] are not exercised, after deducting the [REDACTED] commissions and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the maximum [REDACTED]), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED].

We intend to use the net [REDACTED] from the [REDACTED] for the purposes and in the amounts set out below. Should the net [REDACTED] not be sufficient to fund these plans, we intend to finance the deficit through our internal resources.

- (i) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to the preclinical and clinical development of our rHPV candidate, which has the potential to become the world’s first vaccine for the prevention of *Helicobacter pylori* infections, according to the CIC Report. The total estimated cost for this plan is expected to be fully funded by the net [REDACTED] from the [REDACTED]. We intend to pursue parallel international and domestic clinical programs to establish a robust foundation for its global commercialization. These funds will be specifically used for:
 - ***International Clinical Development:*** Approximately [REDACTED]%, or HK\$[REDACTED], will be used to advance our international clinical program and generate a robust data package that meets the global regulatory standards. These funds will be used to actively explore and fund the necessary steps, including seeking regulatory approval with the relevant authorities to initiate clinical trials for our rHPV candidate in the United States or Australia to support our potential global development pathway.

Our strategy to initiate clinical trials in the United States and Australia and pursue global market expansion is based on a comprehensive assessment of the clinical, regulatory, and commercial landscape, as well as our internal capabilities.

- (i) ***Strategic Rationale for Clinical Trials in the United States and Australia:*** The United States and Australia are strategically selected for our international clinical program due to their world-class clinical research infrastructure, high global recognition of their clinical data, and mature regulatory and compliance frameworks. Conducting trials in these jurisdictions is expected to enhance the efficiency and standardization of our international multi-center clinical trials, potentially shortening the overall development timeline. Our clinical development team possesses relevant experience in navigating international regulatory processes. For instance, we successfully received ethical clearance from an Australian Human Research Ethics Committee and completed the clinical trial notification process with the TGA to initiate a Phase I clinical trial within an expedited timeframe of approximately 1.5 months from the initial submission for clearance. We have also collaborated closely with leading international CROs, which serve as the foundation for supporting the execution of high-quality clinical trials overseas.

FUTURE PLANS AND USE OF [REDACTED]

- (ii) *Global Medical Need and Market Opportunity:* *Helicobacter pylori* infection is a significant global health issue. According to the CIC Report, the number of *Helicobacter pylori* infections around the globe was 3,539.6 million in 2025 and is projected to gradually increase to 3,820.6 million by 2035. While prevalence is higher in developing countries, infection rates in developed regions such as the United States and Australia remain substantial, ranging from 25% to 50%, according to the same report. The rising issue of antibiotic resistance and poor patient compliance associated with current standard-of-care therapies, such as the quadruple therapy, creates a substantial medical need for a preventative vaccine. The economic burden is also significant; for example, according to the CIC Report, *Helicobacter pylori* related medical expenditures in the United States alone are estimated to exceed US\$10 billion annually.
- (iii) *Favorable Competitive Landscape:* According to the CIC Report, there are currently no approved vaccines for the prevention of *Helicobacter pylori* infection globally. The competitive landscape is considered favorable as, according to the CIC Report, many major international pharmaceutical companies have paused or discontinued their development pipelines for *Helicobacter pylori* vaccine candidates, creating a significant market opportunity. Based on these market conditions, we do not expect to face immediate competition from local players in our target markets upon potential launch.
- (iv) *Global Commercialization and Collaboration Strategy:* Successfully generating a robust clinical data package from trials in the United States and Australia is a cornerstone of our global commercialization strategy. We believe that clinical data accepted by regulatory bodies such as the U.S. FDA and the Australian TGA can be leveraged to facilitate and potentially expedite market access and regulatory approvals in other key regions, including Europe and the Asia-Pacific.
- *Domestic Clinical Development:* Approximately [REDACTED]%, or HK\$[REDACTED], will be used to fund our planned clinical development in China. We plan to submit an IND application to the NMPA in the second half of 2026 to initiate a comprehensive clinical program leveraging our deep domestic regulatory experience.

The key stages of our international and domestic clinical development are planned as follows: in 2027, we plan to allocate approximately HK\$[REDACTED] for the preparation and submission of IND applications in China, the United States, and Australia. We also intend to conduct two parallel Phase I clinical trials between 2027 and 2028, beginning with an overseas trial in the United States or Australia in 2027, for which we plan to allocate approximately HK\$[REDACTED], followed by a domestic trial in China in 2028 with planned funding of approximately HK\$[REDACTED]. In 2029, we plan to initiate a Phase II clinical trial in China, with allocated funding of approximately HK\$[REDACTED]. We then plan to initiate a Phase III clinical trial in China in 2030, allocating approximately HK\$[REDACTED] for this stage, primarily because Phase III clinical trials generally require a significantly larger number of enrolled participants than Phase II clinical trials.

- *Preclinical Research and Development:* Approximately [REDACTED]%, or HK\$[REDACTED], will be used to support ongoing preclinical activities that are essential for our clinical trial applications in various jurisdictions and further candidate development. These preclinical activities, which commenced prior to the

FUTURE PLANS AND USE OF [REDACTED]

Latest Practicable Date, are expected to continue through 2026 and 2027. These funds will support critical studies, including, but not limited to, compound finalization, pharmacology and toxicology studies to establish a comprehensive safety and efficacy profile, and chemistry, manufacturing and controls (“CMC”) work. A robust CMC package is a fundamental requirement for regulatory submissions, as it defines the entire manufacturing process and ensures the quality, consistency, and stability of the final vaccine product.

- (ii) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to fund the clinical development and expansion of indications for our rFSAV. The total estimated cost for this plan is expected to be fully funded by the net [REDACTED] from the [REDACTED]. Following the anticipated initial approval for post-operative infection prevention in orthopedic surgery, we plan to systematically expand the application of this vaccine to other high-risk populations. In particular, the [REDACTED] will be primarily used for (i) the planned clinical trials in China to evaluate the safety and efficacy of rFSAV in a new target population, which forms a key part of our strategy to broaden its market application; and (ii) conducting supplementary studies on pharmaceuticals, pharmacodynamics, and pharmacology-toxicology alongside clinical trials. Our development timeline for this indication expansion includes initiating a Phase II clinical trial, which is planned to run from 2026 to 2027, followed by a Phase III clinical trial from 2028 to 2029. Specifically, approximately HK\$[REDACTED] will be allocated to fund the planned Phase II clinical trial, and approximately HK\$[REDACTED] will be allocated to the planned Phase III clinical trial.
- (iii) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to the strategic upgrade of our production facilities to support the large-scale commercialization of our vaccine pipelines and to align our production facilities with international standards. We plan to use an aggregate of RMB[REDACTED] for the upgrade described above, of which RMB[REDACTED] will be funded by our internal resources, with the remainder to be funded by the net [REDACTED] from the [REDACTED]. These upgrade activities and associated payments are scheduled to occur between 2026 and 2028. This portion of the funds will be primarily directed toward the following aspects:
 - ***Cleanroom and Infrastructure Upgrades:*** This includes cleanroom design, mechanical and electrical installation, power distribution installation, magnetic levitation chillers, and other infrastructure upgrades to lay a solid foundation for subsequent equipment installation and system integration.
 - ***Procurement, Installation, Commissioning, and Validation of Core Production Equipment:*** This covers advanced production equipment procured from suppliers, including but not limited to preparation systems, distribution systems, fermentation systems, solution preparation systems, clean-in-place systems, ultra-filtration systems, chromatography systems, sterilization cabinets, bioreactors, centrifuges, lyophilizers, filling lines, and packaging lines. This ensures that key equipment meets GMP requirements and possesses large-scale production capabilities.
 - ***Integration of Intelligent Monitoring and Compliance Assurance Systems:*** This involves deploying comprehensive solutions, including building management systems, environmental monitoring systems, supervisory control and data acquisition systems, automated control platforms, and live virus wastewater inactivation systems. These will achieve real-time monitoring and intelligent management of the production environment, facilities, and equipment, ensuring compliance, efficiency, and safety throughout the production process.

FUTURE PLANS AND USE OF [REDACTED]

This strategic upgrade is driven by two considerations: (i) proactively upgrading our manufacturing infrastructure to maintain continuous compliance with evolving and increasingly stringent regulatory requirements in the domestic and international vaccine industry; and (ii) enhancing production quality, process control, and operational efficiency through the integration of advanced equipment and intelligent systems.

While our existing facilities are fully compliant with the relevant GMP standards, the vaccine industry operates within a dynamic regulatory environment where technical and quality standards continue to advance. Certain systems and equipment, although functioning effectively, were established based on earlier design principles. To ensure long-term competitiveness and sustained market access, we consider it necessary to modernize our facilities proactively rather than address compliance requirements reactively. This upgrade therefore represents a forward-looking measure to ensure that our manufacturing infrastructure meets future standards. The planned investment will also support upgrades to cleanrooms and core infrastructure, including mechanical, electrical, and power distribution systems, thereby strengthening the foundation for our future business operations.

The proposed upgrades are also designed to improve production quality and process control. By acquiring and installing advanced core production equipment, such as advanced bioreactors, chromatography systems, and automated filling lines, and integrating intelligent monitoring and control systems, we expect to achieve more precise and real-time oversight of manufacturing processes. These improvements are expected to reduce the risk of human error, product mix-up, and contamination, thereby safeguarding product integrity and enabling more efficient management of production lines. The replacement of older equipment with advanced alternatives is also expected to improve operational efficiency, increase yields, and enhance production capacity within the existing footprint.

- (iv) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to expedite the clinical development of our cell-based influenza vaccine portfolio. We plan to use an aggregate of RMB[REDACTED] for the clinical development described above, of which RMB[REDACTED] will be funded by our internal resources, with the remainder to be funded by the net [REDACTED] from the [REDACTED]. We aim to leverage our potential first-mover advantage in China’s cell-based influenza vaccine market. These funds will be primarily used for:

- **Advancing Clinical Trials:** Approximately [REDACTED]%, or HK\$[REDACTED], will be used for funding the Phase III clinical trials for our Trivalent Influenza Vaccine candidate, which is planned for 2027.
- **Funding Clinical Trials for Adjuvanted Influenza Vaccine:** Approximately [REDACTED]%, or HK\$[REDACTED], will be used to support the clinical trials of our Adjuvanted Influenza Vaccine candidate in China, for which we plan to submit an IND application to the NMPA in the latter half of 2026 and subsequently carry out clinical trials. Specifically, approximately HK\$[REDACTED] will be allocated to the Phase I clinical trial planned for 2027, and approximately HK\$[REDACTED] will be allocated to the Phase III clinical trial planned for 2028.
- **Supporting Research and CMC Activities:** Approximately [REDACTED]%, or HK\$[REDACTED], will be used for funding the pharmaceutical and non-clinical research covering key non-clinical activities, which are scheduled to take place between 2026 and 2028. These activities include pharmacodynamics studies,

FUTURE PLANS AND USE OF [REDACTED]

toxicology studies, pharmaceutical development, and associated costs for raw materials, reagents, and testing that are required to support the clinical trials and registration of our influenza vaccine candidates.

- (v) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to the development and in-licensing of novel drug delivery systems. We plan to use an aggregate of RMB[REDACTED] for the development and in-licensing described above, of which RMB[REDACTED] will be funded by our internal resources, with the remainder to be funded by the net [REDACTED] from the [REDACTED]. This aligns with our strategy to enhance our technological capabilities by bringing innovative technologies into our R&D ecosystem. The [REDACTED] will be used for funding our collaboration with an overseas biotechnology company to develop a microneedle delivery system-based influenza vaccine for the China market. This includes making an upfront payment and funding subsequent development activities, such as animal experiments and clinical trials in China. Under the current plan, we expect to make the upfront payment and conduct animal experiments in 2026, followed by a Phase I clinical trial in 2027 and a Phase III clinical trial in 2028 without conducting a separate Phase II clinical trial. This streamlined clinical pathway is based on and in accordance with applicable regulatory guidelines, the specific classification of the influenza vaccine in China, and established industry practice, among others. For further details, please see “Business — Our Commercialized and Pipeline Products — Our Key Pipeline Candidates — Quadrivalent, Trivalent and Adjuvanted Trivalent Influenza Virus Split Vaccines (MDCK Cells) — Development Status”. Specifically, approximately HK\$[REDACTED] will be allocated to the upfront payment in 2026, approximately HK\$[REDACTED] will be allocated to animal experiments in 2026, approximately HK\$[REDACTED] will be allocated to the Phase I clinical trial planned for 2027, and approximately HK\$[REDACTED] will be allocated to the Phase III clinical trial planned for 2028.
- (vi) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to the research and development of our therapeutic monoclonal antibody pipeline. The total estimated cost for this plan is expected to be fully funded by the net [REDACTED] from the [REDACTED]. This supports our strategy to expand from preventive vaccines to therapeutic interventions, creating synergies by targeting shared antigens. These funds will be used to advance the preclinical development of our antibody candidates with the goal of submitting IND applications with the NMPA and initiate the relevant clinical trials. Our development plan is scheduled to occur between 2026 and 2028. The allocation will support:
- **Preclinical Development:** Approximately [REDACTED]%, or HK\$[REDACTED], will be used for funding key preclinical activities, including pharmacology, pharmacokinetics, toxicology, and CMC studies for our monoclonal antibody candidates between 2026 and 2028.
 - **Early-stage Clinical Trials:** Approximately [REDACTED]%, or HK\$[REDACTED], will be used to support the Phase I and Phase II clinical trials for our anti-Staphylococcus aureus monoclonal antibody candidate upon successful IND submission in China. The estimated cost for the Phase I trial, planned for 2027, is approximately HK\$[REDACTED], and the estimated cost for the Phase II trial, planned for 2028, is approximately HK\$[REDACTED].
- (vii) Approximately [REDACTED]%, or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to fund our global market expansion and international collaborations, in line with our dual-directional internationalization strategy. We plan to use an aggregate of RMB[REDACTED] for the initiative described above, of which RMB[REDACTED] will be funded by our internal resources, with the remainder to be funded by the net [REDACTED] from the [REDACTED]. These funds will be used to fund future collaboration opportunities with overseas research institutes

FUTURE PLANS AND USE OF [REDACTED]

to manage and develop the global rights of our pipeline products. This includes the initial capital injection, operational expenses and clinical development expenses managed through such collaboration. Operational expenses, comprising management fees and personnel salaries, are expected to be incurred annually from 2027 to 2030 following the initial capital injection, and clinical development expenses are expected to be incurred in 2026 and 2028. Specifically, approximately HK\$[REDACTED] will be allocated to the initial capital injection, approximately HK\$[REDACTED] will be allocated to operational expenses, and approximately HK\$[REDACTED] will be allocated to clinical development expenses.

(viii) Approximately [REDACTED]%, or HK\$[REDACTED], will be used for working capital and other general corporate purposes.

The execution of our future plans, as detailed above, is central to our long-term growth strategy. While these investments are designed to build a robust and diversified pipeline and enhance our production capabilities, they are expected to alter our cost structure, profitability, and cash flow dynamics.

First, we anticipate an increase in our expenditures. Our cost structure will be heavily impacted by an increase in R&D expenses as we advance multiple candidates through preclinical and clinical development simultaneously. In addition, the strategic upgrade of our production facilities will result in increased capital expenditures, which will in turn lead to higher annual depreciation costs upon completion, thereby increasing our production costs. Second, these increased expenditures may affect our profitability in the near term. The upfront investment in R&D may not generate revenue for several years, and increased depreciation may also place pressure on our profit margins. If our sales revenue does not grow sufficiently to offset the increase in operating expenses, our profitability may decline. Third, our cash flow position will be materially affected. The implementation of our expansion plans will lead to an increase in both operating and investing cash outflows. R&D activities will drive higher operating cash outflows, while capital expenditures for facility upgrades and investments in collaborations will increase investing cash outflows.

Overall, while we believe these expansion plans are essential for securing our long-term competitiveness and market leadership, they will introduce considerable financial pressures in the short to medium term. Our ability to manage our liquidity and control costs will be critical. The successful execution of these plans is dependent on the [REDACTED] from the [REDACTED], and any shortfall may require us to seek alternative financing or adjust our development timelines.

To the extent that the net [REDACTED] from the [REDACTED] (including the net [REDACTED] from the exercise of the [REDACTED] and the [REDACTED]) are either more or less than expected, we will adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis.

To the extent that the net [REDACTED] are not immediately applied to the above purposes, we will only deposit the net [REDACTED] into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

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APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-1 to I-49, received from the Company’s reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.



ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF CHENGDU OLYMVAX BIOPHARMACEUTICALS INC. AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of 成都歐林生物科技股份有限公司 (Chengdu Olymvax Biopharmaceuticals Inc., the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-3 to I-49, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements for each of the years ended 31 December 2023, 2024 and 2025 (the “Relevant Periods”), and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-3 to I-49 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the “Document”) in connection with the initial [REDACTED] of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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ACCOUNTANTS’ REPORT

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants’ report, a true and fair view of the Company’s and the Group’s financial position as at 31 December 2023, 2024 and 2025 and of the Group’s financial performance and cash flows for the Relevant Periods in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 27(e) to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.

KPMG

Certified Public Accountants

8th Floor, Prince’s Building

10 Chater Road

Central, Hong Kong

[●]

APPENDIX I

ACCOUNTANTS’ REPORT

Historical financial information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “Underlying Financial Statements”).

APPENDIX I

ACCOUNTANTS’ REPORT

Consolidated statements of profit or loss and other comprehensive income

(Expressed in Renminbi (“RMB”))

	Note	Year ended 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Revenue	4	494,287	586,104	700,128
Cost of revenue		(34,278)	(34,913)	(54,594)
Gross profit		460,009	551,191	645,534
Other net (loss)/income	5	(3,362)	3,651	(6,162)
Selling and distribution expenses . .		(257,806)	(302,900)	(380,936)
Administrative expenses		(59,730)	(70,570)	(65,543)
Research and development expenses	6(c)	(114,729)	(134,235)	(132,904)
Impairment losses on trade and other receivables		(1,587)	(10,376)	(13,033)
Profit from operations		22,795	36,761	46,956
Finance costs	6(a)	(7,178)	(14,459)	(15,060)
Profit before taxation	6	15,617	22,302	31,896
Income tax	7	(4,175)	(6,583)	(9,996)
Profit and total comprehensive income for the year		<u>11,442</u>	<u>15,719</u>	<u>21,900</u>
Attributable to:				
Equity shareholders of the Company		17,556	20,757	22,262
Non-controlling interests		(6,114)	(5,038)	(362)
		<u>11,442</u>	<u>15,719</u>	<u>21,900</u>
Earnings per share	10			
Basic (RMB)		<u>0.04</u>	<u>0.05</u>	<u>0.05</u>
Diluted (RMB)		<u>0.04</u>	<u>0.05</u>	<u>0.05</u>

The accompanying notes form part of the Historical Financial Information.

APPENDIX I

ACCOUNTANTS’ REPORT

Consolidated statements of financial position (Expressed in RMB)

	Note	As at 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Non-current assets				
Property, plant and equipment	11	430,302	579,369	624,761
Right-of-use assets	12	15,846	11,858	21,421
Intangible assets	13	192,305	288,906	355,430
Deferred tax assets	26(b)	11,361	15,750	16,511
Other non-current assets	15	28,887	558	218
		678,701	896,441	1,018,341
Current assets				
Inventories	17	72,116	85,682	62,383
Trade and other receivables	18	497,003	580,803	684,742
Financial assets measured at fair value through profit or loss (“FVPL”)	16	–	17,500	2,600
Restricted deposits	19	6,536	6,382	21,433
Cash and cash equivalents	19	355,535	217,777	225,176
		931,190	908,144	996,334
Current liabilities				
Trade and other payables	20	414,187	474,553	647,516
Contract liabilities	21	3,622	511	986
Lease liabilities	23	3,816	639	3,240
Bank loans	22	55,890	111,620	98,815
Current taxation	26(a)	3,736	9,442	–
		481,251	596,765	750,557
Net current assets		449,939	311,379	245,777
Total assets less current liabilities		1,128,640	1,207,820	1,264,118
Non-current liabilities				
Bank loans	22	177,288	249,532	323,717
Deferred income	24	19,978	24,786	29,163
Lease liabilities	23	611	–	7,258
		197,877	274,318	360,138
NET ASSETS		930,763	933,502	903,980
CAPITAL AND RESERVES				
Share capital	27(b)	406,158	405,933	405,708
Reserves	27(d)	510,746	518,748	497,970
Total equity attributable to equity shareholders of the Company		916,904	924,681	903,678
Non-controlling interests		13,859	8,821	302
TOTAL EQUITY		930,763	933,502	903,980

The accompanying notes form part of the Historical Financial Information.

APPENDIX I

ACCOUNTANTS’ REPORT

Statements of financial position of the Company (Expressed in RMB)

	Note	As at 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Non-current assets				
Property, plant and equipment	11	381,930	528,500	576,185
Right-of-use assets	12	10,611	10,318	19,089
Intangible assets	13	192,305	288,906	355,430
Investments in subsidiaries	14	139,498	139,498	178,608
Deferred tax assets	26(b)	11,361	15,750	16,511
Other non-current assets	15	28,887	216	218
		764,592	983,188	1,146,041
Current assets				
Inventories	17	71,511	83,474	62,355
Trade and other receivables	18	546,881	649,356	775,753
Financial assets measured at				
FVPL	16	–	17,500	2,600
Restricted deposits	19	6,536	6,382	21,433
Cash and cash equivalents	19	331,446	213,947	223,675
		956,374	970,659	1,085,816
Current liabilities				
Trade and other payables	20	409,179	467,165	651,143
Contract liabilities	21	3,622	511	986
Bank loans	22	55,890	111,620	98,815
Lease liabilities	23	–	–	2,695
Current taxation	26(a)	3,736	9,442	–
		472,427	588,738	753,639
Net current assets		483,947	381,921	332,177
Total assets less current liabilities		1,248,539	1,365,109	1,478,218
Non-current liabilities				
Bank loans	22	177,288	249,532	323,717
Deferred income	24	19,631	21,118	26,933
Lease liabilities	23	–	–	5,482
		196,919	270,650	356,132
NET ASSETS		1,051,620	1,094,459	1,122,086
CAPITAL AND RESERVES				
Share capital	27(b)	406,158	405,933	405,708
Reserves	27(d)	645,462	688,526	716,378
TOTAL EQUITY		1,051,620	1,094,459	1,122,086

The accompanying notes form part of the Historical Financial Information.

APPENDIX I

ACCOUNTANTS’ REPORT

Consolidated statements of changes in equity
(Expressed in RMB)

	Note	Attributable to equity shareholders of the Company						Non-controlling interests	Total equity
		Share capital	Capital reserves	Treasury shares	PRC statutory reserves	Accumulated losses	Total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2023		405,265	580,953	—	2,658	(107,251)	881,625	10,221	891,846
Changes in equity for 2023:									
Profit and total comprehensive income for the year		—	—	—	—	—	17,556	(6,114)	11,442
Issuance of restricted shares	27(b)	749	7,213	(7,962)	—	—	—	—	—
Exercise of share options	27(b)	144	2,277	—	—	—	2,421	—	2,421
Appropriation to PRC statutory reserves	27(d)	—	—	—	5,958	(5,958)	—	—	—
Capital contribution from non-controlling shareholders of a subsidiary	27(f)	—	6,932	—	—	—	6,932	9,752	16,684
Equity-settled share-based payments	25	—	8,370	—	—	—	8,370	—	8,370
Balance at 31 December 2023		406,158	605,745	(7,962)	8,616	(95,653)	916,904	13,859	930,763

The accompanying notes form part of the Historical Financial Information.

APPENDIX I

ACCOUNTANTS’ REPORT

	Note	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
		Share capital	Capital reserves	Treasury shares	PRC statutory reserves	Accumulated losses	Total			
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000			
Balance at 1 January 2024		406,158	605,745	(7,962)	8,616	(95,653)	916,904	13,859	930,763	
Changes in equity for 2024:										
Profit and total comprehensive income for the year		—	—	—	—	20,757	20,757	(5,038)	15,719	
Forfeiture of restricted shares	27(b)	(225)	(2,164)	2,380	—	9	—	—	—	
Appropriation to PRC statutory reserves	27(d)	—	—	—	5,582	(5,582)	—	—	—	
Dividends declared	27(e)	—	—	30	—	(15,434)	(15,404)	—	(15,404)	
Equity-settled share-based payments	25	—	2,424	—	—	—	2,424	—	2,424	
Balance at 31 December 2024		405,933	606,005	(5,552)	14,198	(95,903)	924,681	8,821	933,502	

The accompanying notes form part of the Historical Financial Information.

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	Note	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
		Share capital	Capital reserves	Treasury shares	PRC statutory reserves	Accumulated losses	Total			
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000			
Balance at 1 January 2025		405,933	606,005	(5,552)	14,198	(95,903)	924,681	8,821	933,502	
Changes in equity for 2025:										
Profit and total comprehensive income for the year		–	–	–	–	22,262	22,262	(362)	21,900	
Forfeiture of restricted shares	27(b)	(225)	(2,164)	2,380	–	9	–	–	–	
Acquisition of non-controlling interests of a subsidiary		–	(30,952)	–	–	–	(30,952)	(8,157)	(39,109)	
Appropriation to PRC statutory reserves	27(d)	–	–	–	3,994	(3,994)	–	–	–	
Equity-settled share-based payments	25	–	(12,313)	–	–	–	(12,313)	–	(12,313)	
Balance at 31 December 2025		405,708	560,576	(3,172)	18,192	(77,626)	903,678	302	903,980	

The accompanying notes form part of the Historical Financial Information.

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	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Operating activities				
Cash generated from/(used in) operations . .	19(b)	64,074	(471)	126,403
The PRC Corporate Income Tax paid	26(a)	(14,266)	(5,266)	(20,956)
Net cash generated from/(used in) operating activities		49,808	(5,737)	105,447
Investing activities				
Payment for the purchase of property, plant and equipment, intangible assets and other non-current assets		(169,885)	(207,319)	(98,811)
Cash receipts from disposal of property and equipment		—	29	67
Payment for purchases of financial assets measured at FVPL		(60,000)	(236,500)	(185,100)
Proceeds from maturity of financial assets measured at FVPL		151,042	219,856	200,498
Net cash used in investing activities		(78,843)	(223,934)	(83,346)
Financing activities				
Proceeds from issuance of restricted shares .	27(b)	7,962	—	—
Proceeds from exercise of share options . .	27(b)	2,421	—	—
Proceeds from capital contribution from non-controlling interests		16,684	—	—
Acquisition of non-controlling interests of a subsidiary		—	—	(39,109)
Payment for share repurchase		—	(2,380)	(2,380)
Payment for dividends		—	(15,434)	—
Payment for [REDACTED] expenses		—	—	(15,284)
Proceeds from new bank loans	19(c)	208,248	206,823	176,100
Repayments of bank loans	19(c)	(100,060)	(78,849)	(114,720)
Capital element of lease rentals paid	19(c)	(4,618)	(3,788)	(4,249)
Interest element of lease rentals paid	19(c)	(336)	(175)	(343)
Interest paid	19(c)	(6,842)	(14,284)	(14,717)
Net cash generated from/(used in) financing activities		123,459	91,913	(14,702)
Net increase/(decrease) in cash and cash equivalent		94,424	(137,758)	7,399
Cash and cash equivalents at the beginning of the year	19(a)	261,111	355,535	217,777
Cash and cash equivalents at the end of the year	19(a)	355,535	217,777	225,176

The accompanying notes form part of the Historical Financial Information.

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Notes to the Historical Financial Information

(Expressed in thousands of RMB, unless otherwise stated)

1 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

(a) General information

Chengdu Olymvax Biopharmaceuticals Inc. (成都歐林生物科技股份有限公司) (the “Company”) was incorporated in the People’s Republic of China (the “PRC”) on 11 December 2009 as a company limited by shares under the Companies Law of the PRC. In June 2021, the Company’s A shares were listed on Shanghai Stock Exchange.

The Company and its subsidiaries (together as “the Group”) are principally engaged in research and development, manufacturing and sales of vaccine products.

The Company’s financial statements for the years ended 31 December 2023, 2024 and 2025 prepared in accordance with the China Accounting Standards for Business Enterprises (the “CASBEs”) issued by the Ministry of Finance of the PRC were audited by Peking Certified Public Accountants Co., Ltd. 中勤萬信會計師事務所(特殊普通合伙).

(b) Subsidiaries

As at 31 December 2023, 2024 and 2025 and the date of this report, the Company has direct interests in the following subsidiaries, all of which are private companies:

Company Name	Date and place of incorporation and business	Particulars of issued and paid-up capital	Effective interest held by the Group				Principal activities
			As at 31 December			As at the date of this report	
			2023	2024	2025		
成都新諾明生物科技股份有限公司 (Chengdu XENOMIX Biotechnology Co., Ltd. “Chengdu XENOMIX”, notes (i) and (ii) (iii))	27 September 2021 The PRC	RMB108,823,529	84.13%	84.13%	99.13%	100%	Research and development of vaccines
重慶原倫生物科技股份有限公司 (Chongqing Yuanlun Biotechnology Co., Ltd. “Chongqing Yuanlun”, notes (i) and (iii))	22 December 2010 The PRC	RMB30,000,000	100%	100%	100%	85%	Research and development of vaccines
歐林生物(香港)有限公司 (Olymvax Biopharmaceuticals (Hong Kong) Co., Ltd.)	19 January 2026 Hong Kong	HKD10,000	—	—	—	100%	Research, development, consulting and sales of biopharmaceutical products; investment

Notes:

- (i) The official names of these companies are in Chinese. The English translation of the company names is for identification only. These companies were limited liability companies under the law of the PRC.
- (ii) The financial statements of this entity for the years ended 31 December 2023 and 2024 prepared in accordance with the CASBEs were audited by Peking Certified Public Accountants Co., Ltd. 中勤萬信會計師事務所(特殊普通合夥).
- (iii) No audited financial statements have been prepared for Chengdu XENOMIX Biotechnology Co., Ltd. for the year ended 31 December 2025.

No audited financial statements have been prepared for Chongqing Yuanlun for the Relevant Periods.

All companies comprising the Group have adopted 31 December as their financial year end date.

(c) Basis of preparation

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). Further details of the material accounting policy information are set out in note 2.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing the Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards consistently throughout the Relevant Periods, except for any new standards or interpretations that are not yet effective for the accounting period beginning 1 January 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting period beginning 1 January 2025 are set out in note 33.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

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ACCOUNTANTS’ REPORT

The Historical Financial Information is presented in RMB, rounded to the nearest thousand (“RMB’000”), unless otherwise indicated.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis, except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Financial assets measured at FVPL (see note 2(d)).

(b) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in note 3.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests (“NCI”) either at fair value or at the NCI’s proportionate share of the subsidiary’s net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. NCI in the results of the Group is presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the company.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net identifiable assets.

Changes in the Group’s interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company’s statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)), unless it is classified as held for sale (or included in a disposal Group classified as held for sale).

(d) Other investments in securities

The Group’s policies for investments in securities, other than investments in subsidiaries are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 28(e). These investments are subsequently accounted for as follows, depending on their classification.

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(i) *Non-equity investments*

Non-equity investments are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see note 2(s)(ii)) are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- FVOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in other comprehensive income (“OCI”). When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) *Equity investments*

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer’s perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income (see note 2(s)).

(e) *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(h)(ii)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost of items of other property and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Buildings	40 years
– Equipment and furniture	3-15 years
– Vehicles	4 years
– Leasehold improvements	3-10 years

Depreciation methods, useful life and residual values are reviewed annually and adjusted if appropriate.

(f) *Intangible assets (other than goodwill)*

(i) *Software*

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives of 5-10 years. Costs associated with maintaining computer software programs are recognised as expense as incurred. The estimated useful life and amortisation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis.

(ii) *Capitalised development costs*

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised as development costs if they can be directly attributable to a newly developed vaccine and relevant product and all the following can be demonstrated:

- The technical feasibility to complete the development project so that it will be available for use or sale;
- The intention to complete the development project to use or sell the vaccine and relevant product;
- The ability to use or sell the vaccine and relevant product;
- The manner in which the development project will generate probable future economic benefits for the Group;

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- The availability of adequate technical, financial and other resources to complete the development project and use or sell the vaccine and relevant product; and
- The expenditure attributable to the asset during its development can be reliably measured.

The Group recognises development costs as follows:

Development stage begins after Phase III clinical trials are conducted substantially. Development costs at Phase III are recognised as assets when the above six criteria are met. The expenditure capitalised only includes the costs that are directly related to the clinical trials, such as clinical trial fees, sample testing fees and travel expense relating to clinical trials. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 2(h)(ii)). Expenditure on development activities not satisfying the above criteria is recognised in the profit or loss as incurred.

Capitalised development costs are amortised using the straight-line method over the life of the related vaccine and relevant product. Amortisation shall begin when the asset is available for use.

Amortisation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

Intangible assets not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(h)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see note 2(d)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“lease modification”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

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(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(s).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(g)(i), then the Group classifies the sub-lease as an operating lease.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses (“ECLs”) on financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and restricted deposits).

Other financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets and trade and other receivables and: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group’s historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 180 days past due.

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ECLs are remeasured at each reporting date to reflect changes in the financial instrument’s credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position (see note 2(d)).

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the group on terms that the group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 5 years past due or when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and other contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (“CGU”s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Specifically, vaccines products in finished goods with validity of less than 6 months are fully impaired.

When inventories are sold, the carrying amounts of those inventories is recognised as an expense in the period in which the related revenue is recognised.

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The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(j) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(s)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(k)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(n)).

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost using the effective interest method and including an allowance for credit losses (see note 2(h)(i)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institution, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL (see note 2(h)(i)).

(m) Trade and other payables (other than refund liabilities)

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with note 2(v).

(o) Refund liabilities

The Group recognises a refund liability if the Group expects to refund some, or all of the consideration of received from the customers. For the sale of vaccine products, the Group recognises the revenue for the transferred products in the amount of consideration to which the Group expects to be entitled. Therefore, revenue would not be recognised for the products expects to be returned and a refund liability is recognised.

(p) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

The grant-date fair value of share options granted to employees is measured using the Black-Scholes model, and the grant-date fair value of restricted shares is measured with reference to the closing share marketing price of that day. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense, with a corresponding increase in equity, is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

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(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings in accordance with IFRIC 23 Uncertainty over Income Tax Treatments (“IFRIC 23”). If it is probable that the relevant taxation authority will accept an uncertain tax treatment, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Provisions and contingent liabilities

Generally, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods or the provision of services in the ordinary course of the Group’s business.

