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Application Proof of

Ming Yu Pharmaceutical Limited
明宇制药有限公司

(the "**Company**")

(Incorporated in the Cayman Islands with limited liability)

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Ming Yu Pharmaceutical Limited
明宇制药有限公司

(Incorporated in the Cayman Islands with limited liability)

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Number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] Shares (subject to the [REDACTED])**
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Maximum [REDACTED]	**:**	**HK$[REDACTED] per [REDACTED], 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 [REDACTED] in Hong Kong dollars and subject to refund)**
Nominal Value	**:**	**US$0.00001 per Share**
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[REDACTED]

IMPORTANT

[**REDACTED**]

IMPORTANT

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[(1)]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**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 entire document before you decide to [**REDACTED**] *in the* [**REDACTED**].

There are risks associated with any [**REDACTED**]. *Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set out in "Risk Factors" of this document. In particular, we are a biotechnology company seeking to* [**REDACTED**] *on the* [**REDACTED**] *under Chapter 18A of the Listing Rules as we do not meet the requirements under Rules 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [**REDACTED**] *in companies like ours. Our Core Products are the products for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules. We may continue to incur substantial costs and expenses in relation to R&D activities for our Core Products. We may not be able to successfully develop and market our Core Products and other product candidates. Your* [**REDACTED**] *decision should be made in light of these considerations.*

OVERVIEW

Established in 2018, we are a biotechnology company anchored in an integrated oncology approach combining antibody-drug conjugates (ADCs) and advanced immunotherapies. As of the Latest Practicable Date, our pipeline consisted of 11 product candidates, including two Core Products. All of our product candidates are self-discovered and self-developed. Our Core Product MHB036C is an ADC candidate (biological drug) under development for the treatment of solid tumors. Its lead indications are for the first or later line (1L+) treatment of non-small cell lung cancer (NSCLC) and breast cancer (BC). Another Core Product MHB018A is an antibody drug candidate (biological drug) under development for the treatment of thyroid eye disease (TED), with active TED being its lead indication. **WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCTS.**

We have established: (i) a robust clinical oncology portfolio built on our proprietary ADC platform and a novel programmed cell death protein 1/ vascular endothelial growth factor (PD-1/VEGF) bispecific antibody (bsAb), and (ii) late-stage autoimmune assets progressing toward commercialization. Our autoimmune programs are positioned to generate revenue in near future, while our oncology programs focus on advancing ADC monotherapies for late-line settings and exploring combination therapies with our PD-1/VEGF bsAb to transform front-line cancer treatment. Together, these programs comprise a diversified pipeline of candidates:

Novel Oncology ADC and PD-1/VEGF Combination Therapies: Our Core Product MHB036C is a promising trophoblast cell surface antigen 2 (TROP-2) ADC developed for the treatment of a broad range of solid tumors. It is currently in a Phase I/II combination study for 1L+ NSCLC and a Phase II combination study for 1L+ BC, with our key product MHB039A, an innovative PD-1/VEGF bsAb. Our key product MHB088C is a promising B7-H3 ADC for the treatment of small cell lung cancer (SCLC) and other cancers, which is currently in a Phase III trial for 2L SCLC, 2L mCRPC and 2L ESCC as a monotherapy and a Phase I/II trial for 1L+ SCLC in combination with MHB039A.

Late Stage Autoimmune Assets: Our Core Product, MHB018A, is a novel and promising subcutaneous insulin-like growth factor 1 receptor (IGF-1R) VHH-based antibody. It is currently in a Phase III trial for active TED and chronic TED, supported by compelling Phase II efficacy and safety data in both active and chronic TED. Our key product MH004 is a novel topical Janus kinase (JAK) inhibitor with an NDA submitted for mild-to-moderate atopic dermatitis (AD) in China in March 2026, addressing the autoimmune indications with high need.

Our proprietary SuperTopoi platform is designed to overcome the industry-wide challenges faced by conventional ADC technology. It features a novel payload with 5-10 times higher potency compared with deruxtecan (Dxd)-based ADCs, while maintaining a better safety profile characterized by a low incidence of severe hematological toxicity and a significant reduced incidence of interstitial lung disease (ILD). This optimized therapeutic window enables broader application, including potential use in front-line settings.

Our Product Pipeline

All of the pipeline products are self-discovered by us. The following chart summarizes the key information of our drug candidates as of the Latest Practicable Date:

	Program	Target	Modality	Indication(s)	Mono/ Combo	Pre-clinical / Phase I / Phase II / Phase III / NDA/BLA	Current Status/Upcoming Milestone	Commercial Rights
	Autoimmune							
★	**MHB018A**	Sub-Q IGF-1R	mAb	Active TED[1][2]	Mono	China	Phase III topline readout anticipated in 2026Q3	Global
						United States/Europe/Japan[4]	Phase III FPI anticipated in 2026Q4	
				Chronic TED[1]	Mono	China	Phase III topline readout anticipated in 2027Q3	
						United States/Europe/Japan[4]	Phase III FPI anticipated in 2026Q4	
▲	**MH004**	Topical JAKi	Small Molecule	Mild-to-Moderate Atopic Dermatitis[2]	Mono	China	NDA approval anticipated in 2027H1	Global
						United States[5]	Phase III IND approved by the FDA in 2023	
				Vitiligo	Mono	China	Phase III FPI anticipated in 2026H2	
	MH048	BTK/pan-Src/ RIPK3 inhibitor	Small Molecule	Immunological Diseases	Mono		IND filing in China anticipated in 2026H2	Global
	Oncology							
★	**MHB036C**	TROP-2	ADC	Solid Tumors (e.g. 2L+ BC, NSCLC)	Mono	China	Phase I trial completed; Phase II trial ongoing	Global
▲	**MHB039A**	PD-1/VEGF	BsAb	1L+ SCLC	Combo with MHB088C[3]	China	Phase II data readout anticipated in 2026	Global
				1L+ BC (TNBC/ HR+/HER2- BC)	Combo with MHB036C[3]	China	Phase II data readout anticipated in 2026	
				1L+ NSCLC	Combo with MHB036C[3]	China	Phase II data readout anticipated in 2026	
				Solid Tumors	Mono	China[6]	Phase I/II trial commenced in April 2024	
▲	**MHB088C**	B7-H3	ADC	Solid Tumors	Mono	United States[7]	Phase Ib/II IND approved by the FDA in 2024	Global (except Greater China) **Greater China rights out-licensed to Qilu*
	MHB118C	Undisclosed	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2026	Global
	MHB046C	Undisclosed	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2026	Global
	MHB009C	B7-H4	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2027	Global
	MHB042C	c-Met	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2027	Global
	MHB048C	PSMA	ADC	Prostate Cancer	Mono	China	Phase I trial completion anticipated in 2027	Global

Clinical trials exempted and granted approval to progress to the next clinical stage

★ Core Product ▲ Key Product

Notes:

(1) Eligibility includes both treatment-naïve patients and patients previously treated with steroids. Consistent with the approved drug TEPEZZA, MHB018A is being developed for the treatment of the above two separate indications covering active and chronic TED respectively, with no limitation on treatment lines.

(2) The denoted indication(s) represent the lead indication(s) for each drug candidate, for which we expect to obtain first marketing approval(s).

(3) Each of our combination therapies is conducted under a separate IND approval granted by the NMPA. The enrolled patient populations for each relevant indications are distinct from those of the corresponding monotherapy studies.

(4) The U.S. FDA has agreed to accept China clinical data to initiate U.S. Phase III trials without bridging studies. We have obtained both Phase III IND approvals from the FDA and initiated the registrational trials. We plan to enroll the first patient in December 2026.

(5) We have no current plan to further develop MH004 in the U.S. market.

(6) We have no plan to further develop MHB039A as monotherapy and are focusing on the development in combination with ADCs.

(7) MHB088C is currently in a Phase III trial for 2L SCLC, 2L mCRPC and 2L ESCC as a monotherapy sponsored by Qilu, and a Phase I/II trial for 1L+ SCLC in combination with MHB039A in China initiated in September 2025, sponsored by us. We have entered into an exclusive license agreement with Qilu on March 31, 2025 to develop and commercialize MHB088C in Greater China (Chinese Mainland, Hong Kong, Macau and Taiwan). We have no current plan to further develop MHB088C as monotherapy in the U.S. market.

MHB036C (TROP-2 ADC) — Core Product

MHB036C has demonstrated convincing antitumor activity in multiple indications, including NSCLC and BC, with combination potential alongside advanced immuno-oncology agents in front-line settings.

In the completed Phase I and ongoing Phase II studies, MHB036C demonstrated encouraging efficacy across multiple tumor settings in the 1.5 mg/kg cohort. In triple-negative breast cancer (TNBC) patients for 2L+ treatment (n=30), the cohort reached an objective response rate (ORR) of 43%, with a median progression-free survival (PFS) of 6.9 months. In HR+HER2- BC patients for 2L+ treatment (n=25), we observed a 40% ORR and a median PFS of 9.0 months. In EGFR-mutant NSCLC patients for 2L+ treatment (n=16), we observed a 37.5% ORR and a median PFS of 9.1 months. Similarly, in NSCLC patients without AGA for 2L+ treatment (n=7), the treatment yielded a 57% ORR and a median PFS of 7.2 months. Safety results reinforce MHB036C's attractive risk-benefit profile. There were no major hematological side effects and only approximately 1% occurrence of ILD observed compared to other TROP-2 ADCs.

MHB018A (Sub-Q IGF-1R mAb) — Core Product

MHB018A is our novel subcutaneous IGF-1R (Sub-Q IGF-1R) VHH-based antibody and the promising IGF-1R program with proven Phase II efficacy and safety (n=98, no severe hearing damage) data. Compared to the existing competitors, its 450 mg/kg once-every-four-weeks (Q4W) dosing regimen offers a more convenient and patient friendly option. As a subcutaneous formulation could be available at retail pharmacies, MHB018A would also provide easier patient access.

TED is a long-lasting autoimmune condition that affects the tissues around the eyes. It typically develops in two phases: an active phase, during which inflammation worsens and symptoms progress, and an inactive (chronic) phase, characterized by fibrosis and persistent tissue remodelling, with only residual inflammatory activity. Hence, active and chronic TED represent different stages of the same disease.

We presented the Phase I/II clinical data of MHB018A in patients with active and chronic TED at the Endocrine Society's Annual Meeting in June 2026. In the completed Phase II active TED trial, MHB018A has shown a proptosis response rate of 81% at the 450 mg dose (n=32) at Week 12. Data indicates a better therapeutic response than other intravenous and subcutaneous IGF-1R antibodies. In terms of safety, MHB018A was well tolerated across all three dosing regimens. No unique

toxicities were observed and no Grade≥3 hearing-related AEs were reported. In the completed Phase II chronic TED trial, MHB018A achieved a proptosis response rate of 76% at Week 24 (n=33). In terms of safety, MHB018A was well tolerated over the 24-week treatment period. No TEAE led to treatment discontinuation, death, or premature withdrawal from the study, and no subjects experienced SAEs. In addition, no severe hearing damage was observed, which adds to MHB018A's safety characteristics.

MHB088C (B7-H3 ADC) — Key Product

MHB088C is currently in pivotal Phase III trials for 2L SCLC, 2L mCRPC and 2L ESCC as a monotherapy and a Phase I/II trial for 1L+ SCLC in combination with MHB039A in China. Granted with breakthrough therapy designations, MHB088C is one of the most advanced B7-H3 ADC evaluated in combination trials with PD-(L)1/VEGF bsAb for 1L SCLC globally, according to CIC.

MHB088C demonstrated both efficacy and safety advantages in its Phase II clinical trials. In the Phase II study of 2L+ SCLC (n=103), as of June 13, 2025, the confirmed ORR were 21.4%, 42.2% and 43.3% for the 1.6 mg/kg Q2W, 2.0 mg/kg Q2W, and 2.4 mg/kg Q3W cohorts, respectively. The median progression-free survival (mPFS) was consistently between 5.5-6.0 months across cohorts. With respect to safety, 106 SCLC patients have received at least one dose of MHB088C, where only two ILD cases have been reported. The most frequent Grade ≥3 TEAEs were hematological in nature, primarily drops in neutrophil and white blood cell counts as well as anemia. These events occurred among around 10% of the patients in 1.6 and 2.0 mg/kg Q2W cohorts.

MHB039A (PD-1/VEGF bsAb) — Key Product

MHB039A is a next generation I/O therapy that offers extended dosing duration and enhanced therapeutic synergy. We are conducting a Phase I/II combination study of MHB036C and MHB039A in NSCLC patients and a Phase II combination study in BC, respectively, in China, We are also conducting a Phase I/II combination study of MHB088C and MHB039A in SCLC patients in China.

The Phase I clinical data for MHB039A demonstrates a foundational efficacy and safety profile. The study achieved saturated PD-1 receptor occupancy and VEGF biomarker response at doses of 10 mg/kg Q3W and above. Encouraging preliminary anti-tumor activity was observed in patients previously treated with agents targeting the same pathways, including PD-1/PD-L1 inhibitors, VEGFR tyrosine kinase inhibitors, or anti-VEGF monoclonal antibodies. Across 20 evaluable patients, only a low incidence of Grade 3 adverse events was reported, with no major hypertension or bleeding.

We position MHB039A as an advanced immunotherapy backbone designed be paired with our ADC candidates to enable chemo-free front-line treatment and unlock opportunities in multiple solid tumors. We also plan to explore additional combination of MHB039A across our diversified ADC portfolio.

MH004 (Topical JAKi) — Key Product

MH004 is the first topical prodrug of tofacitinib in the China market that targets AD and vitiligo. MH004 leverages an innovative transdermal delivery technology that enhances skin penetration and limited systemic exposure. This breakthrough potentially addresses the need for topical JAK treatments with a localized profile intended to minimize systemic safety risks associated with the class.

