You should read the following discussion and analysis with our audited consolidated financial information, including the notes thereto, included in the Accountants' Report in Appendix I to this Document. Our consolidated financial information has been prepared in accordance with the IFRS Accounting Standards which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not rely solely on the information contained in this section.

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 developments, 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 this Document, including but not limited to the sections headed "Risk Factors" and "Business."

For the purpose of this section, unless the context otherwise requires, references to 2024 and 2025 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We are a biopharmaceutical company specializing in assisted reproductive drugs and ophthalmic drugs. Targeting areas where existing treatment options have significant limitations, we have built a comprehensive R&D system and internal production capabilities at a commercial scale. Leveraging these resources, we have independently developed a diverse product portfolio in both fields comprised one NMPA-approved product (JZB30), one NDA under review (JZB33), one Phase 3 candidate (JZB05) and other clinical-stage programmes. As of the same date, we have obtained official approval for the commercialization of our Core Product, JZB30 (rhFSH lyophilized form for injection), and have submitted an NDA for one of our key products, JZB33 (rhFSH liquid form for injection). Meanwhile, our Core Product in the ophthalmology field, JZB05 (anti-VEGF intravitreal injection), is undergoing Phase 3 clinical trials at over 40 centers across mainland China. With a commitment to providing high-quality, affordable, and reliable products, we aspire to become a leader in China's assisted reproductive and ophthalmic drug markets.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, affected by a number of factors, including but not limited to the following.

Our ability to develop and commercialize our drug candidates

Most of our drug candidates are still in development. Our ability to generate revenue and achieve profitability depends on our ability to successfully complete the development of our drug candidates, obtain necessary regulatory approvals and manufacture and commercialize our drug candidates. As of the Latest Practicable Date, we have a pipeline of eight drug candidates at different development stages, including our two Core Products, JZB05 and JZB30, our two key products, JZB32 and JZB33, and four other candidates at different stage. With respect to JZB30, it has been officially approved for commercialization in mainland China. With respect to JZB05, it is undergoing Phase 3 clinical trials at over 40 centers across mainland China. We expect to complete the Phase 3 trials in the second half of 2026. With respect to JZB33, we have completed the bioequivalence study and have submitted an NDA in June 2025. With respect to JZB32, it has completed Phase 1 clinical trials in February 2026. Beyond our Core Products and key products, we also have various other drug and indication expansion candidates at preclinical stage and clinical stage. For more details, see "Business". Whether our drug candidates can demonstrate favorable safety and efficacy in the clinical trials, whether we can obtain the requisite regulatory approvals for our drug candidates and whether we can effectively implement our commercialization strategies are crucial for our business and results of operations.

Our ability to manage our cost and improve operating leverage

We did not generate revenue in 2024, 2025 and the four months ended April 30, 2026. In 2024, 2025 and the four months ended April 30, 2025 and 2026, we recorded net losses of RMB242.7 million, RMB270.4 million, RMB82.2 million and RMB89.3 million, respectively. Historically, our results of operations were significantly affected by our expenses, particularly research and development expenses, administrative expenses and finance cost. As we start to generate revenue, our results of operations will also be affected by our ability to manage our cost.

In 2024, 2025 and the four months ended April 30, 2025 and 2026, our research and development expenses amounted to RMB132.7 million, RMB101.7 million, RMB32.9 million and RMB29.7 million, respectively. As a biotech company focused on various therapeutic areas, we have devoted significant resources on the research and development of our drug candidates. We expect our research and development costs to continue to account for a significant portion of our costs for the foreseeable future as we make progress on these drug candidates, either from preclinical studies to clinical trials, or further to more advanced clinical trials.

In 2024, 2025 and the four months ended April 30, 2025 and 2026, our administrative expenses amounted to RMB50.9 million, RMB66.5 million, RMB16.7 million and RMB24.2 million, respectively. In 2024, 2025 and the four months ended April 30, 2025 and 2026, our finance costs amounted to RMB91.1 million, RMB104.0 million, RMB33.2 million and RMB36.1 million, respectively.

As we advance from a clinical-stage company to a commercial-stage company, our cost structure will become more sophisticated with research and development expenses and administrative expenses continuing to increase in complexity. To enrich and advance our pipeline, we anticipate additional costs for preclinical and clinical studies, raw materials procurement, expanding our R&D and manufacturing teams, and other related activities. As more drug candidates become approved and commercialized, we will invest more on sales and marketing, leveraging both in-house efforts and external partnerships, which will incur selling and distribution expenses. See "Business — Commercialization, Sales, Marketing and Distribution" for more details. We also expect higher legal, compliance, accounting, insurance, and investor relations costs as a publicly traded company in Hong Kong.

Our ability to locate funding for our future operations

During the Track Record Period, we funded our operations primarily through equity financing and borrowings. We expect to fund our future operations primarily with existing cash and bank balances, bank loans and net [**REDACTED**] from the [**REDACTED**]. Going forward, in the event of a successful commercialization of one or more of our drug candidates, we expect to fund our operations with revenue generated from sales of our successfully commercialized drug products. However, with the continuing expansion of our business and product pipelines, we may require further funding through public or private offerings, debt financings, collaboration arrangements, licensing arrangements or other funding sources. Any fluctuation in the funding for our operations will impact our cash flow and our results of operations.

Our ability to find collaboration arrangements

Our results of operations have historically been, and will continue to be, affected by our ability to establish and maintain collaboration arrangements. We have entered into agreements with other partners, such as Nanjing King-Friend, to further support our development programs and future commercial activities. As a biotech company with one product already approved and a pipeline of additional candidates in development, strategic collaborations play a critical role in supporting our R&D efforts, accelerating commercialization and mitigating financial risk. Going forward, our ability to identify, negotiate, and execute favorable collaboration arrangements will be a key driver of our financial performance and operational sustainability. A failure to secure or maintain such partnerships on acceptable terms could materially affect our growth trajectory, funding capacity, and long-term value creation.