Further details of the Group’s revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

For the sale of vaccine products, revenue is recognised when the customer takes possession of and accepts the products. Payment terms and conditions vary by customers and are based on the billing schedule established in the contracts or purchase orders with customers, but the Group generally provides credit terms to customers within three to six months upon customer acceptance. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period of financing is 12 months or less.

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(ii) Revenue from other sources and other income

(a) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discount estimated future cash receipts through expected life of the financial assets to the gross carrying amount of the financial asset. For financial assets measured at amortised cost are not credit-impaired, the effective interest rate is applied to the gross carrying amounts of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amounts net of loss allowance) of the asset (see note 2(h)(i)).

(b) Government grants

Government grants are recognised in the consolidated statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and amortised to profit or loss as other income over the useful life of the asset.

(c) Rental income from operating leases

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(t) Cost of revenue

Cost of revenue consists primarily of purchase price of products and shipping charges. Shipping charges to receive products from the suppliers are included in inventories and recognised as cost of revenue upon sale of the products to the customers.

(u) Research and development expenses

Research and development expenses comprise all expenses that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Research and development expenses are recognised as expenses in the period in which they are incurred. The Group capitalised the development expenditures that met the criteria set in note 2(f)(ii).

(v) Borrowing costs

Borrowing costs that are directly attributable to the construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(w) Related parties

(a) A person, or a close member of that person’s family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group’s parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group’s parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to the Group’s most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group’s various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and estimations used in preparation of the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 28 contains information about the assumption and their risk factors relating to financial instruments. Other key sources of significant estimation uncertainty are as follows:

(a) Research and development expenses

Expenditure on research activities is capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, the Group’s intention to complete and the Group’s ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the pipeline and the ability to measure reliably the expenditure during the development.

Development expenses which do not meet these criteria are expensed when incurred. Management will assess the progress of each of the research and development projects and determine the criteria met for capitalisation. During the reporting period, the Group capitalised the development expenditures that met the criteria set in note 2(f)(ii).

(b) Recognition of deferred tax assets

Deferred tax assets in respect of tax losses carried forward and deductible temporary differences are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the relevant assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting date. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

(c) Expected credit losses for trade and other receivables

Expected credit losses for trade and other receivables are determined based on assumptions about risk of default and expected credit loss rates. The Group adjusts judgement in making the assumption and selecting inputs for computing such impairment loss, broadly based on the available customers’ historical data, existing market conditions including forward looking estimates at the end of each reporting periods.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are research and development, manufacturing and sales of vaccine products.

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Revenue from contracts with customers within the scope of IFRS 15			
Sales of vaccine products	494,287	586,104	700,128

All of the Group’s revenues are recognised at a point in time. During the Relevant Periods, the Group did not have any customer with which transactions have exceeded 10% of the Group’s total revenue.

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(b) Segment reporting

(i) Segment information

The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group’s chief operating decision maker is the chief executive officer of the Group who reviews the Group’s consolidated results of operations in assessing performance of and making decisions about allocations to this segment.

Accordingly, no reportable segment information is presented.

(ii) Geographic information

No geographical information is shown as the revenue and profit from operations of the Group is substantially all derived from activities in the PRC and substantially all of the Group’s property, plant and equipment and intangible assets are located physically or operationally in the PRC.

5 OTHER NET (LOSS)/INCOME

	Note	Year ended 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Interest income from bank deposits		2,554	4,508	604
Government grants	(i)	15,759	10,133	12,567
Net realised and unrealised gain on financial assets measured at FVPL		1,042	856	498
Write-down of inventories		(23,368)	(12,982)	(23,216)
Net (losses)/gains on disposal of property, plant and equipment		(150)	(31)	9
Others		801	1,167	3,376
		<u>(3,362)</u>	<u>3,651</u>	<u>(6,162)</u>

Note:

- (i) Government grants mainly represented subsidy income received from various government organisations to support the operation, research and development activities and construction of assets of the Group.

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Interest on bank loans (note 22)	6,842	14,284	14,717
Interest on lease liabilities (note 23)	336	175	343
	<u>7,178</u>	<u>14,459</u>	<u>15,060</u>

(b) Staff costs (including directors’ and supervisors’ emoluments)

	Note	Year ended 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Salaries, wages, bonuses and other benefits .		83,316	93,016	95,472
Equity-settled share-based payment (note 25)		8,370	2,424	(12,313)
Contributions to defined contribution retirement plans	(i)	4,614	4,994	5,178
		<u>96,300</u>	<u>100,434</u>	<u>88,337</u>

- (i) Employees of the Group are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group has no other material obligation for payment of other retirement benefits beyond the above contributions.

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(c) Other items

	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Amortisation				
– intangible assets (note 13)		787	825	1,021
Depreciation				
– property, plant and equipment (note 11)		29,354	31,199	37,285
– right-of-use assets (note 12)		3,988	3,988	4,545
		33,342	35,187	41,830
Research and development expenses	(i)	114,729	134,235	132,904
Cost of inventories	(ii)	57,646	47,895	77,810

Notes:

- (i) During the years ended 31 December 2023, 2024 and 2025, research and development expenses includes RMB71,578,000, RMB65,987,000 and RMB69,319,000 relating to staff costs, cost of inventories and depreciation and amortisation expenses, which are also included in the respective total amounts disclosed separately above or in the note 6(b) for each of these types of expenses.
- (ii) During the years ended 31 December 2023, 2024 and 2025, cost of inventories includes RMB7,499,000, RMB7,447,000 and RMB13,730,000 relating to staff costs and depreciation and amortisation expenses, which are also included in the respective total amounts disclosed separately above or in the note 6(b) for each of these types of expenses.

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current tax – PRC tax	8,541	10,972	10,757
Deferred tax	(4,366)	(4,389)	(761)
Total	4,175	6,583	9,996

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Profit before taxation		15,617	22,302	31,896
Notional tax on profit/(loss) before taxation, calculated at the rates applicable to profit in the PRC	(i)	3,904	5,576	7,974
Effect of preferential income tax rate	(ii)	(6,376)	(6,241)	(4,993)
Tax effect of non-deductible expenses		825	1,080	6,417
Tax effect of unused tax losses not recognised	(iii)	10,893	10,026	4,510
Additional deduction for qualified research and development costs	(iv)	(5,071)	(3,858)	(3,912)
Total tax charge		4,175	6,583	9,996

- (i) The Company and subsidiaries were incorporated in the PRC. Under the relevant PRC corporate income tax law and respective regulations, the Company and subsidiaries within the Group are subject to corporate income tax at the statutory rate of 25% for the Relevant Periods unless otherwise specified below.

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- (ii) According to the PRC corporate income tax law and respective regulations, entities qualified as high-technology enterprise are entitled to a preferential income tax rate of 15%. The Company qualifies as a high-technology enterprise and is entitled to a preferential tax rate of 15% for Relevant Periods.
- (iii) The Group has not recognised deferred tax assets in respect of cumulative tax losses relating to its subsidiaries, Chengdu XENOMIX and Chongqing Yuanlun.
- (iv) During the Relevant Periods, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income under the PRC income tax law and its relevant regulations.
- (v) In June 2026, the Group received a tax treatment decision by the tax authority which reassessed the interpretation relating to the tax treatment on certain transactions for the period from 1 January 2021 to 31 December 2023 and required the Group to pay income tax and late payment surcharge totalling RMB87.4 million. After deduction of the tax payment of RMB4.2 million made in December 2025, the Group fully settled the remaining tax payment and related late payment surcharge of RMB83.2 million in June 2026, which were charged to profit or loss for the year ending 31 December 2026 in accordance with the IFRIC 23.

8 DIRECTORS’ AND SUPERVISORS’ EMOLUMENTS

Directors’ and supervisors’ emoluments are as follows:

Year ended 31 December 2023						
Directors’ fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total	
RMB’000	RMB’000	RMB’000	RMB’000	RMB’000 (Note (i))	RMB’000	RMB’000
Executive Directors						
Mr. Fan Shaowen (樊紹文) . . .	—	601	113	—	214	928
Ms. Fan Fan (樊飢)	—	523	135	14	171	843
Mr. Yu Yunhui (余雲輝)	—	42	—	—	149	191
Mr. Hu Cheng (胡成)	—	42	—	—	—	42
Ms. Chen Aimin (陳愛民) . . .	—	499	103	—	171	773
Mr. Lu Lu (盧陸)	—	180	37	—	172	389
Independent Non-Executive Directors						
Mr. He Shaoping (何少平) . . .	84	—	—	—	—	84
Mr. Li Xianchun (李先純) . . .	84	—	—	—	—	84
Mr. Wang Qiao (王喬)	84	—	—	—	—	84
Supervisors						
Mr. Zhang Pengfei (張鵬飛) . .	—	42	—	—	—	42
Ms. Yan Hua (延華)	—	42	—	—	—	42
Mr. Cheng Tianjun (程天駿) . .	—	333	143	8	—	484
	<u>252</u>	<u>2,304</u>	<u>531</u>	<u>22</u>	<u>877</u>	<u>3,986</u>

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Year ended 31 December 2024						
Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (Note (i))	RMB'000	
Executive Directors						
Mr. Fan Shaowen (樊紹文) . . .	—	600	134	—	59	793
Ms. Fan Fan (樊飢)	—	525	141	14	47	727
Mr. Yu Yunhui (余雲輝)	—	56	—	—	41	97
Mr. Hu Cheng (胡成)	—	56	—	—	—	56
Ms. Chen Aimin (陳愛民) . . .	—	498	123	—	47	668
Mr. Lu Lu (盧陸)	—	180	109	—	50	339
Independent Non-Executive Directors						
Mr. He Shaoping (何少平) . . .	112	—	—	—	—	112
Mr. Li Xianchun (李先純) . . .	112	—	—	—	—	112
Mr. Wang Qiao (王喬)	112	—	—	—	—	112
Supervisors						
Mr. Zhang Pengfei (張鵬飛) . .	—	56	—	—	—	56
Ms. Yan Hua (延華)	—	56	—	—	—	56
Mr. Cheng Tianjun (程天駿) . .	—	317	134	9	—	460
	336	2,344	641	23	244	3,588

Year ended 31 December 2025						
Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (Note)	
Executive Directors						
Mr. Fan Shaowen (樊紹文) . . .	—	989	140	—	(273)	856
Ms. Fan Fan (樊飢)	—	699	290	16	(218)	787
Mr. Yu Yunhui (余雲輝) (resigned in July 2025)	—	35	—	—	(190)	(155)
Mr. Hu Cheng (胡成) (resigned in July 2025)	—	35	—	—	—	35
Ms. Chen Aimin (陳愛民) . . .	—	615	140	—	(218)	537
Mr. Lu Lu (盧陸) (resigned in July 2025)	—	105	—	—	(222)	(117)
Mr. Cheng Tianjun (程天駿) (appointed in July 2025)	—	153	48	7	—	208
Non-Executive Directors						
Mr. Zhang Pengfei (張鵬飛) (appointed in July 2025)	25	—	—	—	—	25
Mr. Yu Yunhui (余雲輝) (appointed in July 2025)	25	—	—	—	—	25
Independent Non-Executive Directors						
Mr. He Shaoping (何少平) (resigned in July 2025)	70	—	—	—	—	70
Mr. Li Xianchun (李先純) (resigned in July 2025)	70	—	—	—	—	70
Mr. Wang Qiao (王喬) (resigned in July 2025)	70	—	—	—	—	70
Mr. Jv Dianwen (鞠佃文) (appointed in July 2025)	47	—	—	—	—	47
Mr. Chen Zhengxu (陳正旭) (appointed in July 2025)	47	—	—	—	—	47
Mr. Duan Hong (段宏) (appointed in July 2025)	47	—	—	—	—	47
Supervisors (note (ii))						
Mr. Zhang Pengfei (張鵬飛) .	—	35	—	—	—	35
Ms. Yan Hua (延華)	—	35	—	—	—	35
Mr. Cheng Tianjun (程天駿) .	—	215	—	9	—	224
	401	2,916	618	32	(1,121)	2,846

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Notes:

- (i) These represent the estimated value of share-based payment granted to the directors and supervisors under the Company’s share award schemes. The value of these restricted share units is measured according to the Group’s accounting policies for share-based payment transactions as set out in note 2(p)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting. The details of share-based payment, including the principal terms and number of options granted, are disclosed in note 25.
- (ii) The board of supervisors of the Company was cancelled in July 2025 pursuant to the resolutions of 22nd meeting of 6th Board of Directors approved on 14 July 2025.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The number of directors, supervisors and other employees included in the five highest paid individuals for the years ended 31 December 2023, 2024 and 2025 are set forth below:

	Year ended 31 December		
	2023	2024	2025
	<i>Number of individuals</i>	<i>Number of individuals</i>	<i>Number of individuals</i>
Directors and supervisors	1	–	–
Other employees	4	5	5

The emoluments of the directors and supervisors are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining highest paid individuals, are as follows:

	Year ended 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Salaries and other emoluments	1,891	3,744	4,617
Discretionary bonuses	1,929	1,270	2,281
Share-based payments	538	174	(738)
Retirement scheme contributions	52	62	86
	<u>4,410</u>	<u>5,250</u>	<u>6,246</u>

The emoluments of the individuals who are not directors or supervisors and who are amongst the five highest paid individuals of the Group are within the following bands:

	Year ended 31 December		
	2023	2024	2025
	<i>Number of individuals</i>	<i>Number of individuals</i>	<i>Number of individuals</i>
Nil – HKD1,000,000	1	2	1
HKD1,000,001 – HKD1,500,000	3	2	4
HKD1,500,001 – HKD2,000,000	–	1	–

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company and the weighted average of ordinary shares during the years, calculated as follows.

	Year ended 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Profit attributable to equity shareholders of the Company	<u>17,556</u>	<u>20,757</u>	<u>22,262</u>

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	Note	Year ended 31 December		
		2023	2024	2025
Weighted average number of ordinary shares				
Issued ordinary shares at 1 January		405,265,000	406,158,300	405,933,600
Effect of treasury shares	27(b)	(439,140)	(749,000)	(524,300)
Effect of issuance of shares	27(b)	538,371	–	–
Weighted average number of ordinary shares at 31 December		405,364,231	405,409,300	405,409,300

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the above profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares (diluted), calculated as follows:

	Note	Year ended 31 December		
		2023	2024	2025
Weighted average number of ordinary shares (diluted)				
Weighted average number of ordinary shares at 31 December		405,364,231	405,409,300	405,409,300
Effect of deemed issue of shares under the Company’s share option scheme and share award scheme	25	6,993	–	–
Weighted average number of ordinary shares (diluted) at 31 December		405,371,224	405,409,300	405,409,300

For the years ended 31 December 2024 and 2025, the share option scheme and share award scheme (note 25) were not included in the calculation of diluted earnings per share as their inclusion would have no dilutive effect. Accordingly, diluted earnings per share for the year ended 31 December 2024 and 2025 were the same as the basic earnings per share of the respective year.

11 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

The Group

	Buildings	Equipment and furniture	Vehicles	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost:						
At 1 January 2023	103,166	259,074	2,809	15,401	135,491	515,941
Additions	–	20,499	1,003	1,989	62,747	86,238
Transfer from construction in progress	–	16,871	–	12	(16,883)	–
Disposals	(6,947)	(870)	–	(879)	–	(8,696)
At 31 December 2023 and 1 January 2024	96,219	295,574	3,812	16,523	181,355	593,483
Additions	–	5,726	–	2,463	172,190	180,379
Transfer from construction in progress	128,466	13,810	–	–	(142,276)	–
Disposals	–	(665)	–	(520)	–	(1,185)
At 31 December 2024 and 1 January 2025	224,685	314,445	3,812	18,466	211,269	772,677
Additions	553	4,714	982	988	75,498	82,735
Transfer from construction in progress	–	60,508	–	–	(60,508)	–
Disposals	–	(1,613)	–	(3,273)	–	(4,886)
At 31 December 2025	225,238	378,054	4,794	16,181	226,259	850,526

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	Buildings	Equipment and furniture	Vehicles	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Accumulated depreciation						
At 1 January 2023	(28,709)	(100,010)	(2,398)	(4,582)	–	(135,699)
Charge for the year . . .	(2,161)	(23,659)	(380)	(3,154)	–	(29,354)
Disposals	168	825	–	879	–	1,872
At 31 December 2023 and 1 January 2024 . . .	(30,702)	(122,844)	(2,778)	(6,857)	–	(163,181)
Charge for the year . . .	(2,421)	(24,969)	(284)	(3,525)	–	(31,199)
Disposals	–	552	–	520	–	1,072
At 31 December 2024 and 1 January 2025 . . .	(33,123)	(147,261)	(3,062)	(9,862)	–	(193,308)
Charge for the year . . .	(5,281)	(27,614)	(284)	(4,106)	–	(37,285)
Disposals	–	1,555	–	3,273	–	4,828
At 31 December 2025 . .	(38,404)	(173,320)	(3,346)	(10,695)	–	(225,765)
Net book value:						
At 31 December 2025 . .	186,834	204,734	1,448	5,486	226,259	624,761
At 31 December 2024 . .	191,562	167,184	750	8,604	211,269	579,369
At 31 December 2023 . .	65,517	172,730	1,034	9,666	181,355	430,302

The Company

	Buildings	Equipment and furniture	Vehicles	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost:						
At 1 January 2023	103,166	240,337	1,148	13,437	122,143	480,231
Additions	–	1,663	1,003	1,989	61,394	66,049
Transfer from construction in progress .	–	8,717	–	–	(8,717)	–
Disposals	(6,947)	(417)	–	(880)	–	(8,244)
At 31 December 2023 and 1 January 2024 . . .	96,219	250,300	2,151	14,546	174,820	538,036
Additions	–	1,889	–	2,463	167,558	171,910
Transfer from construction in progress .	128,466	2,643	–	–	(131,109)	–
Disposals	–	(591)	–	(520)	–	(1,111)
At 31 December 2024 and 1 January 2025 . . .	224,685	254,241	2,151	16,489	211,269	708,835
Additions	553	1,827	982	988	74,144	78,494
Transfer from construction in progress .	–	60,283	–	–	(60,283)	–
Disposals	–	(1,613)	–	(3,273)	–	(4,886)
At 31 December 2025 . .	225,238	314,738	3,133	14,204	225,130	782,443
Accumulated depreciation						
At 1 January 2023	(28,709)	(98,369)	(1,057)	(4,549)	–	(132,684)
Charge for the year . . .	(2,161)	(20,008)	(338)	(2,758)	–	(25,265)
Disposals	168	796	–	879	–	1,843
At 31 December 2023 and 1 January 2024 . . .	(30,702)	(117,581)	(1,395)	(6,428)	–	(156,106)
Charge for the year . . .	(2,421)	(19,499)	(243)	(3,130)	–	(25,293)
Disposals	–	544	–	520	–	1,064
At 31 December 2024 and 1 January 2025 . . .	(33,123)	(136,536)	(1,638)	(9,038)	–	(180,335)
Charge for the year . . .	(5,281)	(21,517)	(243)	(3,710)	–	(30,751)
Disposals	–	1,555	–	3,273	–	4,828
At 31 December 2025 . .	(38,404)	(156,498)	(1,881)	(9,475)	–	(206,258)

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	Buildings	Equipment and furniture	Vehicles	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net book value:						
At 31 December 2025 . . .	186,834	158,240	1,252	4,729	225,130	576,185
At 31 December 2024 . . .	191,562	117,705	513	7,451	211,269	528,500
At 31 December 2023 . . .	65,517	132,719	756	8,118	174,820	381,930

12 RIGHT-OF-USE ASSETS

- (a) The reconciliation of the carrying amounts of right-of-use assets by class of underlying asset is as follows:

The Group

	Land use rights	Properties leased for own use	Total
	RMB'000	RMB'000	RMB'000
Cost:			
At 1 January 2023, 31 December 2023, 31 December 2024 and 1 January 2025	14,635	11,087	25,722
Additions	—	14,108	14,108
Disposals	—	(11,087)	(11,087)
At 31 December 2025	14,635	14,108	28,743
Accumulated depreciation:			
At 31 December 2022 and 1 January 2023	(3,731)	(2,157)	(5,888)
Charge for the year	(293)	(3,695)	(3,988)
At 31 December 2023 and 1 January 2024	(4,024)	(5,852)	(9,876)
Charge for the year	(293)	(3,695)	(3,988)
At 31 December 2024 and 1 January 2025	(4,317)	(9,547)	(13,864)
Charge for the year	(293)	(4,252)	(4,545)
Disposals	—	11,087	11,087
At 31 December 2025	(4,610)	(2,712)	(7,322)
Net book value:			
At 31 December 2025	10,025	11,396	21,421
At 31 December 2024	10,318	1,540	11,858
At 31 December 2023	10,611	5,235	15,846

The Company

	Land use rights	Properties leased for own use	Total
	RMB'000	RMB'000	RMB'000
Cost:			
At 1 January 2023, 31 December 2023, 31 December 2024 and 1 January 2025	14,635	—	14,635
Additions	—	11,252	11,252
At 31 December 2025	14,635	11,252	25,887
Accumulated depreciation:			
At 1 January 2023	(3,731)	—	(3,731)
Charge for the year	(293)	—	(293)
At 31 December 2023 and 1 January 2024	(4,024)	—	(4,024)
Charge for the year	(293)	—	(293)
At 31 December 2024 and 1 January 2025	(4,317)	—	(4,317)
Charge for the year	(293)	(2,188)	(2,481)
At 31 December 2025	(4,610)	(2,188)	(6,798)

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	Land use rights	Properties leased for own use	Total
	RMB'000	RMB'000	RMB'000
Net book value:			
At 31 December 2025	10,025	9,064	19,089
At 31 December 2024	10,318	–	10,318
At 31 December 2023	10,611	–	10,611

(i) **Land use rights**

Land use rights are located in Sichuan Province, the PRC, and are held on leases of 50 years from the date of acquisition.

(ii) **Properties leased for own use**

The Group leases office under 3-year leases expiring in 3 years. Some leases include an option to renew the lease when all terms are renegotiated. None of the leases includes variable lease payments.

(b) The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Depreciation charge of right-of-use assets	3,988	3,988	4,545
Interest on lease liabilities (<i>note 6(a)</i>)	336	175	343
Expense relating to short-term leases	231	161	288

For the years ended 31 December 2023, 2024 and 2025, additions to right-of-use assets included the capitalised lease payments payable and initial direct costs in connection with leases under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 19(b) and 23, respectively.

13 INTANGIBLE ASSETS

The Group and the Company

	Development costs	Software	Total
	RMB'000	RMB'000	RMB'000
Cost:			
At 1 January 2023	121,492	7,435	128,927
Addition	64,603	391	64,994
Disposal	–	(1)	(1)
At 31 December 2023 and 1 January 2024	186,095	7,825	193,920
Addition	96,799	627	97,426
At 31 December 2024 and 1 January 2025	282,894	8,452	291,346
Addition	65,662	1,883	67,545
Disposal	–	(218)	(218)
At 31 December 2025	348,556	10,117	358,673
Accumulated amortisation:			
At 1 January 2023	–	(828)	(828)
Charge for the year	–	(787)	(787)
At 31 December 2023 and 1 January 2024	–	(1,615)	(1,615)
Charge for the year	–	(825)	(825)
At 31 December 2024 and 1 January 2025	–	(2,440)	(2,440)
Charge for the year	–	(1,021)	(1,021)
Disposal	–	218	218
At 31 December 2025	–	(3,243)	(3,243)

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	Development costs	Software	Total
	RMB'000	RMB'000	RMB'000
Net book value:			
At 31 December 2025	348,556	6,874	355,430
At 31 December 2024	282,894	6,012	288,906
At 31 December 2023	186,095	6,210	192,305

Development costs not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired. For the purpose of impairment test, development costs are allocated to CGUs comprising the assets and liabilities that are expected to generate cash flows with such development costs. The appropriate cash-generating unit is at the pipeline level. As at 31 December 2023, 2024 and 2025, the directors of the Company had performed impairment assessment of all development costs not yet available for use.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to a cash-generating unit for which the estimates of future cash flows have not been adjusted.

The cash flow projections of the value-in use calculation are based on financial budgets approved by management of the Group.

The key assumptions in the value-in-use calculations of the relevant CGUs as at December 31 2023, 2024 and 2025 are set out as follows:

	As at 31 December 2023		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	18.7%	18.7%	N/A
Annual growth rate of revenue during the forecast period	20% to 50%	12.9% to 21.05%	N/A
	As at 31 December 2024		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	18.4%	18.4%	N/A
Annual growth rate of revenue during the forecast period	20% to 50%	12.9% to 21.05%	N/A
	As at 31 December 2025		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	18%	18%	18%
Annual growth rate of revenue during the forecast period	20% to 50%	12.9% to 21.05%	11.11% to 40%

The management considers the length of the forecast period is appropriate because it generally takes longer for a vaccine company to generate positive cash flows, compared to companies in other industries, especially when the products related to development costs are under clinical trial. Hence, the management believes that a forecast period for the cash generating unit longer than five years is justifiable and consistent with industry practice.

The headroom calculated based on the recoverable amounts deducting the carrying amounts allocated to the CGUs is set out as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Pipeline A	554,224	739,988	790,855
Pipeline B	235,789	295,864	308,166
Pipeline C	—	—	486,528

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Sensitivity analysis:

Management have undertaken sensitivity analysis on the impairment test of development costs. The following table sets out the hypothetical changes to the percentage point of pre-tax discount rate and annual revenue growth rate during the forecast period that would, in isolation, have removed the remaining headroom respectively as at each reporting period:

	As at 31 December 2023		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	14.3%	26.3%	N/A
Annual growth rate of revenue during the forecast period	-23%	-37.5%	N/A
	As at 31 December 2024		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	17.6%	32.6%	N/A
Annual growth rate of revenue during the forecast period	-37.7%	-39.7%	N/A
	As at 31 December 2025		
	Pipeline A	Pipeline B	Pipeline C
Pre-tax discount rate	24%	40%	45%
Annual growth rate of revenue during the forecast period	-45.8%	-39.6%	-27.5%

Considering there was still sufficient headroom based on the assessment, management believed that a reasonably possible change in any of the key assumptions on which management have based the determination of the recoverable amount of each CGU would not cause its carrying amount to exceed its recoverable amount.

14 INVESTMENT IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Chengdu XENOMIX	133,623	133,623	172,733
Chongqing Yuanlun	5,875	5,875	5,875
	<u>139,498</u>	<u>139,498</u>	<u>178,608</u>

15 OTHER NON-CURRENT ASSETS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayment for property, plant and equipment	23,393	558	218
Prepayment for clinical trial costs	5,494	—	—
	<u>28,887</u>	<u>558</u>	<u>218</u>

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayment for property, plant and equipment	23,393	216	218
Prepayment for clinical trial costs	5,494	—	—
	<u>28,887</u>	<u>216</u>	<u>218</u>

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16 FINANCIAL ASSETS MEASURED AT FVPL

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Wealth management products	–	15,000	–
Unlisted equity securities	–	2,500	2,600
	–	17,500	2,600
	–	–	–

As at 31 December 2023, 2024 and 2025, the balance of financial assets measured at FVPL represents wealth management product issued by the banks and securities company in the PRC with a floating return which will be paid together with the principal on the maturity date and a private equity fund in which the Company serves as a limited partner.

The analysis on the fair value measurement of the above financial assets is disclosed in note 28(e).

17 INVENTORIES

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Raw materials	7,914	12,381	8,917
Work in progress	55,413	58,326	56,838
Finished goods	19,564	22,814	18,052
	82,891	93,521	83,807
Less: write-down of inventories	(10,775)	(7,839)	(21,424)
	72,116	85,682	62,383

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Raw materials	7,309	10,173	8,889
Work in progress	55,413	58,326	56,838
Finished goods	19,564	22,814	18,052
	82,286	91,313	83,779
Less: write-down of inventories	(10,775)	(7,839)	(21,424)
	71,511	83,474	62,355

All of the inventories of the Group are expected to be recovered within one year.

- (a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Carrying amount of inventories sold	34,278	34,913	54,594
Write-down of inventories	23,368	12,982	23,216
Carrying amount of inventories utilised in research and development activities	23,248	17,512	22,810

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18 TRADE AND OTHER RECEIVABLES

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivable	525,743	611,109	713,466
Less: losses allowance (<i>note 28(a)</i>)	(34,495)	(44,688)	57,896
Trade receivables, net	491,248	566,421	655,570
Bills receivables	300	3,931	405
Other receivables	1,239	1,327	2,725
Less: losses allowance	(141)	(324)	(150)
Other receivables, net	1,098	1,003	2,575
Prepayments	4,357	9,448	7,837
Prepaid tax	–	–	757
[REDACTED] expenses to be deducted from equity	–	–	17,598
	<u>497,003</u>	<u>580,803</u>	<u>684,742</u>

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivable	575,882	680,631	804,704
Less: losses allowance (<i>note 28(a)</i>)	(34,495)	(44,688)	(57,896)
Trade receivables, net	541,387	635,943	746,808
Bills receivables	300	3,931	405
Other receivables	1,239	589	2,526
Less: losses allowance	(40)	(25)	(138)
Other receivables, net	1,199	564	2,388
Prepayments	3,995	8,918	7,797
Prepaid tax	–	–	757
[REDACTED] expenses to be deducted from equity	–	–	17,598
	<u>546,881</u>	<u>649,356</u>	<u>775,753</u>

As at 31 December 2024 and 2025, certain trade receivables were pledged as collateral for certain bank loans and banking facilities (see note 22).

Ageing analysis

As at the end of each reporting period, the ageing analysis of trade receivables and bills receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year (inclusive)	398,903	437,157	489,030
1 to 2 years (inclusive)	84,337	114,614	135,429
2 to 3 years (inclusive)	7,448	17,396	26,652
Over 3 years	860	1,185	4,864
	<u>491,548</u>	<u>570,352</u>	<u>655,975</u>

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The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year (inclusive)	410,058	456,540	510,746
1 to 2 years (inclusive)	123,321	125,769	154,812
2 to 3 years (inclusive)	7,448	56,380	37,807
Over 3 years	860	1,185	43,848
	<u>541,687</u>	<u>639,874</u>	<u>747,213</u>

Trade receivables and bills receivables are due within 90 to 180 days for disease control centres in PRC and 0 to 90 days for other customers from the date of invoice. Further details on the Group’s credit policy and credit risk arising from trade receivables and bills receivable are set out in note 28(a).

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash and bank balance	362,071	224,159	246,609
Less: restricted deposits	(6,536)	(6,382)	21,433
	<u>355,535</u>	<u>217,777</u>	<u>225,176</u>

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash and bank balance	337,982	220,329	245,108
Less: restricted deposits	(6,536)	(6,382)	(21,433)
	<u>331,446</u>	<u>213,947</u>	<u>223,675</u>

(b) Reconciliation of profit/(loss) before taxation to cash (used in)/generated from operations:

	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Profit before taxation		15,617	22,302	31,896
Adjustments for:				
Depreciation of property, plant and equipment	6(c)	29,354	31,199	37,285
Amortisation of intangible assets	6(c)	787	825	1,021
Depreciation of right-of-use assets	6(c)	3,988	3,988	4,545
Impairment losses on trade and other receivables		1,587	10,376	13,033
Write-down of inventories	5	23,368	12,982	23,216
Finance costs	6(a)	7,178	14,459	15,060
Equity-settled share-based payment expenses	6(b)	8,370	2,424	(12,313)
Loss/(gain) on disposal of property, plant and equipment	5	150	31	(9)
Net realised and unrealised gain on financial assets measured at FVPL	5	(1,042)	(856)	(498)
Changes in working capital:				
(Increase)/decrease in inventories		(16,962)	(26,548)	83
Increase in trade and other receivables		(449)	(94,205)	(116,215)
Decrease/(increase) in restricted deposits		1,585	154	(15,051)
(Decrease)/increase in trade and other payables		(6,232)	20,701	139,498

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	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
(Decrease)/increase in contract liabilities . . .		(3,090)	(3,111)	475
(Decrease)/increase in deferred income . . .		(135)	4,808	4,377
Cash generated from/(used in) operations . . .		64,074	(471)	126,403

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group’s liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group’s consolidated cash flow statements as cash flows from financing activities.