MH004 offers differentiated topical JAK inhibition (JAKi) with substantially less systemic exposure and reduced JAK2 inhibitory activity relative to ruxolitinib cream, which supports broader dermatologic use under clinical and regulatory guidance. MH004 has demonstrated potent efficacy with a favorable safety profile in its Phase III study for AD. In the study, 58.6% of patients treated with MH004 (concentration of 1.0%) achieved EASI-75, compared to 19.8% for the vehicle group. MH004 reached a 41.0% investigator global assessment treatment success (IGA-TS), compared to 10.3% for the vehicle group at Week 4. The completed Phase II study in vitiligo has shown early signals of efficacy, with encouraging F-VASI improvements as early as Week 4. In December 2025, CDE recommended us to resubmit an NDA for MH004 after obtaining the safety follow-up data from all subjects in the Phase III clinical trial for mild to moderate AD. We resubmitted an NDA for mild-to-moderate AD in China in March 2026.

Addressable Markets and Competitive Landscape of Our Product Candidates

TROP-2 ADC for BC and NSCLC (MHB036C)

The global BC drug market is expected to reach US$99.0 billion by 2035, at CAGRs of 5.3% from 2025 to 2030 and 4.1% from 2030 to 2035. The global NSCLC drug market is expected to reach US$115.8 billion in 2035, at CAGRs of 9.0% from 2025 to 2030 and 6.7% from 2030 to 2035. As of the Latest Practicable Date, three TROP-2 ADCs had obtained regulatory approvals that collectively cover TNBC, NSCLC and HR+/HER2- BC, and seven were in clinical development for combination therapy with PD-(L)1 inhibitors for BC or NSCLC. For details, see "Industry Overview — Global TROP-2 ADC Market."

Intravenous IGF-1R Antibody for TED (MHB018A)

The global TED drug market is projected to reach US$13.4 billion in 2035, at CAGRs of 13.9% from 2025 to 2030 and 12.2% from 2030 to 2035. As of the Latest Practicable Date, three intravenous and no subcutaneous IGF-1R antibodies had been approved for TED, and two intravenous and six subcutaneous IGF-1R antibodies were in clinical development. For details, see "Industry Overview — Global Thyroid Eye Disease Market."

B7-H3 ADC for SCLC and Prostate Cancer (MHB088C)

The global SCLC drug market is expected to reach US$12.1 billion in 2035, at CAGRs of 8.6% from 2025 to 2030 and 6.7% from 2030 to 2035. The global prostate cancer drug market is expected to reach US$46.9 billion in 2035, at CAGRs of 6.4% from 2025 to 2030 and 4.9% from 2030 to 2035. As of the Latest Practicable Date, there were no B7-H3 ADC approved globally, five were in clinical development with PD-(L)1 inhibitors as combination therapy for SCLC, and ten were in clinical development as monotherapy for SCLC or CRPC. For details, see "Industry Overview — Global B7-H3 ADC Market."

PD-(L)1/VEGF Bispecific Antibody (MHB039A)

The global PD-(L)1/VEGF bsAb market is projected to reach US$91.4 billion in 2035, at CAGRs of 146.3% from 2025 to 2030 and 42.0% from 2030 to 2035. As of the Latest Practicable Date, one PD-(L)1/VEGF bsAb had obtained regulatory approvals with two approved indications and fifteen were in active clinical development for BC, NSCLC and other solid tumors. For details, see "Industry Overview — Global PD-(L)1/VEGF bsAb Market."

JAK Inhibitors for AD and Vitiligo (MH004)

The global AD drug market is projected to reach US$29.9 billion in 2035, at CAGRs of 7.3% from 2025 to 2030 and 5.0% from 2030 to 2035. The global vitiligo drug market is expected to reach US$11.8 billion in 2035, at CAGRs of 20.2% from 2025 to 2030 and 18.3% from 2030 to 2035. As of the Latest Practicable Date, one topical JAK inhibitor had been approved for AD and vitiligo, four were in Phase III or later-stage of development for AD and four were in Phase II or later-stage of development for vitiligo. For details, see "Industry Overview — Global Dermatology Treatment And Care Market."

OUR STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors: (i) a focus in novel ADCs and advanced immunotherapy, complemented by a late-stage autoimmune portfolio; (ii) advancing the oncology treatment paradigm through the ADC and immuno-oncology combination therapies featuring promising ADCs and a novel PD-1/VEGF bispecific antibody; (iii) late-stage autoimmune portfolio with differentiated formulations, robust clinical validation, near-term commercialization and cash flow potential; (iv) proprietary Topo I ADC platform SuperTopoi with differentiated safety profiles and comprehensive clinical data, anchored for sustainable ADC portfolio innovation with novel targets, linkers and structures; and (v) a management team distinguished by proven achievements, exceptional execution capabilities, and the support from seasoned industry veterans.

OUR STRATEGIES

We plan to execute the following strategies to achieve our mission and drive our future growth: (i) rapidly and strategically advance our novel ADC and advanced I/O assets to later stage and continue to explore combination therapies opportunities; (ii) accelerate global clinical development of our autoimmune portfolio towards commercialization; (iii) proactively explore value-accretive partnerships globally to maximize the clinical and commercial potential of our drug candidates; (iv) fuel pipeline development through continuous and highly efficient R&D efforts; (v) strategically enhance our operational capabilities, including efficient manufacturing and commercialization capabilities; and (vi) further attract, train and retain talent to expand our capabilities.

RESEARCH AND DEVELOPMENT

Our in-house R&D team consisted of 110 employees as of the Latest Practicable Date, most of whom had obtained at least bachelor's degrees, and over 37.2% members of our R&D team had obtained post-graduate degrees. Our R&D team is led by a team of scientists with years of drug development experience. As of the Latest Practicable Date, the core R&D personnel involved in the development of the Core Products all remain employed by us.

In 2024, 2025 and the five months ended May 31, 2025 and 2026, we recorded research and development expenses of RMB280.7 million, RMB230.3 million, RMB60.1 million and RMB120.0 million, respectively, representing 95.4%, 86.1%, 91.1% and 89.0% of our total operating expenses for the corresponding years/periods. In 2024, 2025 and the five months ended May 31, 2025 and 2026, we recorded research and development expenses attributable to our Core Products of RMB49.0 million, RMB91.5 million, RMB22.8 million and RMB67.7 million, respectively, representing 17.5%, 39.7%, 38.0% and 56.4% of our total R&D expenses for the corresponding years. See "Business — Research and Development" for further details.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we held 36 issued patents and 138 patent applications (including seven PCT applications), of which ten issued patents and 35 patent applications (including three in China, four in the U.S., and 28 in other jurisdictions) are related to our Core Products.

OUR SUPPLIERS

During the Track Record Period, our suppliers are mainly comprised of CROs and CDMOs for our R&D activities. In 2024, 2025 and the five months ended May 31, 2026, purchases from our five largest suppliers in aggregate accounted for 58.6%, 43.4% and 38.8% of our total purchases, respectively, for each year/period during the Track Record Period. Our purchases from our largest supplier for each year/period during the Track Record Period amounted to RMB58.6 million, RMB28.6 million and RMB14.2 million, representing 23.8%, 15.2% and 14.0% of our total purchases for the respective period. See "Business — Our Suppliers" for more details.

SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Consolidated Statements of Comprehensive Loss

The following table sets forth a summary of our consolidated statements of comprehensive loss for the years indicated:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue	–	264,410	264,151	–
Cost of revenue	–	(743)	(349)	–
Gross profit	**–**	**263,667**	**263,802**	**–**
Research and development expenses	(280,689)	(230,322)	(60,060)	(120,001)
Administrative expenses	(13,541)	(37,053)	(5,903)	(14,831)
Other income	23,974	2,976	769	53
Other gains/(losses), net	1,595	702	24	(857)
Operating (loss)/profit	**(268,661)**	**(30)**	**198,632**	**(135,636)**
Finance income	158	8,606	74	5,394
Finance costs	(117)	(76)	(23)	(90)
Fair value change of financial liabilities at FVTPL	(14,011)	(927,808)	(249,527)	(79,891)
Loss before income tax	**(282,631)**	**(919,308)**	**(50,844)**	**(210,223)**
Income tax expense	–	–	–	–
Loss for the year/period attributable to the owners of the Company	**(282,631)**	**(919,308)**	**(50,844)**	**(210,223)**

During the Track Record Period, we had not commercialized our drug candidates, but generated revenue primarily from our license agreement with Qilu in 2025. Our net loss increased from RMB282.6 million in 2024 to RMB919.3 million in 2025 primarily due to an increase of RMB913.8 million in recorded fair value change of financial liabilities due to our financing activities and adjustments in our valuation, partially offset by RMB264.4 million revenue generated from our license agreement with Qilu. See "Financial Information — Description of Selected Items of Our Consolidated Statements of Comprehensive Loss" for more details. Our net loss increased from RMB50.8 million in the five months ended May 31, 2025 to RMB210.2 million in the five months ended May 31, 2026, mainly reflecting higher R&D expenses as we continued to advance our pipeline and the timing of revenue recognition under our license agreement, partially offset by lower recorded fair value losses on financial liabilities at FVTPL. We expect our net loss for 2026 to increase significantly as compared to 2025, primarily due to higher R&D expenditure as we continue to progress our pipeline, including the advancement of MHB018A into Phase III clinical trials for both active and chronic TED in China, together with non-cash fair value losses on financial liabilities at FVTPL reflecting our financing activities and valuation adjustments.

Summary of Consolidated Balance Sheets

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated:

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	39,694	45,255	53,390
Total current assets	46,549	841,104	657,169
Total assets	**86,243**	**886,359**	**710,559**

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Total non-current liabilities	–	4,393	5,917
Total current liabilities	1,211,700	2,886,231	2,853,368
Total liabilities	**1,211,700**	**2,890,624**	**2,859,285**
Net current liabilities	**1,165,151**	**2,045,127**	**2,196,199**
Net liabilities	**1,125,457**	**2,004,265**	**2,148,726**
Share capital	14	14	14
Other reserves	(53,801)	(13,301)	52,461
Accumulated losses	(1,071,670)	(1,990,978)	(2,201,201)
Total deficits	(1,125,457)	(2,004,265)	(2,148,726)
Total deficits and liabilities	**86,243**	**886,359**	**710,559**

We recorded net current liabilities of RMB1,165.2 million, RMB2,045.1 million and RMB2,196.2 million as of December 31, 2024 and 2025 and May 31, 2026, respectively, and net liabilities of RMB1,125.5 million, RMB2,004.3 million and RMB2,148.7 million as of the same dates, primarily due to our convertible preferred shares, which were classified as current liabilities in these periods. Our net liabilities increased from RMB1,125.5 million as of December 31, 2024 to RMB2,004.3 million as of December 31, 2025, primarily attributable to our loss for the year of RMB919.3 million in 2025, which was principally driven by the fair value change of financial liabilities at FVTPL of RMB927.8 million relating to our convertible preferred shares. Our net liabilities further increased to RMB2,148.7 million as of May 31, 2026, primarily attributable to our loss for the period of RMB210.2 million in the five months ended May 31, 2026, which included fair value changes of financial liabilities at FVTPL of RMB79.9 million relating to our convertible preferred shares. See Consolidated Statements of Changes in Equity in the Accountant's Report set out in Appendix I to this document and "Financial Information — Description of Selected Items of Our Consolidated Statements of Comprehensive Loss" for more details. Our net current liabilities increased from RMB1,165.2 million as of December 31, 2024 to RMB2,045.1 million as of December 31, 2025, primarily due to an increase of RMB1,846.7 million in financial liabilities at FVTPL relating to our financing activities and an upward adjustment in our valuation, partially offset by an increase of RMB771.0 million in cash and cash equivalents and a decrease of RMB189.5 million in trade payables. Our net current liabilities further increased to RMB2,196.2 million as of May 31, 2026, primarily reflecting a decrease of RMB195.9 million in cash and cash equivalents, partially offset by an increase of RMB18.4 million in prepayments, deposits and other receivables and a decrease of RMB23.2 million in trade payables. See "Financial Information — Discussion of Selected Items from Our Consolidated Balance Sheets" for more details. Upon [**REDACTED**], all of our convertible preferred shares will automatically convert into ordinary shares in accordance with their terms and will cease to be recognized as financial liabilities at FVTPL and be reclassified to equity. As a result, our net liabilities and net current liabilities positions are expected to turn into net assets and net current assets positions after [**REDACTED**].

Summary of Consolidated Statements of Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the periods indicated:

	Year Ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net cash (outflow to)/inflow from operating activities	(145,606)	(182,604)	154,087	(180,725)
Net cash inflow from investing activities	7,753	287	2,286	6,243
Net cash inflow from/(outflow to) financing activities	35,076	966,756	14,202	(2,347)

	Year Ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net (decrease)/increase in cash and cash equivalents	**(102,777)**	**784,439**	**170,575**	**(176,829)**
Cash and cash equivalents at the beginning of year/period	131,208	29,712	29,712	800,749
Effect of foreign exchange rate changes on cash and cash equivalents	1,281	(13,402)	(9)	(19,024)
Cash and cash equivalents at end of year/period	**29,712**	**800,749**	**200,278**	**604,896**

Our primary uses of cash during the Track Record Period were to fund our research and development of our drug candidates. During the Track Record Period, we had financed our operations mainly from series of financing and licensing revenue. We recorded net cash outflow to operating activities of RMB145.6 million, RMB182.6 million and RMB180.7 million in 2024, 2025 and the five months ended May 31, 2026. Our net cash used in operating activities primarily reflected our loss before tax as we continued to invest in R&D, adjusted for non-cash items and changes in working capital. In the five months ended May 31, 2026, our net cash outflow to operating activities was primarily attributable to our loss before tax of RMB210.2 million, adjusted for the increase of RMB79.9 million in fair value of financial liabilities at FVTPL, the decrease of RMB23.2 million in trade payables and the increase of RMB17.5 million in prepayments, deposit and other receivables. In 2025, our net cash outflow to operating activities was primarily attributable to our loss before tax of RMB919.3 million, adjusted for the increase of RMB927.8 million in fair value of financial liabilities at FVTPL, the decrease of RMB189.5 million in trade payables and the increase of RMB22.5 million in prepayments, deposit and other receivables. In 2024, our net cash outflow to operating activities was primarily attributable to our loss before tax of RMB282.6 million, adjusted for the increase of RMB122.8 million in trade payables, the increase of RMB14.0 million in fair value of financial liabilities at FVTPL and the increase of RMB7.9 million in other non-current assets. See "Financial Information — Liquidity and Capital Resources — Consolidated Statements of Cash Flows" for more details.