BASIS OF PREPARATION

Our financial information during the Track Record Period has been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the International Accounting Standards Board. Our financial information during the Track Record Period has been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. See note 1 to Appendix I — Accountants' Report.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

Note 2.3 to Appendix I — Accountants' Report to this document sets forth certain material accounting policies, which are important for understanding our financial condition and results of operations.

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments relating to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. Our management continually evaluates such estimates, assumptions and judgments based on past experiences and other factors, including industry practices and expectations of future events that are believed to be reasonable under the circumstances. During the Track Record Period, there was no material deviation between our management's estimates or assumptions and actual results, and we did not make any material changes to these estimates or assumptions. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

We assess at each reporting date whether there is any indication of impairment of our non financial assets, including property, plant and equipment and right of use assets, in accordance with IAS 36 Impairment of Assets. Indicators considered include external factors (such as market prices, regulatory, technological or economic changes, discount rates and, where applicable, market capitalization) and internal factors (such as obsolescence, physical damage, idle capacity, restructuring plans or changes in usage), at an asset or cash generating unit ("**CGU**") level. For details, see Note 2.3 to Appendix I — Accountants' Report.

RESULTS OF OPERATIONS

	Year Ended December 31,		Four months ended April 30,	
	2024	2025	2025	2026
	(in RMB thousands)		*(unaudited)*	
Other income	12,381	2,063	541	675
Research and development expenses	(132,738)	(101,724)	(32,861)	(29,704)
Administrative expenses	(50,875)	(66,536)	(16,692)	(24,157)
Other expenses	(1,103)	(212)	–	(89)
Changes in the carrying amount of other financial liability	20,657	–	–	–
Finance costs	(91,053)	(103,975)	(33,215)	(36,054)
LOSS BEFORE TAX	**(242,731)**	**(270,384)**	**(82,227)**	**(89,329)**
Income tax (expense)/credit	(12)	12	19	7
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(242,743)**	**(270,372)**	**(82,208)**	**(89,322)**
Attributable to:				
Owners of the parent	(239,852)	(270,503)	(82,203)	(89,293)
Non-controlling interests	(2,891)	131	(5)	(29)

PRINCIPAL COMPONENTS OF RESULTS OF OPERATIONS

Revenue

We are a pre-revenue biotech company. We did not generate any revenue or incur any cost of sales during the Track Record Period.

Other income

	Year Ended December 31,				Four months ended 30 April,			
	2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)				*(unaudited)*			
Government grants	10,518	85.0	1,750	84.8	376	69.5	256	37.9
Bank interest income	1,559	12.6	155	7.5	99	18.3	21	3.1
Others	304	2.4	158	7.7	66	12.2	398	59.0
Total	**12,381**	**100.0**	**2,063**	**100.0**	**541**	**100.0**	**675**	**100.0**

Research and development expenses

	Year Ended December 31,				For the Four Months Ended April 30,			
	2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)				*(unaudited)*			
Staff cost	29,445	22.2	26,181	25.7	8,645	26.3	9,995	33.6
Contracting costs at clinical and nonclinical stage	61,222	46.1	34,598	34.0	12,542	38.2	5,951	20.0
Raw material and consumables	15,310	11.5	10,356	10.2	3,063	9.3	3,039	10.2
Depreciation and amortization	19,592	14.8	19,203	18.9	6,418	19.5	5,677	19.1
Share-based compensation	423	0.3	4,036	4.0	28	0.1	2,468	8.3
Others	6,746	5.1	7,350	7.2	2,165	6.6	2,574	8.8
Total	**132,738**	**100.0**	**101,724**	**100.0**	**32,861**	**100.0**	**29,704**	**100.0**
as % of total operating expenses		*72.3*		*60.5*		*66.3*		*55.1*

The following table sets forth the research and development expenses attributable to our Core Products during the Track Record Period by development stage.

	As of December 31,				For the Four Months Ended April 30,			
	2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)				*(unaudited)*			
Employee costs	8,355	13.4	9,803	17.8	3,453	17.0	4,588	28.4
Clinical and preclinical contracting costs	38,908	62.6	30,872	56.1	11,391	55.8	5,338	33.1
Raw materials and consumables	7,331	11.8	5,539	10.1	2,146	10.5	1,938	12.0
Depreciation and amortization	5,203	8.4	5,972	10.8	2,289	11.2	3,026	18.7
Others	2,402	3.8	2,868	5.2	1,130	5.6	1,260	7.8
Total	**62,199**	**100.0**	**55,054**	**100.0**	**20,409**	**100.0**	**16,150**	**100.0**
as % of total operating expenses		*33.9*		*32.7*		*41.2*		*30.0*
as % of research and development expenses		*46.9*		*54.1*		*62.1*		*54.4*

The research and development expenses attributable to our Core Products remained relatively stable, slightly decreased by 11.4% from RMB62.2 million in 2024 to RMB55.1 million in 2025. It decreased by 20.6% from RMB20.4 million for the four months ended April 30, 2025 to RMB16.2 million for the four months ended April 30, 2026. The Directors believe the allocation on the research and development expenses attributable to our Core Products and other products to be reasonable after consulting the Reporting Accountants.

The following table sets forth a breakdown of our R&D expenses incurred on the Core Products for the periods indicated.

Core Products	**2024**		**2025**		**For the Four Months Ended April 30, 2026**	
	(in RMB thousands)	**%**	**(in RMB thousands)**	**%**	**(in RMB thousands)**	**%**
					(unaudited)	
JZB 30	17,408	13.1	9,962	9.8	2,218	7.5
JZB 05	44,791	33.8	45,092	44.3	13,932	46.9
Total	62,199	46.9	55,054	54.1	16,150	54.4

Because R&D spending on a program depends on its clinical stage and study design, period-to-period expenses change and do not represent lifetime investment or strategic priority. Over the Track Record Period, our Core Products in aggregate accounted for the largest share of our total R&D expenses.