	Note	Bank loans and other borrowings	Lease liabilities	Total
		RMB'000	RMB'000	RMB'000
		(note 22)	(note 23)	
At 1 January 2023		124,990	9,045	134,035
Changes from financing cash flows:				
Proceeds from new bank loans		208,248	—	208,248
Repayments of bank loans		(100,060)	—	(100,060)
Capital element of lease rentals paid		—	(4,618)	(4,618)
Interest element of lease rentals paid		—	(336)	(336)
Interest paid		(6,842)	—	(6,842)
Total changes from financing cash flows		101,346	(4,954)	96,392
Other changes:				
Financial costs	6(a)	6,842	336	7,178
Total other charges		6,842	336	7,178
At 31 December 2023		233,178	4,427	237,605

	Note	Bank loans and other borrowings	Lease liabilities	Total
		RMB'000	RMB'000	RMB'000
		(note 22)	(note 23)	
At 1 January 2024		233,178	4,427	237,605
Changes from financing cash flows:				
Proceeds from new bank loans		206,823	—	206,823
Repayments of bank loans		(78,849)	—	(78,849)
Capital element of lease rentals paid		—	(3,788)	(3,788)
Interest element of lease rentals paid		—	(175)	(175)
Interest paid		(14,284)	—	(14,284)
Total changes from financing cash flows		113,690	(3,963)	109,727
Other changes:				
Financial costs	6(a)	14,284	175	14,459
Total other charges		14,284	175	14,459
At 31 December 2024		361,152	639	361,791

	Note	Bank loans and other borrowings	Lease liabilities	Total
		RMB'000	RMB'000	RMB'000
		(note 22)	(note 23)	
At 1 January 2025		361,152	639	361,791
Changes from financing cash flows:				
Proceeds from new bank loans		176,100	—	176,100
Repayments of bank loans		(114,720)	—	(114,720)
Capital element of lease rentals paid		—	(4,249)	(4,249)
Interest element of lease rentals paid		—	(343)	(343)
Interest paid		(14,717)	—	(14,717)
Total changes from financing cash flows		46,663	(4,592)	42,071

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	<i>Note</i>	Bank loans and other borrowings	Lease liabilities	Total
		<i>RMB’000</i> <i>(note 22)</i>	<i>RMB’000</i> <i>(note 23)</i>	<i>RMB’000</i>
Other changes:				
Increase in lease liabilities from entering into new leases during the year		–	14,108	14,108
Financial costs	6(a)	14,717	343	15,060
Total other charges		14,717	14,451	29,168
At 31 December 2025		422,532	10,498	433,030

(d) **Total cash outflows for leases**

Amounts included in the consolidated cash flow statements for leases comprise the following:

	Year ended 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Within operating cash flows	231	161	288
Within financing cash flows	4,954	3,963	4,592
	<u>5,185</u>	<u>4,124</u>	<u>4,880</u>

20 TRADE AND OTHER PAYABLES

The Group

	As at 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade payables	15,676	16,359	23,474
Payables relating to property, plant and equipment and intangible assets	2,675	42,292	93,696
Marketing service fees payables	329,696	349,041	446,052
Other payables	48,001	46,800	51,018
Financial liabilities measured at amortised cost . . .	396,048	454,492	614,240
Accrued payroll and benefits	13,808	15,196	16,117
Other tax payables	3,118	4,333	3,674
Other accruals	1,213	532	13,485
	<u>414,187</u>	<u>474,553</u>	<u>647,516</u>

The Company

	As at 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade payables	14,407	15,113	23,285
Payables relating to property, plant and equipment and intangible assets	1,905	37,250	90,565
Marketing service fees payables	329,696	349,041	446,052
Other payables	46,864	47,294	59,134
Financial liabilities measured at amortised cost . . .	392,872	448,698	619,036
Accrued payroll and benefits	12,035	13,626	15,018
Other tax payables	3,059	4,309	3,604
Other accruals	1,213	532	13,485
	<u>409,179</u>	<u>467,165</u>	<u>651,143</u>

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

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As at the end of each reporting period, the ageing analysis of trade payables and payables relating to property, plant and equipment (which are included in trade and other payables), based on the invoice date, is as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	6,781	48,451	87,289
1 to 2 years	6,868	4,388	27,048
2 to 3 years	4,173	3,312	2,415
More than 3 years	529	2,500	418
	<u>18,351</u>	<u>58,651</u>	<u>117,170</u>

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	4,889	42,163	87,073
1 to 2 years	6,721	4,388	23,944
2 to 3 years	4,173	3,312	2,415
More than 3 years	529	2,500	418
	<u>16,312</u>	<u>52,363</u>	<u>113,850</u>

21 CONTRACT LIABILITIES

The Group and the Company

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Balance at beginning of the year	6,712	3,622	511
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(6,712)	(3,622)	(511)
Increase in contract liabilities as a result of receipts in advance	3,622	511	986
Balance at end of the year	<u>3,622</u>	<u>511</u>	<u>986</u>

22 BANK LOANS

At the end of each reporting period, the bank loans were secured as follows:

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Secured bank loans	79,048	222,712	224,292
Unsecured bank loans	154,130	128,440	178,540
Guaranteed bank loans	–	10,000	19,700
	<u>233,178</u>	<u>361,152</u>	<u>422,532</u>

(i) Secured bank loans

As at 31 December 2023 and 2024 and 2025, the secured bank loans carried an interest rate at 4.5% per annum, 3.45%-4.5% per annum, and 3.7%-4.2% per annum, respectively.

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These loans were secured by certain property, plant and equipment, trade receivables and right-of-use assets of the Company. The details are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Property and equipment	53,078	51,327	49,575
Right-of-use assets	10,611	10,318	10,025
Trade and other receivables	—	150,000	150,000
	<u>63,689</u>	<u>211,645</u>	<u>209,600</u>

(ii) Unsecured bank loans

As at 31 December 2023, 2024 and 2025, unsecured bank loans carried an interest ranging from 3.45%-4.5% per annum, 3.9%-4.5% per annum, 3.35%-4.55% per annum, respectively.

(iii) Guaranteed bank loans

As at 31 December 2024 and 2025, the guaranteed bank loans were guaranteed by Shanghai Wushan Biotechnology Co., Ltd. (上海武山生物技術有限公司) (“Shanghai Wushan”), an entity controlled by the directors and carried an interest ranging from 3.45%-3.8% per annum, 3.7%-3.8% per annum, respectively.

[All the guarantees of the bank loans will be released before/upon [REDACTED].]

(iv) Bank loans at the end of reporting periods were repayable as follows:

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Bank loans			
– Within 1 year or on demand	55,890	111,620	98,815
– After 1 year but within 2 years	80,240	57,860	130,755
– After 2 years but within 5 years	90,000	142,200	146,165
– After 5 years	7,048	49,472	46,797
	<u>233,178</u>	<u>361,152</u>	<u>422,532</u>

23 LEASE LIABILITIES

As at the end of each reporting period, the Group’s lease liabilities were repayable as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	3,816	639	3,240
After 1 year but within 2 years	611	—	4,406
After 2 years but within 5 years	—	—	2,852
	<u>611</u>	<u>—</u>	<u>7,258</u>
	<u>4,427</u>	<u>639</u>	<u>10,498</u>

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The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	—	—	2,695
After 1 year but within 2 years	—	—	3,838
After 2 years but within 5 years	—	—	1,644
	—	—	5,482
	—	—	—
	—	—	8,177
	—	—	—

24 DEFERRED INCOME

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Government grant	19,978	24,786	29,163

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Government grant	19,631	21,118	26,933

Deferred income of the Group represents government grants received for the construction of property, plant and equipment and compensation for research and development costs, which would be recognised as “other income” on a straight-line basis over the expected useful lives of the relevant assets or upon satisfaction of certain conditions attached to the grants.

25 EQUITY-SETTLED SHARE-BASED PAYMENT

(a) Share option scheme in 2021

Pursuant to a written resolution of the Company approved by the Directors of the Company on 14 September 2021, a share option scheme (the “2021 Share Option Scheme”) was adopted for purpose of providing incentives to selected eligible employees of the Group and 320,000 share options were granted by the Group to the selected eligible employees at an exercise price of RMB16.78 per share on 23 September 2021, the date on which employees accepted the terms and conditions of the share options offered by the Group. The granted share options are subject to the service and performance vesting conditions, with 50% and 50% of the granted share options vested on the date falling 12 months, 24 months from the grant date, and are exercisable within 1 year after the vesting date, respectively.

Fair Value

The fair value of services received in return for share options granted is measured by reference to the fair value of shares granted. The estimate of the fair value of the share options granted is measured based on a Black-Scholes model.

Fair value of options and assumption

Fair value at measurement date	RMB14.58/RMB15.21
Share price	RMB32.45
Exercise price	RMB16.78
Expected volatility	18.45%/28.45%
Option life	1 year/2 years
Risk-free interest rate	1.50%/2.10%

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The table below discloses movements in the number of the 2021 Share Option Scheme during the years ended 31 December 2023, 2024 and 2025:

	Year ended 31 December		
	2023	2024	2025
Outstanding at the beginning of the year	299,600	—	—
Forfeited during the year	(155,300)	—	—
Exercised during the year	(144,300)	—	—
Outstanding at the end of the year	—	—	—

During the year ended 31 December 2023, 11,000 share options were forfeited due to employees’ resignation. On 24 April 2023, pursuant to the 2021 Share Option Scheme, 144,300 share options were exercised, and 144,300 share options were forfeited due to the unachieved performance condition.

(b) Share award scheme in 2023

Pursuant to a written resolution of the Company approved by the Directors of the Company on 31 May 2023, a share award scheme (the “2023 Share Award Scheme”) was adopted, under which the Company granted restricted shares and share options to key management and eligible employees respectively on 31 May 2023, the date on which both key management and eligible employees accepted the terms and conditions of the share award offered by the Group.

(i) Restricted shares granted to key management

749,000 restricted shares were issued and granted to the Group’s key management at a grant price of RMB10.63 per share, with a total consideration of RMB7,962,000. The granted restricted shares are subject to the service and performance vesting conditions, with 30%, 30% and 40% of the granted shares vested on the date falling 12 months, 24 months and 36 months from the grant date, respectively. At the date of issuance, the Company recognized RMB749,000 in share capital, RMB7,213,000 in capital reserves and RMB7,962,000 in treasury shares for the repurchase obligations.

Fair Value

The fair value of services received in return for the restricted shares granted is measured by reference to the fair value of share awards granted. The estimate of the fair value of the share awards granted is RMB11.25, which is determined with reference to the closing market price of the A share of the Company at the grant date.

Pursuant to the the 2023 Share Award Scheme, 224,700 and 224,700 restricted shares were forfeited in 2023 and 2024 due to unachieved performance condition and were repurchased in 2024 and 2025 respectively.

(ii) Share options granted to eligible employees

4,521,810 share options were granted to the Group’s eligible employees at nil consideration with an exercise price of RMB10.63. The granted share options are subject to the service and performance vesting conditions, with 30%, 30% and 40% of the granted share options vested on the date falling 12 months, 24 months and 36 months from the grant date, and are exercisable within 1 year after the vesting date, respectively.

Fair Value

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a Black-Scholes model.

Fair value of share options and assumption

Fair value at measurement date	RMB11.12/RMB11.21/RMB11.44
Share price	RMB21.88
Exercise price	RMB10.63
Expected volatility	13.59%/15.30%/16.16%
Option life	1 year/2 years/3 years
Risk-free interest rate	1.32%/1.11%/1.01%

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Movements in the number of outstanding share options granted to eligible employees under the 2023 Share Award Scheme are as follows:

	Year ended 31 December		
	2023	2024	2025
Outstanding at the beginning of the year	–	3,099,495	1,761,540
Granted during the year	4,521,810	–	–
Forfeited during the year	(1,422,315)	(1,337,955)	(1,761,540)
Outstanding at the end of the year	<u>3,099,495</u>	<u>1,761,540</u>	<u>–</u>

Pursuant to the 2023 Share Option Scheme, certain share options were forfeited due to resignation of employees and the unachieved performance condition during the years ended 31 December 2023, 2024 and 2025.

26 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position:

	Year ended 31 December		
	2023	2024	2025
PRC Corporate Income Tax			
At the beginning of the year	9,461	3,736	9,442
Provision for income tax for the year	8,541	10,972	10,757
Income tax paid	(14,266)	(5,266)	(20,956)
At the end of the year	<u>3,736</u>	<u>9,442</u>	<u>(757)</u>

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements during the year/period are as follows:

	Impairment provision for trade and other receivables	Inventory provisions	Government grant	Accrued expense	Depreciation of property, plant and equipment	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	4,949	907	2,868	832	(2,561)	–	6,995
Credit/(charged) to profit or loss	<u>233</u>	<u>709</u>	<u>–</u>	<u>1,178</u>	<u>(154)</u>	<u>2,400</u>	<u>4,366</u>
At 31 December 2023 and 1 January 2024	5,182	1,616	2,868	2,010	(2,715)	2,400	11,361
Credit/(charged) to profit or loss	<u>1,527</u>	<u>(440)</u>	<u>(397)</u>	<u>428</u>	<u>256</u>	<u>3,015</u>	<u>4,389</u>
At 31 December 2024, 1 January 2025	6,709	1,176	2,471	2,438	(2,459)	5,415	15,750
Credit/(charged) to profit or loss	<u>1,996</u>	<u>2,038</u>	<u>657</u>	<u>354</u>	<u>(4,576)</u>	<u>292</u>	<u>761</u>
At 31 December 2025	<u>8,705</u>	<u>3,214</u>	<u>3,128</u>	<u>2,792</u>	<u>(7,035)</u>	<u>5,707</u>	<u>16,511</u>

(ii) Reconciliation to the consolidated statements of financial position

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net deferred tax asset recognised in the consolidated statements of financial position	<u>11,361</u>	<u>15,750</u>	<u>16,511</u>

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(c) Deferred tax assets not recognised

Pursuant to the relevant laws and regulations in PRC, the unrecognised tax losses at the end of each reporting period will expire in the following years:

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
2023	3,467	—	—
2024	5,458	5,458	—
2025	5,761	5,761	5,761
2026	7,845	7,845	7,845
2027	67,985	67,985	67,985
2028	48,141	48,141	48,141
2029	—	40,103	40,103
2030	—	—	18,039
	<u>138,657</u>	<u>175,293</u>	<u>187,874</u>

All the tax losses of the Company can be carried forward for a maximum period of ten years pursuant to Notice No. 76 issued by the Ministry of Finance and the State Administration of Taxation of the PRC on July 11, 2018, since the Company obtained its certificate of the High Technology Enterprise on 11 September 2020 and 16 October 2023 respectively.

All the tax losses of the Group’s PRC subsidiaries can be carried forward for a maximum period of five years.

27 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group’s consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company’s individual components of equity between the beginning and the end of each reporting period are set out below.

The Company

Note	Share capital	Capital reserves	Treasury shares	PRC statutory reserves	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2023	<u>405,265</u>	<u>549,404</u>	<u>—</u>	<u>2,658</u>	<u>23,920</u>	<u>981,247</u>
Changes in equity for 2023:						
Profit for the year	—	—	—	—	59,582	59,582
Issuance of restricted shares 27(b)	749	7,213	(7,962)	—	—	—
Exercise of share options 27(b)	144	2,277	—	—	—	2,421
Appropriation to PRC statutory reserves 27(d)	—	—	—	5,958	(5,958)	—
Equity settled share-based transactions 25	—	8,370	—	—	—	8,370
Balance at 31 December 2023 and 1 January 2024	<u>406,158</u>	<u>567,264</u>	<u>(7,962)</u>	<u>8,616</u>	<u>77,544</u>	<u>1,051,620</u>
Changes in equity for 2024:						
Profit for the year	—	—	—	—	55,819	55,819
Forfeiture of restricted shares	(225)	(2,164)	2,389	—	—	—
Appropriation to PRC statutory reserves 27(d)	—	—	—	5,582	(5,582)	—
Dividends declared 27(e)	—	—	21	—	(15,425)	(15,404)
Equity settled share-based transactions 25	—	2,424	—	—	—	2,424
Balance at 31 December 2024 and 1 January 2025	<u>405,933</u>	<u>567,524</u>	<u>(5,552)</u>	<u>14,198</u>	<u>112,356</u>	<u>1,094,459</u>
Changes in equity for 2025:						
Profit for the year	—	—	—	—	39,940	39,940
Forfeiture of restricted shares	(225)	(2,164)	2,380	—	9	—
Appropriation to PRC statutory reserves 27(d)	—	—	—	3,994	(3,994)	—

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	Note	Share capital	Capital reserves	Treasury shares	PRC statutory reserves	Retained earnings	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Equity settled share-based transactions	25	–	(12,313)	–	–	–	(12,313)
Balance at 31 December 2025		<u>405,708</u>	<u>553,047</u>	<u>(3,172)</u>	<u>18,192</u>	<u>148,311</u>	<u>1,122,086</u>

(b) Share capital

As at 31 December 2023, 2024 and 2025, the Company has 406,158,300, 405,933,600 and 405,708,900 ordinary shares issued with par value of RMB1 for each share, respectively. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company’s residual assets.

	Year ended 31 December					
	2023		2024		2025	
	No. of shares	RMB'000	No. of shares	RMB'000	No. of shares	RMB'000
Ordinary shares, issued and outstanding:						
At 1 January	405,265,000	405,265	406,158,300	406,158	405,933,600	405,933
Issue of ordinary shares	893,300	893	–	–	–	–
Repurchase	–	–	(224,700)	(225)	(224,700)	(225)
At 31 December	<u>406,158,300</u>	<u>406,158</u>	<u>405,933,600</u>	<u>405,933</u>	<u>405,708,900</u>	<u>405,708</u>

During the year ended 31 December 2023, pursuant to the 2021 Share Option Scheme, 144,300 share options were exercised at a consideration of RMB2,421,000 and pursuant to the 2023 Share Award Scheme, 749,000 restricted shares were issued and granted by the Company at a consideration of RMB7,962,000.

Pursuant to the 2023 Share Award Scheme, 224,700 restricted shares forfeited in 2024 were repurchased by the Company in 2025 at a consideration of RMB2,389,000. Declared dividend for the restricted shares of RMB9,000 was deducted from the repurchase price.

Pursuant to the 2023 Share Award Scheme, 224,700 restricted shares forfeited in 2024 were repurchased by the Company in December 2025 at a consideration of RMB2,389,000. Declared dividend for the restricted shares of RMB21,000 in 2024 was deducted from the repurchase price.

(c) Treasury shares

Pursuant to the 2023 Share Award Scheme, the Company issued 749,000 restricted shares at a total consideration of RMB7,962,000 and the Company recognised RMB7,962,000 in treasury shares for the repurchase obligations. The Company is obliged to repurchase the restricted shares at a price equal to the paid in price minus the declared dividend per share due to resignation of employees or if the performance condition cannot be met.

(d) Nature and purpose of reserves

(i) Capital reserves

The capital reserves comprise the following:

- the difference between the consideration and the par value of the issued shares of the Company;
- the amount related to merger reserves resulted from business combination in 2016 involving entities under common control;
- the amount arises from the purchasing or disposing the interests of subsidiaries from non-controlling shareholders while retain the control;
- the portion of the grant date fair value of equity-settled share-based payments granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2(p)(ii).

(ii) PRC statutory reserves

According to the PRC Company Law, the PRC entities within the Group are required to transfer 10% of their profit after taxation (after offsetting the losses in the previous years), as determined under the PRC Accounting Regulations, to the statutory reserves until the reserve balance reaches 50% of their registered capital.

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The transfer to this reserve must be made before distribution of a dividend to shareholders.

Statutory reserves fund can be used to cover previous years’ losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(e) Dividends

On 19 June 2024, based on the total number of shares registered as of the record date for the distribution plan, the Board of Directors of the Company declared cash dividends to be distributed to the Company’s A-share shareholders, with a cash dividend of RMB0.038 per share (tax inclusive). Based on the total number of shares as of the record date for the distribution plan, which was 406,158,000 shares (including the restricted shares issued pursuant to the 2023 Share Award Scheme), the cash dividend amount was RMB15,434,000 (tax inclusive).

(f) Non-controlling interest

On 29 December 2022 and 15 December 2023, 成都生物城一號股權投資基金合夥企業(有限合夥) and 成都生物城青創股權投資基金合夥企業(有限合夥) (together as “Chengdu Bio town”) acquired 8,823,000 and 7,500,000 shares of Chengdu XENOMIX, a subsidiary of the Company, with consideration of RMB17,645,000 and RMB15,000,000 respectively.

On 17 April 2023 and 13 December 2023, 成都歐諾眾合企業管理中心(有限合夥) acquired 510,000 and 433,500 shares of Chengdu XENOMIX with consideration of RMB817,000 and RMB867,000 respectively.

On 11 November 2025, the Company acquired 16,323,000 shares of Chengdu XENOMIX from Chengdu Bio town with a consideration of RMB39,109,000. After the acquisition, the Company holds 99.13% shares of Chengdu XENOMIX.

(g) Capital management

The Group’s primary objectives when managing capital are to safeguard the Group’s ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and service commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirement.

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group’s business.

The Group’s exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group’s credit risk is primarily attributable to trade receivables. The Group’s exposure to credit risk arising from cash and cash equivalents, restricted deposits and bills receivables are limited because the counterparties are banks, Alipay and WeChat Pay for which the Group considers having low credit risk.

The Group does not provide any other guarantees which would expose the Group to credit risk.

Trade receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 31 December 2023, 2024 and 2025, 1.63% and 5.11%, 2.21% and 6.17%, 1.24% and 4.94% of the total trade receivables was due from the Group’s largest debtor and the five largest debtors.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer’s past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables and bills receivables are due within 90 to 180 days for disease control centres in PRC and 0 to 90 days for other customers from the date of invoice. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix and based on past due status.

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The following table provides information about the Group’s exposure to credit risk and ECLs for trade receivables as at 31 December 2023, 2024 and 2025:

The Group

	Expected loss rate	As at 31 December 2023		As at 31 December 2024		As at 31 December 2025	
		Gross carrying amount of trade receivables	Loss allowance	Gross carrying amount of trade receivables	Loss allowance	Gross carrying amount of trade receivables	Loss allowance
	%	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Within 1 year	5.0%	419,582	(20,978)	456,025	(22,801)	514,343	(25,718)
1-2 years	10.0%	93,708	(9,371)	127,349	(12,735)	150,477	(15,048)
2-3 years	30.0%	10,640	(3,192)	24,854	(7,456)	38,074	(11,422)
3-4 years	50.0%	1,699	(850)	2,081	(1,041)	9,466	(4,733)
4-5 years	80.0%	50	(40)	723	(578)	654	(523)
More than 5 years . . .	100.0%	64	(64)	77	(77)	452	(452)
		<u>525,743</u>	<u>(34,495)</u>	<u>611,109</u>	<u>(44,688)</u>	<u>713,466</u>	<u>(57,896)</u>

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group’s view of economic conditions over the expected lives of the trade receivables.

Movement in the loss allowance account in respect of trade receivables of the Group during the years ended 31 December 2023, 2024 and 2025 is as follows:

	Year ended as at 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
At January 1	32,779	34,495	44,688
Impairment loss recognized	<u>1,716</u>	<u>10,193</u>	<u>13,208</u>
At 31 December	<u>34,495</u>	<u>44,688</u>	<u>57,896</u>

(b) Liquidity risk

The following tables show the remaining contractual maturities at the end of each reporting period of the Group’s non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	31 December 2023 Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Bank loans (note 22) . . .	66,459	87,851	102,982	11,234	268,526	233,178
Trade and other payables measured at amortised cost (note 20)	414,187	—	—	—	414,187	414,187
Lease liabilities (note 23)	3,963	660	—	—	4,623	4,427
	<u>484,609</u>	<u>88,511</u>	<u>102,982</u>	<u>11,234</u>	<u>687,336</u>	<u>651,792</u>

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31 December 2024 Contractual undiscounted cash outflow						
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Bank loans (<i>note 22</i>) . . .	123,702	67,105	153,014	51,338	395,159	361,152
Trade and other payables measured at amortised cost (<i>note 20</i>)	474,553	—	—	—	474,553	474,553
Lease liabilities (<i>note 23</i>)	660	—	—	—	660	639
	<u>598,915</u>	<u>67,105</u>	<u>153,014</u>	<u>51,338</u>	<u>870,372</u>	<u>836,344</u>

31 December 2025 Contractual undiscounted cash outflow						
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Bank loans (<i>note 22</i>) . . .	109,922	140,964	153,267	48,366	452,519	422,532
Trade and other payables measured at amortised cost (<i>note 20</i>)	647,516	—	—	—	647,516	647,516
Lease liabilities (<i>note 23</i>)	3,600	4,590	2,906	—	11,096	10,498
	<u>761,038</u>	<u>145,554</u>	<u>156,173</u>	<u>48,366</u>	<u>1,111,131</u>	<u>1,080,546</u>

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s interest rate risk arises primarily from cash at banks, restricted deposits, financial assets measured at FVPL, bank loans and lease liabilities. Financial assets and liabilities issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group’s interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group’s financial assets and liabilities at the end of the reporting period.

As at 31 December						
	2023		2024		2025	
	Effective Interest rate		Effective Interest rate		Effective Interest rate	
	%	RMB'000	%	RMB'000	%	RMB'000
Fixed rate instruments:						
Bank loans	3.45%~4.35%	(54,200)	3.45%~4.2%	(108,940)	3.35%~4.55%	(147,920)
Lease liabilities	3.9%~4.5%	(4,427)	3.8%~4.5%	(639)	3.8%~4.5%	(10,498)
Restricted deposits	0.2%	6,536	0.1%	6,382	0.05%~0.1%	21,433
		<u>(52,091)</u>		<u>(103,197)</u>		<u>(136,985)</u>
Variable rate instruments:						
Cash at banks	0.2%	355,535	0.1%	217,777	0.05%~0.1%	225,176
Financial assets measured at FVPL	N/A	—	1%~5.75%	15,000	N/A	—
Bank loans	4.4%~4.5%	(178,978)	3.75%~4.5%	(252,212)	3.7%~4.2%	(274,612)
		<u>176,557</u>		<u>(19,435)</u>		<u>(49,436)</u>

(ii) Sensitivity analysis

The sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year.

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If interest rates had been 100 basis points higher and all other risk variables remained constant, the Group’s profit for the year ended 31 December 2023 would increase by RMB1,500,000, the Group’s profit for the year ended 31 December 2024 and 2025 would decrease by RMB165,000 and RMB420,000, respectively. Furthermore, the accumulated losses as at 31 December 2023 would decrease by RMB1,500,000 and the accumulated losses as at 31 December 2024 and 2025 would increase by RMB165,000 and RMB420,000, respectively.

If interest rates had been 100 basis points lower and all other risk variables remained constant, there would be an equal and opposite impact.

(d) Currency risk

The Group is not exposed to significant currency risk because it is not involved in transactions denominated in foreign currencies.

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

IFRS 13, *Fair value measurement* categorises fair value measurements into a three-level hierarchy. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: Fair value measured using Level 2 inputs i.e., observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The following table presents the Group’s financial assets that are measured at fair value at the end of each reporting period:

	As at 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Level 3			
Financial assets measured at FVPL	–	17,500	2,600
	=	=	=

Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs
Financial assets measured at FVPL	Discount cash flow method	Interest return rate

The fair value measurement is positively correlated to the interest return rate. As at 31 December 2023, 2024 and 2025, it is estimated that with all other variables held constant, an increase/decrease in the interest return rate by 1% would increase/decrease the Group’s profit by RMB nil, RMB175,000 and RMB26,000.

During the years ended 31 December 2023 and 2024 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group’s policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The movements during the reporting period in the balance of these Level 3 financial assets of the Group at fair value through profit or loss are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Financial assets measured at FVPL			
At 1 January	90,000	–	17,500
Payment for purchases	60,000	236,500	185,100
Changes in fair value recognised in profit or loss	1,042	856	498
Redemption	(151,042)	(219,856)	(200,498)
As at 31 December	–	17,500	2,600
	=	=	=

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(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group’s financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2023, 2024 and 2025.

29 COMMITMENTS

Commitments outstanding at 31 December 2023, 2024 and 2025 not provided for in the financial statements were as follows:

	As at 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Contracted for construction in progress	185,002	200,787	142,115

30 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel emoluments

Emoluments for key management personnel of the Group, including amounts paid to the Company’s directors as disclosed in note 8, is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Short-term employee benefits	5,450	5,962	5,500
Equity-settled share-based payment expenses	1,392	388	(1,529)
Post-employment benefits	66	67	72
	6,908	6,417	4,043

Total emoluments are included in “staff costs” (see note 6(b)).

(b) Identify of related parties

Name of party	Relationship with the Group
Shanghai Wushan	Controlled by the Group’s directors
Xiamen Hongguobao Biotechnology Co., Ltd. (廈門紅果寶生物技術有限公司)	Controlled by a close family member of a director of the Company
Zhengzhou Kangzhiyi Biotechnology Co., Ltd. (鄭州康之益生物科技有限公司)	Controlled by a close family member of a key management personnel of the Company
Chengdu Keen Biotechnology Co., Ltd. (成都可恩生物科技有限公司)	A close family member of one of the ultimate controlling shareholders acting as the entity’s key management personnel

(c) Material related party transactions

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Purchases of goods/services	35	—	—
Short-term lease revenue	506	368	743

(d) Balances with related parties

	As at 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Amounts due to:			
– Trade related	217	217	174

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(e) Guarantee provided by and to related parties

As at 31 December 2024 and 2025, the bank loans of RMB10,000,000 and RMB19,700,000 of the Company were guaranteed by Shanghai Wushan, an entity controlled by the Group’s directors.

31 CONTINGENT LIABILITIES

On 25 December 2025, the Company received a Writ of Summons in relation to legal proceedings initiated against the Company as the defendant by an individual, Mr. Wang Jianhua (the Plaintiff), the details of which were disclosed in the section headed “Business — Legal Proceedings And Compliance — Litigation in Relation to a Contract Dispute” in the Document.

32 NON ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Except as disclosed in note 7, there were no significant events after 31 December 2025 and up to the date of this report that require additional disclosure or adjustments.

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS

Up to the date of issue of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the accounting period beginning on 1 January 2025 and which have not been adopted in the Historical Financial Information, including:

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, <i>Financial instruments and IFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
Amendments to IFRS 9, <i>Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i> .	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027
IAS 21, <i>Translation to a hyperinflationary presentation currency</i>	1 January 2027
IFRS 20 <i>Regulatory Assets and Regulatory Liabilities</i>	1 January 2029
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	To be determined

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far, the Group has concluded that the adoption of them is unlikely to have a significant impact on the Group’s financial statements except for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity’s financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss and other comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

Subsequent financial statements

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 31 December 2025.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

The information set forth in this appendix does not form part of the Accountants’ Report received from KPMG, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this document, and is included herein for illustrative purposes only.

The unaudited [REDACTED] financial information should be read in conjunction with the section headed “Financial Information” in this document and the Accountants’ Report set forth in Appendix I to this document.

A UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited [REDACTED] statement of adjusted net tangible assets of our Group is prepared in accordance with paragraph 4.29 of the Listing Rules and is set out below for the purpose to illustrate the effect of the [REDACTED] on the consolidated net tangible assets attributable to equity shareholders of the Company as of 31 December 2025 as if the [REDACTED] had taken place on 31 December 2025.

The unaudited [REDACTED] statement of adjusted net tangible assets has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the [REDACTED] been completed as at 31 December 2025 or at any future date.

	Consolidated net tangible assets attributable to equity shareholders of the Company as of 31 December 2025 ⁽¹⁾	Estimated net [REDACTED] from the [REDACTED] ⁽²⁾⁽⁴⁾	Unaudited [REDACTED] adjusted net tangible assets attributable to equity shareholders of the Company	Unaudited [REDACTED] adjusted net tangible assets per Share ⁽³⁾	
	RMB'000	RMB'000	RMB'000	RMB	(HK\$ equivalent) ⁽⁴⁾
Based on an [REDACTED] of [HK\$[REDACTED]] per H Share	548,248	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Notes:

- (1) The consolidated net tangible assets attributable to equity shareholders of the Company as of 31 December 2025 is arrived at after deducting intangible assets of RMB355,430,000 from the consolidated total equity attributable to equity shareholders of the Company of RMB903,678,000 as of 31 December 2025, which is extracted from the Accountants’ Report set out in Appendix I to this Document.
- (2) The estimated net [REDACTED] from the [REDACTED] are based on the [REDACTED] of [HK\$[REDACTED]] per H Share and the issuance of [REDACTED] H Shares, after deduction of the estimated [REDACTED] fees and other estimated related expenses paid or payable by the Group and take no account of any H shares which may be issued upon the exercise of the [REDACTED] and the [REDACTED].
- (3) The unaudited [REDACTED] adjusted net tangible assets per Share is arrived at on the basis that 460,739,300 shares (being 405,708,900 Shares in issue as at 31 December 2025 and [REDACTED] H Shares to be issued pursuant to the [REDACTED], deducting 299,600 unvested restricted shares under 2023 Share Award Scheme as at 31 December 2025) were in issue immediately following the completion of the [REDACTED] assuming the [REDACTED] had completed on 31 December 2025 without taking into account of any Shares which may be issued upon the exercise of the [REDACTED] and the [REDACTED].
- (4) For illustrative purpose, the estimated net [REDACTED] from the [REDACTED] and the unaudited [REDACTED] adjusted net tangible assets per Share are converted into or from RMB at the exchange rate of RMB[0.8690] to HK\$1.00, the exchange rate set by PBOC prevailing on [22 June 2026]. No representation is made that the HK\$ amounts have been, could have been or may be converted to RMB, or vice versa, at that rate or at any other rates.
- (5) No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

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TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of H shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken into account the expected change or amendment to the relevant laws or policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an investment in H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special rules. Therefore, you should consult your tax advisor regarding the tax implications of investing in H shares. The discussion is based on laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not address any aspect of PRC taxation other than income tax, capital gains tax and profits tax, sales tax, value-added tax, stamp duty, and estate duty. Prospective investors should consult their financial advisors regarding the tax implications in PRC, among others, of owning and disposing of H shares.

MAINLAND PRC TAXATION

Enterprise income tax

In accordance with the “Enterprise Income Tax Law of the People’s Republic of China (2018 Amendment)” (《中華人民共和國企業所得稅法(2018修正)》) and the “Regulations for the Implementation of the Enterprise Income Tax Law of the People’s Republic of China (2024 Revision)” (《中華人民共和國企業所得稅法實施條例(2024修訂)》), enterprises established in the territory of China according to law, or enterprises established under the laws of a foreign country (region) but whose actual management body is within the territory of China, shall pay enterprise income tax on their income derived from both within and outside the territory of China. The enterprise income tax rate is 25%. Qualified small low-profit enterprises shall be subject to enterprise income tax at a reduced rate of 20%. High-tech enterprises that are key enterprises supported by the State shall be subject to enterprise income tax at a reduced rate of 15%.

Value-added tax

According to the Interim Regulations of the People’s Republic of China on Value-Added Tax (2017 Revision) (《中華人民共和國增值稅暫行條例(2017修訂)》) and the “Detailed Rules for the Implementation of the Interim Regulations of the People’s Republic of China on Value-Added Tax (2011 Revision)” (《中華人民共和國增值稅暫行條例實施細則(2011修訂)》), units and individuals selling goods or providing processing, repair, and maintenance services, selling services, intangible assets, real estate, and importing goods within the territory of China are taxpayers of value-added tax.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) (Cai Shui [2018] No. 32), for taxpayers engaging in VAT taxable sales or importing goods, the original applicable rates of 17% and 11% are adjusted to 16% and 10% respectively. For taxpayers purchasing agricultural products, the original applicable deduction rate is adjusted from 11% to 10%. Taxpayers who purchase agricultural products for the production and sale of goods subject to a 16% tax rate or for entrusted processing shall calculate the input tax amount based on a 12% deduction rate. For export goods originally subject to a 17% tax rate and a 17% export tax refund rate, the export tax refund rate has been adjusted to 16%. For export goods and cross-border taxable activities to which a tax rate of 11% was originally applicable and the export rebate rate was 11%, the export rebate rate is adjusted to 10%.