Working Capital Sufficiency

Our Directors are of the view that, taking into account the financial resources available to our Group, including cash and cash equivalents, cash flows from operating and financing activities, and the estimated net [**REDACTED**] from the [**REDACTED**], we have sufficient working capital to meet our present requirements and to cover at least 125% of our costs, including research and development expenses and administrative expenses, for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment and lease payments, without taking into account the potential cash inflow from existing licensing and collaboration agreement. We estimate that we will receive net [**REDACTED**] of approximately RMB[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] stated in this document. Assuming an average cash burn rate going forward of 1.1 times the level in 2025, we estimate that (i) our cash and cash equivalents as of May 31, 2026 at RMB604.9 million, will be able to maintain our financial viability for [**REDACTED**] months, (ii) if we take into account [**REDACTED**]% of the estimated net [**REDACTED**] from the [**REDACTED**] (namely, the portion allocated for our working capital and other general corporate purposes), [**REDACTED**] months, or, (iii) if we take into account all estimated net [**REDACTED**] from the [**REDACTED**], [**REDACTED**] months. Directors and our management team will continue to monitor our working capital, cash flows, and our business development progress.

[**REDACTED**]

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, our Single Largest Group of Shareholders, comprising Dr. Cao, Ms. Geng, Ming De Holdings and Radiance C LLC, was able to exercise approximately 36.27% voting rights in our Company. Immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), our Single Largest Group of Shareholders will be entitled to exercise approximately [**REDACTED**]% voting rights in our Company and will remain as our single largest group of Shareholders. There will be no controlling shareholder of our Company under the Listing Rules upon [**REDACTED**]. For details, see "Relationship with Our Single Largest Group of Shareholders" in this document.

OUR PRE-[REDACTED] INVESTMENTS

We conducted five rounds of the Pre-[**REDACTED**] Investments with an aggregate amount of approximately US$240 million from the Pre-[**REDACTED**] Investors, which include private equity and venture capital funds and investment holding companies, among which some have a specific focus on the healthcare industry. OrbiMed Advisors LLC is our sophisticated investor. Immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not

exercised), OrbiMed Advisors LLC, through its affiliates, will hold approximately [**REDACTED**]% of the total issued share capital of our Company. For details, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" in this document.

COLLABORATION AND LICENSING ARRANGEMENTS

We have entered into an exclusive license agreement with Qilu on March 31, 2025 to develop and commercialize MHB088C in Greater China. We granted Qilu an exclusive license to use, produce and manufacture the licensed compound and licensed products within Greater China, and a non-exclusive license to synthesize the payload, linker, linker-payload and B7-H3 antibody for the above purposes. The Qilu Collaboration Agreement does not limit any targeted indications of MHB088C or its form of therapy for Qilu. Prior to the execution date, MHB088C was in a Phase I/II clinical study for solid tumors in China and received IND approval from the FDA to conduct Phase I/II clinical trials for solid tumors in July 2024. We retained global rights to MHB088C outside Greater China and continued to advance our development in these regions. The joint development committee, composed of two members from each of us and Qilu, shall be responsible for overseeing and coordinating the development, transfer, manufacturing and commercialization of the licensed compounds and products. We and Qilu shall be each responsible for remedial actions relating to product liability in our respective territories. Qilu agreed to make us an upfront payment of RMB280 million, milestone payments in an aggregate amount of up to RMB1,065 million for R&D, registration and sales activities, and tiered royalties. As of December 31, 2025, we have received milestone payments of RMB30.0 million. See "Business — Collaboration and Licensing Agreement" for more details.

DIVIDEND

We did not declare or pay dividends on our Shares during the Track Record Period. As of the Latest Practicable Date, we had not adopted a formal dividend policy and did not have any pre-determined dividend payout ratio. See "Financial Information — Dividend" for more details.

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] (including [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), which represent [**REDACTED**]% of the gross [**REDACTED**] from the [**REDACTED**], assuming no Shares are [**REDACTED**] pursuant to the [**REDACTED**]. The above [**REDACTED**] are comprised of (i) [**REDACTED**] expenses of HK$[**REDACTED**], and (ii) non-[**REDACTED**] expenses of HK$[**REDACTED**], including (a) fees and expenses of our legal advisors and reporting accountants of HK$[**REDACTED**], and (b) other fees and expenses of HK$[**REDACTED**]. During the Track Record Period, we incurred [**REDACTED**] of approximately HK$[**REDACTED**]. We expect to incur [**REDACTED**] of approximately HK$[**REDACTED**] after the Track Record Period, approximately HK$[**REDACTED**] of which is expected to be charged to our consolidated statements of comprehensive loss, and approximately HK$[**REDACTED**] of which is attributable to the [**REDACTED**] of Shares and will be deducted from equity upon [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

USE OF [**REDACTED**]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**], after deducting [**REDACTED**], fees and other estimated expenses in connection with the [**REDACTED**] to be paid and payable by us, assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per share. We intend to use the net [**REDACTED**] for the following purposes: (i) approximately [26.0]%, or

HK$[**REDACTED**], will be used for the ongoing and planned clinical development of MHB036C for solid tumors; (ii) approximately [25.0]%, or HK$[**REDACTED**], will be used for the ongoing and planned clinical development of MHB018A for TED; (iii) approximately [7.0]%, or HK$[**REDACTED**], will be used for our ongoing and planned clinical development of the combination therapy between our key products MHB088C (B7-H3 ADC) and MHB039A (PD-1/VEGF bsAb) for 1L+ SCLC and other solid tumors; (iv) approximately [12.0]%, or HK$[**REDACTED**], will be used for the ongoing and planned development and commercialization of our key product MH004; (v) approximately [10.0]%, or HK$[**REDACTED**], will be used to advance and expand our therapeutic pipeline including combination therapies; (vi) approximately [10.0]%, or HK$[**REDACTED**], will be used to expand our commercialization capacities and manufacturing and quality management functions to support the global development and commercialization of our pipeline assets; and (vii) approximately [10.0]%, or HK$[**REDACTED**], will be used for working capital, business development and general corporate purposes, providing financial flexibility to support day-to-day operations and advance our pipeline.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include: (i) We depend substantially on the successful clinical development, regulatory approval and commercialization of our drug candidates. Any failure to achieve the foregoing, or significant delays or cost overruns in the process, could materially and adversely affect our business, financial condition, results of operations and prospects; (ii) if our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or may ultimately be unable to complete, the development and commercialization of our drug candidates; (iii) clinical drug development is a lengthy and expensive process with inherent uncertainties, and we may not be able to commercialize our drug candidates at all; (iv) all material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated; (v) we may face challenges in developing or marketing our drug candidates as combination therapies due to safety, efficacy, or regulatory issues; (vi) the regulatory approval processes of the NMPA, FDA and other comparable regulatory authorities are time-consuming and may evolve over time. If we are unable to obtain without undue delay any regulatory approval for our drug candidates in our targeted markets, our business may be materially and substantially affected; (vii) we face intense competition and rapid technological change, and our competitors may develop therapies that are similar, more advanced, or more effective than ours; and (viii) we currently rely on third parties to manufacture our drug candidates for clinical development, and we may continue to rely on them for initial commercial-scale manufacturing upon regulatory approval. Our business could be adversely affected if those third parties fail to deliver sufficient quantities of quality products.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that up to the date of this document, there has been no material adverse change in our financial, operational or trading positions or prospects of our Group since May 31, 2026 and there is no event since May 31, 2026 which would materially affect the information shown in our consolidated financial statements included in the Accountant's Report included in Appendix I to this document.

In this document, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain other terms are defined in the section headed "Glossary of Technical Terms" in this document.

"Accountant's Report"	the accountant's report of our Company for the Track Record Period from PricewaterhouseCoopers, the text of which is set out in Appendix I to this document
"affiliate(s)"	with respect to any specified 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 (formerly known as the Financial Reporting Council of Hong Kong)
"Articles" or "Articles of Association"	the amended and restated articles of association of our Company conditionally adopted on [●], 2026 with effect from the [**REDACTED**], as amended, supplemented or otherwise modified from time to time, a summary of which is set out in Appendix III to this document
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board of Directors" or "Board"	the board of Directors
"Business Day"	a day on which banks in Hong Kong are open generally for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
"BVI"	British Virgin Islands
	[**REDACTED**]
"Cayman Companies Act" or "Companies Act"	the Companies Act (As Revised) of the Cayman Islands
	[**REDACTED**]
"CDE" or "Center for Drug Evaluation"	the review body under the NMPA responsible for evaluating drug clinical trial and marketing authorization applications in China
"China", "Chinese mainland" or "PRC"	the People's Republic of China, which for the purpose of this document and for geographical reference only, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People's Republic of China

"CIC"	China Insights Industry Consultancy Limited, our industry consultant
"CIC Report"	the industry report commissioned by our Company and independently prepared by CIC, a summary of which is set out in the section headed "Industry Overview" in this document
"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"	Ming Yu Pharmaceutical Limited (明宇制药有限公司), an exempted company with limited liability incorporated in the Cayman Islands on March 8, 2018
"connected person(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
"Core Product(s)"	has the meaning ascribed to it under Chapter 18A of the Listing Rules and in this context, refers to MHB018A and/or MHB036C
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"Dr. Cao"	Dr. CAO Guoqing (曹國慶), the chairperson of our Board, our executive Director, chief executive officer and chief scientific officer, and a member of our Single Largest Group of Shareholders upon [**REDACTED**]
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FDA"	U.S. Food and Drug Administration

[**REDACTED**]

[**REDACTED**]

"Greater China"	Chinese Mainland, the Hong Kong and the Macau Special Administrative Region of the People's Republic of China, and Taiwan
"Group", "our 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 prior to our Company having become the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guide for New Listing Applicants"	the Guide for New Listing Applicants published by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

[**REDACTED**]

[**REDACTED**]

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited

[**REDACTED**]

"Independent Third Party(ies)"	any person(s) or entity(ies) who/which is not a connected person of our Company within the meaning of the Listing Rules

[**REDACTED**]

[**REDACTED**]

"Joint Sponsors", [**REDACTED**]	the joint sponsors, [**REDACTED**] and the [**REDACTED**] as named in the section headed "Directors and Parties Involved in the [**REDACTED**]" in this document
"Latest Practicable Date"	July 1, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document before its publication

[**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 market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Memorandum" or "Memorandum of Association"	the memorandum of association of our Company conditionally adopted on [●], 2026 with effect from the [**REDACTED**], a summary of which is set out in Appendix III to this document
"Ming De Holdings"	Ming De Group Holdings Limited (明德集團控股有限公司), a company incorporated in the BVI with limited liability on February 27, 2018 and wholly owned by Dr. Cao, and a member of our Single Largest Group of Shareholders upon [**REDACTED**]
"Minghui Hangzhou"	Minghui Pharmaceutical (Hangzhou) Co., Ltd. (明慧醫藥(杭州)有限公司), a company incorporated in the PRC with limited liability on July 29, 2019 and a wholly-owned subsidiary of our Company
"Minghui Shanghai"	Minghui Pharmaceutical (Shanghai) Co., Ltd. (明慧醫藥(上海)有限公司), a company incorporated in the PRC with limited liability on April 27, 2018 and a wholly-owned subsidiary of our Company

"Ms. Geng"	Ms. GENG Mei (耿梅), the spouse of Dr. Cao and a member of our Single Largest Group of Shareholders upon [**REDACTED**]
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), the successor to the China Food and Drug Administration (國家食品藥品監督管理總局)
"Nomination Committee"	the nomination committee of our Board

[**REDACTED**]

"PRC Legal Adviser"	Jingtian & Gongcheng, the legal adviser to our Company as to the PRC laws
"Pre-[**REDACTED**] Equity Incentive Plan"	the equity incentive plan approved and adopted by our Company on April 14, 2021, and last amended on November 18, 2025, the principal terms of which are set out in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document
"Pre-[**REDACTED**] Investment(s)"	the investment(s) in our Group before the [**REDACTED**], details of which are set out in the paragraph headed "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" in this document
"Pre-[**REDACTED**] Investor(s)"	the investor(s) who acquired interest in our Group before the [**REDACTED**], details of which are set out in the section headed "History, Development and Corporate Structure" in this document

"Preferred Shares"	Series A Preferred Shares, Series B Preferred Shares, Series B+ Preferred Shares, Series Pre-C Preferred Shares and/or Series C Preferred Shares
	[**REDACTED**]
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"Series A Preferred Shares"	the series A preferred shares in the share capital of our Company with a par value of US$0.00001 each
"Series B Preferred Shares"	the series B preferred shares in the share capital of our Company with a par value of US$0.00001 each
"Series B+ Preferred Shares"	the series B+ preferred shares in the share capital of our Company with a par value of US$0.00001 each
"Series C Preferred Shares"	the series C preferred shares in the share capital of our Company with a par value of US$0.00001 each
"Series Pre-C Preferred Shares"	the series pre-C preferred shares in the share capital of our Company with a par value of US$0.00001 each
"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
"Share(s)"	ordinary share(s) in the share capital of our Company with a par value of US$0.00001 each
"Shareholder(s)"	holder(s) of our Shares or Preferred Shares

"Single Largest Group of Shareholders"	Dr. Cao, Ms. Geng, Ming De Holdings and Radiance C LLC, further details of which are set out in the section headed "Relationship with Our Single Largest Group of Shareholders" in this document
"sophisticated investor(s)"	has the meaning ascribed to it under paragraph 10 of Chapter 2.3 of the Guide for New Listing Applicants

[**REDACTED**]

"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Codes"	the Codes on Takeovers and Mergers and Share Buy-backs published by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026

[**REDACTED**]

"United States" or "U.S."	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time
"US$" or "USD" or "U.S. dollars"	United States dollars, the lawful currency of the United States

[**REDACTED**]

"%"	per cent

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document in connection with our Group and our business. These terms and their meanings may not correspond to standard industry meanings or usage of these terms.