JZB05 was the largest single program contributor in each year and is expected to remain the largest R&D program in 2025 and 2026 as its Phase 3 clinical activities and related manufacturing scale-up continue. R&D expenses for JZB30 were lower within the Track Record Period because a significant portion of its development costs was incurred before the Track Record Period. Spending by program will continue to vary with clinical stage. Based on our approved budgets as of the Latest Practicable Date and current development plans, our Core Products in aggregate are expected to remain the largest allocation of our R&D expenses in the near term, subject to trial progress, regulatory feedback and resource prioritization.

Administrative expenses

	Year Ended December 31,				**For the Four Months Ended April 30,**			
	2024		**2025**		**2025**		**2026**	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)				*(unaudited)*			
Employee compensations	28,260	55.6	29,860	44.9	9,627	57.7	11,099	45.9
General office expenses	4,740	9.3	4,953	7.4	1,491	8.9	1,587	6.6
Depreciation and amortization	4,154	8.2	5,878	8.8	1,933	11.6	2,792	11.6
Professional intermediary service fees	12,019	23.6	13,771	20.7	2,484	14.9	2,651	11.0
Share-based compensations	(502)	(1.0)	8,843	13.3	104	0.6	5,245	21.7
Others	2,204	4.3	3,231	4.9	1,053	6.3	783	3.2
Total	**50,875**	**100.0**	**66,536**	**100.0**	**16,692**	**100.0**	**24,157**	**100**

Changes in the carrying amount of other financial liability

Our changes in the carrying amount of other financial liability amounted to a decrease in liability of RMB20.7 million in 2024, while the carrying amount of other financial liability remained unchanged in 2025 and four months ended April 30, 2025 and 2026. The shift represented the changes on the present value of the estimated repurchase price with respect to certain preferred shares of our subsidiary. We have reached an agreement with the holder of such preferred shares where it became a shareholder of our Company, which in turn led to the derecognition of such other financial liability. For further details, please see Note 28 to Appendix I — Accountants' Report.

Finance costs

	Year Ended December 31,				For the Four Months Ended April 30,			
	2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB* (unaudited)	*%*	*RMB*	*%*
Interest on bank borrowings	718	0.8	1,213	1.2	275	0.8	692	1.9
Interest on loan from a shareholder	4,509	5.0	9,881	9.5	3,003	9.0	3,002	8.3
Interest on redemption right liabilities	84,891	93.2	91,624	88.1	29,494	88.8	31,984	88.7
Interest on lease liabilities	935	1.0	1,257	1.2	443	1.4	376	1.1
Total	**91,053**	**100.0**	**103,975**	**100.0**	**33,215**	**100.0**	**36,054**	**100.0**

Other expenses

Our other expenses primarily include provision for impairment of inventories. In 2024, 2025 and the four months ended April 30, 2025 and 2026, our other expenses amounted to RMB1.1 million, RMB0.2 million, nil and RMB0.1 million, respectively.

Income tax credit/(expense)

We are subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which the members of our Group are domiciled and operate. Our income tax expense comprises current tax and deferred tax.

Several of our subsidiaries were entitled to a preferential income tax rate of 15% during the Track Record Period for qualifying as High and New Technology Enterprises in China. In addition, our enterprises engaging in research and development activities were entitled to deduct 100% of their research and development expenses under relevant laws and regulations in the PRC during the Track Record Period. For details, see note 11 to Appendix I — Accountants' Report.

During the Track Record Period and up to the Latest Practicable Date, we had fulfilled all our tax obligations and did not have any tax disputes.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Four months ended April 30, 2026 compared to four months ended April 30, 2025

Revenue

We did not have any revenue or cost of sales for the four months ended April 30, 2025 or 2026.

Other income

Our other income increased by 24.8% from RMB0.5 million for the four months ended April 30, 2025 to RMB0.7 million for the four months ended April 30, 2026, primarily due to an increase in the reversal of impairment provision due to the recovery of other receivables.

Research and development expenses

Our research and development expenses decreased by 9.6% from RMB32.9 million for the four months ended April 30, 2025 to RMB29.7 million for the four months ended April 30, 2026, primarily due to a decrease in clinical trial expenses as the Phase 3 clinical trial of JZB05 approached completion.

Administrative expenses

Our administrative expenses increased by 44.7% from RMB16.7 million for the four months ended April 30, 2025 to RMB24.2 million for the four months ended April 30, 2026, primarily due to increased share-based payments arising from newly granted employee shares in 2025.

Other expenses

We recorded other expenses of RMB0.1 million for the four months ended April 30, 2026, compared to nil for the same period in 2025, primarily attributable to provisions for inventory write-downs.

Changes in the carrying amount of other financial liability

We did not record any changes in the carrying amount of other financial liability for the four months ended April 30, 2025 or 2026.

Finance costs

Our finance costs increased by 8.6% from RMB33.2 million for the four months ended April 30, 2025 to RMB36.1 million for the four months ended April 30, 2026, primarily due to an increase in the imputed interest on redemption right liabilities associated with our [**REDACTED**] financing.

Income tax credit/(expense)

We recorded an income tax credit of RMB19,000 for the four months ended April 30, 2025 and RMB7,000 for the four months ended April 30, 2026, primarily due to deferred tax movements arising from temporary differences between the carrying amounts of right-of-use assets and lease liabilities.

Loss and total comprehensive loss for the period

As a result of the foregoing, our net loss increased by 8.7% from RMB82.2 million for the four months ended April 30, 2025 to RMB89.3 million for the four months ended April 30, 2026, primarily due to increased administrative expenses and higher finance costs, partially offset by reduced research and development expenses and higher other income.

December 31, 2025 compared to December 31, 2024

Revenue

We did not have any revenue or cost of sales in 2024 or 2025.

Other income

Our other income decreased by 83.1% from RMB12.4 million in 2024 to RMB2.1 million in 2025, primarily due to lower government grants recognized.