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According to the Announcement on Policies Related to Deepening Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》) (Announcement No. 39 of 2019 by the Ministry of Finance, the State Taxation Administration, and the General Administration of Customs), for VAT general taxpayers (hereinafter referred to as “**taxpayers**”) engaging in VAT taxable sales or importing goods, the original applicable rates of 16% and 10% are adjusted to 13% and 9% respectively. For taxpayers purchasing agricultural products, the original applicable deduction rate is adjusted from 10% to 9%. Taxpayers who purchase agricultural products for the production and sale of goods subject to a 13% tax rate or for entrusted processing shall calculate the input tax amount based on a 10% deduction rate. For export goods originally subject to a 16% tax rate and a 16% export tax refund rate, the export tax refund rate has been adjusted to 13%. For export goods and cross-border taxable activities to which a tax rate of 10% was originally applicable and the export rebate rate was 10%, the export rebate rate is adjusted to 9%.

According to the Interim Regulations of the People’s Republic of China on Value-Added Tax (2017 Revision) (《中華人民共和國增值稅暫行條例(2017修訂)》), the tax rate for taxpayers selling services and intangible assets is 6%, unless otherwise stipulated.

In addition, the Standing Committee of the 14th National People’s Congress promulgated the Value-Added Tax Law of the People’s Republic of China (《中華人民共和國增值稅法》), on 25 December 2024, which will take effect from 1 January 2026.

TAXATION ON DIVIDENDS

Individual investors

According to the Individual Income Tax Law of the People’s Republic of China (2018 Amendment) (《中華人民共和國個人所得稅法》) and the Regulations for the Implementation of the Individual Income Tax Law of the People’s Republic of China (2018 Revision) (《中華人民共和國個人所得稅法實施條例》), income from interest, dividends, and bonuses is subject to a proportional tax rate of 20%.

According to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) (Cai Shui [2015] No. 101), for individual investors holding shares of listed companies obtained from public offerings and the transfer market for more than one year, the individual income tax on dividend and bonus income shall be temporarily exempted. For individual shareholders who obtain shares of listed companies from public offerings and the transfer market, if the shareholding period is within one month (including one month), their dividend and bonus income shall be fully included in the taxable income; if the shareholding period is more than one month but not exceeding one year (including one year), 50% of their dividend and bonus income shall be temporarily included in the taxable income; the aforementioned income shall be subject to individual income tax at a uniform rate of 20%. When distributing dividends, listed companies will not withhold individual income tax for personal shareholdings within one year (including one year); when individuals transfer their shares, the securities registration and settlement company will calculate the tax payable based on their shareholding period, and securities companies and other share custodians will deduct and transfer the amount from the individual’s capital account to the securities registration and settlement company. The securities registration and settlement company shall transfer the amount to the listed company within 5 working days of the following month, and the listed company shall declare and pay the tax to the competent tax authority within the statutory declaration period of the month in which the tax is received.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), signed on 21 August 2006 and effective from 8 December 2006, the PRC government may levy taxes on dividends paid by a PRC company to Hong Kong residents (including natural

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persons and legal entities), in an amount not exceeding 10% of the total dividends payable by the PRC company; however, if the Hong Kong resident directly owns at least 25% of the capital of the company paying the dividends, the amount shall not exceed 5% of the total dividends payable by the PRC company.

Pursuant to the Notice of the State Administration of Taxation on Issues Relevant to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Resident Enterprises to Offshore Non-resident Enterprise Holders of H Shares (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) (Guo Shui Han [2008] No. 897), when PRC resident enterprises distribute dividends for 2008 and subsequent years to offshore non-resident enterprise holders of H shares, enterprise income tax shall be uniformly withheld and paid at a tax rate of 10%.

Enterprise investors

In accordance with the Enterprise Income Tax Law of the People's Republic of China (2018 Amendment) (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China (2024 Revision) (《中華人民共和國企業所得稅法實施條例》), non-resident enterprises that have not established an institution or a place of business in China, or that have established an institution or a place of business but the income derived therefrom has no actual connection with such institution or place of business, shall pay enterprise income tax on their income sourced from within China. Generally, enterprise income tax shall be paid on income sourced from within China (including dividends paid by PRC resident enterprises whose shares are issued and listed in Hong Kong) at a reduced rate of 10%. Income tax payable by non-resident enterprises shall be subject to withholding at source, with the payer acting as the withholding agent. Such withholding tax shall be withheld by the withholding agent from the amount paid or amount due and payable upon each payment or payment due and payable.

Tax Treaty

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the PRC corporate income tax imposed on the dividends received from PRC companies. Non-resident enterprises enjoying preferential tax rates under relevant tax treaties or arrangements must apply to the PRC tax authorities for a refund of enterprise income tax exceeding the treaty tax rate. The refund application shall be subject to verification by the PRC tax authorities.

TAXATION INVOLVED IN SHARE TRANSFER

Enterprise investors

According to the Enterprise Income Tax Law of the People's Republic of China (2018 Amendment) (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China (2024 Revision) (《中華人民共和國企業所得稅法實施條例》), non-resident enterprises that have not established an institution or establishment in China, or that have established an institution or establishment but the income obtained is not effectively connected with such institution or establishment, shall pay enterprise income tax on their income sourced from China. Generally, enterprise income tax shall be paid at a reduced rate of 10% on income sourced from China (including gains from the disposal of equity in PRC resident enterprises). Income tax payable by non-resident enterprises shall be subject to withholding at source, with the payer acting as the withholding agent. Such withholding tax shall be withheld by the withholding agent from the amount paid or amount due and payable upon each payment or payment due and payable. The tax may be reduced or exempted in accordance with the tax treaty or agreement for the avoidance of double taxation.

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Individual investors

According to the Individual Income Tax Law of the People’s Republic of China (2018 Amendment) (《中華人民共和國個人所得稅法》) and the Regulations for the Implementation of the Individual Income Tax Law of the People’s Republic of China (2018 Revision) (《中華人民共和國個人所得稅法實施條例》), income from interest, dividends, and bonuses is subject to a proportional tax rate of 20%.

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Continued Temporary Exemption of Individual Income Tax on Income from Individual Transfer of Shares (《財政部國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui Zi [1998] No. 61), starting from 1 January 1997, individual income tax on income derived by individuals from the transfer of shares of listed companies shall continue to be temporarily exempted.

According to the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Issues Concerning the Levy of Individual Income Tax on Income from Transfer of Restricted Shares of Listed Companies (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009] No. 167) and the Supplementary Notice on Issues Concerning the Levy of Individual Income Tax on Income from Transfer of Restricted Shares of Listed Companies (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) (Cai Shui [2010] No. 70), effective from 1 January 2010, income derived by individuals from the transfer of restricted shares shall be subject to individual income tax at a proportional tax rate of 20% under “income from asset transfer”. Individual income derived from the transfer of shares of listed companies obtained from public offerings and the transfer market on the Shanghai Stock Exchange and Shenzhen Stock Exchange shall continue to be exempt from individual income tax.

As of the Latest Practicable Date, the aforesaid provision has not expressly stipulated whether individual income tax shall be levied on individuals transferring shares of PRC resident enterprises listed on overseas stock exchanges.

Stamp Duty

According to the Stamp Duty Law of the People’s Republic of China (《中華人民共和國印花稅法》), the disposal of H shares by non-PRC investors outside China remains exempt from the relevant provisions of the Stamp Duty Law of the People’s Republic of China.

Estate Duty

China currently does not levy any estate duty.

Tax policies for Shanghai-Hong Kong Stock Connect

Pursuant to the Notice on Tax Policies Concerning the Pilot Program of Shanghai-Hong Kong Stock Market Connect (《財政部、國家稅務總局、中國證券監督管理委員會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2014] No. 81) issued by the Ministry of Finance, the State Taxation Administration, and the China Securities Regulatory Commission, individual mainland investors are temporarily exempt from individual income tax on capital gains derived from investments in Hong Kong Stock Exchange-listed shares through Shanghai-Hong Kong Stock Connect, effective from 17 November 2014 to 16 November 2017. The income from the transfer price difference obtained by corporate investors of the mainland of China investing in stocks listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect is included in their total income and enterprise income tax is levied on such income in accordance with the law. For dividends obtained by individual mainland investors from investment in H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, the H-share company shall apply to

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China Securities Depository and Clearing Co., Ltd. (hereinafter referred to as ChinaClear), which will then provide the H-share company with the register of individual mainland investors, and the H-share company shall withhold individual income tax at the rate of 20%. For dividends obtained by individual mainland investors from investing in non-H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, ChinaClear shall withhold individual income tax at the rate of 20%. Individual investors who have paid withholding tax abroad may apply for tax credits at the competent tax authorities in China with valid tax deduction certificates. For the dividends and bonuses obtained by mainland securities investment funds from investing in shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax will be levied pursuant to the provisions mentioned above. The income from dividends obtained by mainland enterprise investors investing in stocks listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect is included in their total income, and enterprise income tax shall be levied in accordance with the law. Among them, dividends received by mainland Chinese resident enterprises that have continuously held H-shares for 12 months shall be exempted from enterprise income tax in accordance with the law. H-share companies listed on the Stock Exchange should submit an application to China Securities Depository and Clearing Corporation Limited (CSDC). CSDC will then provide the H-share companies with a register of mainland enterprise investors. H-share companies will not withhold income tax on dividends obtained by mainland enterprise investors, and the tax payable shall be declared and paid by the enterprises themselves. When mainland enterprise investors file and pay enterprise income tax themselves, they may apply for a tax credit in accordance with the law for the income tax on dividends that has been withheld by non-H-share listed companies on the Stock Exchange.

According to the Announcement on the Continuation of the Individual Income Tax Policy for the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, and Mutual Recognition of Funds between the Mainland and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) (Ministry of Finance, State Taxation Administration, China Securities Regulatory Commission Announcement No. 23 of 2023), the individual income tax policies concerning the continuation of the Shanghai-Hong Kong Stock Connect (hereinafter referred to as Shanghai-Hong Kong Stock Connect), Shenzhen-Hong Kong Stock Connect (hereinafter referred to as Shenzhen-Hong Kong Stock Connect), and Mutual Recognition of Funds between the Mainland and Hong Kong (hereinafter referred to as Mutual Recognition of Funds) are hereby announced as follows: I. Individual income tax will continue to be temporarily exempted on capital gains derived by mainland individual investors from investments in shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, and on capital gains derived from the trading of Hong Kong fund units through mutual recognition of funds. II. This announcement is effective until 31 December 2027.

Foreign exchange

The legal currency of China is Renminbi. The State Administration of Foreign Exchange is authorized by the People's Bank of China to manage all matters related to foreign exchange, including the enforcement of foreign exchange regulations.

According to the Regulations of the People's Republic of China on Foreign Exchange Administration (2008 Revision) (《中華人民共和國外匯管理條例》), all international payments and transfers are classified into current account and capital account items. PRC does not restrict current international payments and transfers. Foreign exchange income of PRC enterprises under current accounts may be retained or sold to financial institutions engaged in foreign exchange settlement and sale business in accordance with relevant state regulations. Foreign exchange receipts from capital account transactions, whether retained or sold to financial institutions engaged in foreign exchange settlement and sale business, must be approved by the foreign exchange administration authority, unless otherwise stipulated by the State.

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In accordance with the Regulations for the Administration of Settlement, Sale, and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) (Yin Fa [1996] No. 210), the remaining restrictions on current account foreign exchange convertibility are abolished, while existing restrictions on capital account foreign exchange transactions are retained.

According to relevant PRC laws and regulations, if PRC enterprises (including foreign-invested enterprises) require foreign exchange for current account-related transactions, they may make payments from their foreign exchange accounts at designated foreign exchange banks with valid receipts and transaction vouchers, without the need for approval from the State Administration of Foreign Exchange. Where a PRC enterprise is required to pay dividends in foreign exchange to its shareholders (such as our Company) in accordance with relevant regulations, it may make such payment from its foreign exchange account or through a designated foreign exchange bank, in accordance with the resolution on profit distribution passed by its board of directors or shareholders’ meeting.

According to the Decision of the State Council on Canceling and Adjusting a Batch of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) (Guo Fa [2014] No. 50), which became effective in 2014, the State Council has canceled the approval by the State Administration of Foreign Exchange and its branches for matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds under overseas-listed foreign shares.

According to the Circular of the State Administration of Foreign Exchange on Issues concerning the Administration of Foreign Exchange Involved in Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) (Hui Fa [2014] No. 54), the State Administration of Foreign Exchange and its branches and the Foreign Exchange Management Department (hereinafter referred to as the “**Foreign Exchange Bureau**”) shall supervise, manage and inspect the business registration, account opening and use, cross-border income and expenditure, and capital exchange involved in the overseas listing of domestic companies. Domestic companies shall, within 15 working days from the completion date of their overseas listing and issuance, register with the foreign exchange bureau at their place of registration for overseas listing. Domestic companies (excluding banking financial institutions) shall, based on the overseas listing business registration certificate, open a “Domestic Company Overseas Listing Special Foreign Exchange Account” at a domestic bank for their initial public offering (or additional issuance) and repurchase business, and handle the foreign exchange conversion and transfer of funds for related businesses. A Domestic Company (other than banking financial institutions) shall open a corresponding account for exchange settlement and payment with the opening bank of its Domestic Company Overseas Listing Special Foreign Exchange Account to deposit RMB funds from the settlement of the Domestic Company Overseas Listing Special Foreign Exchange Account, proceeds from overseas listing repatriated in RMB form, and remitted funds for repurchase of overseas shares and the surplus of the funds transferred for repurchase in RMB form.

According to the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (Hui Fa [2016] No. 16), the foreign exchange gains under capital accounts (including foreign exchange capital, foreign debts, and repatriated funds raised through overseas listing) subject to discretionary settlement as expressly prescribed in the relevant policies may be settled with banks according to the actual need of domestic institutions for business operations. Where there are restrictive provisions in the current regulations regarding the settlement of foreign exchange capital account income of domestic institutions, such provisions shall prevail. The proportion of discretionary settlement for capital account foreign exchange income of domestic institutions is provisionally set at 100%. The State Administration of Foreign Exchange may adjust the above-mentioned ratios in due course based on the international collection and payments situation.

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In accordance with the Notice of the State Administration of Foreign Exchange on Further Advancing the Reform of Foreign Exchange Administration and Improving the Review of Authenticity and Compliance (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) (Hui Fa [2017] No. 3), the scope of foreign exchange settlement for domestic foreign currency loans has been expanded. Allowing domestic foreign exchange loans with a background in goods trade export to be settled. Funds under overseas loans under domestic guarantee are allowed to be repatriated for use in China. To implement full-scope management of offshore loans in both local and foreign currencies. For domestic institutions conducting overseas lending business, the combined outstanding balance of local currency overseas loans and foreign currency overseas loans shall not exceed 30% of their owner’s equity as per the audited financial statements of the previous year.

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This appendix contains a summary of the principal PRC laws, regulations and policies related to the Company’s ordinary course of business operations in the PRC. PRC tax laws and regulations are discussed separately in “Appendix III — Taxation and Foreign Exchange”. The primary purpose of this summary is to provide potential investors with an overview of the key legal and regulatory provisions applicable to the Company. This summary is not intended to comprise all material information that may be relevant to potential investors. For a discussion of laws and regulations relating to the Company’s business, please refer to the “Regulatory Overview” section of this document.

PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution (the “**Constitution**”) which was amended and came into force on March 11, 2018 and is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC Government is a signatory, and other regulatory documents. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

According to the Constitution and the Legislative Law of the People’s Republic of China (the “**Legislative Law**”), which was last amended on March 13, 2023 and became effective on March 15, 2023, the NPC and the SCNPC have the authority to exercise the state legislative power. The NPC is empowered to formulating and amending the basic laws governing civil and criminal matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and may supplement and amend parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest administrative authority of the PRC and has the power to formulate administrative regulations based on the Constitution and laws. The people’s congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of their own respective administrative areas, provided that such local regulations do not violate any provision of the Constitution, laws or administrative regulations. The people’s congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, construction of ecological civilization, historical and cultural protection and grassroots governance based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the matters concerning formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will be implemented after being approved by the standing committees of the people’s congresses of the relevant provinces or autonomous regions.

The standing committees of the people’s congresses of the provinces or autonomous regions examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. The people’s congresses of ethnic autonomous have the authority to formulate autonomous regulations and separate regulations in accordance with the political, economic and cultural characteristics of the local ethnic groups.

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The ministries and commissions of the State Council, the People’s Bank of China, the National Audit Office and the subordinate institutions with administrative functions directly and institutions prescribed by law may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, and the decisions and orders of the State Council.

The NPC has the power to alter or abrogate any inappropriate laws enacted by the SCNPC, and to abrogate any autonomous regulations and separate regulations as approved by the SCNPC which contravene the Constitution or the Legislation Law. The SCNPC has the power to abrogate any administrative regulations that contravene the Constitution or laws, to abrogate any local regulations that contravene the Constitution, laws or administrative regulations, and to abrogate any autonomous regulations and separate regulations which have been approved by the Standing Committee of the People’s Congress of the relevant provinces, autonomous regions or municipalities directly under the central government, but contravene the Constitution or the Legislation Law. The State Council has the power to alter or abrogate any inappropriate ministerial rules and rules of local governments. The people’s congresses of provinces, autonomous regions or municipalities directly under the central government have the power to alter or abrogate any inappropriate local regulations enacted or approved by their respective standing committees. The standing committee of local people’s congress has the power to revoke inappropriate regulations formulated by the people’s government at the same level, while the people’s governments of provinces and autonomous regions have the power to alter or abrogate any inappropriate rules enacted by the people’s governments at a lower level.

According to the Resolution of the Standing Committee of the National People’s Congress Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed on June 10, 1981, if the scope prescribed by provisions of laws and regulatory needs to be further defined or supplementary provisions need to be made, the Standing Committee of the NPC shall interpret them or make provisions. Issues involving the specific application of laws in the trial work of the court shall be interpreted by the Supreme People’s Court. Issues involving the specific application of laws in the procuratorial work of the procuratorate shall be interpreted by the Supreme People’s Procuratorate. Issues that do not involve the specific application of laws in the trial work of the court and procuratorial work shall be interpreted by the State Council and the competent departments. At the regional level, the power to give interpretation of the local laws and regulatory is vested in the regional legislative and administrative organs which promulgate such law.

PRC JUDICIAL SYSTEM

According to the Constitution and the PRC Law on the Organization of the People’s Courts (《中華人民共和國人民法院組織法》) (revised by the SCNPC on October 26, 2018, and effective as of January 1, 2019), the people’s courts in China are classified into the Supreme People’s Court, local people’s courts at various levels, and special people’s courts. Local people’s courts are organized at three levels: primary people’s courts, intermediate people’s courts, and high people’s courts. Primary people’s courts may establish specialized civil tribunals based on regional conditions, population factors, and caseload circumstances. The Supreme People’s Court serves as the highest judicial organ in China. It supervises the judicial work of local people’s courts at various levels and special people’s courts, while higher-level people’s courts supervise the judicial work of courts at lower levels.

A people’s court adopts the system in which the rule of the second-instance as the final rule, that is, the judgments or rulings of the second-instance at a people’s court are final. A party may appeal against the judgment or ruling of the first-instance of a local people’s court. People’s procuratorates may, in accordance with legally prescribed procedures, lodge protests to the people’s court at the next higher level. If no appeal is filed by parties or protest is lodged by the people’s

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procuratorate within the prescribed time limit, the judgment or ruling of the people’s court shall become final. Second-instance judgments or rulings rendered by intermediate people’s courts, high people’s courts, and the Supreme People’s Court, as well as first-instance judgments or rulings by the Supreme People’s Court, are final. However, if the Supreme People’s Court discovers definite errors in legally effective final judgments or rulings rendered by courts at any level, or if a higher people’s court discovers definite errors in legally effective final judgments or rulings rendered by a lower people’s court, or if the president of any people’s court discovers definite errors in the court’s own legally effective final judgments or rulings, they have the authority to remand the case for retrial in accordance with judicial supervision procedures.

The Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》) (hereinafter referred to as the “**Civil Procedure Law**”) which was last revised on September 1, 2023 and took effect on January 1, 2024, stipulates the requirements for initiating civil lawsuits, the judicial jurisdiction of people’s courts, the procedures to be followed in civil litigation, and the conditions for the enforcement of civil judgments or rulings. All parties filing civil lawsuits within China must comply with the Civil Procedure Law of the PRC. Civil cases shall generally be adjudicated by the court where the defendant is located. For contractual disputes or other disputes over property rights, the parties may agree in writing to select the jurisdiction of the people’s court at the defendant’s domicile, the place of contract performance, the place of contract execution, the plaintiff’s domicile, the location of the subject matter, or other places having actual connection with the dispute, provided that such selection shall not violate the provisions of the Civil Procedure Law regarding jurisdiction by level and exclusive jurisdiction.

Foreign nationals, stateless persons, foreign enterprises, or foreign organizations instituting or responding to legal proceedings in people’s courts shall enjoy equal litigation rights and obligations as Chinese citizens, legal persons, or other organizations. Where foreign courts impose restrictions on the litigation rights of Chinese citizens or enterprises, the Chinese people’s courts shall apply the principle of reciprocity regarding the civil litigation rights of citizens or enterprises from that country. When foreign nationals, stateless persons, foreign enterprises, or foreign organizations instituting or responding to legal proceedings in Chinese people’s courts require legal representation, they must appoint Chinese lawyers. In accordance with international treaties concluded or acceded to by China, or based on the principle of reciprocity, people’s courts and foreign courts may request mutual assistance in serving legal documents, investigating and collecting evidence, and conducting other litigation-related acts. The people’s courts shall not entertain requests from foreign courts that would compromise China’s sovereignty, security, or public interest.

Legally effective civil judgments and rulings shall be enforced by the parties concerned. Should any party to a civil case refuse to comply with a judgment or ruling rendered by a people’s court or an award made by a Chinese arbitral tribunal, the other party may, within two years, apply to the people’s court for enforcement of such judgment or ruling, or alternatively apply for deferred enforcement or revocation. The legal provisions regarding suspension or interruption of the statute of limitations for litigation shall apply mutatis mutandis to the suspension or interruption of the statute of limitations for enforcement applications. Where a party fails to fulfill the judgment within the time limit specified in the court’s enforcement order, the court may, upon application by the other party, compulsorily enforce the judgment against the defaulting party.

Where a party seeks enforcement of a legally effective judgment or ruling rendered by a people’s court against the opposing party and their assets located outside the territory of the People’s Republic of China, the requesting party may apply to a foreign court with jurisdiction over the case for recognition and enforcement of such judgment or ruling, or alternatively, the people’s court may request the foreign court to recognize and enforce the judgment or ruling in accordance with international treaties concluded or acceded to by China or based on the principle of reciprocity. Similarly, where a legally effective judgment or ruling rendered by a foreign court requires

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recognition and enforcement by a Chinese people’s court, the party concerned may directly apply to the competent intermediate people’s court in China for recognition and enforcement, or the foreign court may request the people’s court to recognize and enforce the judgment or ruling in accordance with international treaties concluded between that country and China or based on the principle of reciprocity. However, such foreign judgments or rulings shall not be recognized or enforced if they violate the fundamental principles of Chinese law or compromise China’s national sovereignty, security, or public interest.

THE COMPANY LAW, TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in the PRC and seeking listing on the Stock Exchange is primarily subject to the following PRC laws and regulations.

The PRC Company Law (《中華人民共和國公司法》) (the “**Company Law**”) was passed by the Fifth Session of the Standing Committee of the Eighth National People’s Congress on December 29, 1993 and came into effect on July 1, 1994. It was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023, and the newly revised Company Law came into effect on July 1, 2024.

The Trial Administrative Measures of 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》) (the “**Trial Measures**”) and related guidelines were promulgated by the China Securities Regulatory Commission (CSRC) on February 17, 2023 and came into effect on March 31, 2023, applicable to direct and indirect overseas Share subscription and listing of domestic companies. The Trial Measures also stipulates the filing management measures and regulatory requirements for overseas securities offering and listing by domestic companies.

On March 28, 2025, the CSRC promulgated the newly revised Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) (the “**Guidelines for Articles of Association**”), which took effect on the same date. Pursuant to the Trial Measures and its accompanying guidelines, Guidelines for the Application of Regulatory Rules-Overseas Issuance and Listing Category No. 1, direct issuance and listing by domestic companies shall refer to the Guidelines for Articles of Association and other relevant provisions of CSRC on corporate governance to formulate its articles of association and standardize corporate governance.

The main provisions of the Company Law, the Trial Measures and the Guidelines for Articles of Association applicable to the Company are summarized below.

General Provisions

A “joint stock limited company” refers to a corporate legal person incorporated in China under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the shares they subscribe for, and the company is liable for the company’s debts with all its assets.

When engaging in business activities, the company must comply with laws and regulations, social ethics and business ethics. The company may invest in other companies with limited liability. The company’s liability to these invested companies is limited to the amount it invests. Unless otherwise provided by law, a company may not become an investor jointly and severally liable for the debts of the invested company.

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Incorporation

A joint stock limited company may be established by promotion or subscription. To establish a joint stock limited company, there should be more than one promoter but less than 200 promoters, and more than half of the promoters must be domiciled in China.

The promoters of a joint stock limited company incorporated by subscription shall convene the company's establishment meeting within 30 days from the date of full payment of the shares to be issued at the time of establishment. The promoter shall notify all subscribers of the meeting date or make an announcement fifteen days before the establishment meeting. The establishment meeting shall be attended by more than half of the voting rights held by the subscribers. The convening and voting procedures for the establishment meeting of a joint stock limited company incorporated by promotion shall be stipulated in the articles of association or the agreement of the promoters.

Within 30 days after the conclusion of the establishment meeting, the board of directors shall apply to the registration authority for registration of a joint stock limited company. The company shall be formally established and acquire legal person status upon issuance of the business license by the relevant registration authority.

Registered Shares and Issued Shares

Under the Company Law, shareholders may make capital contributions in money or in kind, intellectual property rights, land use rights, stock rights, creditor rights or other non-monetary assets that can be assessed and transferred in money according to law, except for assets that cannot be used for capital contributions according to any laws or administrative regulations.

The capital of a joint stock limited company is divided into shares. All shares of the company shall be either par value shares or par value shares in accordance with the provisions of the company's articles of association. In the case of par value shares, the amount of each share is equal. A company may convert all par value shares issued into non-par value shares in accordance with the company's articles of association, and vice versa. For non-par value shares, more than one-half of the proceeds from the issuance of shares shall be included in the registered capital.

A joint stock limited company shall register a register of shareholders and keep it with the company. The register of shareholders shall set out the following matters:

- (i) the name and domicile of each shareholder;
- (ii) the class and number of shares subscribed by each shareholder;
- (iii) where share certificates in paper form are issued, the serial numbers of such share certificates; and
- (iv) the date on which each shareholder acquired the shares.

The principles of fairness and justice shall be implemented in the distribution of shares of a joint stock limited company. Each share of the same class shall enjoy equal rights. For shares of the same class issued at the same time, the issuing conditions and price for each share shall be the same. The subscriber shall pay the same amount for each share subscribed for. The issue price of par value shares may be based on the par value, or may exceed the par value, but may not be lower than the par value.

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Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer shall file with the CSRC. If a domestic enterprise indirectly issues and is listed overseas, the issuer shall designate a major domestic operating entity as the domestic responsible person and file with the CSRC.

Increase in Share Capital

According to the relevant provisions of the Company Law, when a joint stock limited company intends to issue new shares, the shareholders' meeting shall make resolutions on the following matters:

- (i) the class and number of new shares;
- (ii) the issue price of the new shares;
- (iii) the commencement and end dates for the issuance of new shares;
- (iv) the class and number of the new shares proposed to be issued to existing shareholders; and
- (v) in the case of issuing non-par value shares, the amount of proceeds from the new share issuance to be included in the registered capital.

If a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

- (i) a company shall prepare a balance sheet and a property list;
- (ii) the reduction of registered capital shall be approved by shareholder at a shareholders' meeting;
- (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the resolution approving the reduction has been passed at shareholders' meeting;
- (iv) creditors may within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide guarantees covering the debts; and
- (v) a company shall apply to register the change with a company registration authority.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

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Share Buy-Back

Under the Company Law, a company shall not purchase its own shares except for any following circumstances:

- (i) reducing the company's registered capital;
- (ii) merging with other company that holds the shares of the Company;
- (iii) using the shares for employee shares plan or equity incentives;
- (iv) requiring the company to acquire its shares from shareholders voting against any resolutions adopted at the shareholders' meeting concerning the merger and division of the company;
- (v) using the shares for conversion of convertible corporate bonds issued by the company;
or
- (vi) as required for a listed company to maintain the corporate value and shareholders' rights and interest.

The purchase of shares of a company for circumstances specified in the case of (i) or (ii) above shall be subject to the resolution of the shareholders' meeting. The purchase of shares of a company for circumstances specified in the case of (iii), (v) or (vi) above shall be subject to the resolution of the Board meeting attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the shareholders' meeting.

Following the purchase of our Company's shares by a company in accordance with the provisions of paragraph 1 of this Article, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) or (iv) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) or (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder should affect a transfer of his shares on securities established exchange according to the law or by any other means as required by the State Council. Shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No modifications of registration in the share register shall be affected within 20 days prior to the convening of shareholder's meeting or 5 days prior to the base date for determination of a company's dividends distribution. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the share register of a listed company, such provisions should prevail.

Under the Company law, shares issued prior to the public issuance of shares shall not be transferred within one year from the date of shares of a company are listed and traded on a stock exchange. Where any laws, administrative regulations, or the securities regulatory authority of the State Council have other provisions regarding the transfer of our Company's shares held by the shareholders or actual controllers of a listed company, such provisions shall prevail.

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Directors, supervisors and the senior management personnel of the company shall declare to the company their shareholdings in the Company and any changes of such shareholdings. They shall not transfer more than 25% of all the shares they hold in the Company annually during their tenure determined at the time of appointment. They shall not transfer the shares the Company they hold within one year from the date on which the company's shares are listed and commenced trading, nor within six months after their resignation from their positions with the company. The Articles may set out other restrictive provisions in respect of the transfer of shares in the Company held by its directors, supervisors and the senior management personnel.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted transfer period.

Shareholders

Under the Company Law and The Guidelines for the Articles, the rights of a shareholder include:

- (i) to receive dividends and other forms of interest distribution according to the number of shares held;
- (ii) to legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the shareholders' meeting and exercise corresponding voting rights;
- (iii) to supervise business operations of the company, provide suggestions or submit queries;
- (iv) to transfer, grant or pledge the its shares held according to the provisions of the laws, administrative regulations and the Articles;
- (v) to read and copy the Articles, the register of shareholders, shareholders' meeting minutes, resolutions of Board meetings, and financial and accounting reports; Qualified shareholders may read the company's accounting books and accounting vouchers;
- (vi) to participate in the distribution of the remaining assets of the company according to the proportion of shares held upon our termination or liquidation;
- (vii) to require the company to acquire its shares from shareholders voting against any resolutions adopted at the shareholders' meeting concerning the merger and division of the company.
- (viii) other rights conferred by laws, administrative regulations, regulations of the authorities, or the Articles.

The obligations of a shareholder include:

- (i) to abide by laws, administrative regulations and the Articles;
- (ii) to pay the subscription moneys according to the shares subscribed for and share participation methods;
- (iii) not to withdraw share capital unless prescribed otherwise in laws and administrative regulations;

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- (iv) not to abuse Shareholders' rights to infringe upon the interests of the company or other shareholders; not to abuse the company's status as an independent legal entity or the limited liability of shareholders to damage the interests of the company's creditors;
- (v) to perform other duties prescribed in laws, administrative regulations and the Articles.

Shareholder's Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers:

- (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors;
- (ii) to examine and approve reports of the Board;
- (iii) to examine and approve reports of the Board of Supervisors;
- (iv) to examine and approve a company's profit distribution plans and loss recovery plans;
- (v) to resolve on the increase or reduction of a company's registered capital;
- (vi) to resolve on the issuance of corporate bonds;
- (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company;
- (viii) to amend the Articles; and
- (ix) other functions and powers specified in provision of the Articles.

Under the Company Law, shareholders' meetings are required to be held once every year. An extraordinary shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances:

- (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the Articles;
- (ii) when the unrecovered losses of a company amount to one-third of the total share capital;
- (iii) shareholders individually or jointly holding 10% or more of the company's shares request;
- (iv) when deemed necessary by the Board;
- (v) the Board of Supervisors proposes to convene the meeting; or
- (vi) other circumstances as stipulated in the Articles.

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Shareholders' meetings shall be convened by the Board, and presided over by the chairman of Board. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the Board is incapable of performing or is not performing its duties to convene the shareholders' meeting, the Board of Supervisors should convene and preside over shareholders' meeting in a timely manner. If the Board of Supervisors fails to convene and preside over shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an extraordinary shareholders' meeting, the Board and the Board of Supervisors should, within 10 days after the receipt of such request, decide whether to hold an extraordinary shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of extraordinary shareholders' meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the Board in writing 10 days before the shareholders' meeting. The interim proposal shall include a specific issue for discussion along with any concrete matter for resolution. The Board shall, within two days upon receipt of the proposal, notify the other shareholders, and submit the said interim proposal to the meeting for deliberation except for any proposal that violates laws, administrative regulations, or the Articles, or any proposal that falls outside the purview of the shareholders' meeting. The company shall not increase the shareholding percentage for shareholders proposing interim proposals.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. Shares held by the company itself are not entitled to any voting rights.

Pursuant to the Company Law and The Guidelines for the Articles, resolutions of the shareholders' meeting shall be adopted by more than half of the voting rights held by the shareholders present at the meeting. Resolutions of the shareholders' meeting regarding the amendments to the Articles, the increase or decrease of registered capital, and the merger, division, dissolution or change in the form of the company shall be adopted by more than two-thirds of the voting rights held by the shareholders present at the meeting.

The cumulative voting system may be adopted for the election of directors or supervisors at the shareholders' meeting in accordance with the provisions of the Articles or the resolutions of the shareholders' meeting. The cumulative voting system means that each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

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Board of Directors

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the Articles, but each term of office shall not exceed three years. Upon expiry of the term of office, directors may serve consecutive terms if re-elected.

Under the Company Law, the Board shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman are elected with approval of more than half of all the directors. The chairman shall convene and preside over Board meetings and examine the implementation of Board resolutions. The vice chairman shall assist the work of the chairman. In the event that the chairman is incapable of performing or not performing his duties, the duties shall be performed by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of the directors shall perform his duties.