"Active TED"	active thyroid eye disease, marked by active inflammation and rapid symptom progression including pain, swelling, and visual disturbances
"AD"	atopic dermatitis, a chronic, relapsing inflammatory skin disease, which is the most common form of eczema
"ADA"	anti-drug antibody, an antibody produced by the immune system against a biologic. ADAs may adversely affect the efficacy and safety of the biologic
"ADC"	antibody-drug conjugate, a class of biopharmaceutical drugs that comprise an antibody conjugated to a payload molecule, typically a cytotoxic agent, via a chemical linker
"ADCC"	antibody dependent cell-mediated cytotoxicity or antibody-dependent cellular cytotoxicity, a mechanism of cell-mediated immune defense whereby an effector cell of the immune system actively lyses a target cell whose membrane-surface antigens have been bound by specific antibodies
"AE"	adverse event, which may be mild, moderate, or severe, any untoward medical occurrence in a patient or subject receiving a drug or other pharmaceutical product in a clinical trial and which does not necessarily have a causal relationship with the treatment
"AESI"	adverse event of special interest, a specific medical event that has been identified before or during a clinical trial as a potential safety concern associated with the medical product being tested
"antibody"	also known as an immunoglobulin, a protein used by the immune system to recognize and bind an antigen
"anti-VEGF"	anti-vascular endothelial growth factor
"ASCO"	American Society of Clinical Oncology, a leading professional organization for physicians and researchers specializing in cancer care and oncology
"autoimmune"	a condition in which the immune system mistakenly attacks the body's own healthy cells and tissues

GLOSSARY OF TECHNICAL TERMS

"B cell"	a lymphocyte produced and matured in the bone marrow, and when activated by a specific antigen, they differentiate into plasma cells that secrete antibodies and memory B cells that provide long-lasting immunity
"B7-H3"	anti- B7 homolog 3 protein
"B7-H4"	anti- B7 homolog 4 protein
"BC"	breast cancer
"BLA"	biologics license application
"BsAb"	an antibody that combines two antigen-recognizing elements into a single construct, capable of binding to two different antigens simultaneously
"BTK"	Bruton's tyrosine kinase
"CAGR"	compound annual growth rate
"CAS score"	clinical activity score, a validated tool used to measure the inflammatory activity of thyroid eye disease
"CD28"	a protein receptor expressed on the T cell surfaces that provides stimulatory signal
"CD276"	also known as anti- B7 homolog 3 protein (B7-H3)
"CD279"	also known as programmed cell death protein 1 (PD-1)
"CDC"	complement-dependent cytotoxicity, a mechanism by which antibodies bound to the surface of a target cell and trigger the classic complement pathway of the immune system
"CDMO"	contract development and manufacturing organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of development and manufacturing services outsourced on a contract basis
"chemotherapy"	a drug treatment that uses cytotoxic chemicals to kill fast-growing cells in a patient's body. It is most often used as a cancer treatment because cancer cells grow and multiply much faster than most other cells in the body

GLOSSARY OF TECHNICAL TERMS

"Chronic TED"	chronic thyroid eye disease, a stage that follows the initial active/inflammatory phase
"CI"	confidence interval, a statistical range that is likely to contain the true value of an unknown population parameter with a specified degree of confidence, often 95% or 99%
"clinical trial/study"	a research study carried out in human for validating or finding the therapeutic effects and side effects of test drugs in order to determine the therapeutic value and safety of such drugs
"CMC"	chemistry, manufacturing and controls, also commonly referred to as process development, covering the various procedures used to assess the physical and chemical characteristics of drug products, and to ensure their quality and consistency during manufacturing
"c-Met"	a receptor tyrosine kinase encoded by the MET gene
"CO2"	carbon dioxide
"cohort"	a group of patients as part of a clinical trial who share a common characteristic or experience within a defined period and who are monitored over time
"combination study" or "combination trial"	a clinical trial that tests more than one therapeutic agent or treatment methods
"combination therapy"	a treatment that uses more than one medication or modality
"CR"	complete response, the disappearance of all signs of cancer in response to treatment
"CRO"	contract research organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
"CRPC"	castration-resistant prostate cancer
"CSO"	contract sales organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of services for the development and commercialization of new drugs, medical devices, and other healthcare products
"CTN"	clinical trial notification, a notice to the EMA on clinical study details

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"DAR"	drug-to-antibody ratio, the average number of drug molecules attached to each antibody in an ADC
"DCR"	disease control rate, the total proportion of patients who demonstrate a response to treatment, equal to the sum of complete responses (CR), partial responses (PR) and stable disease (SD)
"DLT"	dose-limiting toxicity, toxicities of a drug or other treatment that are serious enough to prevent an increase in dose or level of that treatment
"DNA"	deoxyribonucleic acid, a molecule that contains genetic instructions
"DOR"	duration of response, the length of time that a tumor continues to respond to treatment without the cancer growing or spreading
"dose escalation study"	a type of study where different doses of an agent (e.g. a drug) are tested against each other to establish which dose works best and/or is least harmful
"dose expansion study"	a type of study that enrolls additional participants to typically further evaluate efficacy, safety, tolerability, pharmacokinetics, and pharmacodynamics
"Dxd"	deruxtecan, a potent topoisomerase I inhibitor used as the cytotoxic payload in benchmark ADCs
"EASI-75"	a clinical efficacy endpoint commonly used in atopic dermatitis, where a patient has achieved at least a 75% improvement from baseline on the Eczema Area and Severity Index
"EGFR-mutant"	cells or tissues harboring mutations in the EGFR gene, which can affect receptor function and are often associated with certain types of cancer
"EOP2 meeting"	end of Phase II meeting, a formal meeting held after Phase II with the regulation authority to conclude Phase II and agree on the Phase III trial design
"ESCC"	esophageal squamous cell carcinoma
"ES-SCLC"	extensive-stage small cell lung cancer, an advanced form of SCLC
"Fc"	crystallizable fragment, which is the tail region of an antibody that interacts with cell surface receptors called Fc receptors and some proteins of the complement system

GLOSSARY OF TECHNICAL TERMS

"FDA"	the U.S. Food and Drug Administration, responsible for ensuring the safety, efficacy, and quality of drugs, biologics, and medical devices
"first-in-human" or "FIH"	the initial clinical trials conducted in human subjects after preclinical research and animal testing
"first-line" or "1L"	with respect to any disease, the first line treatment refers to the treatment regimen or regimens that are generally accepted by the medical establishment for initial treatment. It is also called primary treatment or therapy
"FPI"	first patient in, the date on which the first participant is enrolled into a clinical study
"F-VASI"	facial vitiligo area scoring index, a subset of VASI that focuses on changes in vitiligo affecting the face
"GCP"	good clinical practice, an international ethical and scientific quality standard for the performance of a clinical trial on medicinal products involving humans
"GFA"	gross floor area, total area of all floors within a building
"GGFG-Dxd"	GGFG peptide linked to deruxtecan payload
"GGFG-MH toxin"	GGFG peptide linked to our in-house toxin
"GLP"	Good laboratory practice, an internationally recognized standard that governs how non-clinical laboratory studies are designed
"GMP"	the aspects of quality assurance that ensure that medicinal products are consistently produced and controlled to the standards required for their intended use
"HER2-negative" or "HER2-"	HER2 status of tumor cells identified with a test score of IHC 0, IHC 1+ or IHC 2+/ISH-, which can be further classified into HER2-low and HER2-null
"HER2-positive" or "HER2+"	HER2 status of tumor cells identified with a test score of either IHC 3+ or IHC 2+/ISH+
"HR+"	hormone receptor positive
"I/O"	immuno-oncology, a therapeutic approach that harnesses the body's own immune system to recognize, attack, and eliminate cancer cells
"I/O 1.0"	first generation of immuno-oncology

GLOSSARY OF TECHNICAL TERMS

"I/O 2.0"	second generation of immuno-oncology
"IC_{50}"	half-maximal inhibitory concentration, a quantitative measure that indicates the drug concentration needed to reduce a biological process by 50% compared to a control
"IFN-γ"	interferon gamma, a cytokine for activation and regulation of the immune system
"IGA-TS"	investigator's global assessment — treatment success, a clinical endpoint used in atopic dermatitis. It is defined as the proportion of patients achieving an IGA score of 0 (clear skin) or 1 (almost clear skin) with Grade ≥2 improvement from baseline
"IGF-1"	insulin-like growth factor 1
"IGF-1R"	insulin-like growth factor 1 receptor
"IGF-2"	insulin-like growth factor 2
"IgG"	immunoglobulin G, the most common type of antibody found in blood circulation that plays an important role in antibody-based immunity against invading pathogens
"IL-6"	interleukin 6, a cytokine produced by various immune and non-immune cells for regulation, inflammation, and hematopoiesis
"IL-8"	interleukin 8, a pro-inflammatory chemokine produced by various immune and non-immune cells for inflammation
"IL-10"	interleukin 10, a regulatory protein produced by immune cells for anti-inflammation
"IL-16"	interleukin 16, an immunomodulatory and pro-inflammatory cytokine produced by various immune and non-immune cells
"ILD"	interstitial lung disease, a disease caused by progressive scarring and inflammation of the lung interstitium
"immunotherapy"	a type of therapy that uses substances to stimulate or suppress the immune system to help the body fight cancer, infection, and other diseases
"*in vitro*"	Latin for "within the glass", referring to studies that are performed with microorganisms, cells, or biological molecules outside their normal biological context

GLOSSARY OF TECHNICAL TERMS

"*in vivo*"	Latin for "within the living", studies *in vivo* are those in which the effects of various biological or chemical substances are tested on whole, living organisms including animals, humans and plants, as opposed to a partial or dead organism, or those done *in vitro*
"IND"	investigational new drug, the application for which is the first step in the drug review process by regulatory authorities to decide whether to permit clinical trials
"indication"	a specific condition, disease, or medical purpose for which a drug, treatment, or medical device is intended or approved for use
"IV"	intravenous, administration of medications directly into a vein
"JAK"	Janus kinase family, includes four distinct kinases: JAK1, JAK2, JAK3, and TYK2, all of which play essential and unique roles in immune system function, hematopoiesis, inflammation, and development
"JAKi"	inhibitor of Janus kinase
"LC"	lung cancer
"linker"	one of the three core components of an ADC. A linker connects the antibody and payload via chemical bonds
"LTS"	long-term safety
"mAb" or "monoclonal antibody"	an antibody generated by identical immune cells that are all clones of the same parent cell
"mCRPC"	metastatic castration-resistant prostate cancer
"MOA"	mechanism of action, the specific biochemical process or molecular interaction through which a drug, treatment, or substance produces its intended effect in the body
"metastatic"	in reference to any disease, including cancer, disease producing organisms or malignant or cancerous cells transferred to other parts of the body by way of the blood or lymphatic vessels or membranous surfaces
"monotherapy"	therapy that uses a single drug to treat a disease or condition
"mPFS"	median progression-free survival
"MTD"	maximum tolerated dose, the highest dose of a drug or treatment that does not cause unacceptable side effects

"NDA"	new drug application
"NDRL"	National Drug Reimbursement List
"NMPA"	the National Medical Products Administration of the PRC (中華人民共和國國家藥品監督管理局)
"NSCLC"	non-small cell lung cancer
"off-target toxicity"	adverse effects that occur when a drug binds to targets other than those for which it was designed to bind
"oncology"	a branch of medicine that deals with tumors, including the study of their development, diagnosis, treatment, and prevention
"ORR"	overall objective response rate, the proportion of patients with a complete response or partial response to treatment
"OS" or "overall survival"	the length of time from either the date of diagnosis or the start of treatment for a disease which patients diagnosed with the disease are still alive. It is used in clinical trials to measure a drug's effectiveness
"pan-Src"	the broad Src family of tyrosine kinases
"partial response" or "PR"	defined as at least a 30% but less than 100% decrease in the size of a tumor or the extent of cancer in the body in response to treatment, according to RECIST
"payload"	one of the three core components of an ADC. Payloads are conventionally highly active and cytotoxic molecules attached to an antibody via a chemical linker. Noncytotoxic payloads have recently emerged as novel ADC strategies for oncology and non-oncology indications
"PCT"	Patent Cooperation Treaty, an international treaty that allows inventors to seek patent protection for an invention through a single international patent application
"PD-(L)1"	referring to PD-1 or PD-L1
"PD-1"	programmed cell death protein 1, an immune checkpoint receptor expressed on T cells, B cells and macrophages
"PD-1/VEGF bsAb"	bispecific antibody designed to simultaneously target and block both PD-1 and VEGF

"PD-L1"	PD-1 ligand 1, which is a protein on the surface of a normal cell or a cancer cell that binds to its receptor, PD-1, on the surface of the T cell that causes the T cell to turn off its ability to kill the cancer cell
"PD-L2"	PD-1 ligand 2, which is a protein found mainly on activated T cells and other immune cells that binds to its receptor, PD-1, on the surface of the T cell that causes the T cell to turn off its ability to kill the cancer cell
"PFS"	progression-free survival, the length of time during and after the treatment of a disease, such as cancer, that a patient lives without the disease getting worse
"pharmacodynamics" or "PD"	the study of how a drug affects the body, including its mechanism of action, therapeutic effects, and potential side effects
"pharmacokinetics" or "PK"	pharmacokinetics, the study of the bodily absorption, distribution, metabolism, and excretion of drugs, which, together with pharmacodynamics, influences dosing, benefit, and adverse effects of the drug
"Phase I clinical trial"	a study in which a drug is introduced into healthy human participants or patients with the target disease or condition and tested for safety, dosage, tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase II clinical trial"	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the drug for specific targeted disease, and to determine dosage tolerance and optimal dosage
"Phase III clinical trial"	a study in which a drug is administered to an expanded patient population at geographically dispersed clinical trial sites to generate statistically sufficient data to evaluate the efficacy and safety of the drug for regulatory approval and to provide adequate information for the labeling of the product
"PIs"	principal investigators, the qualified healthcare professionals to design, oversee and execute clinical trials
"placebo"	a medical treatment or preparation with no specific pharmacological activity
"PoC"	proof-of-concept