Research and development expenses

Our research and development expenses decreased by 23.4% from RMB132.7 million in 2024 to RMB101.7 million in 2025, primarily due to lower spending on non-core and pre-clinical programs as we prioritized the clinical development of our Core Products.

Administrative expenses

Our administrative expenses increased by 30.8% from RMB50.9 million in 2024 to RMB66.5 million in 2025, primarily due to increased share-based payments arising from newly granted employee shares in 2025.

Changes in the carrying amount of other financial liability

Our changes in the carrying amount of other financial liability amounted to a decrease in liability of RMB20.7 million in 2024, while the carrying amount of other financial liability remained unchanged in 2025. The change represented the fair value remeasurement of a financial liability arising from an investment received by one of our subsidiaries under the relevant agreements. Following an intra-group reorganization completed in 2024, the instrument was transferred to another group entity, and accordingly no change in its carrying amount was recognised in 2025.

Finance costs

Our finance costs increased by 14.2% from RMB91.1 million in 2024 to RMB104.0 million in 2025, primarily due to an increase in the imputed interest on redemption right liabilities associated with our [**REDACTED**] financing.

Other expenses

Our other expenses decreased by 81.8% from RMB1.1 million in 2024 to RMB0.2 million in 2025, primarily due to a decrease in the provision for inventory write-downs, resulting from enhanced management of R&D and procurement activities and more efficient use of materials.

Income tax credit/(expense)

We recorded income tax expense of RMB12,000 in 2024 and income tax credit of RMB12,000 in 2025, primarily because we recognized deferred tax liabilities arising from temporary differences between the carrying amounts of right-of-use assets and lease liabilities.

Loss and total comprehensive loss for the year

As a result of the foregoing, our net loss for the year increased by 11.4% from RMB242.7 million in 2024 to RMB270.4 million in 2025, primarily due to an increase in share-based payments, increased imputed interest on redemption right liabilities, and the absence of a fair value gain on other financial liabilities recognized in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we financed our operations primarily through a combination of equity financing and borrowings. As of December 31, 2024 and 2025 and April 30, 2026 and May 5, 2026, we had cash and bank balances of RMB68.6 million, RMB41.5 million, RMB81.1 million and RMB81.1 million, respectively. We expect that our cash needs in the near future will primarily relate to progressing the development of our drug candidates towards regulatory approval and commercialization, as well as expansion of our drug candidate portfolio.

Going forward, we believe our liquidity requirements will be satisfied by using capital resources including bank loans, [**REDACTED**] from the [**REDACTED**], proceeds from potential collaboration arrangements and cash generated from sales of our successfully commercialized drug products. As of May 5, 2026, our total bank facilities were approximately RMB215.0 million, of which approximately RMB103.8 million was undrawn.

Taking into account of the above financial resources, including the estimated net [**REDACTED**] from this [**REDACTED**], the Directors are of the opinion that we have sufficient working capital to cover at least 125% of our costs, including administrative and operating costs and research and development costs, for at least the next 12 months from the date of this document.

Net current assets

	As of December 31		As of April 30	As of May 5,
	2024	2025	2026	2026
				(unaudited)
	(in RMB thousands)			
Current assets				
Inventories	3,404	4,201	4,428	4,428
Prepayments, other receivables and other assets	6,033	8,757	8,288	8,288
Restricted bank deposits	2,344	–	–	–
Cash and bank balances	68,586	41,500	81,055	81,054
Total current assets	**80,367**	**54,458**	**93,771**	**93,770**
Current liabilities				
Trade payables	30,165	39,157	39,408	39,408
Other payables and accruals	28,366	42,073	54,260	54,260
Interest-bearing bank borrowings	14,815	44,621	91,742	91,742
Loan from a shareholder	–	–	8,376	8,376
Lease liabilities	4,775	4,816	4,890	4,890
Redemption right liabilities	1,326,908	1,487,639	1,546,623	1,547,960
Total current liabilities	**1,405,029**	**1,618,306**	**1,745,299**	**1,746,636**
Net current liabilities	**1,324,662**	**1,563,848**	**1,651,528**	**1,652,866**

Our net liabilities position as of December 31, 2024 and 2025 and April 30, 2026, respectively, is primarily due to the recognition of redemption right liabilities under applicable accounting standards. Since all such rights shall cease to be exercisable on or before [**REDACTED**], these redemption right liabilities will be derecognized from liabilities and reclassified as equity upon [**REDACTED**]. Considering such automatic conversion and the net [**REDACTED**] from the [**REDACTED**], we would turn from a net current liabilities position to net current assets position. Additionally, we will actively seek for business development opportunities to improve our financial position.

Our net current liabilities remained stable from April 30, 2026 to May 5, 2026.

Our net current liabilities increased from RMB1,563.8 million as of December 31, 2025 to RMB1,651.5 million as of April 30, 2026, primarily due to an increase in our redemption right liabilities and interest-bearing bank borrowings, partially offset by an increase in cash and bank balances and a decrease in trade payables and accruals.

Our net current liabilities increased from RMB1,324.7 million as of December 31, 2024 to RMB1,563.8 million as of December 31, 2025, primarily due to an increase in our redemption right liabilities, interest-bearing bank borrowings, trade payables and other payables and accruals, coupled with a decrease in our cash and cash equivalents.

SELECTED BALANCE SHEET ITEMS

Inventories

Our inventories primarily represent raw materials to further our drug development, such as reagents, film packaging materials, reaction bags and other test consumables. The following table sets forth a breakdown of our inventories as of the dates indicated.

	As of December 31		As of April 30,
	2024	2025	2026
	(in RMB thousands)		
Raw materials	4,942	5,350	5,502
Less: write-down of inventories to net realizable value	(1,538)	(1,149)	(1,074)
Total	**3,404**	**4,201**	**4,428**

Our inventories increased by 23.4% from RMB3.4 million as of December 31, 2024 to RMB4.2 million as of December 31, 2025 and further increased by 5.4% from RMB4.2 million as of December 31, 2025 to RMB4.4 million as of April 30, 2026, primarily due to the inventory preparation for pipeline projects in accordance with their respective R&D progress.