A person may not serve as a director of the company in case of any of the following circumstances:

- (i) the person without civil conduct capacity or with limited civil conduct capacity;
- (ii) the person who has committed an offense of corruption, bribery, conversion of property, misappropriation of property or sabotaging the market economic order of socialism and has been punished therefor; or who has been deprived of his/her political rights, in each case where less than 5 years have elapsed since the date of the completion of implementation of such punishment or deprivation; in the case of a suspended sentence, for a period not exceeding two years from the date of expiry of the probationary period;
- (iii) the person who is a former director, factory director or Manager of a company or enterprise which is insolvent and under liquidation and he/she is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of such insolvency and liquidation of the company or enterprise;
- (iv) the person who is a former legal representative of a company or enterprise which had its business license revoked and was ordered to shut down due to a violation of the law and who incurred personal liability, where less than 3 years have elapsed since the date of the company or enterprise whose business license has been revoked and ordered to shut down; or
- (v) the person listed as a judgment defaulter by the People's Court because the amount of debt he bears is relatively large and the debt is not paid off when it is due.

Board meetings shall be convened at least twice a year. Notice of meeting shall be given to all directors and supervisors 10 days before the meeting. The Board shall exercise the following duties and powers:

- (i) to convene shareholders' meetings and report its work to the shareholders' meetings;
- (ii) to implement the resolutions of the shareholders' meeting;
- (iii) to determine the company's business operation plans and investment plans;
- (iv) to formulate the company's profit distribution plans and loss recovery plans;

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- (v) to formulate proposals for the increase or reduction of the company's registered capital and the issue of bonds;
- (vi) to formulate plans for merger, division, dissolution or change of the form of the company;
- (vii) to determine the internal management structure of the company;
- (viii) to determine the appointment or dismissal of the manager of the company and their remuneration, and based on the nomination of the manager, to determine the appointment or dismissal of the deputy managers and financial controllers of the company and their remuneration;
- (ix) to formulate the basic management system of the company; and
- (x) other duties as stipulated in the Articles or granted by the shareholders' meeting.

The quorum of a Board meeting shall be more than half of all directors. A resolution of the Board shall be passed by more than half of all directors. The resolutions of the Board shall be voted by one person, one vote. The Board shall make meeting minutes of the decisions on the matters discussed, and the directors present at the meeting shall sign the minutes.

Directors shall attend Board meetings in person. If a director is unable to attend a Board meeting, he may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his behalf. If a resolution of the Board violates the laws, administrative regulations or the Articles and resolution of shareholders' meetings, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. If it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Board of Supervisors

Under the Company Law, a joint stock limited company shall have a Board of Supervisors composed of not less than three members. The Board of Supervisors shall comprise shareholder representatives and an appropriate proportion of the company's staff representatives, of which the proportion of staff representatives shall not be less than one-third and the specific proportion shall be stipulated in the Articles. Employee representatives of the Board of Supervisors shall be democratically elected by the company's employees at the employee representative assembly, employee meeting or otherwise. Directors or senior management may not act concurrently as supervisors.

The Board of Supervisors shall have a chairman and may have a vice chairman. The chairman and the vice chairman of the Board of Supervisors shall be elected by more than half of all the supervisors. The chairman of the Board of Supervisors shall convene and preside over meeting of the Board of Supervisors. Where the chairman of the Board is unable or fails to perform his/her duties, the vice chairman of the Board of Supervisors shall be convened and presided over meeting of the Board of Supervisors; Where the vice chairman of the Board is unable or fails to perform his/her duties, the meeting of the Board of Supervisors shall be convened and presided over by a Supervisor jointly elected by more than half of the Supervisors.

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The Board of Supervisors shall exercise the following duties and powers:

- (i) to check the financial condition of the company;
- (ii) to supervise the performance of directors and senior management personnel in the performance of their duties, and propose the removal of directors and senior management personnel who violate laws, administrative regulations, the Articles or the resolutions of the shareholders’ meetings;
- (iii) to require directors and the senior management personnel to make corrections if their conduct has damaged the interests of the company;
- (iv) to propose the convening of extraordinary shareholders’ meetings and, in the event that the Board fails to perform the obligations to convene and preside over the shareholders’ meetings in accordance with the Company Law, to convene and preside over the shareholders’ meetings;
- (v) to propose proposals to the shareholders’ meetings;
- (vi) to file lawsuit against directors and senior management personnel in accordance with Article 189 of the Company Law; and
- (vii) other duties as stipulated in the Articles.

A joint stock limited company may, in accordance with the provisions of the Articles, establish an audit committee composed of directors on the Board to exercise the functions and powers of the Board of Supervisors in place of establishing the Board of Supervisors.

On December 27, 2024, the CSRC issued relevant transitional arrangements for the implementation of the supporting systems and rules of the new Company Law. Before January 1, 2026, a listed company shall stipulate in the Articles that the Board shall establish an audit committee to exercise the functions and powers of the Board of Supervisors as stipulated in the Company Law in accordance with the Company Law, the Regulations of the State Council on the Implementation of the Registered Capital Registration Management System under the Company Law of the People’s Republic of China (《國務院關於實施<中華人民共和國公司法>註冊資本登記管理制度的規定》) and the relevant supporting systems and rules of the CSRC. Before a listed company adjusts the establishment of its internal supervision structure, the Board of Supervisors or supervisors shall continue to abide by the requirements of the previous system and rules of the CSRC.

Manager and Senior Management Personnel

Under the Company Law, a joint stock limited company shall have a manager who shall be appointed or removed by the Board. The manager shall report to the Board and exercise functions and powers as specified in the Articles or as authorized by the Board. The manager shall attend Board meetings as non-voting members.

According to the Company Law, senior management personnel shall mean the manager, deputy manager(s), financial controllers, Board secretary of a listed company and other personnel as stipulated in the Articles.

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Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the Company are required under the Company Law to comply with the relevant laws, regulations and the Articles, and have fiduciary and diligent duties to the Company. Directors, supervisors and senior management have fiduciary duties to the Company. They shall take measures to avoid conflicts between their own interests and those of the Company, and shall not leverage their positions to seek improper benefits.

Directors, supervisors and senior management of the Company have diligent duties to the Company. When performing their duties, they shall exercise the reasonable care that an administrator usually should take for the best interests of the Company.

Directors, supervisors and senior management are prohibited from:

- (i) embezzling the Company's property or misappropriating of the Company's capital;
- (ii) depositing the Company's capital into accounts under his/her own name or the name of other individuals;
- (iii) giving bribes or accepting any other illegal proceeds by taking advantage of their power;
- (iv) accept and possess commissions paid by a third party for transactions conducted with the Company;
- (v) unauthorized divulgence of confidential information of the Company; or
- (vi) other acts in violation of their fiduciary duty to the Company.

If any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the Company, he/she should report the matters relating to the conclusion of the contract or transaction to the Board or the shareholders' meeting, subject to the approval of the Board or the shareholders' meeting according to the Articles.

The provisions of the preceding paragraph shall apply if any near relatives of the Directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the Directors, supervisors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the Directors, supervisors or senior management, concludes a contract or conducts a transaction with the Company.

Neither director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the Company for himself/herself or any other person except under any of the following circumstances:

- (i) where he/she has reported to the Board or the shareholders' meeting and has been approved by a resolution of the Board or the shareholders' meeting according to the Articles; or
- (ii) where the Company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the Articles.

Where any director, supervisor or senior management fails to report to the Board or the shareholders' meeting and obtain an approval by resolution of the Board or the shareholders' meeting according to the Articles, he/she may not engage in any business that is similar to that of the Company where he/she holds office for himself/herself or for any other person.

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A director, supervisor or senior management who contravenes any law, regulation or the Company's Articles in the performance of his duties resulting in any loss to the Company shall be personally liable for the damages to the Company.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the Company shall prepare a financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the Company for inspection by the shareholders 20 days before the convening of an annual general meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

The premium over the nominal value of the shares of the Company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the Company.

The reserve fund of the Company shall be used to make up losses of the Company, expand the production and operation of the Company or increase the registered capital of the Company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The Company shall not keep accounts other than those provided by law. The assets of the Company shall not be deposited in any account opened under a personal name.

Appointment and Dismissal of Accounting Firms

Pursuant to the Company Law, the engagement or dismissal of an accounting firm responsible for the Company's auditing business shall be determined by the shareholders' meeting, the Board or the board of supervisors in accordance with the Articles. The accounting firm should be allowed to make representations when the shareholders' meeting, the Board or the board of supervisors conducts a vote on the dismissal of the accounting firm. The Company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification.

The Guidelines for the Articles provide that the Company's appointment of an accounting firm shall be decided by the shareholders' meeting and the Board shall not appoint any accounting firm prior to a decision made by the shareholders' meeting. And the audit fee of the accounting firm shall be decided by the shareholders' meeting.

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Profit Distribution

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the Company, and the shareholders, Directors, supervisors, and senior management personnel who are responsible for causing losses to the Company shall bear compensation liability.

If the shareholders' meeting resolves to distribute profits, the Board shall do so within six months after the resolution is made.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons:

- (i) the term of business stipulated in the Articles has expired or other events of dissolution specified in the Articles have occurred;
- (ii) the shareholders' meeting resolves to dissolve the Company;
- (iii) dissolution is necessary due to a merger or division of the Company;
- (iv) the business license is revoked, or the business license is ordered to be closed or revoked in accordance with laws; or
- (v) the Company is dissolved by the People's Court in accordance with Article 231 of the Company Law.

If the Company is dissolved for any of the reasons set forth in the preceding paragraph, it shall, within ten days, make public the reasons for dissolution through the National Enterprise Credit Information Publication System.

Where the Company is dissolved in accordance with the provisions in sub-paragraph (i) above, it may carry on its existence by amending its Articles or upon a resolution of the shareholders' meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting. Where the Company is dissolved pursuant to sub-paragraphs (i), (ii), (iv) or (v) above, it shall be liquidated. The Directors, who are the liquidation obligors of the Company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the Directors, unless it is otherwise provided for in the Company's Articles or it is otherwise elected by the shareholders' meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors.

The liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the People's Court to designate relevant persons to form a liquidation group. The People's Court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (i) to liquidate the Company's property and respectively prepare balance sheet and list of property;

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- (ii) to notify creditors by email or public announcement;
- (iii) to deal with the outstanding business of the Company involved in the liquidation;
- (iv) to pay all outstanding taxes and taxes arising in the course of liquidation;
- (v) to liquidate claims and debts;
- (vi) distributing the remaining property of the Company after paying off debts; or
- (vii) to participate in civil litigations on behalf of the Company.

The liquidation group shall notify the Company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice within 45 days as of the issuance of the public announcement in the case of failing to receive such notice. The creditors shall, while declaring their claims, state particulars of their claims and provide supporting documents. The liquidation group shall register the credits. During the declaration of credit, the liquidation group shall not perform the liquidation to the creditors.

After identifying the Company's assets and preparing the balance sheet and schedule of assets, the liquidation committee shall prepare a liquidation plan, which shall be submitted to the shareholders' meeting or the People's Court for ratification.

After paying all liquidation expenses, staff wages, social insurance expenses and statutory compensation, outstanding taxes, and the Company's debts, the remaining assets shall be distributed by the limited company to shareholders in accordance with their respective paid-up capital and shall be distributed by the joint stock limited company to shareholders in proportion to the number of shares held by them.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The Company's assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation committee, having thoroughly examined the Company's assets and having prepared a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to pay its debts in full, it shall file an application to a People's Court for bankruptcy liquidation. After the People's Court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the Company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report to be submitted to the shareholders' general meeting or the People's Court for confirmation, and submit to the Company registration authority to apply for cancelation of the Company's registration.

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Where, after three years since the business license of a company is revoked, or the Company is ordered to close down or is revoked, the Company fails to apply for its deregistration with the Company registration authority, the said authority may announce the Company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the Company registration authority may deregister the Company.

Overseas Listing

According to the Trial Measures, where an issuer makes an overseas initial public offering or listing, it shall file with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of this article.

Loss of Share Certificates

A shareholder may, in accordance with the public notice procedures set out in the PRC Civil Procedure Law, apply to a People's Court if his share certificate(s) in registered form is either stolen, lost or destroyed, for a declaration that such certificate(s) will no longer be valid. After the People's Court declared that such certificate(s) will no longer be valid, the shareholder may apply to the Company for the issue of a replacement certificate(s).

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The PRC Securities Law (2019 revision) has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Trial Measures, in case of active or compulsory termination of listing after an issuer has offering and listing securities in an overseas market, the issuer shall report to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

Securities Law and Regulations

In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by Chinese companies in the China or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking research and analysis. On March 29, 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares promulgated by the State Council and effective on April 22, 1993 provide the application and approval procedures for public offerings of shares, trading in shares, the acquisition of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information with respect to a listed company, investigation and penalties and dispute arbitration.

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The Regulations of the State Council Concerning the Domestic Listed Foreign Shares of Joint Stock Limited Companies, which were promulgated by the State Council and came into effect on December 25, 1995, mainly provide for the issue, subscription, trading and payment of dividends of domestic listed foreign shares and disclosure of information of joint stock limited companies with domestic listed foreign shares.

The Securities Law of the People’s Republic of China (the “**PRC Securities Law**”), which was latest amended by the Standing Committee of the NPC on December 28, 2019 and came into effect on March 1, 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council’s securities regulatory authorities in the PRC, and comprehensively regulates activities in the PRC securities market. The PRC Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing and trading its securities outside the PRC. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

Arbitration and Enforcement of Arbitral Awards

Under the Arbitration Law of the People’s Republic of China, (the “**Arbitration Law**”), amended by the Standing Committee of the NPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the PRC Civil Procedure Law. Where both parties have reached an arbitration agreement, the People’s Court will refuse to take legal action brought by a party in the People’s Court, unless the arbitration agreement is invalid.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the People’s Court for enforcement according to the PRC Civil Procedure Law. A People’s Court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including irregularity in the composition of the arbitration committee or the making of an award on matters beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission). A party requests to enforce an arbitral award with legal effect made in accordance with the law within the territory of the PRC against a party who or whose property is not within the PRC may apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the People’s Court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People’s Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region promulgated by the Supreme People’s Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People’s Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region promulgated by the Supreme People’s Court on November 26, 2020 and effective on November 27, 2020, awards made by arbitral authorities in Chinese Mainland can be applied for enforcement in Hong Kong, and Hong Kong arbitration awards can also be applied for enforcement in the Chinese Mainland.

APPENDIX IV

SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

Judicial Judgment and Its Enforcement

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Chinese Mainland and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (repealed on January 29, 2024) promulgated by the Supreme People’s Court on July 3, 2008 and implemented on August 1, 2008, in the case of final judgment, defined with payment amount and enforcement power, made between the court of Chinese Mainland and the court of the Hong Kong in a civil and commercial case with written jurisdiction agreement, any party concerned may apply to the People’s Court of Chinese Mainland or the court of the Hong Kong for recognition and enforcement based on this arrangement. “Choice of court agreement in written” refers to a written agreement defining the exclusive jurisdiction of either the People’s Court of Chinese Mainland or the court of the Hong Kong in order to resolve dispute with particular legal relation occurred or likely to occur by the party concerned. Therefore, the party concerned may apply to the Court of mainland China or the court of the Hong Kong to recognize and enforce the final judgment made in mainland China or Hong Kong that meet certain conditions of the aforementioned regulations.

On January 25, 2024, the Supreme People’s Court issued the Arrangement on Reciprocal Recognition and Enforcement of Judgements in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (the “**New Arrangement**”), which was effective on January 29, 2024 and seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgements in wider range of civil and commercial matters between Hong Kong Special Administrative Region and the PRC.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix summarizes the principal provisions of the Articles of Association, which were considered and approved by the shareholders at the shareholders’ meeting on 14 November 2025, and will become effective from the date on which the Company’s H shares are [REDACTED] on the Stock Exchange. This Appendix is primarily intended to provide potential investors with an overview of the Articles of Association and therefore does not contain all the information that may be material to investors.

ISSUE OF SHARES

The shares of the Company shall take the form of share certificates. The issuance of the Company’s shares shall adhere to the principles of openness, fairness, and justice, and each share of the same class shall have the same rights. For the same class of shares issued in the same tranche, each share shall be issued at the same price and subject to the same conditions; the subscriber shall pay the same price for each share subscribed.

SHARE INCREASE, SHARE REDUCTION AND SHARE REPURCHASE

The Company may, based on its operational and development needs, and in accordance with the provisions of laws and regulations, increase its capital in the following ways upon a resolution adopted by the shareholders’ meeting:

- (i) issuing shares to unspecified parties;
- (ii) issuing shares to specific parties;
- (iii) distributing bonus shares to existing shareholders;
- (iv) capitalization of reserves;
- (v) other means as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and CSRC.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated in the Company Law, other relevant regulations and the Articles of Association.

The Company shall not acquire its own shares, except in any one of the following circumstances:

- (i) reduction of the Company’s registered capital;
- (ii) merging with another Company holding shares in the Company;
- (iii) the use of shares for employee share ownership schemes or equity incentive schemes;
- (iv) where a shareholder objects to a resolution passed by the shareholders’ meeting concerning the merger or division of the Company and requests the Company to acquire their shares;
- (v) to convert corporate bonds issued by the Company that are convertible into shares;
- (vi) where necessary to safeguard the Company’s value and the interests of shareholders.
- (vii) other means as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and CSRC.

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SUMMARY OF ARTICLES OF ASSOCIATION

Where the Company acquired its own shares under the circumstances stipulated in sub-paragraphs (i) and (ii) of the first paragraph of Article 25 of these Articles of Association, it shall be subject to a resolution of the shareholders' meeting; where the Company acquires its own shares under the circumstances stipulated in sub-paragraphs (iii), (v) and (vi) of the first paragraph of Article 25 of these Articles of Association, it may be resolved by a resolution of the meeting of the board of directors attended by more than two-thirds of the directors.

After the Company repurchases its shares in accordance with the provisions of Article 25, paragraph 1 of these Articles of Association, and subject to compliance with applicable securities regulatory rules of the place where the Company's shares are listed, if it falls under item (i), the shares shall be canceled within ten days from the date of repurchase; if it falls under item (ii) or (iv), the shares shall be transferred or canceled within six months; if it falls under item (iii), (v), or (vi), the total number of shares held by the Company shall not exceed ten percent of the total number of its issued shares, and such shares shall be transferred or canceled within three years.

The Company's acquisition of its own shares may be carried out through open centralized trading, or other methods recognized by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and CSRC.

Where the Company acquired its own shares under any of the circumstances stipulated in clauses (iii), (v) and (vi) of the first paragraph of Article 25 of the Articles of Association, such buyback shall be conducted through public centralized trading method.

TRANSFER OF SHARES

The Company's shares shall be transferred in accordance with the law. The Company does not accept its own shares as the subject of a pledge.

Shares issued by the Company prior to its public offering of shares shall not be transferred within 1 year from the date of listing and trading of the Company's shares on a stock exchange.

Directors and senior management personnel of the Company shall report to the Company their shareholdings in the Company and any changes thereof. During their term of office as determined at the time of appointment, the shares transferred annually shall not exceed 25% of the total number of shares of the same class held by them in the Company; shares held in the Company shall not be transferred within one year from the date on which the Company's shares are listed and traded. The aforesaid person(s) shall not transfer their shares in the Company within half a year after their departure from office.

Where laws, administrative regulations or the securities regulatory rules of the place where the Company's shares are listed have provisions or requirements for the Company's shareholders, Directors, and senior management personnel's holdings of the Company's shares, such provisions or requirements shall be followed.

Where the directors, senior management personnel, or shareholders holding more than 5% of the Company's shares sell the Company's shares or other securities with an equity nature held by them within 6 months after purchase, or buy them back within 6 months after sale, the proceeds derived therefrom shall belong to the Company, and the Company's board of directors shall recover such proceeds. However, this shall not apply to securities companies holding more than 5% of shares acquired through underwriting and purchasing remaining shares after sale, or other circumstances stipulated by CSRC or the securities regulatory rules of the place where the Company's shares are listed.

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The shares or other securities with an equity nature held by the Directors, senior management personnel, and natural person shareholders as mentioned in the preceding paragraph shall include the shares or other equity securities held by their spouses, parents or children, and those held through the accounts of others.

Where the board of directors of the Company fails to act in accordance with the first paragraph of this Article, shareholders shall have the right to demand the board of directors to act within 30 days. Where the board of directors fails to act within the preceding time limit, the Shareholders shall have right to initiate litigation in the People's Court in its own name for the Company's interests.

If the board of directors of the Company does not act in accordance with the provisions of the first paragraph of this Article, the directors responsible shall bear joint and several liability in accordance with law.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

The Company shall establish a register of members on the basis of credentials provided by the securities registration and clearing institution. The register of members is sufficient evidence of a shareholder's shareholding in the Company.

The register of members shall be conclusive evidence of shareholders' shareholding in the Company. The original H share register shall be kept in Hong Kong, China, for inspection by shareholders, but the Company may close the register of members in accordance with applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Shareholders shall enjoy rights and assume obligations according to the class of shares they hold; shareholders holding the same class of shares shall enjoy equal rights and assume the same obligations.

When the Company convenes a shareholders' meeting, distributes dividends, carries out liquidation or engages in other activities that require the confirmation of shareholder identity, the board of directors or the convener of the shareholders' meeting shall determine the record date, and shareholders registered after the close of business on the record date shall be entitled to the relevant rights and interests.

The shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other forms of profit distribution in proportion to their shareholding;
- (ii) to request, summon, preside over, attend, or appoint a proxy to attend shareholders' meetings in accordance with the law, and to exercise corresponding right to vote;
- (iii) to supervise the Company's operations, make suggestions or raise inquiries;
- (iv) to transfer, gift, or pledge the shares they hold in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association;
- (v) to inspect and copy the Articles of Association, register of members, minutes of shareholders' meetings, resolutions of meetings of the board of directors, and financial accounting reports; shareholders who meet the relevant requirements may inspect the Company's accounting books and vouchers;

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SUMMARY OF ARTICLES OF ASSOCIATION

- (vi) to participate in the distribution of the Company's remaining assets upon its termination or liquidation in proportion to their shareholding;
- (vii) for shareholders who dissent from resolutions on merger or division made by the shareholders' meeting, to require the Company to acquire their shares;
- (viii) other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

Where shareholders request to inspect or copy relevant company information, they shall comply with the provisions of the Company Law, the Securities Law, other laws and administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Where the content of a resolution of the Company's shareholders' meeting or a meeting of the board of directors violates laws or administrative regulations, shareholders shall have the right to request the People's Court to hold it invalid.

Where the procedures for convening or the voting methods of a shareholders' meeting or a meeting of the board of directors violate laws, administrative regulations or the Articles of Association, or where the content of a resolution violates the Articles of Association, shareholders shall have the right to request the People's Court to revoke it within 60 days from the date the resolution is made. However, this excludes cases where the convening procedures or voting methods have only minor defects and have no substantial impact on the resolution.

Where the board of directors, shareholders, or other relevant parties dispute the validity of a resolution of the shareholders' meeting, they shall promptly initiate litigation in a People's Court. Before the People's Court makes a judgment or ruling to revoke the resolution, the relevant parties shall implement the resolution of the shareholders' meeting. The Company, directors, and senior management shall earnestly perform their duties to ensure the Company's normal operation.

Where the people's court makes a judgment or ruling on relevant matters, the Company shall perform its information disclosure obligations in accordance with the provisions of laws, administrative regulations, CSRC and the stock exchange, fully explain the impact, and actively cooperate with the implementation after the judgment or ruling takes effect. If correction of prior matters is involved, it shall be handled promptly, and corresponding information disclosure obligations shall be fulfilled.

The shareholders of the Company shall assume the following obligations:

- (i) to abide by laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association;
- (ii) to pay the amount of capital contribution in accordance with the shares subscribed for and the method of investment;
- (iii) not to withdraw their capital contribution except under circumstances stipulated by laws and regulations;
- (iv) not to abuse shareholders' rights to the detriment of interests of the Company or that of other shareholders; not to abuse the Company's independent legal person status and shareholders' limited liability to the detriment of interests of the Company's creditors;
- (v) other obligations that should be undertaken as stipulated by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

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Shareholders who abuse shareholders' rights and cause losses to the Company or other shareholders shall assume the liability of compensation in accordance with the law. Shareholders who abuse the Company's independent legal person status and their own limited liability to evade debts, seriously damaging the interests of the Company's creditors, shall assume joint and several liability for the Company's debts.

CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

The controlling shareholder and de facto controller of the Company shall exercise their rights and perform their obligations in accordance with the provisions of laws, administrative regulations, CSRC, and the stock exchange of the place where the Company's shares are listed, so as to safeguard the interests of the Company.

The controlling shareholder and de facto controller of the Company shall comply with the following provisions:

- (i) to exercise shareholders' rights in accordance with the law, and not to abuse their controlling power or use related party relationships to the detriment of the legitimate rights and interests of the Company or those of the other shareholders;
- (ii) to strictly fulfill the public statements and undertakings made and shall not arbitrarily change or waive them;
- (iii) to strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in information disclosure, and promptly inform the Company of significant events that have occurred or are about to occur;
- (iv) not to misappropriate corporate funds in any way;
- (v) not to force, instruct or require the Company and its relevant personnel to provide guarantees in violation of laws and regulations;
- (vi) not to use the Company's undisclosed material information to seek benefits, not to disclose undisclosed material information related to the Company in any manner, and not to engage in illegal activities such as inside trading, short-swing trading or market manipulation;
- (vii) not to impair the legitimate rights and interests of the Company and other shareholders through any means, including unfair related party transactions, profit distribution, asset restructuring, or external investments;
- (viii) to ensure the Company's assets are complete, and its personnel, finance, institutions, and business are independent, and not to affect the Company's independence in any way;
- (ix) other requirements as stipulated by laws, administrative regulations, regulations of CSRC, business rules of stock exchanges, regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

Where the controlling shareholder or de facto controller of the Company instructs a director or senior management personnel to engage in acts to the detriment of the interests of the Company or its shareholders, they shall bear joint and several liability with such director or senior management personnel.

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Where the controlling shareholder or de facto controller pledges the Company's shares they hold or in their de facto control, they shall maintain the stability of the Company's control and production operations.

Where the controlling shareholder or de facto controller transfers the Company's shares held by them, they shall comply with the laws, administrative regulations, the provisions of CSRC and the stock exchange or securities regulatory authority of the place where the Company's shares are listed, as well as their commitments regarding restrictions on share transfer.

GENERAL PROVISIONS FOR SHAREHOLDERS' MEETINGS

The Company's shareholders' meeting shall comprise all shareholders. The shareholders' meeting is the Company's body of authority, exercising the following functions and powers in accordance with the law:

- (i) to elect and replace directors who are not employee representatives, and to decide on matters concerning the remuneration of directors;
- (ii) to consider and approve the report of the board of directors;
- (iii) to consider and approve the Company's profit distribution plan and plan for making up losses;
- (iv) to make resolutions on increases or reductions of the Company's registered capital;
- (v) to make resolutions on the issuance of corporate bonds;
- (vi) to make resolutions on the merger, division, dissolution, liquidation, or change of corporate form of the Company;
- (vii) to amend the Articles of Association;
- (viii) to make resolutions on the appointment, dismissal, and remuneration of the accounting firm undertaking the Company's audit business;
- (ix) to consider and approve guarantee matters stipulated in Article 47 of the Articles of Association;
- (x) to consider matters where the Company purchases or sells major assets exceeding 30% of the Company's total assets as recently audited within one year;
- (xi) to consider and approve matters concerning changes in the use of proceeds;
- (xii) to consider equity incentive schemes and employee stock ownership schemes;
- (xiii) to consider other matters that should be decided by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The shareholders' meeting may authorize the board of directors to resolve on the issuance of corporate bonds.

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The following external guarantees of the Company shall require the approval by the shareholders' meeting:

- (i) any guarantee provided after the total external guarantees of the Company and its controlling subsidiaries exceed 50% of the recently audited net assets;
- (ii) any guarantee provided after the total external guarantees of the Company exceed 30% of the recently audited total assets;
- (iii) guarantees where the amount guaranteed by the Company to others within one year exceeds 30% of the Company's recently audited total assets;
- (iv) guarantees provided to targets with a gearing ratio of over 70%;
- (v) guarantees where the amount of a single guarantee exceeds 10% of the recently audited net assets;
- (vi) guarantees provided to shareholders, de facto controllers, and their related parties;
- (vii) other guarantee circumstances stipulated by the stock exchange or the securities regulatory organization of the place where the Company's shares are listed, or the Articles of Association.

Shareholders' meeting includes annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within 6 months after the end of the previous accounting year.

The Company shall convene an extraordinary general meeting within 2 months from the date of the occurrence of any of the following circumstances:

- (i) the number of Directors is less than the quorum specified in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;
- (ii) the uncovered losses of our Company reach one-third of its total paid-in share capital;
- (iii) the Shareholders with 10% or more shares of the Company separately or jointly request;
- (iv) the Board considers it necessary;
- (v) the Audit Committee proposes that such a meeting shall be held;
- (vi) other circumstances conferred by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

SUMMONING OF SHAREHOLDERS' MEETINGS

The board of directors shall summon the shareholders' meeting in a timely manner within the prescribed time limit.

Upon agreement of more than half of all independent directors, the independent directors shall have the right to propose to the board of directors to convene an extraordinary shareholders' meeting. As regards the proposal of independent directors to convene an extraordinary shareholders' meeting, the board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, provide written feedback within 10 days of receiving

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the proposal, agreeing or disagreeing to convene the meeting. If the board of directors agrees, it will issue a notice for the meeting within 5 days after the resolution of the board of directors is made; if the board of directors disagrees, it shall state the reasons and make an announcement.

Where the audit committee proposes the convening of an extraordinary shareholders' meeting, it shall propose to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, provide written feedback within 10 days of receiving the proposal, agreeing or disagreeing to convene the meeting.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice for the meeting within 5 days after the resolution of the board of directors is made. Any changes to the original proposal in the notice shall be subject to the consent of the audit committee.

If the board of directors disagrees to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days of receiving the proposal, it shall be deemed that the board of directors is unable or fails to perform its duty to summon the shareholders' meeting, and the audit committee may summon and preside over the meeting on its own initiative.

Where shareholder(s) individually or jointly holding 10% or more of the Company's shares proposes the convening of an extraordinary shareholders' meeting and insert any proposal into the agenda of the meeting, it shall propose to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, provide written feedback within 10 days of receiving the request, agreeing or disagreeing to convene the meeting.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice for the meeting within 5 days after the resolution of the board of directors is made. Any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

If the board of directors disagrees to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days of receipt of the request, the shareholder(s) individually or jointly holding 10% or more of the shares may propose convening an interim shareholders' meeting to the audit committee, making a written request to the audit committee.

If the audit committee agrees to convene an extraordinary shareholders' meeting, it shall issue a notice for the meeting within 5 days of receiving the request. Any change to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the audit committee fails to issue the notice within the specified time limit, it shall be deemed that the audit committee would not summon and preside over the meeting, and shareholder(s) individually or jointly holding 10% or more of the shares for 90 consecutive days or more may summon and preside over the meeting on their own initiative.

Where the audit committee or shareholders decide to convene a shareholders' meeting on their own initiative, they shall notify the board of directors in writing and file with the relevant authorities and the stock exchange where the Company's shares are listed and traded, in accordance with applicable laws and regulations (if required).

Before the announcement of the resolutions of the shareholders' meeting, the shareholding of the summoning shareholders shall not be less than 10%.

The audit committee or summoning shareholder(s) shall submit the relevant supporting documents to the stock exchange when issuing the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting.

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For shareholders' meetings that are summoned by the audit committee or the shareholders on their own initiative, the board of directors and the company secretary will provide necessary assistance. The board of directors will provide the register of members as of the shareholding record date.

The Company shall bear the necessary expenses for a shareholders' meeting summoned by the audit committee or shareholders on their own initiative.

PROPOSALS AND NOTICE OF SHAREHOLDERS' MEETING

The content of a proposal shall fall within the scope of functions and powers of the shareholders' meeting, have a clear topic and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations, the stock exchange or securities regulatory authority of the place where the Company's shares are listed, and these Articles of Association.

When the Company convenes a shareholders' meeting, the board of directors, the audit committee, and shareholder(s) individually or jointly holding 1% or more of the Company's shares shall have the right to submit proposals to the Company.

Shareholder(s) individually or jointly holding 1% or more of the shares may submit ad hoc proposals in writing to the convener 10 days before the shareholders' meeting is held. The convener shall, within 2 days after receiving the proposal, issue a supplementary notice for the shareholders' meeting, announcing the content of the ad hoc proposal, and submit it to the shareholders' meeting for deliberation, except where the ad hoc proposal violates laws, administrative regulations or the Articles of Association, or does not fall within the scope of functions and powers of the shareholders' meeting.

Except as provided in the preceding paragraph, after issuing the notice for the shareholders' meeting, the convener shall not modify the proposals already listed in the notice or add new proposals.

Any proposal not listed in the notice of the shareholders' meeting or not in compliance with the provisions of these Articles of Association shall not be voted upon or resolved at the shareholders' meeting.

The convener shall notify all shareholders by way of announcement 20 days prior to the annual shareholders' meeting, and the extraordinary shareholders' meeting shall be notified to all shareholders by way of announcement 15 days prior to the meeting. When the Company calculates the commencement period, the date on which the meeting is held shall not be included. Where laws and regulations, the stock exchange or the securities regulatory authority of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

The notice of the shareholders' meeting shall include the following particulars:

- (i) the time, place, and duration of the meeting;
- (ii) matters and proposals submitted for consideration at the meeting;
- (iii) a clear statement that all shareholders are entitled to attend the meeting, and may appoint a proxy in writing to attend and vote, and that the proxy need not be a shareholder of the Company;
- (iv) the shareholding record date for shareholders entitled to attend the meeting;
- (v) the name and telephone number of the standing contact person for the meeting;
- (vi) the time and procedures for voting by online or other means.

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The notice of shareholders' meeting and any supplemental notice shall thoroughly and completely disclose the specific contents of all proposals.

The commencement time for online voting or other voting methods for the shareholders' meeting shall not be earlier than 3:00 p.m. on the day before the on-site shareholders' meeting, and shall not be later than 9:30 a.m. on the day of the on-site shareholders' meeting. The closing time shall not be earlier than 3:00 p.m. on the day the on-site shareholders' meeting concludes.

The interval between the shareholding record date and the date of the meeting shall not be more than 7 working days. The record date shall not be changed once it is confirmed.