GLOSSARY OF TECHNICAL TERMS

"preclinical study"	a study testing a drug on non-human subjects, to gather efficacy, toxicity, pharmacokinetic and safety information and to decide whether the drug is ready for clinical trials
"primary endpoint"	the main or most important outcome at the end of a study to assess the effect of the drug being investigated
"progressive disease"	the worsening or growth of tumors, indicating treatment is ineffective
"PSMA"	prostate-specific membrane antigen
"Q2W", "Q3W" and "Q4W"	dosing frequency referring to "once every two weeks", "once every three weeks" and "once every four weeks", respectively
"R&D"	research and development
"RECIST"	Response Evaluation Criteria in Solid Tumors, a set of published rules that define when tumors in cancer patients improve (respond), stay the same (stabilize), or worsen (progress) during treatment with a focus on measuring tumor size and its progress over time to assess treatment effectiveness. The criteria were published in February 2000 by an international collaboration including the European Organization for Research and Treatment of Cancer, National Cancer Institute of the United States, and the National Cancer Institute of Canada Clinical Trials Group, and were subsequently updated in 2009. Now the majority of clinical trials worldwide evaluating cancer treatments for objective response in solid tumors use RECIST
"relapsed"	when used in reference to any disease, including cancer, the return of a disease or the signs and symptoms of a disease after a period of improvement. With respect to cancer, the likely relapse occurs because a few of the original cancer cells survived the initial treatment. Sometimes, this is because cancer cells spread to other parts of the body and were too small to be detected during the follow-up immediately after treatment
"RIPK3"	receptor-interacting protein kinase 3
"RP2D"	recommended Phase II dose, the dose of a drug that is chosen to move forward into Phase II clinical trials. It is based on data from Phase I studies, where the primary goal is to evaluate safety, tolerability, pharmacokinetics (PK), and sometimes early signs of efficacy

GLOSSARY OF TECHNICAL TERMS

"RP3D"	recommended Phase III dose, the dose identified through preceding clinical studies as optimally balancing safety, tolerability, and therapeutic potential, and is therefore selected for confirmatory evaluation of efficacy and safety in Phase III trials
"SAE"	serious adverse event, an adverse event that results in death, or is life-threatening, or requires in-patient hospitalization or causes prolongation of existing hospitalization, or results in persistent or significant disability or incapacity, or is a congenital anomaly or birth defect
"SCLC"	small-cell lung cancer
"secondary endpoint"	an additional outcome measure in a clinical trial used to evaluate the effects of a treatment, providing supplementary information on efficacy and safety, such as quality of life or biomarker changes
"second-line" or "2L"	with respect to any disease, the therapy or therapies that are given when initial treatments (first-line therapy) do not work, or stop working
"SMO"	site management organization, a service provider that delivers operational and administrative support to clinical investigators at research sites
"solid tumors"	abnormal masses of tissue that usually do not contain cysts or liquid areas. Solid tumors may be benign (not cancer), or malignant (cancer). Different types of solid tumors are named for the type of cells that form them, such as carcinomas (cancers starting in epithelial cells) and lymphomas (cancers originating in lymphocytes)
"SS"	safety analysis set, refers to the group of participants who actually receive any amount of the study treatment
"standard of care"	treatment accepted by medical experts as proper for a certain type of disease and widely used by healthcare professionals
"Sub-Q"	subcutaneous injection that delivers drug into the layer of tissue beneath the skin and above the muscle
"T cell"	a lymphocyte produced or processed by the thymus gland, actively participating in the immune response and playing a central role in cell-mediated immunity. T cells are distinguished from other lymphocytes, such as B cells and NK cells, by the presence of a T cell receptor on their surface

GLOSSARY OF TECHNICAL TERMS

"TAA"	tumor-associated antigen, a molecule that is abnormally or overexpressed on the surface of tumor cells compared to normal tissues
"TEAE"	treatment-emergent adverse event, either an adverse event that starts after the initiation of the study medication or one that existed before study medication but worsened in severity after the initiation of study medication
"TED"	including active TED and chronic TED
"therapeutic window"	the range of drug dosages that can treat disease effectively without having significant toxic effects, or the time interval during which a particular therapy can be given safely and effectively
"TNBC"	triple-negative breast cancer, a subtype of invasive breast cancer that lacks the key receptor and do not respond to hormonal therapies or HER2 treatments
"TNF-α"	tumor necrosis factor alpha, a key pro-inflammatory cytokine produced mainly by activated immune cells
"Topo I"	topoisomerase I, an enzyme that reduces winding in DNA by breaking and rejoining one or both strands of the DNA molecule
"TRAE"	treatment-related adverse event, undesirable events not present prior to medical treatment or an already present event that worsens in intensity or frequency as a result of the treatment
"TROP-2"	trophoblast cell surface antigen 2, a type I transmembrane glycoprotein that is overexpressed in epithelial cancers
"VC period"	vehicle controlled period, a period when the participants receive a treatment that consists only of the inert drug formulation base without active ingredient
"VEGF"	vascular endothelial growth factor, a signal protein that is pivotal in stimulating the growth of new blood vessels and lymphatic vessels
"VEGFR"	vascular endothelial growth factor receptor
"VHH-based antibody"	variable domain of heavy-chain-only antibodies
"VHH-Fc fusion protein"	an antibody that combines the antigen-binding domain of VHH with Fc region
"Vitiligo"	a long-term skin condition in which areas of skin lose their normal pigment because of the attack of immune system on pigment-producing cells
"WCLC"	World Conference on Lung Cancer, an annual conference of International Association for the Study of Lung Cancer

FORWARD-LOOKING STATEMENTS

This document contains 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, the following:

- our business strategies and plans to achieve these strategies;
- our ability to complete the development and obtain the relevant requisite regulatory approvals of our product candidates;
- our ability to attract customers and further enhance our brand recognition;
- our financial conditions and performance, future debt levels and capital needs;
- changes in competitive conditions and our ability to compete under these conditions;
- future developments, trends, conditions and changes to the political and regulatory environment in the industry and markets in which we operate;
- general economic, political and business conditions in the markets in which we operate;
- effects of the global financial markets and economic crisis;
- our dividend policy, if any; and
- change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

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 sections headed "Business" and "Financial Information" in 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.

The forward-looking statements are based on our 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. 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.

An [**REDACTED**] *in our Shares involves significant risks. You should carefully consider all the information in this document, including the risks and uncertainties described below, before making an* [**REDACTED**] *decision. We are a biotechnology company incorporated in the Cayman Islands with primary operations in China, seeking to* [**REDACTED**] *on the* [**REDACTED**] *under Chapter 18A of the Listing Rules. Our business and the biopharmaceutical industry are subject to risks and uncertainties, some beyond our control, which could materially and adversely affect our business, financial condition, results of operations and prospects. The occurrence of any of these risks could cause the* [**REDACTED**] *of our Shares to decline, potentially resulting in the loss of all or part of your* [**REDACTED**]. *Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also harm our business. You should seek professional advice from relevant advisors regarding your prospective* [**REDACTED**] *in the context of your specific circumstances.*

RISKS RELATING TO THE DEVELOPMENT OF OUR DRUG CANDIDATES

We depend substantially on the successful clinical development, regulatory approval and commercialization of our drug candidates. Any failure to achieve the foregoing, or significant delays or cost overruns in the process, could materially and adversely affect our business, financial condition, results of operations and prospects.

As of the Latest Practicable Date, all of our drug candidates were in various phases of preclinical and clinical development. We have invested and expect to continue to invest significant resources and financial efforts into the development of our existing drug candidates. The success of our drug candidates depends on several critical factors, including: successful completion of preclinical and clinical studies; obtaining positive clinical trial results that demonstrate the efficacy, safety and durable effect of our drug candidates; receipt of regulatory approvals for clinical trials and drug registrations, manufacturing and commercialization; successful identification of potential drug candidates through our research, business development methodologies, or defined search criteria and processes; securing sufficient resources to acquire or discover additional drug candidates; establishing commercial manufacturing capabilities, either by building facilities ourselves or collaborating with CROs and CDMOs; ensuring that our CROs, CDMOs and other third-party partners conduct their activities in compliance with our protocols and applicable regulations while maintaining data integrity; obtaining, maintaining and enforcing intellectual property ("IP") protection and regulatory exclusivity for our drug candidates; ensuring we do not infringe, misappropriate, or otherwise violate the IP rights of third parties; successfully launching commercial sales of our drug candidates in targeted markets; appropriately pricing our drug candidates and timely collecting payments; obtaining and maintaining favorable reimbursement policies from government and private third-party payers; navigating competition with other comparable products in the market; and continued acceptable safety profile of our drug candidates following regulatory approval.

Some of our drug candidates, such as our ADC assets, represent novel therapeutic approaches that may require additional preclinical or clinical development and regulatory scrutiny compared to more commonly used modalities. If we do not achieve one or more of these factors in a timely manner, or at all, we may experience significant delays or encounter difficulties in obtaining regulatory approvals for and/or commercializing our drug candidates.

If our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or may ultimately be unable to complete, the development and commercialization of our drug candidates.

We must conduct extensive clinical trials to demonstrate the safety and efficacy of our drug candidates in humans. If the results of these studies and trials are inconclusive, only modestly positive for the proposed indications, or raise safety concerns, we may face the following consequences: delays in or failure to obtain regulatory approval for our drug candidates; requirements to conduct additional preclinical studies, clinical trials, or other testing beyond our

current development plans; approval for indications that are narrower than intended; requirements to include labeling statements, such as a "boxed" warning or contraindication; requirements to develop medication guides outlining side effect risks for distribution to patients; implementation of risk evaluation and mitigation strategy programs, which may include restricted distribution methods, patient registries, or other risk management measures; restrictions on how the product is distributed or used; significant liabilities, including potential product liability claims or lawsuits for injuries caused by our drug candidates; or inability to secure reimbursement for the use of the product.

A major risk we face is that our preclinical studies and clinical trials may yield inconclusive results regarding the safety and efficacy of our drug candidates, fail to meet clinical endpoints with statistical and clinically meaningful significance, or reveal safety concerns that could delay or prevent regulatory approval. Variability in safety or efficacy results across different studies or trials of the same drug candidate may arise due to changes in trial protocols, differences in the size or characteristics of patient populations, adherence to clinical trial protocols, or participant dropout rates, all of which could further complicate the development process.

The use of our drug candidates may result in side effects. If clinical trials reveal side effects with unacceptable severity or prevalence, regulatory authorities may suspend or terminate our trials, order us to cease further development, or deny approval for any or all targeted indications. In such cases, we may need to abandon development or limit it to narrower uses or subpopulations where the side effects are less prevalent, less severe, or more acceptable from a risk-benefit perspective. Treatment-related side effects could also adversely affect patient recruitment, increase participant dropout rates, or lead to potential product liability claims.

Clinical drug development is a lengthy and expensive process with inherent uncertainties, and we may not be able to commercialize our drug candidates at all.

Our drug candidates are susceptible to risks of failure inherent at any stage of development, including the occurrence of unexpected or unacceptable adverse events and failure to demonstrate efficacy. We may encounter unexpected events during clinical trials that could delay or prevent regulatory approval, including: regulators not authorizing us or our investigators to conduct a clinical trial at a prospective site; additional clinical trials required due to negative or inconclusive results; insufficient or slower-than-anticipated patient enrollment, or higher-than-expected dropout rates; suspension or termination of trials due to lack of clinical response or unacceptable health risks; failure of CROs to comply with regulatory requirements or meet contractual obligations in a timely manner; inadequate supply or quality of drug candidates or other materials necessary for clinical trials; or higher-than-anticipated trial costs. For example, our global multi-center Phase III clinical trials for MHB018A require effective site selection, trial conduct, data management and quality control across jurisdictions, and any difficulties in these areas may increase our research and development costs or extend the trial duration. The development of MHB036C in combination with MHB039A may also involve additional regulatory requirements or uncertainties, as both are investigational drug candidates, which may result in protocol amendments, additional studies or delays in clinical development.

Results of early-stage clinical trials may not be predictive of later-stage trial outcomes.

Drug candidates that show promise in early studies may fail to demonstrate the desired safety or efficacy in later-stage trials. A few companies in the biopharmaceutical industry have experienced significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Variability in safety or efficacy results across trials of the same drug candidate may arise from differences in patient populations including genetic variations or pre-existing conditions, patient adherence to dosing regimens, trial protocol modifications, or participant dropout rates. Furthermore, as drug candidates progress towards approval and commercialization, it is customary that various aspects of the development program, such as manufacturing and formulation, be altered along the way in an effort to optimize processes and results. Such changes carry the risk that they may not achieve their intended objectives, potentially leading to inconsistent trial results or delays in trial completion.

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

The timely initiation and completion of clinical trials depend on our ability to enroll a sufficient number of eligible subjects who meet the applicable criteria and remain in the trial until its conclusion. Subject enrollment for our clinical trials may be affected by numerous factors, including: the size and nature of the relevant patient population; the design and eligibility criteria of the clinical trial; perceived risks and benefits of the drug candidate under study; the severity of the disease being investigated; the availability of competing therapies or clinical trials; our resources to facilitate timely enrollment; physician referral practices; our ability to obtain and maintain subject consents; the efforts of investigators or clinical trial sites to screen and recruit eligible subjects; the proximity and availability of clinical trial sites for prospective subjects; and external disruptions such as natural disasters, health epidemics, or other public events.

These factors could lead to insufficient enrollment or higher-than-anticipated dropout rates, which may increase trial costs, delay timelines, or affect the outcome of planned clinical trials. In addition, some of our competitors may have ongoing clinical trials for drug candidates targeting the same indications as ours, and eligible subjects may instead participate in those trials, further complicating our clinical trial enrollments. Also, delays in enrollment could result in increased development costs, disrupt the timing of clinical trials, or compromise trial outcomes, potentially preventing the completion of these trials. In particular, given the ongoing clinical development of IGF-1R-targeting agents and other TED therapies in the U.S. and TROP-2 ADC candidates for NSCLC and BC in Chinese Mainland, we may face increased competition for clinical trial sites, investigators and eligible patients. This may affect our site selection, patient enrollment speed and ability to execute the planned clinical trials for MHB018A and MHB036C within the expected timelines, potentially delaying their clinical development and market entry.