As of May 5, 2026, nil of our total inventories as of April 30, 2026 were utilized or sold. Based on the subsequent utilization of inventories, the status of the related R&D projects, and management's assessment of the expected future usage of the inventories, we have fully recognized an allowance for inventory write-downs in accordance with its inventory accounting policies.

Prepayments, other receivables and other assets

Our prepayments, other receivables and other assets primarily include prepayments of our research fees, prepayment of raw materials and other prepayments and receivables incurred in the ordinary course of our businesses.

The table below sets forth the breakdown of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31		As of April 30,
	2024	2025	2026
	(in RMB thousands)		
Prepayment of R&D research fees	2,549	2,438	1,860
Prepayment of raw materials	290	244	215
Deferred [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
Other prepayments	1,342	2,335	2,538
Other receivables	684	355	31
Total	**6,033**	**8,757**	**8,288**

Our prepayments, other receivables and other assets increased by 45.2% from RMB6.0 million as of December 31, 2024 to RMB8.8 million as of December 31, 2025, primarily due to higher deferred [**REDACTED**] recorded as other assets pending completion of the [**REDACTED**]. Our prepayments, other receivables and other assets decreased by 5.4% from RMB8.8 million as of December 31, 2025 to RMB8.3 million, primarily due to lower prepayment of R&D research fees recorded as a result of higher R&D expense recognition, driven by the progression of the Phase 3 clinical trial of JZB05.

As of May 5, 2026, nil of our total prepayments, other receivables and other assets as of April 30, 2026 were settled.

Trade payables

Our trade payables represent payables to hospitals, CROs and other third party contract providers in the course of our drug development. The trade payables are non-interest-bearing and our service providers usually grant us credit terms up to 90 days. The actual payment schedules will be adjusted based on each project's development progress and other business circumstances. As of the Latest Practicable Date, we have not received any claims, proceedings or lawsuits from suppliers.

Our trade payables increased by 29.8% from RMB30.2 million as of December 31, 2024 to RMB39.2 million as of December 31, 2025, primarily due to increased payables to hospitals and CROs in line with accumulated patient enrollment under the Phase 3 clinical trial of JZB05. It further increased by 0.6% from RMB39.2 million as of December 31, 2025 to RMB39.4 million, primarily due to the increase in accumulated payables to hospitals and CROs, driven by the progress of the Phase 3 clinical trial of JZB05.

Aging analysis

The table below sets forth an aging analysis of our trade payables as of the dates indicated.

	As of December 31		As of April 30,
	2024	2025	2026
	(in RMB thousands)		
Within one year	21,080	28,772	30,159
One to five years	4,885	6,047	4,911
Over five years	4,200	4,338	4,338
Total	**30,165**	**39,157**	**39,408**

Subsequent settlement

As of May 5, 2026, nil of our total trade payables as of April 30, 2026 were settled.

Other payables and accruals

Our other payables and accruals primarily represent payables for property, plant and equipment, payroll payables and other payables incurred in the ordinary course of our business. Our other payables are non-interest-bearing and have no fixed terms of settlement.

The table below sets forth the breakdown of our other payables and accruals as of the dates indicated.

	As of December 31		As of April 30,
	2024	2025	2026
	(in RMB thousands)		
Payables for property, plant and equipment	9,284	27,095	37,556
Payroll payable	10,132	8,011	9,184
Accrued **[REDACTED]**	[REDACTED]	[REDACTED]	[REDACTED]
Other payables	1,457	1,272	1,298
Other tax payables	481	697	951
Total	**28,366**	**42,073**	**54,260**

Our other payables and accruals increased by 48.3% from RMB28.4 million as of December 31, 2024 to RMB42.1 million as of December 31, 2025, primarily due to increased payables for the fit-out of our Xuzhou facility. It further increased by 29.0% from RMB42.1 million as of December 31, 2025 to RMB54.3 million as of April 30, 2026, mainly because payable amounts for construction and equipment increased due to the Xuzhou facility renovation.

As of May 5, 2026, nil of our other payables and accruals outstanding as of April 30, 2026 were settled.

Redemption right liabilities

Our redemption right liabilities represent our liabilities to redeem certain preferred shares from our previous rounds of equity financing. For details of the redemption features, see note 27 to Appendix I — Accountants Report. The table below sets forth the breakdown of our redemption right liabilities as of the dates indicated.

	As of December 31		As of April 30,
	2024	2025	2026
	(in RMB thousands)		
Series A Financing	29,853	31,753	32,378
Series C Financing and 2021-2022 Equity Transfers	771,091	820,344	836,537
Series C+ Financing	525,964	635,542	677,708
Total redemption right liabilities	1,326,908	1,487,639	1,546,623

Our redemption right liabilities increased by 12.1% from RMB1,326.9 million as of December 31, 2024 to RMB1,487.6 million as of December 31, 2025 and further increased by 4.0% to RMB1,546.6 million as of April 30, 2026, primarily due to the accrual of interest under the relevant agreements.

CASH FLOWS

The table below sets forth our cash flows for the years indicated.

	Year Ended December 31,		Four Months Ended April 30,	
	2024	2025	2025	2026
	(in RMB thousands)		*(unaudited)*	
Operating cash flows before movements in working capital	(148,904)	(129,286)	(40,596)	(37,132)
Changes in working capital	27,112	11,145	11,408	83
Net cash used in operating activities	(121,792)	(118,141)	(29,188)	(37,049)
Net cash used in investing activities	(37,854)	(20,747)	(9,728)	(4,465)
Net cash generated from financing activities	148,294	111,802	(2,590)	81,069
Net (decrease)/increase in cash and cash equivalents	(11,352)	(27,086)	(41,506)	39,555
Cash and cash equivalents at beginning of the year	79,938	68,586	68,586	41,500
Cash and cash equivalents at ending of the year	68,586	41,500	27,080	81,055

Operating activities

For the four months ended April 30, 2026, we had net cash used in operating activities of RMB37.0 million, primarily consisting of our loss before tax of RMB89.3 million, adjusted for items mainly including (i) non-cash and non-operating items, primarily comprising (a) finance costs of RMB36.1 million, (b) equity-settled share-based payments of RMB7.7 million, and (c) depreciation of property, plant and equipment of RMB6.5 million, and (ii) changes in working capital, primarily comprising (a) an increase in other payables and accruals of RMB1.7 million and (b) an increase in prepayments and other receivables of RMB1.5 million.