After the notice for the shareholders' meeting is issued, without justifiable reason, the meeting shall not be postponed or cancelled, and the proposals listed in the notice shall not be cancelled. Once postponement or cancellation occurs, the convener shall make an announcement at least 2 working days before the originally scheduled date and state the reasons.

CONVENING OF SHAREHOLDERS' MEETINGS

All shareholders registered on the register of members on the record date, or their proxies, are entitled to attend and speak at the shareholders' meeting, and to exercise their voting rights in accordance with relevant laws, administrative regulations, the listing rules of the place where the Company's shares are listed, and these Articles of Association, unless individual shareholders are required to abstain from voting on specific matters under the aforementioned provisions.

Shareholders may attend shareholders' meetings in person or appoint proxies to attend and vote thereat on their behalf. Any shareholder entitled to attend and vote at the shareholders' meeting shall have the right to appoint one or more persons (who need not be a shareholder) as their proxy to attend and vote on their behalf.

If the shareholder is a recognized clearing house (or its nominee), the shareholder may authorize one or more persons as it deems fit to act as its representative at any shareholders' meeting or any class meeting of shareholders; however, if more than one person is authorized, the instrument of authorization shall specify the number and class of shares in respect of which each such person is so authorized. The persons so authorized may exercise the same rights and powers (including the right to speak and vote) on behalf of a recognized clearing house (or its nominee(s)) (without producing proof of shareholding, notarized authorization and/or further evidence to prove due authorization), as if such person were an individual shareholder of the Company. The foregoing arrangements also apply to the creditors' meeting.

An individual shareholder attending the meeting in person shall present their identity card or other valid documents or proof that could establish their identity; a proxy attending the meeting on behalf of another shall present their valid identity documents and the power of attorney from the shareholder.

Corporate shareholders shall be represented by their legal representatives or proxies authorized by the legal representatives at the meeting. If the legal representative attends the meeting, they shall present their identity card and valid proof of their legal representative status; if a proxy attends the meeting, the proxy shall present their identity card and a written power of attorney legally issued by the legal representative of the corporate shareholder.

The power of attorney issued by the shareholder to appoint a proxy to attend the shareholders' meeting shall include the following particulars:

- (i) the name or company name of the principal, the class and number of shares held in the Company;

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- (ii) the name or company name of the proxy;
- (iii) specific instructions from shareholders, including instructions to vote for, against, or abstain from voting on each item on the agenda of the shareholders' meeting;
- (iv) the signing date and the effective period of the power of attorney;
- (v) signature (or seal) of the principal. If the principal is a corporate shareholder, the corporate seal shall be affixed.

If the shareholders' meeting requires directors and senior management personnel to attend the meeting, the directors and senior management personnel shall attend the meeting and accept queries from the shareholders.

The shareholders' meeting shall be presided over by the chairman of the board of directors. If the chairman is unable or unwilling to perform their duties, the meeting shall be presided over by a director jointly elected by more than half of the directors.

The shareholders' meeting summoned by the audit committee on its own initiative shall be presided over by the convener of the audit committee. If the convener of the audit committee is unable or fails to fulfill their duties, one audit committee member jointly elected by more than half of the audit committee members shall preside.

The shareholders' meeting summoned by the shareholders on their own initiative shall be presided over by the convenor or a representative nominated by the convenor.

When convening a shareholders' meeting, if the meeting chair violates the rules of procedure, making it impossible for the shareholders' meeting to continue, the shareholders' meeting may, with the consent of shareholders holding more than half of the voting rights present at the meeting, elect a person to serve as the meeting chair and continue the meeting.

The Company shall formulate rules of procedure for the shareholders' meeting, which shall specify in detail the procedures for summoning, convening and voting at the shareholders' meeting, including notice, registration, deliberation of proposals, voting, vote counting, announcement of on-site voting results, formation of meeting resolutions, meeting minutes and their signing, announcements, and other matters, as well as the principles for the authorization of the board of directors by the shareholders' meeting, and the content of such authorization shall be explicit and specific. The procedure rules of the shareholders' meeting, as an appendix to these Articles of Association, shall be drafted by the board of directors and approved by the shareholders' meeting.

At the annual shareholders' meeting, the board of directors shall report to the shareholders' meeting on its work in the past year. Each independent director shall also prepare a work report on the exercise of their duties.

Directors and senior management personnel shall explain and clarify shareholders' queries and suggestions at the shareholders' meeting.

VOTING AND RESOLUTIONS OF SHAREHOLDERS' MEETINGS

Resolutions of shareholders' meetings are divided into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by more than half of the voting rights held by shareholders (including their proxies) present at the shareholders' meeting.

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A special resolution of the shareholders' meeting shall be passed by more than two-thirds of the voting rights held by shareholders (including their proxies) present at the shareholders' meeting.

The following matters shall be approved by the shareholders' meeting by ordinary resolution:

- (i) work report of the board of directors;
- (ii) profit distribution proposals and plans for making up losses formulated by the board of directors;
- (iii) the appointment and removal of members of the board of directors and their remuneration and payment methods;
- (iv) matters other than those required to be adopted by special resolutions in accordance with the applicable laws and administrative regulations, the regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The following matters shall be approved by the shareholders' meeting by special resolution:

- (i) increase or reduction of the registered capital of the Company;
- (ii) the division, spin-off, merger, dissolution, winding-up and liquidation of the Company;
- (iii) the amendment to the Articles of Association;
- (iv) the Company's acquisition or disposal of material assets or provision of guarantees to others within one year, where the amount exceeds 30% of the Company's latest audited total assets;
- (v) share incentive schemes;
- (vi) other matters required by laws, administrative regulations, regulatory rules of the stock exchange on which the Company's shares are listed or these Articles of Association, and matters decided by the shareholders' meeting by ordinary resolution to have a material impact on the Company and requiring approval by a special resolution.

Shareholders have the right to speak and vote at Shareholders' meetings unless individual shareholders are required under the Hong Kong Listing Rules to abstain from voting in respect of individual matters. Shareholders shall exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote, except class shareholders. When voting on a poll, a securities depository and clearing institution, as the nominal holder of shares of the Mainland and Hong Kong Stock Market Exchange Interconnect or a shareholder who is a recognized clearing house (or its proxy) as defined in the relevant ordinances enacted in Hong Kong from time to time, has two or more votes and is not required to cast all voting rights in favor, against or abstain.

When the shareholders' meeting considers material matters affecting the interests of mid-sized and minority investors, the votes of mid-sized and minority investors shall be counted separately. The result of separate vote counting shall be disclosed publicly in a timely manner.

Where any laws and regulations, the listing rules of the stock exchange where the Company's shares are listed, and these Articles of Association require any shareholder to abstain from voting on a certain resolution, or restrict any shareholder to vote only for or against, any vote cast by such shareholder or their proxy in violation of the aforementioned provisions or restrictions shall not be counted in the voting results.

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Shares of the Company held by the Company do not carry voting rights and such shares are not counted in the total number of voting shares attending the shareholders’ meeting.

If a shareholder purchases voting shares of the Company in violation of the provisions of the first and second paragraphs of Article 63 of the Securities Law, such shares in excess of the prescribed proportion shall not be exercisable for voting within thirty-six months from the date of purchase, and shall not be counted in the total number of voting shares present at the shareholders’ meeting.

The board of directors, independent directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or the provisions of CSRC may publicly solicit shareholder voting rights. In soliciting voting rights of shareholders, information such as specific voting intention shall be sufficiently disclosed to the shareholders from whom voting rights are being solicited. It is prohibited to solicit shareholder voting rights by means of consideration or disguised consideration. Except for statutory conditions, the Company shall not impose any limitation related to minimum shareholdings on the solicitation of voting rights.

When the shareholders’ meeting considers matters concerning related party transactions, related party shareholders shall not participate in the voting, and the number of voting shares represented by them shall not be counted in the total number of valid votes; the announcement of the resolutions of the shareholders’ meeting shall fully disclose the voting of non-related party shareholders.

Shareholders present at the shareholders’ meeting shall express one of the following opinions on proposals submitted for voting: consent, objection or abstention, except when securities registration and clearing institutions, as the nominal holders of shares under the Mainland-Hong Kong Stock Market Trading Interconnection Mechanism, make declarations according to the intentions of the actual holders.

Blank, incorrectly completed, illegible, or uncast ballot papers shall be deemed as the voter waiving their voting rights, and the voting results for the shares held by such voter shall be counted as “abstention”.

If the meeting chair has any doubt as to the result of a resolution put to the vote, they may organize a count of the votes; if the meeting chair has not organized a count, any shareholder or proxy attending the meeting who objects to the result announced by the meeting chair shall have the right to demand a count immediately after the announcement of the voting result, and the chairman shall immediately organize a count.

Resolutions of the shareholders’ meeting shall be announced in a timely manner. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares carrying voting rights and their proportion to the total number of voting shares of the Company, the voting method, the voting results for each proposal, and the detailed content of each resolution passed.

Where the shareholders’ meeting passes a proposal regarding the distribution of cash dividends, bonus shares, or the conversion of capital reserve into share capital, the Company shall implement the detailed plan within two months from the conclusion of the shareholders’ meeting.

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DIRECTORS

The directors of the Company shall be natural persons. Whoever falls under any of the following circumstances shall not serve as a director of the Company:

- (i) having no capacity for civil conduct or limited capacity for civil conduct;
- (ii) being sentenced to criminal punishment for crimes of embezzlement, bribery, property encroachment, misappropriation of property, or disrupting the socialist market economic order, or having been deprived of political rights for committing a crime, where 5 years have not elapsed since the completion of execution; if probation was declared, where 2 years have not elapsed since the expiration of the probation period;
- (iii) having served as a director or factory principal or manager of a company or enterprise that underwent bankruptcy liquidation, and being personally responsible for the bankruptcy of said company or enterprise, where 3 years have not elapsed since the completion of the bankruptcy liquidation;
- (iv) having served as the legal representative of a company or enterprise that had its business license revoked or was ordered to close down due to violation of law, and being personally responsible, where 3 years have not elapsed since the date of revocation or closure;
- (v) having relatively large personal debts that are due and unpaid, and being listed by the People's Court as a discredited person subject to enforcement;
- (vi) being subject to a market entry prohibition measure imposed by CSRC, where the period for such measure has not expired;
- (vii) being publicly recognized by a stock exchange as unsuitable to serve as a director or senior management personnel of a listed company, etc., where the period has not expired;
- (viii) other content stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company's shares are listed.

Any election, appointment, or engagement of a director in violation of this Article shall be invalid. If a director falls under any of the circumstances in this Article during their term of office, the Company shall remove them from their position and terminate their performance of duties.

Directors shall be elected or replaced by the shareholders' meeting and may be removed from office by an ordinary resolution of the shareholders' meeting before the expiry of their term. The term of office of the directors shall be three years. Upon the expiry of their term, a director shall be eligible for re-election.

The term of office of a director shall commence from the date when such director takes office, until the expiry of the term of the current session of the board of directors. If new directors fail to be elected in a timely manner upon expiry of the term of directors, the original directors shall continue to perform the duty of directors in accordance with laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles of Association before the newly elected directors take up the position.

Directors may also serve as senior management personnel. However, the total number of directors also serving as senior management personnel or employee representatives shall not exceed 1/2 of the total number of directors of the Company.

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The board of directors of the Company shall have employee representative directors. The employee representatives on the board of directors shall be democratically elected by the Company's employees through the Workers' Congress, Workers' Assembly or other forms, without the need to be submitted to the shareholders' meeting for consideration.

If a director causes damage to others while performing duties of the Company, the Company shall be liable for compensation; if the director acts with intent or gross negligence, they shall also be liable for compensation.

Where a director, in discharging their duties of the Company, causes loss to the Company in violation of relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or the provisions of these Articles, they shall be liable for compensation.

BOARD OF DIRECTORS

The Company shall have a board of directors, which shall consist of 7-9 directors, including 1 employee director. The proportion of independent directors shall not be less than one-third. The board of directors shall have 1 chairman and may have vice chairmen. The chairman and the vice chairmen shall be elected by the board of directors with the approval of more than half of all the directors.

The board of directors shall exercise the following functions and powers:

- (i) to be responsible for summoning shareholders' meetings and reporting its work to the shareholders' meeting;
- (ii) to implement resolutions of the shareholders' meetings;
- (iii) to decide on the Company's business plans and investment schemes;
- (iv) to formulate the Company's profit distribution plans and plans for making up losses;
- (v) to formulate plans for increases or decreases of the Company's registered capital, issuance of bonds or other securities, and listing;
- (vi) to draft plans for major acquisitions of the Company, acquisition of the Company's shares, or merger, division, dissolution, and change of corporate form;
- (vii) to decide, within the scope authorized by the shareholders' meeting, on matters such as the Company's external investment, acquisition and sales of assets, asset mortgage, external guarantees, entrusted wealth management, related party transactions and external donations, etc.;
- (viii) to decide on the setup of the Company's internal management organizations;
- (ix) to decide on the appointment or dismissal of the manager, the secretary to the board of directors, and other senior management personnel, and deciding on their remuneration and matters in relation to rewards and punishments; based on the nomination of the manager, to appoint or dismiss the Company's deputy managers, financial controller and other senior management personnel, and deciding on their remuneration and matters in relation to rewards and punishments;
- (x) to formulate the Company's basic management systems;
- (xi) to formulate plans for amendments to the Articles of Association;

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- (xii) to manage the Company's information disclosure matters;
- (xiii) to propose to the shareholders' meeting the appointment or replacement of the accounting firm auditing the Company;
- (xiv) to listen to the work report of the manager and to inspect their work;
- (xv) other functions and powers granted by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or the shareholders' meeting.

Matters exceeding the scope of authorization by the shareholders' meeting shall be submitted to the shareholders' meeting for deliberation.

The board of directors of the Company shall explain to the shareholders' meeting the non-standard audit opinion issued by the certified public accountants on the Company's financial report.

The board of directors shall formulate rules of procedure for meetings of the board of director to ensure the implementation of resolutions passed at shareholders' meetings, enhance work efficiency, and ensure scientific decision-making.

The chairman of the board of directors shall exercise the following functions and powers:

- (i) to preside over shareholders' meetings and to summon and preside over meetings of the board of directors;
- (ii) to supervise and examine the implementation of resolutions of the board of directors;
- (iii) other powers conferred by the board of directors.

The vice chairman of the Company shall assist the chairman of the board of directors in their work. If the chairman of the board of directors is unable or fails to perform their duties, the vice chairman shall perform such duties. If the vice chairman is unable or fails to perform their duties, a director jointly elected by more than half of the directors shall perform such duties.

Meetings of the board of directors are divided into regular meetings and ad hoc meetings. The board of directors shall hold at least four meetings every year, summoned by the chairman of the board of directors, and all directors shall be notified in writing of regular meetings 14 days prior to the meeting.

Shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors, more than half of the independent directors or the audit committee may propose to convene an extraordinary meeting of the board of directors. The chairman of the board of directors shall summon and preside over the meeting of the board of directors within 10 days after receiving the proposal.

A meeting of the board of directors shall not be held unless more than half of the directors are present. A resolution of the board of directors must be passed by more than half of all the Directors.

Each director shall have one vote in voting on resolutions of the meeting of board of directors.

Where a director has a related party relationship with an enterprise or individual involved in a matter to be resolved by the board of directors, the director shall promptly report it in writing to the board. A director who has a related party relationship shall not exercise voting rights on the resolution, nor shall they act as a proxy for other directors to exercise voting rights. The meeting

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of the board of directors can be held with the attendance of more than half of the non-related party directors, and resolutions made at the meeting of the board of directors must be passed by more than half of the non-related party directors. If the number of non-related party directors present at the board of directors meeting is less than 3, the matter shall be submitted to the shareholders' meeting for consideration. If there are any additional restrictions on Directors' participation in and voting at Board meetings in accordance with laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed, such provisions shall prevail provided that they do not violate the domestic regulatory requirements.

The voting method for resolutions of the board of directors shall be by registered vote, and the directors attending the meeting shall sign and confirm the written resolution.

Directors shall attend meetings of the board of director in person; if a director is unable to attend for any reason, they may appoint another Director in writing to attend on their behalf. The letter of authorization shall specify the name of the proxy, the matters to be represented, the scope of authorization, and the effective period, and shall be signed or sealed by the principal. The director attending the meeting on behalf of another director shall exercise the rights of a director within the scope of authorization. If a director does not attend a meeting of the board of directors in person and does not appoint a representative to attend the meeting, they shall be deemed to have waived the voting rights in the meeting.

INDEPENDENT DIRECTORS

As members of the board of directors, independent directors shall owe the duty of loyalty and duty of diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (i) to participate in decision-making of the board of directors and to express clear opinions on matters subject to consideration;
- (ii) to supervise potential major conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors, and senior management personnel, protecting the legitimate rights and interests of mid-sized and minority shareholders;
- (iii) to provide professional and objective advice on the Company's business development, promoting the improvement of the decision-making level of the board of directors;
- (iv) other duties stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Independent directors shall exercise the following special functions and powers:

- (i) to independently engage intermediaries to audit, consult, or verify specific matters of the Company;
- (ii) to propose to the board of directors to convene an extraordinary shareholders' meeting;
- (iii) to propose to convene a meeting of the board of directors;
- (iv) to solicit shareholder rights from shareholders publicly in accordance with the law;
- (v) to express independent opinions on matters that may damage the rights and interests of the Company or those of the mid-sized and minority shareholders;

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- (vi) other functions and powers stipulated by laws, administrative regulations, the CSRC, the listing rules of the place where the Company's shares are listed, and the Articles of Association.

The exercise of the functions and powers listed in items (i) to (iii) above by independent directors requires the consent of more than half of all independent directors.

Where the independent directors exercise the authority specified in paragraph 1, the Company will make a timely disclosure. If the aforementioned powers cannot be exercised normally, the Company will disclose the specific circumstances and reasons.

The following matters shall be submitted to the board of directors for consideration after obtaining the consent of more than half of all the independent directors of the Company:

- (i) related party transactions to be disclosed;
- (ii) plans for the Company and related parties to change or waive commitments;
- (iii) decisions made and measures taken by the board of directors of the listed company to be acquired in response to the acquisition;
- (iv) other matters stipulated by laws, administrative regulations, CSRC, the listing rules of the place where the Company's shares are listed, and these Articles of Association.

SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

The Company's board of directors shall establish an audit committee to exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law.

The audit committee shall comprise three or more members, all of whom must be non-executive directors. More than half of the members shall be independent non-executive directors, and at least one of them shall be an independent non-executive director with appropriate professional qualifications or appropriate accounting or relevant financial management expertise as required by the Hong Kong Listing Rules, and such independent non-executive director shall serve as the chairman (convener).

The audit committee shall be responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the board of directors for consideration after obtaining the consent of more than half of all members of the audit committee:

- (i) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (ii) to appoint or dismiss the accounting firm undertaking the Company's audit business;
- (iii) to appoint or dismiss the financial controller of the Company;
- (iv) change of accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (v) other matters stipulated by laws, administrative regulations, the provisions of CSRC, the provisions of the stock exchange or securities regulatory authority of the place where the Company's shares are listed, and these Articles of Association.

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In addition to the audit committee, the Company's board of directors establishes other special committees, including the Strategy Committee, the Nomination Committee, and the Remuneration and Appraisal Committee, performing their duties in accordance with these Articles of Association and the authorization given by the board of directors. Proposals from these special committees shall be submitted to the board of directors for deliberation and decision. The working procedures of the special committees shall be formulated by the board of directors. Independent directors shall make up the majority of the nomination committee and the remuneration and appraisal committee, and shall be the conveners.

The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management personnel, selecting and reviewing candidates for directors and senior management personnel and their qualifications, and making recommendations to the board of directors on the following matters:

- (i) nomination, appointment or removal of directors;
- (ii) appointment or dismissal of senior management personnel;
- (iii) other matters stipulated by laws, administrative regulations, the provisions of CSRC, the rules of the stock exchange or securities regulatory authority at the place where the Company's shares are listed, and these Articles of Association.

The Remuneration and Appraisal Committee shall be responsible for formulating and appraising the performance standards for directors and senior management personnel, and for formulating and reviewing remuneration policies and schemes, including the remuneration determination mechanism, decision-making process, and payment and clawback arrangements for directors and senior management personnel, and for making recommendations to the board of directors on the following matters:

- (i) the remuneration of directors and senior management personnel;
- (ii) formulation or amendment of share incentive schemes and employee stock ownership schemes, and satisfaction of conditions for grantees to be granted and exercise rights and interests;
- (iii) arrangement of shareholding plans for directors and senior management personnel in relation to a subsidiary proposed for spin-off;
- (iv) other matters stipulated by laws, administrative regulations, the provisions of CSRC, the rules of the stock exchange or securities regulatory authority of the place where the Company's shares are listed, and these Articles of Association.

SENIOR MANAGEMENT PERSONNEL

The Company shall have one manager, who shall be appointed or dismissed by the board of directors.

Any person holding administrative positions other than director or supervisor in the controlling shareholder or de facto controller of the Company shall not serve as a senior management personnel member of the Company.

The senior management personnel of the Company shall receive remuneration only at the Company and is not paid on its behalf by the controlling shareholder or de facto controller.

The manager shall serve for a term of 3 years and may be reappointed for consecutive terms.

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The manager shall be accountable to the board of directors and shall exercise the following functions and powers:

- (i) to be in charge of the Company's production, operation and management, to organize and implement the resolutions of the board of directors, and to report their work to the board of directors;
- (ii) to organize the implementation of the Company's annual business plan and investment proposals;
- (iii) to draft plans for the establishment of the Company's internal management structure;
- (iv) to draft the Company's basic management system;
- (v) to formulate the specific rules and regulations of the Company;
- (vi) to propose the appointment or dismissal of the Company's deputy general manager(s) and financial controller;
- (vii) to decide on the appointment or dismissal of management personnel other than those whose appointment or dismissal is to be decided by the board of directors;
- (viii) other powers conferred by the Articles of Association or the board of directors.

The manager shall be present at meetings of the board of directors.

The Company's deputy manager(s) shall assist the manager's work, and their specific powers shall be determined by the manager. The appointment and removal of deputy general manager(s) shall be nominated by the general manager and decided by the board of directors.

The Company shall have a secretary to the board of directors, who shall be responsible for organizing the shareholders' meetings of the Company and meetings of the board of director, document keeping and management of information concerning the materials of the shareholders of the Company, and shall deal with information disclosure and other matters.

The secretary to the board of directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

Where senior management personnel causes damage to others while performing their duties, the Company shall bear liability for compensation. The senior management personnel shall also bear liability for compensation if they act intentionally or with gross negligence.

Where senior management personnel violates laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed or these Articles of Association while performing their duties, causing losses to the Company, they shall bear liability for compensation.

Senior management personnel of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

Senior management personnel who fail to faithfully perform their duties or breach their fiduciary duties, thereby causing damage to the interests of the Company and its public shareholders, shall bear liability for compensation in accordance with the law.

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FINANCIAL AND ACCOUNTING SYSTEM

The Company shall establish its financial and accounting system in accordance with laws, administrative regulations and the provisions of relevant state departments.

The Company shall submit and disclose its annual report to the dispatching agency of CSRC and the stock exchange of the place where the Company's shares are listed within 4 months after the end of each fiscal year, and shall submit and disclose its interim report to the dispatching agency of CSRC and the stock exchange of the place where the Company's shares are listed within 2 months after the end of the first half of each fiscal year.

The aforesaid annual reports and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, requirements of CSRC and the stock exchanges.

Apart from the statutory accounting books, the Company shall not establish any other accounting books. The Company's funds shall not be deposited in an account opened in the name of any individual.

When distributing the annual after-tax profits, the Company shall allocate 10% of the profits to the Company's statutory surplus reserve. When the accumulated amount of the Company's statutory surplus reserve reaches 50% of the Company's registered capital, no further allocation is required.

If the Company's statutory surplus reserve is insufficient to make up the losses of the previous year, the Company shall use its current year's profits to make up the losses before allocating to the statutory surplus reserve pursuant to the preceding paragraph.

After allocating to the statutory surplus reserve from the after-tax profits, the Company may, upon a resolution of the shareholders' meeting, allocate to the discretionary surplus reserve from the after-tax profits.

Except for those not distributed in proportion as prescribed in the Articles of Association, the remaining after-tax profit, after recovery of losses and appropriation of reserve funds, shall be distributed in proportion to the number of shares held by the Shareholders.

If the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the requirements; if losses are caused to the Company, the shareholders and the responsible directors and senior management personnel shall assume liability for compensation.

Shares held by the Company itself do not participate in profit distribution.

The Company's surplus reserve shall be used to make up the Company's losses, expand the Company's production and operations, or convert to increased registered capital of the Company.

When using the surplus reserve to make up Company losses, the discretionary surplus reserve and statutory surplus reserve shall be used in the first place; if the loss remains, the capital reserve may be used by an ordinary resolution of the shareholders' meeting.

When converting the statutory surplus reserve into increased registered capital, the amount of such reserve retained shall not be less than 25% of the registered capital before the conversion.

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After the shareholders' meeting of the Company has made a resolution on the profit distribution plan, or after the board of directors of the Company has formulated a specific plan based on the interim dividend conditions and upper limit approved by the annual shareholders' meeting for the following year, the distribution of dividends (or shares) shall be completed within 2 months.

The Company shall appoint one or more receiving agents in Hong Kong for H Shareholders. The receiving agent shall receive and safekeep the dividends and other amounts payable by the Company in respect of the H shares on behalf of the H Shareholders concerned, pending payment to such H Shareholders. The receiving agent appointed by the Company shall comply with the requirements of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

INTERNAL AUDIT

The Company implements an internal audit system, clarifying the leadership structure, duties and authorities, staffing, safeguard of funding, application of audit results, and accountability.

The Company's internal audit system shall be implemented after approval by the board of directors and shall be disclosed externally.

The Company's internal audit organization supervises and inspects the Company's business activities, risk management, internal control, financial information, and other matters. The Company's internal audit organization shall maintain independence, be staffed with full-time auditors, and shall not be placed under the leadership of the finance department or share office space with the finance department.

The internal audit organization is accountable to the board of directors.

In the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit organization shall accept the supervision and guidance of the audit committee. If the internal audit organization identifies relevant major problems or clues, it shall immediately report directly to the audit committee.

The specific organization and implementation of the Company's internal control evaluation shall be the responsibility of the internal audit organization. The Company issues its annual internal control assessment report based on the evaluation report and related materials prepared by the internal audit organization and reviewed by the audit committee.

When the audit committee communicates with external audit units such as accounting firms and national audit institutions, the internal audit organization should actively cooperate and provide necessary support and collaboration.

The audit committee participates in the assessment of the head of internal audit.

ENGAGEMENT OF THE ACCOUNTING FIRM

The Company shall engage an accounting firm that complies with the Securities Law to conduct business such as auditing accounting statements, verifying net assets, and providing other related consulting services. The term of engagement shall be one year and may be renewed.

The engagement and dismissal of the accounting firm shall be decided by the shareholders' meeting. The board of directors shall not appoint an accounting firm before a decision is made by the shareholders' meeting.

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The Company undertakes to provide the engaged accounting firm with true and complete accounting vouchers, accounting ledgers, financial accounting reports, and other accounting materials, and shall not refuse to provide, conceal or falsify any information.

The audit fees of the accounting firm shall be decided by the shareholders' meeting.

When the Company dismisses or does not renew the appointment of the accounting firm, it shall notify the accounting firm 15 days in advance. When the shareholders' meeting votes on the dismissal of the accounting firm, the accounting firm shall be allowed to present its opinion. If the accounting firm resigns, it shall explain to the shareholders' meeting whether there are any improper matters concerning the Company.

MERGER, DIVISION, CAPITAL INCREASE AND CAPITAL REDUCTION

A merger of the Company may be effected through merger by absorption or merger by new establishment.

One company absorbing another company is a merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies to establish a new company is a merger by new establishment, and the companies being consolidated shall be dissolved.

If the Company merges with another company in which it holds more than ninety percent of the shares, the merged company does not require a resolution of the shareholders' meeting, but other shareholders must be notified and have the right to request the Company to purchase their equity or shares at a reasonable price.

If the price paid for the Company's merger does not exceed 10% of the Company's net assets, approval by resolution of the shareholders' meeting is not required, unless otherwise provided by these Articles of Association.

If the Company merges in accordance with the preceding paragraph without a resolution of the shareholders' meeting, it shall be resolved by the board of directors.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution and make an announcement within 30 days in the newspapers or on the National Enterprise Credit Information Publicity System. A creditor may, within 30 days from the date of receipt of the notice, or within 45 days from the date of the announcement if no notice has been received, require the Company to repay its debts or provide a corresponding guarantee.

When companies merge, the claims and liabilities of the merging parties shall be assumed by the surviving company or the newly established company.

Where there is a company division, its property shall be divided accordingly.

In the event of a division of a company, balance sheets and inventories of assets shall be prepared. The company shall notify its creditors within 10 days from the date of the resolution for the division and publish an announcement within 30 days in the newspapers or on the National Enterprise Credit Information Publicity System.

Debts incurred by the Company before its division shall be jointly borne by the companies after the division, except cases where the Company and its creditors have otherwise agreed in writing on debt settlement before the division.

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The Company will prepare a balance sheet and an inventory of assets when it reduces its registered capital.

The Company shall notify its creditors within 10 days from the date of the resolution to reduce its registered capital, and shall publish an announcement within 30 days in the newspaper or on the National Enterprise Credit Information Publicity System. A creditor has the right, within 30 days of receiving the notice, or for those who have not received the notice, within 45 days from the date of the announcement, to require the company to repay its debts or provide corresponding guarantees.

Unless otherwise provided by law or these Articles of Association, the Company shall reduce shares proportionally according to the shares held by shareholders when reducing its registered capital.

When the Company issues new shares to increase its registered capital, shareholders shall not have pre-emptive rights, unless otherwise provided in these Articles of Association or resolved by the shareholders' meeting that shareholders shall have pre-emptive rights.

Where a company merges or divides, and there is a change in its registered particulars, it shall apply for change of registration with the company registration authority in accordance with the law; if the Company is dissolved, it shall apply for deregistration in accordance with the law; if a new company is established, it shall apply for company registration in accordance with the law.

Where the Company increases or reduces its registered capital, it shall apply to the company registration authorities to modify its registration in accordance with the law.

DISSOLUTION AND LIQUIDATION

The Company will be dissolved for the following reasons:

- (i) its term of business stipulated in the Articles of Association expires or other dissolution reasons stipulated in the Articles of Association occur;
- (ii) a resolution to dissolve is made by the shareholders' meeting;
- (iii) dissolution due to merger or division;
- (iv) the business license is revoked, the Company is ordered to close down, or its registration is cancelled according to law;
- (v) where serious difficulties arise in the Company's operation and management, and continuing to exist would cause major losses to the shareholders' interests, which cannot be resolved through other means, shareholder(s) holding 10% or more of the voting rights of the Company may request the People's Court to dissolve the Company.

If the Articles of Association are amended or a resolution is passed by the shareholders' meeting in accordance with the preceding paragraph, it shall be approved by two-thirds or more of the voting rights held by the shareholders present at the shareholders' meeting.

Where the Company is dissolved pursuant to paragraphs (i), (ii), (iv) and (v) of Article 185 of these Articles, it shall be liquidated. The directors, as obligors for the Company's liquidation, shall form a liquidation group to carry out the liquidation within 15 days from the date on which the cause for dissolution arises.

The liquidation group shall be composed of directors, unless it is otherwise elected by the shareholders' meeting.

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Should the obligors for liquidation fail to perform their liquidation obligations in a timely manner, causing losses to the Company or its creditors, they shall be liable for compensation.

The liquidation group shall exercise the following functions and powers during the liquidation period:

- (i) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (ii) to notify creditors or to publish public announcements;
- (iii) to deal with the Company's unfinished business related to the liquidation;
- (iv) to pay all taxes due and the taxes arising from the liquidation process;
- (v) to ascertain all claims and debts;
- (vi) to distribute the remaining assets of the Company after the repayment of debts;
- (vii) to represent the Company in any civil proceedings.

The liquidation group shall notify the creditors within ten days from the date of its establishment and make an announcement in the newspapers or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall, within 30 days from the date of receipt of the notice, or within 45 days from the date of the announcement if no notice is received, declare their claims to the liquidation group.

When declaring claims, creditors shall explain the details of the claims and provide supporting materials. The liquidation group shall register the claims.

During the claim declaration period, the liquidation group shall not make repayments to creditors.

After the liquidation group has checked the Company's assets, prepared the balance sheet and detailed inventory of assets, it shall formulate a liquidation plan and submit it to the shareholders' meeting or the People's Court for confirmation.

The Company's assets shall, after paying off liquidation expenses, wages of employees, social insurance premiums and statutory compensation, paying off outstanding taxes, and repaying the Company's debts, distribute the remaining assets according to the proportion of shares held by shareholders.

During the liquidation period, the Company continues to exist but shall not carry out any business activities unrelated to the liquidation.

The Company's assets shall not be distributed to shareholders before they are repaid according to the above provisions.

After liquidating the Company's assets and preparing the balance sheet and detailed inventory of assets, if the liquidation group finds that the Company's assets are insufficient to repay its debts, it shall apply to the People's Court for bankruptcy liquidation.

After the People's Court accepts the bankruptcy application, the liquidation group shall hand over the liquidation affairs to the bankruptcy administrator designated by the People's Court.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

After the liquidation of the Company is concluded, the liquidation group shall prepare a liquidation report, submit it to the shareholders' meeting or the People's Court for confirmation, submit it to the company registration authority, apply for cancellation of the Company's registration.

Members of the liquidation group shall perform their liquidation duties with duties of loyalty and diligence.

If members of the liquidation group are negligent in performing their liquidation duties, causing losses to the Company, they shall assume liability for compensation; if they cause losses to creditors due to intentional act or gross negligence, they shall assume liability for compensation.

If the Company is declared bankrupt according to law, it shall undergo bankruptcy liquidation in accordance with the laws on enterprise bankruptcy.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Company shall amend its Articles of Association under any of the following circumstances:

- (i) after the amendment of the Company Law or relevant laws and administrative regulations, matters stipulated in the Articles of Association conflict with the amended laws or administrative regulations;
- (ii) the Company's situation is changing and is inconsistent with the matters recorded in the Articles of Association;
- (iii) the shareholders' meeting resolves to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolution of the shareholders' meeting require approval from the competent authority, they shall be submitted to the competent authority for approval; if they involve matters of company registration, registration changes shall be handled according to law.