Adverse events caused by our drug candidates could interrupt, delay, or halt our clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved drug, or result in significant negative consequences following regulatory approval.

Undesirable adverse events caused by our drug candidates could prompt us or regulatory authorities to interrupt, delay, or halt clinical trials, impose a more restrictive label, delay or deny regulatory approval, or necessitate significant changes to our clinical protocols or overall development plan. Product-related adverse events could also hinder patient recruitment, increase dropout rates, or lead to potential product liability claims, any of which could significantly harm our reputation and development efforts. If our drug candidates receive regulatory approval, adverse events caused by such drugs, whether used alone, in combination with other products, or through off-label use, could lead to significant negative consequences, including: suspension of product marketing; additional warnings or safety alerts on the product label; implementation or expansion of a risk evaluation and mitigation strategy (REMS), such as restricted distribution or patient registries; requirements to conduct post-market studies; changes in the way the product is administered; product recalls or liability claims for harm caused to patients; withdrawal of approvals or revocation of licenses; and reputational damage.

All material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated.

All jurisdictions in which we plan to develop and commercialize our drug candidates impose rigorous regulatory oversight. Our primary focus is on conducting activities in Chinese Mainland while pursuing opportunities in the U.S. and other regions. The pharmaceutical and biopharmaceutical industries in these jurisdictions are governed by extensive regulations covering the development, approval, manufacturing, marketing, sales, and distribution of products. However, variations in regulatory frameworks across these regions create a complex and costly compliance burden for our operations.

Obtaining regulatory approvals and maintaining compliance with applicable laws and regulations demand significant time and financial resources. Changes in legislation or regulatory practices, such as relaxed requirements that lower barriers for competitors or stricter standards that

increase compliance challenges, could raise the cost and difficulty of securing approvals and commercializing our drug candidates, potentially impacting the prices we can charge. We are also subject to periodic, scheduled, or unscheduled inspections of our facilities to ensure regulatory compliance. We may not continue to successfully pass such inspections or obtain necessary clearances for our drug candidates' discovery and development.

The regulatory approval processes of the NMPA, FDA and other comparable regulatory authorities are time-consuming and may evolve over time. If we are unable to obtain without undue delay any regulatory approval for our drug candidates in our targeted markets, our business may be materially and substantially affected.

We cannot assure you that any of our drug candidates will receive timely approval. Our drug candidates could fail to receive approval for reasons including: failure to initiate or complete clinical trials due to disagreements with regulatory authorities; inability to demonstrate that a drug candidate is safe, effective, pure, or potent for its proposed indication; clinical trial results failing to meet the level of statistical significance required for approval; data integrity issues related to our clinical trials; disagreement with our interpretation of preclinical or clinical trial data; failure to conduct clinical trials in accordance with our clinical trial protocols; deviations by clinical sites, investigators, or participants from trial protocols or regulatory requirements; and failure to pass GCP or GMP inspections.

Regulatory authorities may require additional data, analyses or studies to support application, which could delay or prevent approval and disrupt our commercialization plans. For example, following our initial NDA submission for MH004 for AD in May 2025, the CDE recommended in December 2025 that the NDA be resubmitted after completion of the safety follow-up for all subjects in the Phase III clinical trial for mild to moderate AD. We therefore withdrew the initial NDA and resubmitted it in March 2026 with the complete safety follow-up data. The NMPA accepted the resubmitted NDA for review in April 2026. We may also choose to abandon development programs if approval seems unattainable. Changes in regulatory requirements, guidance, or policies may necessitate amendments to clinical trial protocols, increasing costs and timelines. New regulations or shifts in existing ones could further limit or delay approval of our drug candidates.

In addition, clinical trials conducted in one jurisdiction may not be accepted by regulators in others, and approval in one country does not ensure approval elsewhere. Variations in approval processes across jurisdictions may require additional testing, validation, or administrative reviews, leading to significant delays and costs. We cannot assure you our drug candidates will be approved for sale in those markets. Additional time, effort and expense may be required to bring our drug candidates to the international markets in compliance with different regulatory processes.

We entered into a collaboration agreement with Qilu Pharmaceutical ("Qilu") for the future development of our key product MHB088C, and the success of this collaboration, as well as any additional strategic partnerships we may pursue in the future, may have an impact on our business operations.

On March 31, 2025, we entered into a licensing and collaboration agreement with Qilu for the development, manufacturing, and commercialization of its MHB088C (B7-H3 ADC) in Greater China. See "Business — Collaboration and Licensing Agreement." In performing such licensing and collaboration agreement, we may face the following risks in our business operation: our authority to commercialize our drugs will be limited in certain ex-China jurisdictions; Qilu may execute its rights to terminate the agreement if conditions therein are met, which may cause us a loss or affect our marketing and commercialization plans; we may have disputes with Qilu regarding the IP ownership and license and may lose the IP ownership and license of our future R&D achievements; Qilu may not pay the consideration in accordance with the collaboration agreement, which may affect the development and the commercialization of our drug candidate; we may trigger certain clause and may have to indemnify, defend and hold harmless Qilu in accordance with the

collaboration agreement, which may cause a significant financial loss to us; we may fail to achieve the outcome provided in the agreement and may not be able to license or commercialize our candidate drug through the collaboration agreement; we or Qilu may fail to comply with development, manufacturing, and marketing of the candidate drug, which may lead to the postponement or even failure of the development of the candidate drug; and we may experience other potential effect in performing this collaboration agreement and our business operation may be further affected by such.

Under the Qilu Collaboration Agreement, Qilu may terminate the agreement if we commit an uncured material breach or become insolvent. In such circumstances, all licenses and other rights granted to Qilu would terminate, and we may (i) lose access to the remaining development, regulatory and sales milestone payments and royalties that we would otherwise be entitled to under the agreement, and (ii) be required to reassume or reallocate development, manufacturing and commercialization responsibilities for MHB088C in Greater China or identify a new partner. This could increase our costs, lead to delays or disruption in the timing and scale of our planned launch, and adversely affect our marketing and commercialization plans. Even if Qilu and us perform the collaboration agreement as anticipated, we cannot guarantee that we can acquire the outcome as we expected. Also, the successful performance of such agreement cannot guarantee the commercialization of and the profit from our candidate drug. In addition, we may in the future seek to establish other strategic collaborations or partnerships to support the development and commercialization of our product pipeline. We may not be able to identify suitable business partners on commercially acceptable terms, or at all. Even if such partnerships are established, they may not deliver the anticipated benefits, may not perform as expected, or may be subject to disputes or changes in strategic direction.

We may allocate our limited resources to pursue a particular drug candidate or indication, and as a result, may forgo or delay to capitalize on drug candidates or indications that could prove more profitable or have a greater likelihood of success.

As we have limited financial and managerial resources, we must make strategic decisions regarding the allocation of funds and personnel to specific drug candidates and therapeutic indications. These decisions may cause us to overlook or delay the development of other drug candidates or indications that may ultimately have greater commercial potential or a higher probability of regulatory approval. If we do not accurately evaluate the commercial potential or target market for a particular drug candidate, we may pursue less viable programs, resulting in inefficient use of resources. Furthermore, prioritization of certain clinical development programs may lead to delays in initiating or continuing clinical trials for other drug candidates due to insufficient resources. Such delays could increase development costs, extend timelines, or allow competitors to bring similar products to market before us, potentially shortening the periods during which we have exclusive commercialization rights.

We work with various third parties to develop our drug candidates. If these third parties fail to duly perform their contractual obligations or meet expected timelines, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially and adversely affected.

We have worked with and may continue to work with third parties including CROs, CDMOs and clinical trial institutions, on our ongoing preclinical and clinical programs. We rely on these parties to execute our preclinical studies and clinical trials and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal and regulatory requirements, and scientific standards, including Good Clinical Practice (GCP) and Good Manufacturing Practice (GMP) regulations enforced by the NMPA, the FDA and other comparable regulatory authorities.

If any of our relationships with these third-party CROs or CDMOs terminate, we may not be able to enter into arrangements with alternative CROs or CDMOs or do so on commercially reasonable terms. In addition, our CROs and CDMOs are not our employees, and except for

remedies available to us under our agreements with them, we cannot control whether they devote sufficient time and resources to our ongoing clinical and non-clinical programs. If CROs or CDMOs do not carry out their contractual duties or meet expected deadlines, if they need to be replaced, or if the quality or accuracy of the clinical data they or our clinical investigators obtain is compromised, our clinical trials may be extended, delayed, or terminated, and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates.

If we cannot maintain or develop clinical collaborations and relationships with our principal investigators, key opinion leaders, physicians and experts, our results of operations and prospects could be adversely affected.

Our relationships with principal investigators, key opinion leaders ("KOLs"), physicians, and other industry experts play a critical role in our research, development and marketing activities. We have established extensive interaction channels with these industry participants to gain first-hand knowledge of clinical needs and clinical practice trends, which is essential to our ability to develop market-responsive drugs. However, we cannot assure you that we will be able to maintain or strengthen our clinical collaborations and relationships with principal investigators, KOLs, physicians and other industry experts, or that our efforts to maintain or strengthen such relationships will lead to the successful development and marketing of new products. These industry participants may leave their roles, change their business or practice focus, choose to no longer cooperate with us, or collaborate with our competitors instead. Their market insights and perceptions may be inaccurate and lead us to develop products that do not have significant market potential. Even if their insights and perceptions are correct, we may fail to develop commercially viable products.

We may be unable to discover or develop new drug candidates, or to identify additional therapeutic opportunities for our drug candidates to maintain or expand our product pipeline.

The long-term success of our business depends in part on our ability to discover, develop, license, or commercialize additional drug candidates to maintain and expand our product pipeline. Our research programs or licensing efforts may fail to yield viable new drug candidates for clinical development and commercialization for various reasons, including: the research methodologies employed may not successfully identify potential indications or new drug candidates; potential drug candidates may, upon further study, exhibit adverse effects or other characteristics that render them unlikely to achieve the desired efficacy; or identifying additional therapeutic opportunities or developing suitable new candidates may demand greater resources than available, thereby constraining our ability to diversify and expand our product portfolio.

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

The global biopharmaceutical market is continuously evolving, and we must keep pace with new technologies and methodologies to maintain our competitive position. In 2024, 2025 and the five months ended May 31, 2025 and 2026, our R&D expenses were RMB280.7 million, RMB230.3 million, RMB60.1 million and RMB120.0 million, respectively. We cannot assure you that we will successfully develop, enhance, or adapt to new technologies and methodologies, identify new technological opportunities, develop and bring new or enhanced products to market, obtain sufficient IP protection for such products, or secure necessary regulatory approvals in a timely and cost-effective manner. Failure to achieve these objectives could render our technologies obsolete or less competitive, particularly if competitors adopt more advanced methodologies.

We may face challenges in developing or marketing our drug candidates as combination therapies due to safety, efficacy, or regulatory issues.

We are developing certain drug candidates for use in combination with other drug candidates. For example, we are actively exploring the combination potential of MHB036C and MHB039A. See "Business — Our Product Pipeline" for details. If the regulatory authorities revoke approval of any of our drug candidates intended for combination use, we may be unable to develop or market the affected drug candidates as planned combination therapies. Additionally, if safety or efficacy

concerns emerge with these drug candidates when used in combination, we may face significant regulatory delays, requiring us to redesign or terminate applicable clinical trials. Furthermore, manufacturing issues or other factors leading to a supply shortage of our drug candidates intended for combination use could prevent us from completing clinical development on our current timeline or within budget, or at all. If we discontinue any of our drug candidates intended for combination therapies or if they become prohibitively expensive to produce, we may be unable to identify or develop alternative combination strategies in a timely manner or on commercially reasonable terms.

We may seek approvals from the NMPA, the FDA, or other comparable regulatory authorities to use data from registrational trials through accelerated approval pathways for our drug candidates. If we cannot utilize these pathways, we may need to conduct additional clinical trials beyond those planned, which would increase costs and delay or potentially prevent necessary regulatory approvals.

The regulatory authorities may grant accelerated approval for a drug candidate that offers meaningful therapeutic benefits over existing treatments for serious or life-threatening conditions, based on a surrogate endpoint or intermediate clinical endpoint reasonably likely to predict clinical benefit. For example, the FDA considers a clinical benefit as a positive therapeutic effect that is clinically significant, such as reducing irreversible morbidity or mortality. A surrogate endpoint, such as a laboratory measurement, radiographic image, or physical sign, is thought to predict clinical benefit but is not itself a direct measure of it. An intermediate clinical endpoint is a measure, like an effect on irreversible morbidity or mortality, considered likely to predict clinical benefit. Accelerated approval may apply when a drug's advantage over available therapies is a clinically important improvement from a patient or public health perspective.

There is no assurance that regulatory authorities will accept our proposed surrogate or intermediate clinical endpoints, or that we will pursue or submit NDAs or comparable applications for accelerated approval or other expedited development, review, or approval processes. Even if we initially plan to seek such pathways, feedback from regulators may lead us to abandon these efforts. Furthermore, there is no guarantee that any application for accelerated approval or expedited designation will be accepted for filing, or that approval will be granted on a timely basis, or at all. Failure to obtain accelerated approval or other expedited processes could extend the timeline for commercializing our drug candidates, increase development costs, and weaken our competitive position in the market.

Even if we obtain accelerated approval based on a surrogate endpoint, we will likely need to conduct a post-approval clinical outcome trial to confirm clinical benefit. If this trial fails to demonstrate such benefit, we may be unable to continue marketing the drug for the relevant indication. Under the PRC Drug Administration Law, the Administration Measures for Drug Registration and the Working Procedures for the Review and Approval of Conditionally Approved Drugs, if we fail to prove that the benefits of a conditionally approved drug outweigh its risks through post-approval research, or if we fail to complete required post-approval research within the prescribed timeline and submit supplementary applications for full marketing approval, the NMPA may take actions, including revocation of the drug registration certificate.