For the four months ended April 30, 2025, we had net cash used in operating activities of RMB29.2 million, primarily consisting of our loss before tax of RMB82.2 million, adjusted for items mainly including (i) non-cash and non-operating items, primarily comprising (a) finance costs of RMB33.2 million, (b) depreciation of property, plant and equipment of RMB6.4 million, and (c) depreciation of right-of-use assets of RMB2.0 million, and (ii) changes in working capital, primarily comprising (a) an increase in other payables and accruals of RMB8.6 million, (b) an increase in trade payables of RMB5.4 million, and (c) an increase in prepayments and other receivables of RMB3.6 million.

In 2025, we had net cash used in operating activities of RMB118.1 million, primarily consisting of our loss for the year of RMB270.4 million, adjusted for items mainly including (i) non-cash and non-operating items, primarily comprising (a) finance cost of RMB104.0 million, (b) depreciation of property, plant and equipment of RMB18.9 million, and (ii) changes in working capital, primarily comprising (a) an increase in trade payables of RMB9.0 million, (b) an increase in prepayments and other receivables of RMB7.1 million and (c) government grants received and deferred of RMB5.3 million.

In 2024, we had net cash used in operating activities of RMB121.8 million, primarily consisting of our loss for the year of RMB242.7 million, adjusted for items mainly including (i) non-cash and non-operating items, primarily comprising (a) finance costs of RMB91.1 million, (b) decrease in the carrying amount of other financial liability of RMB20.7 million, and (c) depreciation of property, plant and equipment of RMB18.9 million and (ii) changes in working capital , primarily comprising (a) an increase in trade payables of RMB12.6 million and (b) an increase in other payables and accruals of RMB4.9 million.

As a biotech company, we plan to improve our net cash outflow position from our operations by generating more net cash from our operating activities, launching our products and improving our cost control and operating efficiencies.

Investing activities

For the four months ended April 30, 2026, we had net cash used in investing activities of RMB4.5 million, primarily consisting of purchases of items of property, plant and equipment.

For the four months ended April 30, 2025, we had net cash used in investing activities of RMB9.7 million, primarily consisting of purchases of items of property, plant and equipment.

In 2025, we had net cash used in investing activities of RMB20.7 million, primarily consisting of purchases of items of property, plant and equipment of RMB20.0 million and purchase of intangible assets of RMB0.7 million.

In 2024, we had net cash used in investing activities of RMB37.9 million, primarily consisting of purchases of items of property, plant and equipment of RMB37.81 million and purchase of intangible assets of RMB0.05 million.

Financing activities

For the four months ended April 30, 2026, we had net cash generated from financing activities of RMB81.1 million, primarily consisting of new bank borrowings of RMB55.0 million and proceeds from issue of shares of RMB27.0 million, partially offset by interest paid on bank borrowings of RMB0.6 million, and payment of [**REDACTED**] expenses of RMB[**REDACTED**] million.

For the four months ended April 30, 2025, we had net cash used in financing activities of RMB2.6 million, primarily consisting of repayment of bank borrowings of RMB4.0 million, interest paid on bank borrowings of RMB0.3 million, lease payments of RMB0.2 million and payment of [**REDACTED**] expenses of RMB[**REDACTED**] million, partially offset by new bank borrowings of RMB2.0 million.

In 2025, we had net cash generated from financing activities of RMB111.8 million, primarily consisting of new bank borrowings of RMB46.5 million, proceeds from share award scheme of RMB11.5 million and proceeds from issue of shares of RMB87.0 million, partially offset by repayment of bank borrowings of RMB15.0 million and repayment of interest on loan from a shareholder of RMB9.0 million.

In 2024, we had net cash generated from financing activities of RMB148.3 million, primarily consisting of proceeds from issue of shares of RMB144.31 million and new bank borrowings of RMB20.0 million, partially offset by repayment of bank loans of RMB10.28 million and lease payments of RMB4.48 million.

Our cash burn rate

Our cash burn rate refers to our average monthly (i) net cash used in operating activities, which includes research and development expenses, and (ii) capital expenditures. Taking into account our cash and bank balances and bank facilities unutilized as of May 31, 2026, and assuming average monthly net cash used in operating activities and capital expenditures going forward of 1.1 time of the average level in 2025, we estimate we will be able to maintain our financial viability for 14 months; or, 46 months if we take into account the net [**REDACTED**] from [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the low end of the indicative Offer [**REDACTED**] range). Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status and expect to raise our next round of financing, if needed.

Separately, we have been strengthening our financial position through the completion of our Series C+ financing in January 2026 and the securing of additional bank facilities. Excluding the [**REDACTED**] and taking into account (i) our cash and bank balances as of May 5, 2026, (ii) our completed Series C+ financing, and (iii) our existing bank loans and available bank facilities, we expect to have sufficient working capital for at least the next 12 months from the date of this document without relying on the [**REDACTED**] from the [**REDACTED**]. As of May 5, 2026, our total bank facilities were approximately RMB215.0 million, of which approximately RMB103.8 million was undrawn. Should the [**REDACTED**] not proceed as scheduled or be subject to delay, we can draw down our undrawn bank facilities and seek additional financing from banking and equity sources to support our operations.

CASH OPERATING COST

The following table sets forth key information relating to our cash operating costs for the years indicated.