The board of directors shall amend the Articles of Association according to the resolution of the shareholders' meeting on amending the Articles and the examination opinions of the competent authority.

Matters of amendment to the Articles of Association that belong to information required to be disclosed by laws and administrative regulations shall be announced according to regulations.

APPENDIX VI

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was established as a joint stock limited company in the PRC on December 11, 2009, and completed the initial public offering and the listing of our A Shares on the SSE STAR Market (stock code: 688319) in June 2021. For further details on our incorporation and our listing of A Shares, see “History and Corporate Structure — Corporate Development and Major Shareholding Changes” in this document.

Our registered office is located at No. 99 Tianxin Road, Gaoxin District, Chengdu, Sichuan Province, PRC. We have established a place of business in Hong Kong at 46/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong and were registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on November 21, 2025 under the same address. Ms. Wong Mei Fung Carrie has been appointed as our authorized representative for the acceptance of service of process and notices on our behalf in Hong Kong.

2. Changes in the Share Capital of our Company

Save as disclosed below, there has been no alteration in the share capital of our Company within two years immediately preceding the date of this document.

As considered and approved at the fifth meeting of the seventh session of our Board on October 28, 2025, our Company resolved to repurchase and cancel 224,700 Type I Restricted Shares under the Employee Restricted Share Incentive Plan, as the corporate performance targets for the second unlocking period were not met. As at the Latest Practicable Date, this repurchase and cancellation had not been completed. Upon the completion of this repurchase and cancellation, our Company’s total share capital was reduced from 405,933,600 to 405,708,900.

As considered and approved at the seventh meeting of the seventh session of our Board on March 27, 2026, and subsequently by the 2025 Annual General Meeting of Shareholders on April 20, 2026, our Company resolved to repurchase and cancel 299,600 Type I Restricted Shares under the 2023 Restricted Share Incentive Plan, as the corporate performance targets for the third unlocking period were not met. Upon the completion of this repurchase and cancellation, our Company’s total share capital [will be] reduced from 405,708,900 to 405,409,300.

3. Changes in the Share Capital of our Subsidiaries

On January 19, 2026, Olymvax Hong Kong was incorporated in Hong Kong with an issued share capital of HK\$10,000.

Save as disclosed above, there has been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this document.

4. Shareholders’ Resolutions

At the general meeting of our Company held on November 14, 2025, the following resolutions were passed by the Shareholders:

- (a) the issuance of H Shares with a nominal value of RMB1.00 each by our Company and such H Shares be [REDACTED] on the Stock Exchange;
- (b) the number of H Shares to be issued pursuant to the [REDACTED] before the exercise of the [REDACTED] shall not exceed [REDACTED]% of the enlarged share capital of our Company upon completion of the [REDACTED], and the [REDACTED] shall not exceed [REDACTED]% of the above number of H Shares to be issued;

APPENDIX VI

STATUTORY AND GENERAL INFORMATION

- (c) subject to the completion of the [REDACTED], the Articles of Association to become effective on the [REDACTED] shall be conditionally adopted, and the Board and its authorized person have been authorized to amend the Articles of Association in accordance with any comments from the relevant regulatory authorities; and
- (d) to authorize the Board and its authorized person to handle the matters relating to, among others, the [REDACTED], the issuance and [REDACTED] of the H Shares.

At the 2025 annual general meeting of our Company held on April 20, 2026, the Shareholders passed a resolution to authorize the Board to determine and implement the issuance of A Shares, to specific subscribers under the simplified procedure and to handle all related matters, provided that the total proceeds from such issuance shall not exceed RMB300 million and 20% of the net assets of our Company as at the end of 2025, and the number of Shares to be issued shall not exceed 30% of the total share capital of our Company before such issuance. Such authorization shall be valid until the date of the 2026 annual general meeting of our Company.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

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

- (a) The equity transfer agreement dated March 17, 2026 entered into between our Company and Chengdu Ounuo Zhonghe Enterprise Management Center (Limited Partnership) (成都歐諾眾合企業管理中心(有限合夥)) (“Chengdu Ounuo”), pursuant to which our Company agreed to acquire 0.867% equity interest in Chengdu XENOMIX from Chengdu Ounuo at a total consideration of RMB1.8 million;
- (b) The equity transfer agreement dated October 16, 2025 entered into among our Company, No. 1 Fund and Jingchuang Fund, pursuant to which our Company agreed to acquire an aggregate of 15.00% of the equity interest in Chengdu XENOMIX from No. 1 Fund and Jingchuang Fund at a total consideration of RMB39.3 million;
- (c) The equity transfer agreement dated March 17, 2025 entered into between our Company and Chongqing Yuanlun to Chongqing Zheshengyuan, pursuant to which our Company agreed transfer 15.00% equity interest in Chongqing Yuanlun to Chongqing Zheshengyuan for a total consideration of RMB4.50 million; and
- (d) The [REDACTED].

2. Intellectual Property Rights

(a) Trademarks

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

No.	Trademark	Registration Number	Registered owner	Place of registration	Date of registration	Expiration date of exclusive rights	Class
1		70571079	Our Company	China	2023-11-07	2033-11-06	5
2		70587720	Our Company	China	2023-11-07	2033-11-06	35

APPENDIX VI STATUTORY AND GENERAL INFORMATION

No.	Trademark	Registration Number	Registered owner	Place of registration	Date of registration	Expiration date of exclusive rights	Class
3		70575982	Our Company	China	2023-11-07	2033-11-06	42
4		62069560	Our Company	China	2022-07-14	2032-07-13	35
5		62086198	Our Company	China	2022-07-07	2032-07-06	5
6		62079739	Our Company	China	2022-10-07	2032-10-06	5
7		62060313	Our Company	China	2022-10-07	2032-10-06	42
8		62085426	Our Company	China	2022-10-14	2032-10-13	42
9		62085394	Our Company	China	2022-07-07	2032-07-06	42
10		62064037	Our Company	China	2022-07-07	2032-07-06	5
11		62081240	Our Company	China	2022-09-28	2032-09-27	35
12		62067204	Our Company	China	2022-09-28	2032-09-27	5
13		62082558	Our Company	China	2022-07-14	2032-07-13	42

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No.	Trademark	Registration Number	Registered owner	Place of registration	Date of registration	Expiration date of exclusive rights	Class
14 .		52023142	Our Company	China	2021-08-14	2031-08-13	5
15 .	 欧林生物	52011258	Our Company	China	2021-10-21	2031-10-20	5
16 .	 OLYMVAX	52007000	Our Company	China	2021-08-21	2031-08-20	5
17 .	 欧林生物 OLYMVAX	52010933	Our Company	China	2021-10-21	2031-10-20	5
18 .	欧林贝康	32001922	Our Company	China	2019-09-28	2029-09-27	5
19 .	欧林贝恩	26494906	Our Company	China	2018-10-07	2028-10-06	5
20 .	欧林立泰	25791213	Our Company	China	2018-08-07	2028-08-06	5
21 .	欧林立清	25803695	Our Company	China	2018-08-07	2028-08-06	5
22 .	欧林贝欣	25805095	Our Company	China	2018-08-07	2028-08-06	5
23 .	欧林立安	25803532	Our Company	China	2018-08-07	2028-08-06	5
24 .	欧林贝悦	25787634	Our Company	China	2018-08-07	2028-08-06	5
25 .	欧林贝晨	25798676	Our Company	China	2018-08-07	2028-08-06	5
26 .	欧林立舒	25806068	Our Company	China	2018-08-07	2028-08-06	5
27 .	欧林贝怡	25798112	Our Company	China	2018-11-21	2028-11-20	5
28 .	 欧林生物	12381017	Our Company	China	2015-04-28	2035-04-27	5
29 .		9715853	Our Company	China	2012-08-28	2032-08-27	5
30 .	 OLYMVAX	8625600	Our Company	China	2011-09-14	2031-09-13	5
31 .	 欧林生物 OLYMVAX	8625559	Our Company	China	2013-10-07	2033-10-06	5
32 .	原 伦	15617377	Chongqing Yuanlun	China	2016-04-07	2026-04-06	35
33 .	原 伦	15617377	Chongqing Yuanlun	China	2016-04-07	2026-04-06	42

APPENDIX VI STATUTORY AND GENERAL INFORMATION

No.	Trademark	Registration Number	Registered owner	Place of registration	Date of registration	Expiration date of exclusive rights	Class
34 .		15617377	Chongqing Yuanlun	China	2016-04-07	2026-04-06	5
35 .		62240491	Chengdu XENOMIX	China	2022-07-14	2032-07-13	35
36 .		62250387	Chengdu XENOMIX	China	2022-07-14	2032-07-13	42
37 .		305520988	Our Company	Hong Kong, China	2021-06-11	2031-01-28	5
38 .		2171919	Our Company	Taiwan, China	2021-10-01	2031-09-30	5
39 .		176317	Our Company	Jordan	2022-08-16	2032-08-15	5
40 .		6886466	Our Company	United States	2021-05-06	2031-05-06	5
41 .		122609	Our Company	African Intellectual Property Organization	2021-05-06	2031-05-06	5
42 .		1593674	Our Company	European Union	2021-05-06	2031-05-06	5
43 .		1593674	Our Company	Philippines	2021-05-06	2031-05-06	5
44 .		1593674	Our Company	South Korea	2021-05-06	2031-05-06	5
45 .		1593674	Our Company	United Kingdom	2021-05-06	2031-05-06	5
46 .		1593674	Our Company	Kazakhstan	2021-05-06	2031-05-06	5

(b) Patents

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

Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
1 . . .	Recombinant Multi-Subunit Genetically Engineered Vaccine Against Methicillin-Resistant Staphylococcus aureus (MRSA) and Its Preparation Method (耐甲氧西林金黄色葡萄球菌 (MRSA)重组多亚单位基因工程疫苗及其制备方法)	CN201010180697.7	2012-11-07	2030-05-24	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
2 . . .	A Process-Based Virulence Control System and Method for Vaccines After Adsorption (一種吸附破傷疫苗後工藝脫毒控制系統及工藝方法)	CN201110164196.4	2013-08-07	2031-06-18	Our Company	Authorized Invention	China
3 . . .	A Process Control System for Inactivating Vaccines After Adsorption (一種吸附破傷疫苗後工藝脫毒控制系統)	CN201110164197.9	2013-09-04	2031-06-18	Our Company	Authorized Invention	China
4 . . .	Purification Process for Haemophilus influenzae Type b Capsular Polysaccharide (b型流感嗜血桿菌莢膜多糖純化工藝)	CN201210121292.5	2014-04-23	2032-04-23	Our Company	Authorized Invention	China
5 . . .	Method for Producing Bacterial Capsular Polysaccharides via High-Density Culture of Haemophilus influenzae Type b (b型流感嗜血桿菌高密度培養生產細菌莢膜多糖的方法)	CN201210121314.8	2013-09-04	2032-04-23	Our Company	Authorized Invention	China
6 . . .	Method for Activating Haemophilus influenzae Type b Polysaccharide Conjugate Vaccine (b型流感嗜血桿菌多糖結合疫苗活化方法)	CN201210121315.2	2013-10-23	2032-04-23	Our Company	Authorized Invention	China
7 . . .	A Tetanus Toxin Neutralizing B-Cell Antigen Epitope Peptide and Its Application (一種破傷風外毒素中和性B細胞抗原表位肽與應用)	CN201210131614.4	2014-01-08	2032-04-28	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
8 . . .	A Vaccine for Preventing Dental Caries and Its Preparation Method (一種預防齲齒的疫苗及其製備方法)	CN201210202897.7	2014-02-26	2032-06-19	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
9 . . .	Recombinant Protein Antigen I12C for Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine, Its Preparation Method, and Application (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白抗原I12C及製備方法和應用)	CN201210375013.8	2014-05-28	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China

APPENDIX VI STATUTORY AND GENERAL INFORMATION

Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
10	Purification Method for Recombinant Protein Antigen HI2 of Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白抗原HI2的純化方法)	CN201210375859.1	2014-07-30	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
11	Purification Method for Recombinant Protein Antigen FnbA1 of Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白抗原FnbA1的純化方法)	CN201210378843.6	2014-02-19	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
12	Recombinant Protein FnbA1 Vaccine for Methicillin-Resistant Staphylococcus aureus (MRSA), Its Preparation Method, and Application (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白FnbA1及製備方法和應用)	CN201210378844.0	2015-02-04	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
13	Recombinant Protein Antigen HI2 for Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine, Its Preparation Method, and Application (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白抗原HI2及製備方法和應用)	CN201210379508.8	2014-11-05	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
14	Recombinant Protein HF2 for Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine, Its Preparation Method, and Application (用於耐甲氧西林金黃色葡萄球菌(MRSA)疫苗的重組蛋白HF2及製備方法和應用)	CN201210379588.7	2014-03-12	2032-09-29	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
15	Process for Coupling Hib Polysaccharide with Purified Tetanus Toxin (一種Hib多糖與精製破傷風類毒素偶聯工藝)	CN201210393381.5	2014-10-29	2032-10-16	Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
16	Purification Method for Recombinant Antigen Candidate I12C in the Preparation of a Recombinant Engineered Vaccine Against Methicillin-Resistant Staphylococcus aureus (耐甲氧西林金黃色葡萄球菌重組基因工程疫苗候選抗原I12C製備中的純化方法)	CN201210401223.X	2014-05-07	2032-10-19	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
17	Method for Establishing an Animal Model of Streptococcus mutans Infection and Caries Development (一種變形鏈球菌感染及致齲動物模型建立方法)	CN201210558790.6	2015-03-04	2032-12-21	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
18	Recombinant Protein Antigen I1C for Methicillin-Resistant Staphylococcus aureus (MRSA) Vaccine, Its Preparation Method, and Application (耐甲氧西林金黃色葡萄球菌(MRSA)疫苗重組蛋白抗原I1C及製備方法和應用)	CN2013100212.3	2014-03-12	2033-01-21	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
19	A Novel Method for Removing Protein Impurities from Capsular Polysaccharides of Group A and C Meningococcal Bacteria (一種去除A、C群腦膜炎球菌莢膜多糖中蛋白質雜質的新方法)	CN201310223495.X	2015-10-28	2033-06-06	Our Company	Authorized Invention	China
20	Method and Kit for Detecting Antigen-Specific IgG Antibodies Against Staphylococcus aureus SpA5 Mutant (金黃色葡萄球菌SpA5突變體抗原特异性IgG抗體檢測方法和檢測試劑盒)	CN201310662794.3	2016-11-02	2033-12-09	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
21	Fermentation and Purification Process for Staphylococcus aureus HI Recombinant Protein (金黃色葡萄球菌HI重組蛋白的發酵和純化工藝)	CN201310664256.8	2016-08-17	2033-12-09	Our Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China
22	Staphylococcus aureus mSEB Mutant, Its Preparation Method, and Application (金黃色葡萄球菌mSEB突變體及其製備方法和應用)	CN201310664269.5	2015-11-18	2033-12-09	Company Third Military Medical University, People's Liberation Army of China	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
23	Method for Dissociation and Content Determination of Staphylococcus aureus Vaccine Product and Detection Kit (金黃色葡萄球菌疫苗成品的解離及含量測定方法和檢測試劑盒)	CN201310664290.5	2016-06-22	2033-12-09	Our Company Third Military Medical University of the People’s Liberation Army	Authorized Invention	China
24	Staphylococcus aureus SpA5 Mutant, Its Preparation Method, and Application (金黃色葡萄球菌SpA5突變體及其製備方法和應用)	CN201310664945.9	2016-08-17	2033-12-09	Company Third Military Medical University, People’s Liberation Army of China	Authorized Invention	China
25	A Staphylococcus aureus Vaccine and Its Preparation Method (一種金黃色葡萄球菌疫苗及其製備方法)	CN201310665062.X	2016-04-20	2033-12-09	Our Company Third Military Medical University, People’s Liberation Army of China	Authorized Invention	China
26	Recombinant Staphylococcus aureus MntC Protein, Its Preparation Method, and Applications (金黃色葡萄球菌MntC重組蛋白及其製備方法和應用)	CN201310665113.9	2017-01-18	2033-12-09	Our Company Third Military Medical University, People’s Liberation Army of China	Authorized Invention	China
27	Method for Establishing a Staphylococcus aureus Pneumonia Model (一種金黃色葡萄球菌肺炎模型的建立方法)	CN201310686476.0	2016-10-12	2033-12-09	Our Company Third Military Medical University, People’s Liberation Army of China	Authorized Invention	China
28	Purification Method for Glu, a Recombinant Subunit Gene-Engineered Vaccine Candidate Antigen of Streptococcus mutans (變形鏈球菌重組亞單位基因工程疫苗候選抗原Glu的純化方法)	CN2014100829.3	2016-08-17	2034-03-07	Our Company Third Military Medical University, People’s Liberation Army of China	Authorized Invention	China
29	Combined ABC Group Meningococcal Vaccine and Its Preparation Method (ABC群腦膜炎球菌聯合疫苗及其製備方法)	CN201410200898.7	2018-03-09	2034-05-13	Our Company	Authorized Invention	China
30	Method for Producing Tetanus Toxoid Stock Solution via Chromatographic Purification (一種層析純化法生產破傷風類毒素原液的方法)	CN201410521738.2	2017-08-25	2034-09-30	Our Company	Authorized Invention	China
31	Method for Removing Bacterial Endotoxins from Protein Solutions (一種蛋白溶液細菌內毒素去除方法)	CN201410557250.5	2018-02-06	2034-10-17	Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
32 . .	Novel ACYW135 Group B Meningococcal Conjugate Vaccine and Its Preparation Method (新型ACYW135群腦膜炎球菌結合疫苗及其製備方法)	CN201510373194.4	2018-08-28	2035-06-30	Our Company	Authorized Invention	China
33 . .	Improved Structure of a Reciprocating Rocking Bed (一種往復式搖床的改進結構)	CN201510542851.3	2017-07-11	2035-08-31	Our Company	Authorized Invention	China
34 . .	Improved Structure Based on Ventilation Equipment Inspection Port (基於通風設備檢測口的改進結構)	CN201510543914.7	2017-10-27	2035-08-31	Our Company	Authorized Invention	China
35 . .	Improved Structure of Sealing Device for Preventing Air Leakage at Inspection Port (避免檢測口漏風的密封裝置改進結構)	CN201510543915.1	2017-07-11	2035-08-31	Our Company	Authorized Invention	China
36 . .	Improved Structure of Inspection Port Based on Enhanced Sealing Performance (基於提高密封性的檢測口改進結構)	CN201510549333.4	2017-10-13	2035-08-31	Our Company	Authorized Invention	China
37 . .	A Water-in-Oil Type Nanoemulsion Adjuvant, Its MRSA Nanoemulsion Adjuvant Vaccine, and Preparation Method (一種水包油型納米乳佐劑及其MRSA納米乳佐劑疫苗和製備方法)	CN201510777202.1	2019-02-15	2035-11-13	Third Military Medical University, People's Liberation Army of China Chongqing Yuanlun	Authorized Invention	China
38 . .	A Recombinant Protein Vac33 of Pseudomonas aeruginosa, Its Preparation Method, and Application (一種銅綠假單胞菌重組蛋白Vac33及製備方法和應用)	CN201610117615.1	2019-11-08	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
39 . .	Recombinant Pseudomonas aeruginosa Protein Vac11, Its Preparation Method, and Applications (銅綠假單胞菌重組蛋白Vac11及製備方法和應用)	CN201610117642.9	2019-11-29	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
40 . .	Method for Establishing an Animal Model of Pseudomonas aeruginosa-Induced Pneumonia (銅綠假單胞菌感染肺炎的動物模型的建立方法)	CN201610117674.9	2019-06-07	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
41	A Recombinant Protein Vac14 of <i>Pseudomonas aeruginosa</i> , Its Preparation Method, and Application (一種銅綠假單胞菌重組蛋白Vac14及製備方法和應用)	CN201610117778.X	2018-12-11	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
42	A Purification Method for the Recombinant Protein Vac33 of <i>Pseudomonas aeruginosa</i> (一種銅綠假單胞菌重組蛋白Vac33的純化方法)	CN201610118225.6	2019-11-08	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
43	A Recombinant <i>Pseudomonas aeruginosa</i> Protein POP, Its Preparation Method, and Application (一種銅綠假單胞菌重組蛋白POP及其製備方法和應用)	CN201610118248.7	2019-06-07	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
44	Purification Method for Recombinant Protein Vac14 of <i>Pseudomonas aeruginosa</i> Vaccine (銅綠假單胞菌疫苗重組蛋白Vac14的純化方法)	CN201610118286.2	2019-06-07	2036-03-02	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
45	Drying Sterilizer Based on Enhanced Flow Velocity (基於提高導流速度的乾燥滅菌器)	CN201610744805.6	2018-11-23	2036-08-29	Our Company	Authorized Invention	China
46	Sterilization System Facilitating Cleaning and Maintenance (便於清潔維修的滅菌系統)	CN201620965528.7	2017-05-31	2026-08-29	Our Company	Utility Model	China
47	A Simple and Effective Method for Purifying Bacterial Vaccines (一種簡便有效的細菌疫苗純化方法)	CN201711175681.5	2020-07-03	2037-11-22	Our Company	Authorized Invention	China
48	A Feeding Device for Precisely Controlling the Feed Rate in a Reaction Vessel (一種精確控制反應釜內加料量的供料件)	CN201721644520.1	2018-10-02	2027-12-01	Our Company	Utility Model	China
49	A Reactor for Enhancing the Boiling Point of Raw Materials in a Reaction Vessel (一種具有提高反應容器內原料沸騰度的反應釜)	CN201721647995.6	2018-11-20	2027-12-01	Our Company	Utility Model	China
50	A Temperature Control Device for a Reaction Vessel (一種反應釜內溫度控制裝置)	CN201721648340.0	2018-11-16	2027-12-01	Our Company	Utility Model	China
51	Immunogenicity of Ata Protein from <i>Acinetobacter baumannii</i> (鮑曼不動桿菌Ata蛋白的免疫原性)	CN201810510029.2	2021-03-05	2038-05-24	Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
52	A Recombinant Protein Vaccine for <i>Pseudomonas aeruginosa</i> , Its Encoding Gene, and Their Applications (一種銅綠假單胞菌疫苗重組蛋白及其編碼基因和它們的應用)	CN201910300976.3	2022-06-10	2039-04-15	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
53	Anti-MntC Protein Antibody, Its Applications, and Kits Containing It (抗MntC蛋白抗體及其應用和包含其的試劑盒)	CN201911367559.7	2021-08-20	2039-12-26	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
54	Anti-mHIN2 Protein Antibody, Its Applications, and Kits Containing It (抗mHIN2蛋白抗體及其應用和包含其的試劑盒)	CN201911367605.3	2021-08-20	2039-12-26	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
55	Anti-mSEB Protein Antibody, Its Applications, and Kits Containing It (抗mSEB蛋白抗體及其應用和包含其的試劑盒)	CN201911370244.8	2021-07-27	2039-12-26	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
56	Rat Housing Cage Facilitating Separation of Urine and Feces (便於分離尿液和糞便的老鼠飼養箱)	CN201920440927.5	2019-06-14	2029-04-02	Our Company	Utility Model	China
57	Monoclonal Antibody Against SpA5 Protein, Its Application, and Kit Containing the Same (抗SpA5蛋白的單克隆抗體及其應用和包含其的試劑盒)	CN202010575079.6	2022-03-04	2040-06-22	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
58	Nucleic Acid Encoding the SARS-CoV-2 Virus Spike Protein and Its Applications (編碼SARS-CoV-2病毒刺突蛋白的核酸及其的應用)	CN202011127475.9	2021-05-11	2040-10-20	Chengdu XENOMIXIjiacheng Xihai (Hangzhou) Biotechnology Co., Ltd.	Authorized Invention	China
59	Multi-epitope Fusion Protein for Preventing <i>Pseudomonas aeruginosa</i> Infection, Its Encoding Gene, Expression Vector, and Applications (用於預防銅綠假單胞菌感染的多表位融合蛋白及其編碼基因、表達載體和應用)	CN202110027162.4	2023-03-28	2041-01-09	Our Company Army Medical University of the People's Liberation Army	Authorized Invention	China
60	A Purification Method for HI Antigen Protein of a Recombinant <i>Staphylococcus aureus</i> Vaccine (一種重組金黃色葡萄球菌疫苗HI抗原蛋白的純化方法)	CN202110313441.7	2023-04-28	2041-03-24	Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
61	A Method for Preparing a Recombinant Staphylococcus aureus Vaccine (一種製備重組金黃色葡萄球菌疫苗的方法)	CN202110315359.8	2023-05-23	2041-03-24	Our Company	Authorized Invention	China
62	A Purification Method for a Recombinant Staphylococcus aureus Vaccine Antigen Protein (一種重組金黃色葡萄球菌疫苗抗原蛋白的純化方法)	CN202110330866.9	2023-04-28	2041-03-24	Our Company	Authorized Invention	China
63	Application of the Chemotaxis Gene of Helicobacter pylori (幽門螺桿菌趨化因子 chemotaxis 基因的應用)	CN202110436351.7	2023-03-10	2041-04-22	Our Company	Authorized Invention	China
64	A Sialidase for Resisting Helicobacter Pylori Colonization in the Stomach (一種用於抵禦幽門螺桿菌在胃內定植的唾液酸酶)	CN202110436490.X	2023-05-12	2041-04-22	Our Company	Authorized Invention	China
65	Helicobacter pylori HefC Recombinant Protein and Its Applications (幽門螺桿菌 HefC 重組蛋白及其應用)	CN202110436551.2	2022-10-11	2041-04-22	Our Company	Authorized Invention	China
66	An Oral Sustained-Release Vaccine Against Helicobacter pylori and Its Preparation and Application (一種幽門螺桿菌口服緩釋疫苗及其製備與應用)	CN202110436554.6	2023-03-10	2041-04-22	Our Company	Authorized Invention	China
67	A Pharmaceutical Agent for Enhancing the Efficacy of Oral Helicobacter pylori Vaccines and Its Application (一種提高口服幽門螺桿菌疫苗效力的藥劑及其應用)	CN202110436622.9	2023-06-16	2041-04-22	Our Company	Authorized Invention	China
68	A Pretreatment Method for Helicobacter pylori Culture Detection (一種幽門螺桿菌培養檢測前處理方法)	CN202110437617.X	2023-05-09	2041-04-22	Our Company	Authorized Invention	China
69	mRNA-Based Vaccine Against Coronavirus and Its Preparation Method (基於 mRNA 的針對冠狀病毒的疫苗及其製備方法)	CN202110925098.1	2022-08-16	2041-08-12	Chengdu XENOMIXI Jiacheng Xihai (Hangzhou) Biotechnology Co., Ltd.	Authorized Invention	China
70	A Method for Purifying mSEB Antigen Protein (一種 mSEB 抗原蛋白的純化方法)	CN202111356399.3	2023-07-07	2041-11-16	Our Company	Authorized Invention	China
71	A Portable Vaccine Cryogenic Storage Device (一種便攜式疫苗冷凍儲存裝置)	CN202120545329.1	2021-12-28	2031-03-17	Our Company	Utility Model	China

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72	A Needle Recovery Device for Post-Vaccination Use (一種疫苗接種後針頭回收裝置)	CN202120545393.X	2021-12-28	2031-03-17	Our Company	Utility Model	China
73	A Collision-Resistant Vaccine Refrigerator (一種防碰撞疫苗冷藏箱)	CN202120545501.3	2021-12-28	2031-03-17	Our Company	Utility Model	China
74	A Monoclonal Antibody Against Staphylococcus aureus α -Hemolysin and Its Application (一種抗金黃色葡萄球菌 α -溶血素的單克隆抗體及其應用)	CN202310765951.7	2024-04-26	2043-06-27	Chongqing Yuanlun	Authorized Invention	China
75	An Antibody Specific for Binding Staphylococcus aureus α -Hemolysin and Its Applications (一種特异性結合金黃色葡萄球菌 α -溶血素的抗體及其應用)	CN202310765958.9	2024-03-29	2043-06-27	Chongqing Yuanlun	Authorized Invention	China
76	A Varicella-Zoster Virus Vaccine, Its Preparation Method, and Application (一種水痘-帶狀疱疹病毒疫苗及其製備方法和應用)	CN202310993839.9	2024-01-02	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
77	A gE Fusion Protein Containing P2 and Two Fc Domains, Its Preparation Method, and Applications (一種含有P2和兩個Fc的gE融合蛋白及其製備方法和應用)	CN202310999185.0	2024-06-04	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
78	A gE Fusion Protein Containing P2 and Fc, Its Preparation Method, and Applications (一種含有P2和Fc的gE融合蛋白及其製備方法和應用)	CN202310999188.4	2024-05-07	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
79	A gE Fusion Protein Containing IL-2 and P2 Epitopes, Its Preparation Method, and Applications (一種含有IL-2和P2表位的gE融合蛋白及其製備方法和應用)	CN202310999191.6	2024-04-09	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
80	A gE Fusion Protein Containing IL-2 and Fc, Its Preparation Method, and Applications (一種含有IL-2和Fc的gE融合蛋白及其製備方法和應用)	CN202310999194.X	2024-04-16	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
81	A gE Fusion Protein Containing IL2, Fc, and PADRE, Its Preparation Method, and Applications (一種含有IL2、Fc和PADRE的gE融合蛋白及其製備方法和應用)	CN202310999195.4	2024-05-28	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
82	A gE Fusion Protein Containing P2 and PADRE Epitopes, Its Preparation Method, and Applications (一種含有P2和PADRE表位的gE融合蛋白及其製備方法和應用)	CN202310999201.6	2024-08-27	2043-08-09	Chengdu XENOMIX\Our Company	Authorized Invention	China
83	A gE Fusion Protein Containing P2, Fc, and PADRE, Its Preparation Method, and Applications (一種含有P2、Fc和PADRE的gE融合蛋白及其製備方法和應用)	CN202410106473.3	2025-06-03	2044-01-25	Chengdu XENOMIX\Our Company	Authorized Invention	China
84	A Monoclonal Antibody Specific for Binding Staphylococcus aureus Manganese Ion Transporter C and Its Applications (一種特異性結合金黃色葡萄球菌錳離子轉運蛋白C的單克隆抗體及其應用)	CN202410296463.0	2025-05-13	2044-03-15	Chongqing Yuanlun	Authorized Invention	China
85	An Antibody Against Staphylococcus aureus Manganese Ion Transporter C and Its Applications (一種抗金黃色葡萄球菌錳離子轉運蛋白C的抗體及其應用)	CN202410296740.8	2025-02-07	2044-03-15	Chongqing Yuanlun	Authorized Invention	China
86	An Oral Immunogenic Composition for Preventing or Treating Hp Infection and Its Application (一種預防或治療Hp感染口服免疫原性組合物及其應用)	CN202410534785.4	2024-08-16	2044-04-30	Our Company	Authorized Invention	China
87	An Oral Recombinant Protein Vaccine Against Helicobacter pylori and Method for Preparing Its Antigen (一種幽門螺桿菌口服重組蛋白疫苗及其抗原製備方法)	CN202410539921.9	2025-05-30	2044-04-30	Our Company	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
88 . .	Preparation and Application of Antibodies Against <i>Pseudomonas aeruginosa</i> PcrV (一種抗銅綠假單胞菌 PcrV 抗體的製備及其應用)	CN202410581293.0	2025-06-10	2044-05-11	Chongqing Yuanlun	Authorized Invention	China
89 . .	An Antibody Specific for <i>Pseudomonas aeruginosa</i> PcrV and Its Applications (一種特异性識別銅綠假單胞菌 PcrV 的抗體及其應用)	CN202410581294.5	2025-03-25	2044-05-11	Chongqing Yuanlun	Authorized Invention	China
90 . .	A Monoclonal Antibody Against <i>Staphylococcus aureus</i> Protein A and Its Application (一種抗金黃色葡萄球菌蛋白 A 的單克隆抗體及其應用)	CN202410588065.6	2025-02-07	2044-05-13	Chongqing Yuanlun	Authorized Invention	China
91 . .	An Antibody Specific for Binding <i>Staphylococcus aureus</i> Protein A and Its Applications (一種特异性結合金黃色葡萄球菌蛋白 A 的抗體及其應用)	CN202410588259.6	2025-04-01	2044-05-13	Chongqing Yuanlun	Authorized Invention	China
92 . .	A Method for Quantitative Detection of PreScission Protease Content Using a Sandwich Antibody Assay (一種利用雙抗體夾心定量檢測 PreScission 蛋白酶含量的方法)	CN202510796509.X	2025-08-29	2045-06-16	Chongqing Yuanlun	Authorized Invention	China
93 . . .	Antibody Against <i>Staphylococcus aureus</i> IsdB and Its Application 針對金黃色葡萄球菌 IsdB 的抗體及其應用	CN202511525131.6	2025-12-30	2045-10-24	Chongqing Yuanlun	Authorized Invention	China
94 . . .	Antibody Against <i>Staphylococcus aureus</i> Enterotoxin B and Its Application 針對金黃色葡萄球菌腸毒素 B 的抗體及其應用	CN202511526163.8	2025-12-04	2045-10-24	Chongqing Yuanlun	Authorized Invention	China
95 . . .	A QMC Influenza Virus Strain and Its Preparation Method and Application 一種 QMC 流感毒種及其制備方法和應用	CN202511397154.3	2025-12-23	2045-09-28	Company	Authorized Invention	China
96 . . .	Preparation and Application of an Antibody Against <i>Staphylococcus aureus</i> IsdB 抗金黃色葡萄球菌 IsdB 抗體的制備及其應用	CN202511494184.6	2026-02-06	2045-10-20	Chongqing Yuanlun	Authorized Invention	China

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Serial No.	Patent	Application Number	Grant Date	Estimated Expiration Date	Patent Owner	Patent Type	Granting Jurisdiction
97 . . .	Preparation and Application of an Antibody Against Staphylococcus aureus Enterotoxin B 抗金黄色葡萄球菌腸毒素B抗體的制備及其應用	CN202511526166.1	2026-01-30	2045-10-24	Chongqing Yuanlun	Authorized Invention	China
98 . . .	STAPHYLOCOCCUS AUREUS SPA5 MUTANT, COMPOSITION CONTAINING THE MUTANT, METHOD FOR PRODUCING THE SAME, AND USE THEREOF (金黄色葡萄球菌spa5突變體、包含突變體的組合物及其製備方法和用途)	DE602013046528	2018-11-07	2033-12-09	Company I Third Military Medical University, People's Liberation Army of China	Authorized Invention	Germany
99 . . .	Mutante SpA5 of Staphylococcus aureus, composition comprising the mutant, and method for its preparation and use	ES2013899076T	2019-03-20	2033-12-09	Our Company I Third Military Medical University of the People's Liberation Army of China	Authorized Invention	Spain
100 . .	Staphylococcus aureus spa5 mutant, composition comprising mutant and preparation method and use thereof	EP13899076.7(FR)	2019-03-20	2033-12-09	Our Company I Third Military Medical University of the People's Liberation Army of China	Authorized Invention	France
101 . .	Staphylococcus aureus spa5 mutant, composition comprising mutant and preparation method and use thereof	EP13899076.7(GB)	2019-03-20	2033-12-09	Our Company I Third Military Medical University of the People's Liberation Army	Granted Invention	United Kingdom
102 . .	Staphylococcus aureus spa5 mutant, composition comprising mutant and preparation method and use thereof	EP13899076.7(IT)	2019-03-20	2033-12-09	Our Company I Third Military Medical University of the People's Liberation Army	Granted Invention	Italy
103 . .	Staphylococcus aureus SpA5 mutant, composition comprising mutant and preparation method and use thereof	US15/103173	2018-02-13	2033-12-09	Our Company I Third Military Medical University of the People's Liberation Army	Granted Invention	United States
104 . .	Meningococcal conjugate vaccine for groups A, C, Y and W135 and a preparation method thereof	US15/197369	2018-08-14	2036-06-29	Our Company	Authorized Invention	United States
105 . .	Acinetobacter baumannii Immunogenic Protein and Composition and Application Thereof	US17/058527	2025-02-18	2042-05-03	Our Company	Authorized Invention	United States

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As of the Latest Practicable Date, our Group had applied for registration of the following patent applications which we consider to be or may be material to our business.