Even after obtaining regulatory approval for the marketing and distribution of our drug candidates, our products will remain subject to ongoing regulatory review and evolving regulatory obligations, which may result in significant additional expenses, and non-compliance may subject us to penalties.

Any approved drug products will remain subject to extensive and ongoing regulatory requirements in jurisdictions such as China and the U.S., covering manufacturing, labeling, packaging, storage, distribution, advertising, promotion, sampling, record-keeping, adverse event reporting and post-marketing studies. These requirements include submitting safety and other post-marketing information, maintaining registration, adhering to cGMP and GCP, and conducting any required post-approval clinical trials, all of which entail significant time and expense.

Approvals for our drug candidates may come with limitations on approved indications or conditions requiring costly post-marketing studies to monitor safety and efficacy, potentially reducing commercial potential. The regulatory authorities may also mandate a REMS program as a condition of approval, further increasing compliance costs.

Once a product is approved by the regulatory authority for marketing, there could be a subsequent discovery of previously unknown problems with the product, including problems with third-party manufacturers or manufacturing processes. Such problems may result in, among other things: restrictions on marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls; fines, warning letters, or clinical trial holds; refusal by regulatory authorities to approve pending applications or supplements filed by us; suspension or revocation of approvals we have obtained; product seizure, detention, or import/export restrictions; and injunctions or civil, administrative, or criminal penalties.

The data and information we gather or otherwise rely on in our research and development process could be inaccurate or incomplete, which could harm our trial results, reputation and prospect.

We collect, process and analyze data and information from preclinical studies, clinical trials and other research and development programs, as well as during the identification and development of potential drug candidates. Data in the healthcare industry is often fragmented, inconsistent in format and incomplete, making its overall quality susceptible to errors or omissions. Mistakes in the capture, input, or analysis of this data could materially impair our ability to advance the development of our drug candidates and adversely affect our business, prospects and reputation. We also rely on data to obtain regulatory approvals necessary for the development and commercialization of our drug candidates, submitting such data to governmental entities under complex processing and validation regulations. Errors or wrongful handling in the storage, submission, delivery, or display of this data could expose us to liability, further harming our operations and reputation. In addition, we depend on third parties, such as collaborators, to collect and process data for certain preclinical and clinical programs, over which we have limited control. If these third parties produce inaccurate, incomplete, or erroneous data, our clinical development activities could be negatively impacted.

RISKS RELATING TO THE MANUFACTURING AND COMMERCIALIZATION OF OUR DRUG CANDIDATES

We have no track record and limited experience in launching and marketing our products. If we fail to effectively commercialize our drug candidates after obtaining regulatory approval, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our ability to successfully commercialize our drug candidates, if approved, may involve greater risk, take longer and require more resources than it would for a company with established commercialization expertise. Developing in-house commercialization and distribution capabilities requires significant investment in recruiting, training and retaining marketing and sales personnel, competing with other companies with established commercialization operations. There can be no assurance that we will successfully build or maintain effective in-house sales and marketing capabilities. Alternatively, we may pursue collaborative arrangements with third parties, such as contract sales organizations or online platforms, to handle the sales and marketing of our approved drugs. However, there is no guarantee that we will establish or maintain such collaborations, or that any third-party partners will have effective sales forces. We would have limited control over the marketing and sales efforts of these third parties, and our revenue from product sales may be lower than if we had commercialized our drug candidates ourselves. We also face competition in securing third-party collaborators for sales and marketing efforts. Failure to develop effective in-house capabilities or establish successful third-party collaborations could prevent us from generating anticipated product sales revenue, adversely affecting our business and prospects.

We face intense competition and rapid technological change, and our competitors may develop therapies that are similar, more advanced, or more effective than ours.

The biotechnology industry in which we operate is highly competitive and subject to rapid technological changes. Our drug candidates face competition in various aspects, including safety and efficacy, the timing and scope of regulatory approvals, availability and cost of supply, sales and marketing capabilities, price, and patent status. For instance, our Core Products, key products and other pipeline products may compete with approved drugs and existing candidates directed against the same molecular targets or approved for the same indications upon potential marketing approval.

Our competitors may include multinational pharmaceutical companies, biotechnology companies, and research institutions worldwide. For example, in recent years, an increasing number of biopharmaceutical companies have joined the competition in ADCs, with large pharmaceutical companies leading the competition and biotechnology companies making frequent breakthroughs. Some of these competitive drugs and therapies are based on scientific approaches similar to ours. Many of our competitors have substantially greater financial, technical, and other resources than we do, such as larger R&D staff and established marketing and manufacturing infrastructure. Collaborations, mergers, and acquisitions in the pharmaceutical industry may result in even more resources being concentrated among our competitors. As a result, these companies may advance their drug candidates and obtain regulatory approval more rapidly than we do and be more effective in marketing their products. Smaller or early-stage companies may also be significant competitors, particularly through collaborative arrangements with large, established companies.

Competition may increase further due to advances in the commercial applicability of technologies and greater availability of capital investment in the industry. Our competitors may succeed in developing, acquiring, or licensing on an exclusive basis products that are more effective or less costly than any drug candidate we may develop, or achieve earlier patent protection, regulatory approval, product commercialization, and market penetration than we do. To compete with an approved product, we must demonstrate compelling advantages in efficacy, safety, or other aspects to overcome price competition and achieve commercial success. Furthermore, disruptive technologies and medical breakthroughs may further intensify competition and render our drug candidates uneconomical or obsolete, and we may not be successful in marketing our drug candidates against competitors.

We currently rely on third parties to manufacture our drug candidates for clinical development, and we may continue to rely on them for initial commercial-scale manufacturing upon regulatory approval. Our business could be adversely affected if those third parties fail to deliver sufficient quantities of quality products.

As of the Latest Practicable Date, we had not established any manufacturing facilities for clinical or commercial-scale production and had relied on CDMOs for the manufacturing of our drug candidates. We expect to continue relying on CDMOs for initial commercial-scale manufacturing upon regulatory approval. Our dependence on these CDMOs exposes us to risks relating to capacity, quality control, regulatory compliance and supply chain stability. In particular, we may be unable to identify or engage qualified manufacturers on acceptable terms, or at all, and any new manufacturer would be subject to approval by the NMPA, the FDA or other comparable regulatory authorities, which may require additional testing and GMP compliance inspections and could delay production. Our manufacturers may lack experience with our drug candidates, have limited capacity or scheduling conflicts, fail to produce sufficient quantities or meet required quality standards, fail to perform as agreed or devote adequate resources, terminate agreements, cease operations, or experience financial distress or bankruptcy. In addition, manufacturers are subject to periodic unannounced inspections by regulatory authorities, and, because we have limited control over their compliance with applicable GMP and other requirements, any non-compliance could jeopardize regulatory approvals or result in sanctions. We may also not own, or may need to share, IP rights relating to manufacturing process improvements, and our manufacturers may misuse our proprietary information or infringe third-party intellectual property rights. Further, during the

Track Record Period, we and our CDMOs relied on third-party suppliers for certain raw materials used in research, development and clinical trials, and we expect demand for such materials to increase as we scale our operations and commercialize our drug candidates. Raw materials or components, particularly single-source supplies, may become unavailable, defective or unsuitable, and manufacturers may also be affected by natural or manmade disasters or customs or import issues, which could result in delays or additional costs.

If we are unable to meet the increasing demand for our products by ensuring that we or the third-party manufacturers have adequate manufacturing capacity, our business and financial condition would be materially and adversely affected.

We are pursuing a phased approach to commercial manufacturing. In the near term, we will rely on CDMOs to achieve initial commercial-scale production and supply. There is no assurance that these manufacturers will produce the required quantity or quality to meet our clinical and commercial needs, which could disrupt our ability to meet market demand. In the long term, we may build in-house manufacturing facilities to support commercial production. Constructing such facilities requires significant capital investment, and we cannot guarantee timely access to the necessary financing, if at all. Even after construction, we may not fully utilize these facilities immediately or within a reasonable timeframe. During the construction and ramp-up period, changes in the biopharmaceutical industry, such as shifts in market demand, pricing, or customer preferences, could lead to operational inefficiencies or excess capacity.

We may not be able to maintain effective quality control over our drug products.

The quality of our drug products, including candidates used in R&D, depends significantly on the effectiveness of our quality control and quality assurance systems. These systems rely on factors such as robust production processes, reliable equipment, the capabilities of the CDMOs we engage, and our ability to ensure their adherence to our quality control and assurance protocols. We maintain a comprehensive quality control system, established and refined in accordance with rigorous regulatory requirements and guidelines in China, the U.S., and other target markets. However, we cannot guarantee that our quality control and assurance procedures will consistently prevent or resolve deviations from our quality standards or that our standard operating procedures will always be complete or up to date. Any significant failure or deterioration in these protocols could render our products unsuitable for use, lead to audit deficiencies, jeopardize certifications, or harm our market reputation and relationships with business partners.

Our operations depend on the supply of raw materials, equipment and other supplies for research, development and clinical trials, and disruptions could materially impair our business.

Our operations rely on third-party suppliers for raw materials, equipment, and other supplies needed for research, development, and clinical trials, and we expect to continue this reliance for manufacturing our drug candidates upon commercialization. This dependence exposes us to supply chain risks that could materially impair our operations, revenue, and profitability. Insufficient supply quantity or quality could delay clinical studies, regulatory approvals, or market demand fulfillment, while price increases may reduce profitability if not passed on to customers. Suppliers may fail to maintain adequate quality, and undetected issues could disrupt development, manufacturing, or lead to liability claims. Additionally, supplier non-compliance with necessary licenses, permits, or regulations could cause shortages, delays, or recalls, exposing us to regulatory violations and remediation costs. If supplies are interrupted, finding alternative sources on acceptable terms or timelines may be challenging, materially harming our business, financial condition, and results of operations.

If our business partners fail to maintain the necessary licenses for the development, manufacturing and commercialization of our products, our business could be materially affected.

Our business partners, including CRO, CDMOs and suppliers, upon whom we rely to develop, manufacture, market, sell, and distribute our drug candidates, are required to obtain and maintain necessary permits, licenses, and certificates for their operations. These partners are subject to regular inspections, examinations, inquiries, or audits by regulatory authorities, and an adverse outcome in such processes could result in the loss or non-renewal of critical permits, licenses, or certificates. If our business partners fail to maintain or renew these material authorizations, our ability to conduct our business could be significantly impaired. Additionally, changes in the standards applied by governmental authorities for renewing or reassessing our partners' licenses, permits, or certifications, or the enactment of new regulations restricting their operations, could reduce our revenue and increase our costs, materially and adversely affecting our business, financial condition and results of operations.

Our drug candidates, if approved, may face limited reimbursement coverage or unfavorable pricing policies, which could harm our commercial success.

The commercial success of our drug candidates, if approved, depends significantly on the extent to which reimbursement is available from government health authorities, private health insurers, and other third-party payers. Regulatory frameworks governing pricing and reimbursement for therapeutic products vary widely across jurisdictions, and we cannot assure you that our drug candidates will secure adequate coverage or reimbursement.

In China, the National Healthcare Security Administration and other authorities manage the National Reimbursement Drug List ("NRDL"), which determines reimbursement levels under the National Medical Insurance Program. Inclusion in the NRDL significantly impacts demand, but innovative drugs like our candidates have historically faced challenges due to cost constraints. There is no guarantee that our approved drug candidates will be included in the NRDL or similar reimbursement lists. Factors such as efficacy, safety, and price influence inclusion, and failure to secure NRDL listing could result in reliance on patient self-payment, reducing competitiveness.

In the U.S., no uniform reimbursement policy exists among third-party payers, requiring us to provide scientific, clinical, and cost-effectiveness data to each payer, a process that is time-consuming and costly with no assurance of adequate coverage or reimbursement. Even if coverage is obtained, reimbursement rates may be insufficient to achieve profitability or may require high patient co-payments, limiting demand. Third-party payers increasingly demand discounts and challenge drug prices, and coverage may not extend to long-term follow-up evaluations required for our drug candidates.

Global trends in cost containment may further limit coverage and reimbursement for our high-cost drug candidates, particularly those administered under physician supervision. Reimbursement may be delayed, limited to narrower indications than approved, or set at rates that do not cover our costs for research, development, manufacturing, and distribution. Government-imposed price controls, mandatory discounts, or rebates in China and other jurisdictions could further reduce net prices, impacting revenue. If reimbursement is unavailable, inadequate, or not sustained, or if pricing pressures force significant price reductions, we may be unable to successfully commercialize our drug candidates, materially harming our business, operating results, and financial condition.

Our drug candidates, once launched, may fail to achieve or maintain the degree of market acceptance by physicians, medical institutions, pharmacies, patients, third-party payers and others in the medical community necessary for commercial success.

The degree of market acceptance for our drug candidates, if approved for sale, will depend on several factors, including: the approved clinical indications; the perceived safety and efficacy of our drug candidates; the perceived advantages of our drug candidates over alternative treatments; the prevalence and severity of any side effects; product labeling or package insert requirements imposed by regulatory authorities; limitations or warnings in approved labeling; the timing of our drug candidates' market entry relative to competitive products; treatment costs compared to

alternatives; availability of adequate coverage and reimbursement; government imposed price controls or downward pricing adjustments; patients' willingness to pay out-of-pocket in the absence of coverage or reimbursement; the convenience and ease of administration compared to alternative therapies; adverse publicity about our products or favorable publicity about competitors' products; and the effectiveness of our sales and marketing efforts. If our approved drug candidates fail to achieve or sustain market acceptance among physicians, patients, hospitals, medical treatment centers, or others in the medical community, we may not generate revenue as anticipated. Even if our drug candidates initially gain market acceptance, we may not maintain it over time if new products or technologies are introduced that are more favorably received, more cost-effective, or render our products obsolete.

The market size of our drug candidates might be smaller than we expected.