	As of December 31,		As of April 30,
	2024	2025	2026
		(in RMB thousands)	
Research and development costs			
Research and development costs for our Core Products			
Trial and testing expenses	25,616	18,264	4,608
Staff costs	8,432	9,429	4,773
Raw materials and others	8,938	7,439	2,052
Research and development costs for our key products and other products			
Trial and testing expenses	17,818	7,742	1,925
Staff costs	22,470	16,523	5,499
Raw materials and others	12,138	12,852	3,112
Total research and development expenses	**95,412**	**72,249**	**21,969**
Workforce employment costs(1)	28,659	29,462	9,290
Direct productions costs(2)	–	–	–
Product marketing(3)	–	–	–
Non-income taxes, royalties and other government charges	1,664	1,298	204
Total	125,735	103,009	31,463

(1) Workforce employment costs represent total non-research and development personnel costs mainly including salaries and benefits.

(2) We had not commenced commercial manufacturing as of the Latest Practicable Date.

(3) We had not commenced product sales as of the Latest Practicable Date.

INDEBTEDNESS

The table below sets forth our indebtedness as of the dates indicated.

	As of December 31,		As of April 30,	As of May 5,
	2024	2025	2026	2026
		(in RMB thousands)		
				(unaudited)
Current				
Redemption right liabilities	1,326,908	1,487,639	1,546,623	1,547,960
Borrowings	14,815	44,621	91,742	91,742
Loan from a shareholder	–	–	8,376	8,376
Lease liabilities	4,775	4,816	4,890	4,890
Non-current				
Loan from a shareholder	117,219	118,083	112,710	112,710
Borrowings	9,800	11,550	19,500	19,500
Lease liabilities	29,766	24,537	22,232	22,232
Total	**1,503,283**	**1,691,246**	**1,806,073**	**1,807,410**

Our Directors confirm that as of May 5, 2026, 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. Save as disclosed below, we did not have any bank and other loan, or any loan capital issued and outstanding or agreed to be issued, bank overdraft, borrowing or similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchases or finance lease commitments, guarantees or other material contingent liabilities as of May 5, 2026 for our indebtedness statement. Our Directors confirm that there has not been any material change in our indebtedness since May 5, 2026 up to the date of this document.

Borrowings

As of December 31, 2024, 2025 and April 30, 2026 and May 5, 2026, we had borrowings of RMB24.6 million, RMB56.2 million, RMB111.2 million and RMB111.2 million, respectively. The table below sets forth the maturity profile of our borrowings as of the dates indicated.

	As of December 31,		As of April 30,	As of May 5,
	2024	2025	2026	2026
	(in RMB thousands)			*(unaudited)*
Within one year	14,815	44,621	91,742	91,742
Between one to two years	9,800	11,550	9,900	9,900
In the third to fifth year, inclusive	–	–	9,600	9,600
Total	**24,615**	**56,171**	**111,242**	**111,242**

As of May 5, 2026, our unutilized banking facilities amounted to RMB103.8 million, representing the amount of committed but underutilized banking facilities available to the Group.

Lease liabilities

As of December 31, 2024, 2025 and April 30, 2026 and May 5, 2026, our lease liabilities amounted to RMB34.5 million, RMB29.4 million, RMB27.1 million and RMB27.1 million, respectively. The decrease in lease liabilities is mainly due to the payment of outstanding amounts.

Loan from a shareholder

As of December 31, 2024, 2025, April 30, 2026 and May 5, 2026, we had a loan from a [**REDACTED**] Investor, Chengdu Jiulian, amounting to RMB117.2 million, RMB118.1 million, RMB121.1 million and RMB121.1 million, respectively. As of the Latest Practicable Date, Chengdu Jiulian was not a connected person of our Group. The loan was non-trade in nature and secured by mortgages over our certain property, plant and equipment, which had an aggregate carry value of RMB102.6 million and RMB102.6 million as of April 30, 2026 and May 5, 2026.

The annual interest rate for this loan is 8%, higher than the effective interest rates on our bank borrowings during the Track Record Period. This rate is a legacy rate carried over from Chengdu Jiulian's prior investment repurchase arrangements, and the related outstanding balance was subsequently documented as a shareholder loan. Repayments commenced in July 2025 and are scheduled over five years in annual amounts of RMB9.0 million, RMB9.0 million, RMB25.0 million, RMB49.7 million and RMB59.0 million. As of May 5, 2026, we had total bank facilities of approximately RMB215.0 million, of which approximately RMB103.8 million was undrawn, and we may replace this shareholder loan in whole or in part with bank borrowings as appropriate.

Our operations and funds are independent from Chengdu Jiulian. There is no fund co-mingling or cross-guarantee beyond the pledged assets. The non-trade balances will not be settled prior to [**REDACTED**]. A portion of working capital may be used to service scheduled principal and interest under this loan, consistent with our working capital plan. For further details, please see "History and Development — Major Acquisitions, Disposal and Mergers" and Note 23 of "Appendix I — Accountants' report."

Contingent liabilities

As of December 31, 2024, 2025, April 30, 2026 and May 5, 2026, we did not have any contingent liabilities.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital expenditure

The table below sets forth our capital expenditure for the years indicated.

	Year ended December 31,		For the Four Months Ended April 30,	
	2024	2025	2025	2026
	(in RMB thousands)			
Purchase of property, plant and equipment	37,806	20,029	9,728	4,465
Purchase of intangible assets	51	743	–	–
Total	**37,857**	**20,772**	**9,728**	**4,465**

During the Track Record Period, our capital expenditure was primarily for purchase of property, plant and equipment and purchase of intangible assets to carry out the research and development of our drug candidates.

Capital commitments

The table below sets forth our capital commitments as of the dates indicated.