No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
1 . .	Fragment of E. coli Heat-Labile Enterotoxin Gene and Its Application 大腸桿菌不耐熱腸毒素基因片段及其應用	CN201710600817.6	2017-07-21	Our Company	Invention Application	China
2 . .	A gE Fusion Protein Containing PADRE and Fc, Its Preparation Method, and Applications 一種含有PADRE和Fc的gE融合蛋白及其製備方法和應用	CN202310999189.9	2023-08-09	Chengdu XENOMIX\Our Company	Invention Application	China
3 . .	A Modified OmpW Structure, Its Expression and Preparation, and Its Application in Preparing an Acinetobacter baumannii Vaccine 一種改造的OmpW結構、表達製備及其在製備鮑曼不動桿菌疫苗中的應用	CN202311538053.4	2023-11-17	Our Company	Invention Application	China
4 . .	Application of Deoxycholic Acid or Deoxycholate as an Absorption Promoter in Preparing Oral Immunogenic Compositions for Preventing or Treating Hp Infection 脫氧膽酸或脫氧膽酸鹽作為吸收促進劑在製備預防或治療Hp感染的口服免疫原性組合物中的應用	CN202410534787.3	2024-04-30	Our Company	Invention Application	China
5 . .	mRNA-Based Combined Vaccine for Influenza Virus and Coronavirus and Its Preparation Method 基於mRNA的流感病毒和冠狀病毒聯合疫苗及其製備方法	CN202410616809.0	2024-05-17	Chengdu XENOMIX\Shanghai Vinolife Biotechnology Co., Ltd.	Invention Application	China
6 . .	A Recombinant Protein Antigen for an Oral Helicobacter pylori Vaccine, Its Preparation and Application 一種口服幽門螺桿菌疫苗重組蛋白抗原及製備和應用	CN202410838023.3	2024-06-26	Our Company	Invention Application	China
7 . .	Method for Detecting the Content of Polysorbate 80 in Complex Preparations 一種複雜製劑中聚山梨酯80含量的檢測方法	CN202411316358.5	2024-09-20	Our Company\Chengdu XENOMIX	Invention Application	China

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No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
8 . .	A Method for Culturing Recombinant Chinese Hamster Ovary Cells 一種重組中國倉鼠卵巢細胞的培養方法	CN202411370589.4	2024-09-29	Our Company Chengdu XENOMIX	Invention Application	China
9 . .	Application of Acinetobacter baumannii Outer Membrane Protein OmpA in Short-Term Immunization 鮑曼不動桿菌外膜蛋白OmpA在短期免疫方面的應用	CN202411567347.4	2024-11-05	Our Company	Invention Application	China
10 .	Application of OmpA Outer Membrane Protein from Acinetobacter baumannii in Cross-Protection 鮑曼不動桿菌外膜蛋白OmpA在交叉保護方面的應用	CN202411567358.2	2024-11-05	Our Company	Invention Application	China
11 .	Process for Preparing Outer Membrane Protein OmpA of Acinetobacter baumannii 鮑曼不動桿菌膜外蛋白OmpA的製備工藝	CN202411567360.X	2024-11-05	Our Company	Invention Application	China
12 .	Method for Preparing Outer Membrane Vesicle Protein from Group B Meningococcal Bacteria 一種B群腦膜炎球菌外膜囊泡蛋白製備方法	CN202411738148.5	2024-11-29	Our Company	Invention Application	China
13 .	Method for Quantitatively Detecting the Bioactivity of MntC Antigen in Recombinant Staphylococcus aureus Vaccine or Stock Solution 一種定量檢測重組金黃色葡萄球菌疫苗或和原液中MntC抗原比活的方法	CN202510256245.9	2025-03-05	Chongqing Yuanlun	Invention Application	China
14 .	Method for Detecting the Specific Activity of Recombinant Pseudomonas aeruginosa Vaccine rPO Stock Solution 一種檢測重組銅綠假單胞菌疫苗rPO原液比活的方法	CN202510256480.6	2025-03-05	Chongqing Yuanlun	Invention Application	China
15 .	Method for Quantitatively Detecting HI Antigen Potency in Recombinant Staphylococcus aureus Vaccine or Bulk Solution 一種定量檢測重組金黃色葡萄球菌疫苗或原液中HI抗原比活的方法	CN202510256511.8	2025-03-05	Chongqing Yuanlun	Invention Application	China

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No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
16	Method for Detecting the Content of rPO Antigen in a Recombinant Pseudomonas aeruginosa Vaccine 一種檢測重組銅綠假單胞菌疫苗rPO抗原含量的方法	CN202510256656.8	2025-03-05	Chongqing Yuanlun	Invention Application	China
17	Method for Preparing Recombinant Group B Meningococcal fHbp Protein and Vaccine Composition 重組B群腦膜炎球菌fHbp蛋白製備方法及疫苗組合物	CN202510262781.X	2025-03-06	Our Company	Invention Application	China
18	Method for Quantitatively Detecting the Bioactivity of mSEB Antigen in Recombinant Staphylococcus aureus Vaccine or/and Bulk Solution 一種定量檢測重組金黃色葡萄球菌疫苗或/和原液中mSEB抗原比活的方法	CN202510696413.6	2025-05-28	Chongqing Yuanlun	Invention Application	China
19	Method and Application for Simultaneously Detecting the Content of the Main Adjuvant Component in Composite Adjuvants/Products Containing Composite Adjuvants 一種同時檢測複合佐劑/含有複合佐劑產品中佐劑主要成分含量的方法及應用	CN202510730997.4	2025-06-03	Our Company	Invention Application	China
20	A Liquid Chromatography Method for Quantitative Detection of Proteins and Its Application 一種定量檢測蛋白的液相色譜方法和應用	CN202510731006.4	2025-06-03	Our Company	Invention Application	China
21	Method and Application for Detecting the Main Components of Proteins and Complex Adjuvants in Recombinant Protein Vaccines 一種檢測重組蛋白疫苗中蛋白和複合佐劑主要成分含量的方法和應用	CN202510731008.3	2025-06-03	Our Company	Invention Application	China
22	A Liquid Chromatography Method for Simultaneous Qualitative and Quantitative Detection of Proteins in gE Raw Material and Its Application 一種同時定性和定量檢測gE原液中蛋白的液相色譜方法和應用	CN202510731009.8	2025-06-03	Our Company	Invention Application	China

APPENDIX VI STATUTORY AND GENERAL INFORMATION

No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
23	Method and Application for Simultaneous Detection of Saponin Immunostimulants and Lipid Content in Composite Adjuvants/Products Containing Composite Adjuvants 一種同時檢測複合佐劑/含有複合佐劑產品中皂苷類免疫增強劑和類脂含量的方法及應用	CN202510731018.7	2025-06-03	Our Company	Invention Application	China
24	Method and Application for Simultaneous Qualitative Detection of gE in Recombinant Varicella-Zoster Vaccine and Quantitative Detection of gE, Saponin QS-21, Dioleoylphosphatidylcholine, and Cholesterol in Vaccine 同時定性檢測重組水痘-帶狀皰疹疫苗中gE和定量檢測疫苗中gE、皂樹皂苷QS-21、二油酰基磷脂酰膽鹼、膽固醇的方法及應用	CN202510731424.3	2025-06-03	Our Company	Invention Application	China
25	Method for Quantitatively Detecting the Bioactivity of SpA5 Antigen in Recombinant Staphylococcus aureus Vaccine or Stock Solution 一種定量檢測重組金黃色葡萄球菌疫苗或和原液中SpA5抗原比活的方法	CN202510733152.0	2025-06-04	Chongqing Yuanlun	Invention Application	China
26	Acinetobacter baumannii Immunogenic Protein and Composition and Application Thereof	EP19806420.6	2019-05-23	Our Company	Invention Application	European Patent Office
27	Human Immunoglobulin Against Methicillin-Resistant Staphylococcus Aureus, Preparation Method Therefor, And Use Thereof	US17/622057	2020-06-24	Our Company	Invention Application	United States
28	Method and Application for Detecting the Content of the Main Adjuvant Component in Recombinant Varicella-Zoster Vaccines or Composite Adjuvants 一種檢測重組水痘-帶狀皰疹疫苗或複合佐劑中佐劑主要成分含量的方法和應用	CN202411984092.1	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China

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No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
29	Method and Application for Detecting the Main Components of Protein and Complex Adjuvant in Recombinant Varicella-Zoster Vaccine 一種檢測重組水痘-帶狀皰疹疫苗中蛋白和複合佐劑主要成分含量的方法和應用	CN202411984531.9	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
30	A Liquid Chromatography Method for Qualitative Detection of Proteins in PADRE-gE-P2 Fusion Protein Raw Material and Its Application 一種定性檢測 PADRE-gE-P2 融合蛋白原液中蛋白的液相色譜方法和應用	CN202411984838.9	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
31	A Liquid Chromatography Method for Quantitative Detection of Proteins in PADRE-gE-P2 Fusion Protein Raw Material and Its Application 一種定量檢測 PADRE-gE-P2 融合蛋白原液中蛋白的液相色譜方法和應用	CN202411985024.7	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
32	A Liquid Chromatography Method for Simultaneous Qualitative and Quantitative Detection of Proteins in PADRE-gE-P2 Fusion Protein Raw Material and Its Application 一種同時定性和定量檢測 PADRE-gE-P2 融合蛋白原液中蛋白的液相色譜方法和應用	CN202411985260.9	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
33	A Method for Quantitative Detection of Proteins in Recombinant Varicella-Zoster Vaccine and Its Application 一種定量檢測重組水痘-帶狀皰疹疫苗中蛋白的方法及應用	CN202411985386.6	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
34	A Method and Application for Qualitative Detection of Proteins in Recombinant Varicella-Zoster Vaccines 一種定性檢測重組水痘-帶狀皰疹疫苗中蛋白的方法及應用	CN202411985818.3	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China

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No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
35	Method and Application for Qualitative and Quantitative Detection of Proteins in Recombinant Varicella-Zoster Vaccine 一種定性和定量檢測重組水痘-帶狀皰疹疫苗中蛋白的方法及應用	CN202411986107.8	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
36	Method and Application for Simultaneous Detection of Adjuvant Main Component Content in Composite Adjuvants/Products Containing Composite Adjuvants 一種同時檢測複合佐劑/含有複合佐劑產品中佐劑主要成分含量的方法及應用	CN202411986210.2	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
37	Method and Application for Simultaneous Detection of Protein and Major Component Content in Vaccine Composite Adjuvants 一種同時檢測疫苗中蛋白和複合佐劑主要成分含量的方法及應用	CN2024119867.5	2024-12-31	Our Company Chengdu XENOMIX	Invention Application	China
38	A Method for Quantitatively Measuring the Specific Activity of rTF Bulk of a Recombinant Pseudomonas aeruginosa Vaccine 一種定量檢測重組銅綠假單胞菌疫苗 rTF原液比活的方法	CN202510908096.X	2025-07-02	Chongqing Yuanlun	Invention Application	China
39	A Method for Quantitatively Measuring the Antigen Content of rTF in a Recombinant Pseudomonas aeruginosa Vaccine 一種定量檢測重組銅綠假單胞菌疫苗 rTF抗原含量的方法	CN202510908058.4	2025-07-02	Chongqing Yuanlun	Invention Application	China
40	Fermentation, Purification and Preparation Process of the Ata Fragment Protein Antigen for an Acinetobacter baumannii Vaccine 鮑曼不動桿菌疫苗抗原Ata 片段蛋白的蛋白發酵、純化及製備工藝	CN202511473827.9	2025-10-15	Our Company	Invention Application	China

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No.	Patent	Application number	Application date	Patent applicant	Patent type	Place of application
41.	Establishment and Application Method of an Acute Pneumonia Animal Model for Immunogenicity Evaluation of an <i>Acinetobacter baumannii</i> Vaccine 鮑曼不動桿菌疫苗免疫效應測試的急性肺炎動物模型的建立及應用方法	CN202511473828.3	2025-10-15	Our Company	Invention Application	China
42.	Establishment and Application Method of a Tail-Vein Challenge Animal Model for Immunogenicity Evaluation of an <i>Acinetobacter baumannii</i> Vaccine 鮑曼不動桿菌疫苗免疫效應測試的尾靜脈攻毒動物模型的建立及應用方法	CN202511473834.9	2025-10-15	Our Company	Invention Application	China

(c) Copyrights

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

No.	Copyright	Rights Holder	Registration Number	Date of registration	Date of expiration
1.	Yimiao Vaccine R&D Project Information Management Platform V1.0(億妙疫苗研發項目信息化管理平台 V1.0)	Our Company	2022SR0410917	2022-03-30	2067-12-31
2.	Yimiao Animal Model Construction and Digital Analysis Software V1.0(億妙動物模型構建及數字化分析軟件V1.0)	Our Company	2022SR0410918	2022-03-30	2069-12-31
3.	Yimiao <i>Helicobacter pylori</i> Antibody Test Typing Detection System V1.0(億妙幽門螺桿菌抗體試驗分型檢測系統V1.0)	Our Company	2022SR0410855	2022-03-30	2068-12-31

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No.	Copyright	Rights Holder	Registration Number	Date of registration	Date of expiration
4	Yimiao Helicobacter pylori Antibiotic Resistance Molecular Mechanism Research Management System V1.0(億妙幽門螺桿菌耐藥分子機理研究管理系統V1.0)	Our Company	2022SR0410853	2022-03-30	2068-12-31
5	Yimiao Helicobacter pylori Clarithromycin Heterogeneity Data Analysis System V1.0(億妙幽門螺桿菌克拉霉素異質性數據分析系統V1.0)	Our Company	2022SR0410854	2022-03-30	2069-12-31
6	Yimiao Helicobacter pylori Antibiotic Resistance Auxiliary Detection System V1.0(億妙幽門螺桿菌耐藥輔助檢測系統V1.0)	Our Company	2022SR0410856	2022-03-30	2068-12-31
7	Yimiao Antigen Screening and Efficacy Detection System V1.0(億妙抗原篩選及有效性檢測系統V1.0)	Our Company	2022SR0410857	2022-03-30	2069-12-31
8	Yimiao Antigen Prediction Database Management System V1.0(億妙抗原預測數據庫管理系統V1.0)	Our Company	2022SR0410858	2022-03-30	2067-12-31
9	Yimiao Helicobacter pylori Vaccine Animal Model Colony Identification System V1.0(億妙幽門螺桿菌疫苗動物模型菌落鑑定系統V1.0)	Our Company	2022SR0410859	2022-03-30	2067-12-31
10	Yimiao Animal Model Efficacy Evaluation Information System V1.0(億妙動物模型藥效評估信息化系統V1.0)	Our Company	2022SR0410860	2022-03-30	2069-12-31
11	XENOMIX Corporate Logo(新諾明企業形象LOGO)	Chengdu XENOMIX	Chuan Zuo Deng Zi-2022-F-00211770	2022-11-28	2072-12-31

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(d) Domain Names

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

No.	Domain Name	Registrant
1 . .	olymvax.com	Our Company
2 . .	olymvax.cn	Our Company

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interest

(a) Disclosure of interests of Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

Save as disclosed below, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] and the [REDACTED] are not exercised and no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED]), so far as our Directors are aware, none of our Directors, Supervisors or chief executive has any interests or short positions in our Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

(i) Interests in our Company

Shareholder	Nature of Interest	Number and Description of Shares ⁽¹⁾	Immediately after the [REDACTED] ⁽¹⁾	
			Approximate percentage of shareholding in our A Shares	Approximate percentage of shareholding in our total Share capital
Mr. Fan Shaowen . . .	Beneficial interest	15,638,795 A Shares	3.85%	[REDACTED]%
	Interest in controlled corporation ⁽²⁾	60,216,322 A Shares	14.84%	[REDACTED]%
	Interest of person acting in concert ⁽³⁾	30,546,020 A Shares	7.53%	[REDACTED]%
Dr. Fan Fan	Beneficial interest	30,546,020 A Shares	7.53%	[REDACTED]%
	Interest of person acting in concert ⁽³⁾	75,855,117 A Shares	18.69%	[REDACTED]%
Mr. Zhang Pengfei . .	Interest in controlled corporation ⁽⁴⁾	25,893,040 A Shares	6.38%	[REDACTED]%
Ms. Chen Aimin	Beneficial interest	612,480 A Shares	0.15%	[REDACTED]%

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Notes:

- (1) Assuming (i) the [REDACTED] and the [REDACTED] are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED].
- (2) As of the Latest Practicable Date, Shanghai Wushan was held as to approximately 47.22% by Mr. Fan Shaowen, the chairman of the Board, an executive Director and the general manager of our Company. Therefore, Mr. Fan Shaowen was deemed to be interested in the entire Shares held by Shanghai Wushan under the SFO.
- (3) Mr. Fan Shaowen and Dr. Fan Fan are parties acting in concert. Please refer to “History and Corporate Structure — Our Shareholders Acting in Concert” for further details.
- (4) As of the Latest Practicable Date, Taichang Group was held as to approximately 54.00% by Mr. Zhang Pengfei, a non-executive Director. Therefore, Mr. Zhang Pengfei was deemed to be interested in the entire Shares held by Taichang Group under the SFO.

(b) Disclosure of interests of substantial shareholders

(i) Interests in our Company

For information on the persons who will, immediately following the completion of the [REDACTED], having or be deemed or taken to have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company, see the section headed “Substantial Shareholders”.

(ii) Interests of the substantial shareholders of other members of Our Group

As of the Latest Practicable Date, saved as disclosed in this document, our Directors are not aware of any persons (other than our Directors, Supervisors or chief executive of our Company) who will, immediately following the completion of the [REDACTED], directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

2. Particulars of the Directors’ Service Contracts

Each of our Directors entered into a service contract or a letter of appointment with our Company. The principal particulars of these service contracts and letters of appointment comprise (i) the terms of the services and (ii) termination provisions in accordance with their respective terms. The service contracts and letters of appointment may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

3. Remuneration of Directors

For the years ended December 31, 2023, 2024 and 2025, the aggregate of the remuneration paid and benefits in kind granted to our Directors by us was RMB3.42 million, RMB3.02 million and RMB2.55 million, respectively.

Save as disclosed in this document, no other emoluments have been paid or are payable, in respect of the years ended December 31, 2023, 2024 and 2025 by us to our Directors.

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Under the arrangements currently in force, we estimate that the aggregate remuneration payable to, and benefits in kind receivable by, our Directors for the year ending December 31, 2026 will be approximately RMB3.47 million.

4. Fees or commissions received

Save in connection with the [REDACTED], no commissions, discounts, brokerages or other special terms had been granted or agreed to be granted in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this document.

5. Disclaimers

- (i) Save as disclosed in this Appendix, none of the Directors, Supervisors of our Company or any of the parties listed in “— E. Other Information — 8. Qualifications and Consents of Experts” in this Appendix:
 - (A) is interested in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company; or
 - (B) is materially interested in any contract or arrangement subsisting at the date of this document that is significant in relation to our Company’s business; and
- (ii) none of the Directors or Supervisors of our Company or their close associates or any Shareholders who, to the knowledge of our Directors, own more than 5% of our issued share capital, have any interest in the top five customers or suppliers of our Company.

D. EMPLOYEE RESTRICTED SHARE INCENTIVE PLAN

The following is a summary of the principal terms of the Employee Restricted Share Incentive Plan as adopted by our Company in 2023. The terms of the Employee Restricted Share Incentive Plan is not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve any grant of restricted Shares by our Company after the [REDACTED]. The terms of the Employee Restricted Share Incentive Plan are summarized below.

1. Purpose

The purpose of the Employee Restricted Share Incentive Plan is to further establish and improve our Company’s long-term incentive and restraint mechanism for our Directors, senior management, core technical personnel, middle management personnel, and other core employees. They are designed to attract, retain, and motivate outstanding management talent and business personnel, effectively aligning the interests of Shareholders, our Company, and employees to form a community of shared benefits and risks.

2. Participants

The participants of the Employee Restricted Share Incentive Plan consist of our Directors, senior management, core technical personnel, middle management personnel, and other core employees serving in our Company and its holding subsidiaries at the time of the announcement of the respective plan, but exclude independent directors and supervisors.

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3. Type of restricted shares and total number of shares

The incentives are granted in the form of restricted shares. The Employee Restricted Share Incentive Plan utilizes a hybrid structure of two distinct types of restricted shares:

- Type I Restricted Shares: Shares will be issued to the relevant grantee upon grant, subject to vesting condition and lock-up period.
- Type II Restricted Shares: Shares will be issued and allotted to the relevant grantee upon satisfaction of the vesting condition.

4. Administration

The implementation of the Employee Restricted Share Incentive Plan is subject to approval by the Shareholders at a general meeting by way of a special resolution. Following review by the Board’s Remuneration and Appraisal Committee, the Employee Restricted Share Incentive Plan was approved by the Board and reviewed by the supervisory committee before being presented to Shareholders. Upon approval at the general meeting, the Shareholders authorize the Board to handle all subsequent matters related to the implementation of the Employee Restricted Share Incentive Plan, including the granting, vesting, unlocking, and adjustment of awards.

5. Date of grant and term

The grant date of the restricted shares shall be determined by the Board after the approval of the Employee Restricted Share Incentive Plan by the Shareholders at a general meeting. The grant date must be a trading day of the Shanghai Stock Exchange. The grant of restricted share is subject to the approval of the Board and the relevant procedures shall be completed and announced within 60 days after the approval of the Employee Restricted Share Incentive Plan at the general meeting.

- Type I Restricted Shares: The validity period shall commence on the completion date of registration for the initial grant and end on the date on which all such restricted Shares has vested or been repurchased, provided that the entire period shall not exceed a maximum of 60 months.
- Type II Restricted Shares: The validity period shall commence on the date of initial grant and end on the date on which all such restricted Shares has vested or been forfeited, provided that the entire period shall not exceed a maximum of 48 months.

6. Condition of grant

The grant of restricted shares under the Employee Restricted Share Incentive Plan is conditional upon the satisfaction of the following conditions:

- (i) With respect to our Company, none of the following circumstances having occurred:
 - (A) an audit report with a negative opinion or a disclaimer of opinion has been issued by a certified public accountant with respect to the financial accounting report for the most recent fiscal year;
 - (B) an audit report with a negative opinion or a disclaimer of opinion has been issued by a certified public accountant with respect to the internal control report for the most recent fiscal year;
 - (C) our Company has failed to distribute profits in accordance with applicable laws and regulations, the Articles of Association, or public commitments within the last 36 months after its [REDACTED];

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- (D) the implementation of any share incentive plan is prohibited under applicable laws and regulations; or
 - (E) any other circumstances as determined by the CSRC.
- (ii) With respect to a grantee, none of the following circumstances having occurred:
- (A) he or she has been deemed an inappropriate person by a stock exchange within the last 12 months;
 - (B) he or she has been deemed an inappropriate person by the CSRC or its local offices within the last 12 months;
 - (C) he or she has been subject to administrative penalties or market-entry prohibition measures by the CSRC or its local offices due to major violations of laws and regulations within the last 12 months;
 - (D) he or she is disqualified from serving as a director or senior management personnel under the PRC Company Law;
 - (E) he or she is prohibited from participating in share incentive plans of listed companies under applicable laws and regulations; or
 - (F) any other circumstances as determined by the CSRC.

7. Grant price and method of determination

The grant price for the restricted shares under the Employee Restricted Share Incentive Plan is determined by the Board. This price was determined to be no less than the higher of (i) 50% of the average trading price of A Shares on the trading day immediately preceding the announcement of the Employee Restricted Share Incentive Plan; (ii) 50% of the average trading price of A Shares during the 20 trading days immediately preceding the announcement of the Employee Restricted Share Incentive Plan; (iii) 50% of the average trading price of A Shares during the 60 trading days immediately preceding the announcement of the Employee Restricted Share Incentive Plan; and (iv) 50% of the average trading price of A Shares during the 120 trading days immediately preceding the announcement of the Employee Restricted Share Incentive Plan.

8. Vesting of the shares

Each participant’s entitlement to the corresponding portion of shares is subject to vesting in separate tranches. The vesting or unlocking of shares is contingent upon the satisfaction of both corporate performance targets for the preceding fiscal year and a satisfactory personal evaluation for each participant. The Employee Restricted Share Incentive Plan vests/unlocks in three tranches at 12-month intervals. Following a 12-month lock-up period from the grant date, the shares are eligible to vest in proportions of 30%, 30%, and 40% upon the expiry of 12, 24, and 36 months from the grant date, respectively.

If corporate performance targets are not met for a given period, the corresponding tranche of shares is forfeited and cancelled (for Type II Restricted Shares) or repurchased and cancelled by our Company (for Type I Restricted Shares).

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9. Outstanding restricted Shares

On May 31, 2023, a total of 5,270,810 restricted Shares were granted to a total of 202 grantees. Such grant was to be vested in three tranches, subject to the satisfaction of the performance target of our Group. Given that the performance target for each of the three tranches were not met, our Company has repurchased (in respect of Type I Restricted Shares)/forfeited (in respect of Type II Restricted Shares) a total of 4,971,210 restricted Shares in accordance with the terms of the grant.

As of the Latest Practicable Date, the number of outstanding restricted Shares granted under the Employee Restricted Share Incentive Plan was 299,600, representing approximately [REDACTED]% of the issued Shares immediately following the completion of the [REDACTED] (assuming that the [REDACTED] and the [REDACTED] are not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]).

The following table sets forth the number of outstanding restricted Shares granted to Directors, senior management and connected persons of our Company under the Employee Restricted Share Incentive Plan s as of the Latest Practicable Date:

Name of grantee	Position	Date of grant	Number of outstanding restricted Shares ⁽²⁾	Grant price	Vesting schedule	Approximate percentage of issued Shares immediately after the [REDACTED] ⁽¹⁾
Fan Shaowen . . .	Chairman of our Board, executive Director and general manager	May 31, 2023	46,000	RMB10.63	36 months from the date of grant	[REDACTED]%
Fan Fan	Vice chairlady of our Board and executive Director	May 31, 2023	36,800	RMB10.63	36 months from the date of grant	[REDACTED]%
Chen Aimin . . .	Executive Director and deputy general Manager	May 31, 2023	36,800	RMB10.63	36 months from the date of grant	[REDACTED]%
Yu Yunhui . . .	Non-executive Director	May 31, 2023	32,000	RMB10.63	36 months from the date of grant	[REDACTED]%
Wu Wei	Deputy general Manager, board secretary	May 31, 2023	36,800	RMB10.63	36 months from the date of grant	[REDACTED]%
Tan Yong	Deputy general manager, chief financial officer	May 31, 2023	32,000	RMB10.63	36 months from the date of grant	[REDACTED]%

Notes:

- (1) The calculation is based on the assumption that the [REDACTED] and the [REDACTED] are not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED].
- (2) All were Type I Restricted Shares.

APPENDIX VI STATUTORY AND GENERAL INFORMATION

The table below sets forth the details of outstanding restricted Shares granted to other grantees (excluding Directors, senior management and connected persons of our Company) under the Restricted Share Incentive Schemes as of the Latest Practicable Date:

	Number of grantees	Date of grant	Number of outstanding restricted Shares ⁽²⁾	Grant price	Vesting schedule	Approximate percentage of issued Shares immediately after the [REDACTED] ⁽¹⁾
Employee Restricted Share Incentive Plan . . .	2	May 31, 2023	79,200	RMB10.63	36 months from the date of grant	[REDACTED]%

Notes:

- (1) The calculation is based on the assumption that the [REDACTED] and the [REDACTED] are not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED].
- (2) All were Type I Restricted Shares.

Our Company expects that the remaining outstanding restricted Shares will be repurchased prior to the [REDACTED], and there will be no potential dilution effect on the shareholdings upon [REDACTED].

E. OTHER INFORMATION

1. Estate Duty

We have been advised that no material liability for estate duty under PRC law is likely to fall upon our Group.

2. Litigation

As of the Latest Practicable Date, our Company was not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial conditions.

3. Sole Sponsor

The Sole Sponsor has applied to the Stock Exchange for the [REDACTED] of, and permission to deal in, our H Shares to be issued pursuant to the [REDACTED]. All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. The Sole Sponsor will receive a fee of US\$500,000 to act a sponsor to our Company in connection with the [REDACTED].

4. Compliance Advisor

Our Company has appointed Alliance Capital Partners Limited as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

APPENDIX VI

STATUTORY AND GENERAL INFORMATION

5. Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

6. Taxation of holder of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration of or, if higher, of the fair value of the H Shares being sold or transferred. For further details in relation to taxation, see Appendix III to this document.

7. Promoters

Save as disclosed in this document, within the two years preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the [REDACTED] and the related transactions described in this document.

8. Qualifications and Consents of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this document:

Name	Qualification
CITIC Securities (Hong Kong) Limited . . .	Licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Zhong Lun Law Firm	PRC legal advisors to our Company
Jingtian and Gongcheng	Legal advisor to our Company as to PRC intellectual property law
Han Kun Law Offices	Legal advisor to our Company as to PRC data compliance
Morgan, Lewis & Bockius LLP	Legal advisor to our Company as to U.S. sanction laws
KPMG	Certified Public Accountants
	Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
China Insights Industry Consultancy Limited	Independent industry consultant

Each of the experts listed above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report and/or letter and/or opinion and/or references to its name and qualifications included herein in the form and context in which they respectively appear.

APPENDIX VI

STATUTORY AND GENERAL INFORMATION

Save as disclosed in this document, none of the experts named above has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

9. Binding Effect

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

10. Bilingual Document

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

11. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our Company’s financial or trading position or prospects since December 31, 2025 (being the end date of the period reported on in the Accountants’ Report as set out in Appendix I).

12. Miscellaneous

- (a) Save as disclosed in the paragraph headed “A. Further Information about Our Group — 2. Changes in the Share Capital of Our Company” and “3. Changes in the Share Capital of our Subsidiaries”, within the two years preceding the date of this document, no share or loan capital of our Company or any of its subsidiary has been issued or has been agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
- (b) No share or loan capital of our Company or any of its subsidiary is under option or is agreed conditionally or unconditionally to be put under option;
- (c) No founder, management or deferred shares of our Company or any of its subsidiary have been issued or have been agreed to be issued;
- (d) Our Company has no outstanding convertible debt securities or debentures;
- (e) The English text of this document shall prevail over their respective Chinese text;
- (f) There is no arrangement under which future dividends are waived or agreed to be waived;
- (g) There has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document;
- (h) Save for the A Shares of our Company that are listed on the SSE STAR Market, and save for the H Shares to be issued in connection with the [REDACTED], none of our equity and debt securities (if any) is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and
- (i) Our Company is a joint stock limited company and is subject to the PRC Company Law.

APPENDIX VII DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of the material contracts referred to in “B. Further Information about Our Business — 1. Summary of Material Contracts” of Appendix VI to this document; and
- (b) the written consents referred to in “E. Other Information — 8. Qualifications and Consents of Experts” of Appendix VI to this document.

B. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be on display on the website of the Stock Exchange at www.hkexnews.hk and our website at www.olymvax.com during a period of 14 days from the date of this document:

- (a) the Articles of Association;
- (b) the Accountants’ Report from KPMG, the text of which is set out in Appendix I to this document;
- (c) the audited financial statements of the Group for each of the years ended December 31, 2023, 2024 and 2025;
- (d) the report on unaudited [REDACTED] financial information from KPMG, the texts of which is set out in Appendix II to this document;
- (e) the material contracts referred to in the paragraph headed “B. Further Information about Our Business — 1. Summary of Material Contracts” of Appendix VI to this document;
- (f) the service contracts and letters of appointment with Directors, referred to in the paragraph headed “C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of the Directors’ Service Contracts” of Appendix VI to this document;
- (g) the written consents referred to in the paragraph headed “E. Other Information — 8. Qualifications and Consents of Experts” of Appendix VI to this document;
- (h) the PRC legal opinion prepared by Zhong Lun Law Firm, our legal advisors as to the PRC law, in respect of certain aspects of our Group;
- (i) the intellectual properties due diligence report prepared by Jingtian & Gongcheng, our legal advisors as to PRC intellectual properties law;
- (j) the PRC legal opinion on data compliance prepared by Han Kun Law Offices, our legal advisors as to PRC data compliance;
- (k) the U.S. sanction law memorandum prepared by Morgan, Lewis & Bockius LLP, our legal advisors as to U.S. sanctions law;
- (l) the industry report issued by CIC, the summary of which is set forth in the section headed “Industry Overview” in this document; and
- (m) the PRC Company Law, the PRC Securities Law, and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies together with their unofficial English translations.