	As of December 31,		As of April 30
	2024	2025	2026
	(in RMB thousands)		
Contracted, but not provided for:			
Purchase of items of property, plant and equipment	28,679	12,901	10,163
Total	**28,679**	**12,901**	**10,163**

KEY FINANCIAL RATIOS

	As of December 31,		As of April 30
	2024	2025	2026
Current ratio[1]	5.7%	3.4%	5.4%
Quick ratio[2]	5.5%	3.1%	5.1%

Notes:

1. Current ratio is calculated as total current assets as at the end of the year/period divided by total current liabilities as at the end of the corresponding year/period and multiplied by 100%.

2. Quick ratio is calculated as total current assets less inventories as at the end of the year/period and divided by total current liabilities as at the end of the corresponding year/period and multiplied by 100%.

DISCLOSURE ABOUT FINANCIAL RISKS

We are exposed to a variety of financial risks including interest risk, credit risk and liquidity risk. Our management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. For details of our risk exposure and sensitivity analysis, see note 37 to Appendix I — Accountants' Report.

Credit Risk

Credit risk refers to the risk that our counterparties may default on their contractual obligations resulting in financial losses to us. Our credit risk exposures primarily relate to trade receivables, other receivables, prepayments, other assets, and cash and cash equivalents. Receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant. We do not hold any collateral or other credit enhancements to cover our credit risks associated with our financial assets.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. To manage our liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance our operations and mitigate the effects of fluctuations in cash flows. Our management considers the maturity of both the Group's financial instruments and financial assets, along with projected cash flows from operations.

Capital Management

The primary objectives of our capital management are to safeguard our ability to continue as a going concern and to maximize our return to shareholders through the optimization of our debt and equity balance. Our overall strategy remained unchanged during the Track Record Period.

Our capital structure consists of net debt, which includes borrowings and lease liabilities, net of bank balances, cash and cash equivalents and equity attributable to the owners of the Company, mainly comprising issued share capital and reserves.

Our management reviews our capital structure on a regular basis. As part of this review, they consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to balance our overall capital structure.

RELATED PARTY TRANSACTIONS

Related party transactions are set out in note 35 to Appendix I — Accountants' Report.

Our Directors confirm that these transactions were conducted in the ordinary course of our business, on an arm's length basis and with normal commercial terms between the relevant parties.

OFF-BALANCE SHEET ARRANGEMENTS

During the Track Record Period, we did not enter into any off-balance sheet arrangements.

DIVIDEND POLICY

The Company does not have a dividend policy as of the Latest Practicable Date. No dividend was paid or declared by the Company during the Track Record Period. For further details, please see note 12 to Appendix I — Accountants Report.

We do not have a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. As advised by our PRC Legal Adviser, in view of our accumulated losses as of the Latest Practicable Date, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders. Even if we become profitable in the future, we will only be able to declare or pay dividends out of our distributable profits after our accumulated losses are covered by our after-tax profits and sufficient statutory and other reserves are drawn in accordance with the relevant PRC laws, regulations and our constitutional documents.

Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

After the [**REDACTED**], we may declare and pay dividends mainly by cash or by stock that we consider appropriate. Decisions to declare or to pay any dividends in the future will depend on, among other things, our Company's profitability, operations and development plans, external financing environment, costs of capital, our Company's cash flows and other factors that our Directors may consider relevant. Our ability to distribute dividends in the future also depends on whether we can receive dividends from our subsidiaries.

DISTRIBUTABLE RESERVE

As of April 30, 2026, we did not have any retained profits.

PROPERTY AND VALUATION

Colliers, an independent property valuer, has valued our selective property interest as of April 30, 2026. Particulars of the property interest are set out in Appendix III to this document.

The table below sets out the reconciliation between the net book value of our selective property as of April 30, 2026 in the Accountants' Report set out in Appendix I to this document and the market value of such property as of April 30, 2026 in the Property Valuation Report set out in Appendix III to this document.

	(RMB in millions)
Net book value as of April 30, 2026	87.42
Valuation surplus as of April 30, 2026	2.95
Valuation as of April 30, 2026 as set out in "Appendix III — Property Valuation Report" to this document	90.37

DISCLOSURE REQUIRED UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to Rule 13.19 of the Listing Rules.

UNAUDITED [REDACTED] FINANCIAL INFORMATION

Please refer to Appendix II — Unaudited [**REDACTED**] Financial Information for details.

[REDACTED] EXPENSES

[**REDACTED**] expenses represent professional fees, [**REDACTED**] and fees incurred in connection with the [**REDACTED**] and the [**REDACTED**]. Our [**REDACTED**] expenses are estimated to be approximately HK$[**REDACTED**] million (including [**REDACTED**]), accounting for [**REDACTED**]% of the gross [**REDACTED**] of the [**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the [**REDACTED**] range stated in this document, and no exercise of the [**REDACTED**]). Among our [**REDACTED**] expenses, approximately HK$[**REDACTED**] million is directly attributable to the issuance of H Shares and will be charged to equity upon completion of the [**REDACTED**], and approximately HK$[**REDACTED**] million has been or will be charged to our consolidated statements of profit or loss and other comprehensive income. The [**REDACTED**] expenses incurred during the Track Record Period or expected to be incurred will consist of approximately (i) HK$[**REDACTED**] million in [**REDACTED**] related expenses and fees (including but not limited to [**REDACTED**] and fees), (ii) HK$[**REDACTED**] million in non-[**REDACTED**]-related expenses and fees of the Joint Sponsors, legal advisers and reporting accountants, and (iii) HK$[**REDACTED**] million in other non-[**REDACTED**]-related fees and expenses. During the Track Record Period, we incurred RMB[**REDACTED**] million of [**REDACTED**] expenses, among which, RMB[**REDACTED**] million was included in prepayments and other receivables and will be subsequently charged to our equity upon completion of the [**REDACTED**], and RMB[**REDACTED**] million was charged to our consolidated statements of profit or loss and other comprehensive income.

The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE

Our Directors confirmed that, as of the date of this document, there has been no material adverse change in our financial position since April 30, 2026, and there has been no event since April 30, 2026 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.