Our estimates of the market size for our drug candidates, which are being developed to treat dermatologic conditions, thyroid eye disease, and a range of cancers, are based on the anticipated number of patients with these conditions and the subset who may benefit from our drug candidates. These estimates, derived from various sources and our analysis, may prove inaccurate due to new studies or data that alter the estimated incidence or prevalence of these diseases. The addressable patient population could be limited to specific subgroups, such as patients who are ineligible for or have failed to respond to prior treatments, existing therapies or other interventions, potentially resulting in a smaller market than anticipated.

Counterfeit pharmaceutical products, illegal or parallel imports, and off-label use could reduce demand, harm our reputation, and adversely affect our business.

Counterfeit pharmaceutical products, which may be fraudulently mislabeled or manufactured without proper licenses, could imitate our future approved drug candidates and be sold at lower prices. These products are unlikely to meet our rigorous manufacturing and testing standards and may pose health risks to patients, potentially damaging our reputation and business relationships. Regulatory authorities may struggle to prevent counterfeit products in a timely manner.

Illegal or parallel imports of similar or competing products from countries with lower prices due to government controls or market dynamics may undermine demand for our future approved drug candidates in China, the U.S. and other markets where we commercialize our products. Unauthorized imports have occurred in China and may continue or increase as access to lower-priced drugs grow. Future regulations or policies that expand consumer access to lower-priced biosimilars or competing products from other jurisdictions could further intensify pricing pressures and reduce sales, significantly impacting our profitability.

Additionally, our approved drug products may be subject to off-label use, where they are prescribed for unapproved indications, dosages, or patient populations. Despite regulations by the NMPA, the FDA, and other authorities prohibiting off-label promotion, such use could occur, leading to risks from insufficient safety or efficacy data, regulatory non-compliance, reimbursement challenges, or adverse events. Off-label use may render our products less effective, cause unexpected adverse reactions, or generate negative publicity, potentially delaying clinical trials or hindering regulatory approvals. These outcomes could expose us to liability, harm our product brand, and materially adversely affect our business operations, financial condition, and prospects.

RISKS RELATING TO OUR FINANCIAL POSITION

We have incurred net losses since inception, may continue to incur net losses in the next few years, and may not be able to achieve or maintain profitability.

We have not generated revenue from commercial product sales to date and have incurred significant R&D expenses and other operational costs. As a result, we recorded net losses of RMB282.6 million, RMB919.3 million, RMB50.8 million and RMB210.2 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. We expect to continue to incur net losses in the foreseeable future, and that these net losses may increase as we carry out certain activities relating to our development, including to: advancing ongoing and planned R&D activities; identifying or developing new drug candidates to expand our pipeline; scaling operations to support

clinical trials and potential commercialization; hiring additional personnel for drug discovery, clinical, quality control and administration; developing, maintaining and protecting our IP portfolio; seeking regulatory approvals for our drug candidates; establishing sales, marketing and distribution infrastructure for approved products; expanding globally; and operating as a [**REDACTED**] company following the completion of this [**REDACTED**].

Our limited operating history as a clinical-stage biotechnology company may make it difficult to evaluate our business and predict future performance.

We are a clinical-stage biotechnology company with a limited operating history, focusing on establishing our IP portfolio, conducting drug discovery, preclinical studies, and clinical trials, as well as organizing operations, staffing, business planning, and raising capital. As of the Latest Practicable Date, we had not obtained marketing approvals for or commercialized any drug candidates, and we had not generated revenue from product sales. Our limited operating history, combined with the rapidly evolving biopharmaceutical industry and changing regulatory and market environments, makes it challenging to assess our future performance. Predictions about our success or viability may be less reliable than those for companies with longer operating histories. Our ability to generate revenue and achieve profitability depends on numerous factors, including: obtaining regulatory approvals for our drug candidates; successfully launching and commercializing approved products; completing research, preclinical, and clinical development; developing sustainable and scalable manufacturing processes, including through third-party suppliers or future in-house facilities; addressing competitive technological and market developments; identifying, acquiring, or developing new drug candidates and IP; negotiating favorable terms in collaborations or licensing agreements; maintaining and protecting our IP portfolio; and attracting and retaining qualified personnel.

Even if we obtain regulatory approval for Core Products or other candidates, we expect to incur significant costs for manufacturing and commercialization. Factors beyond our control, such as government pricing regulations, competitor product sales, raw material supply disruptions, cost increases, quality issues, IP disputes, adverse changes in our sales network, or unfavorable regulatory changes, could impact sales volumes, pricing, and profitability.

We had net operating cash outflows and net current liabilities during the Track Record Period. As of December 31, 2024 and 2025, and May 31, 2026, we recorded net current liabilities of RMB1,165.2 million, RMB2,045.1 million, and RMB2,196.2 million, respectively. We may require additional financing to fund our operations, and failure to secure sufficient funding could hinder development and commercialization of our drug candidates.

Our operations have consumed substantial cash since inception, with net cash outflow to operating activities amounted to RMB145.6 million, RMB182.6 million and RMB180.7 million in 2024, 2025 and the five months ended May 31, 2026, respectively. We recorded net current liabilities of RMB1,165.2 million, RMB2,045.1 million and RMB2,196.2 million as of December 31, 2024 and 2025 and May 31, 2026, respectively, primarily due to our convertible preferred shares, which were classified as current liabilities during the Track Record Period. See "Financial Information — Indebtedness" for more details. We may experience net cash outflows from our operating activities from time to time, as we advance our drug candidates through clinical development, regulatory review, manufacturing, and commercialization. We plan to fund operations primarily with existing cash, revenue from our licensing agreement and [**REDACTED**] from the [**REDACTED**], with future product sales expected to contribute upon commercialization. For details, see "Financial Information — Working Capital Sufficiency." Our forecast of the period of time through which our capital resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we currently expect.

We may require additional financing through public or private equity offerings, debt financing, or collaborations, which may not be available on acceptable terms, or at all. Our net liabilities position exposes us to liquidity risks, which could necessitate external financing, such as debt issuance or bank borrowings. Such financing may carry restrictive covenants limiting our

ability to incur additional debt, issue equity, acquire IP, or conduct operations, potentially restricting our business flexibility. Raising capital through equity issuance could dilute Shareholders' ownership, and new securities may have rights or preferences that take priority over existing Shares, potentially causing our Share [**REDACTED**] to decline. The incurrence of additional indebtedness could impose fixed payment obligations, further straining liquidity. Failure to secure adequate funding when needed could force us to delay, limit, reduce, or terminate research, development, or commercialization efforts, materially adversely affecting our business, financial condition, and results of operations.

We have granted and may continue to grant remuneration in the form of share-based payments, which may impact our financial performance and cause dilution to our existing Shareholders.

We have adopted an equity incentive plan, under which we grant share options to our employees, officers, Directors or consultants as incentives for their contributions to our long-term success. We may grant additional share-based compensation in the future to further align the interests of our employees, Directors and consultants with our Company's objectives. These share-based payments could increase our operating expenses. Additionally, the issuance of new Shares under these plans may dilute the ownership percentage of existing Shareholders, potentially reducing your proportional interest in our Company.

Disruptions in global financial markets and economic conditions could impair our ability to raise capital.

Global economic and financial market turbulence, driven by factors such as credit market deterioration, extreme volatility in security prices, diminished liquidity and credit availability, ratings downgrades, or declining investment valuations, could significantly hinder our ability to raise capital on a timely basis or on acceptable terms. Governments have historically intervened to stabilize markets by providing liquidity, but there is no assurance that such actions will succeed or prevent adverse conditions from recurring. Ongoing geopolitical tensions, including conflicts in the Middle East, the Russia-Ukraine conflict, and unrest or terrorist threats in other regions, further exacerbate uncertainties in global financial markets. These challenges could disrupt our access to capital, limit our ability to fund research, development, and commercialization of our drug candidates, and create broader economic instability.

Fluctuations in exchange rates could result in foreign currency exchange losses.

The Renminbi has fluctuated against the Hong Kong dollar and U.S. dollar, at times significantly and unpredictably. The value of Renminbi against the U.S. dollar and other currencies is affected by changes in political and economic conditions and by foreign exchange policies, among other things. It is difficult to predict how market forces or government policy may impact the exchange rate between Renminbi and the Hong Kong dollar or U.S. dollar in the future. The [**REDACTED**] from the [**REDACTED**] will be received in Hong Kong dollars. As a result, any appreciation of the Renminbi against the U.S. dollar, the Hong Kong dollar or any other foreign currencies may result in the decrease in the value of our [**REDACTED**] from the [**REDACTED**]. Conversely, any depreciation of the Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. Furthermore, we are also currently required to complete filings with and obtain approvals from the State Administration of Foreign Exchange of the PRC (the "SAFE") before converting significant sums of foreign currencies into Renminbi. All of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

We may be unable to obtain or maintain adequate intellectual property protection for our drug candidates and technologies.

Our success depends in large part on our ability to protect our proprietary technologies and drug candidates from competition by obtaining, maintaining, defending, and enforcing robust IP rights, including patents, in key jurisdictions such as China and the U.S. If we fail to secure or maintain adequate IP protection, or if the scope of such rights is not sufficiently broad, our IP may be challenged, invalidated, or circumvented, allowing competitors to develop and commercialize similar or competing products, which could materially harm our business, financial condition and prospects.

The patent prosecution process is expensive, time-consuming, and complex, and we may not be able to file, prosecute, maintain, defend, or enforce all necessary or desirable patents at a reasonable cost or in a timely manner across all relevant jurisdictions. The requirements for patentability vary across jurisdictions, and some regions have compulsory licensing laws or limited enforceability against government agencies or contractors, which could diminish the value of our patents or force us to grant licenses to third parties, impairing our competitive position. Patents may be invalidated, and patent applications may not be granted due to prior art, deficiencies in the application, or lack of novelty. For instance, third parties may submit prior art to patent offices like the CNIPA, USPTO, or EPO, or we may face post-grant proceedings such as oppositions, re-examinations, or interferences, which could narrow, invalidate, or render our patents unenforceable, allowing competitors to commercialize similar technologies or products without compensation to us.

There is no assurance that our pending patent applications will be granted or that issued patents will provide meaningful protection. If the scope of our IP protection is inadequate, competitors may develop non-infringing alternatives to circumvent our IP. Additionally, breaches of confidentiality agreements by employees, collaborators, contract manufacturers, consultants, or other third parties could compromise our ability to secure patent protection. In jurisdictions with a "first-to-file" system, such as China and the U.S, our patent applications may be denied if a third party files first for similar inventions. Under PRC patent law, failure to comply with confidentiality examination requirements for foreign patent filings could prevent us from obtaining patent rights in China.

Our IP rights in certain jurisdictions may have a lesser or different scope and strength compared to our target markets. In regions where we do not pursue or obtain patent protection, competitors may use our technologies to develop and market competing drugs, potentially exporting them to jurisdictions where we have patents but enforcement is weak due to varying legal systems. Many jurisdictions, particularly some developing countries, have legal systems that do not favor the enforcement of patents, trade secrets, or other IP protections, making it difficult to prevent infringement or marketing of competing drugs in violation of our rights.

The duration of patent protection is limited, and third parties may circumvent our patents by developing non-infringing similar or alternative products or may compete directly by commercializing similar or identical products after our patents expire.

The duration of patent protection is limited. In China, invention patents, design patents, and utility model patents, if maintenance fees are paid timely, are valid for 20 years, 15 years, and 10 years from the filing date, respectively, with potential extensions for invention patents under the PRC Patent Law. In the U.S, patents generally last 20 years from the earliest non-provisional filing date to which the patent claims priority, with possible extensions under the Hatch-Waxman Amendments, which allow up to five years of extension, not exceeding 14 years from product approval. Manufacturers of generic or biosimilar products may challenge the scope, validity, or enforceability of our patents in courts or patent offices, and we may not succeed in defending these rights, preventing exclusive development or marketing of our products and materially impacting potential sales.

The lengthy timelines for development, testing, and regulatory review may cause patents protecting our drug candidates to expire before or shortly after commercialization, particularly without patent linkage or term extensions. Authorities like the NMPA, the FDA, or USPTO may deny or grant more limited extensions than requested, reducing our protection period. Some patents may be co-owned with third parties, and without exclusive licenses, co-owners could license rights to competitors, who may market competing products. We may also lack cooperation from co-owners to enforce patents. As of the Latest Practicable Date, we did not have any patents that were co-owned with third parties and not subject to our exclusive licensing arrangements. Upon patent expiration, we cannot assert patent rights, allowing competitors to commercialize similar products.

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

Competitors or third parties may challenge the validity or enforceability of our patents or infringe, misappropriate, or otherwise violate our IP rights. To counter such actions, we may need to initiate litigation to enforce our rights, protect our trade secrets, or determine the scope and validity of our or others' proprietary rights, incurring significant costs and diverting management, scientists, and technical personnel from their normal responsibilities. Many competitors have greater resources to sustain prolonged litigation, potentially outlasting our capacity to defend our rights. We may not prevail in lawsuits we initiate, and any damages or remedies awarded, if any, may not be commercially meaningful.

Conversely, third parties may assert claims against us, alleging that we infringe or violate their patents, trade secrets, or other IP rights. Defending them could be costly and time-consuming, and a court may find third-party patents valid and infringed, potentially blocking our ability to develop or commercialize our drug candidates unless we obtain a license or until the patents expire. Public announcements during litigation, such as hearing outcomes or rulings, could be perceived negatively by investors or analysts, diminishing the perceived value of our drug candidates or causing our Share [**REDACTED**] to decline, while also harming our reputation.

Additionally, the substantial discovery required in IP litigation risks the disclosure of our confidential information, which could further compromise our competitive position. We may also face claims from former employees, collaborators, consultants, or other third parties asserting ownership or co-inventorship of our patents, patent applications, or other IP, particularly if disputes arise from conflicting obligations. For example, a former employee of us is claiming inventorship and ownership of a patent regarding MH004 in a lawsuit pending in a court in Shanghai, China. Litigation to resolve these claims could result in significant costs, loss of exclusivity, or restrictions on our ability to develop, manufacture, or commercialize our drug candidates without infringing third-party rights. Such challenges could also deter potential collaborators from licensing or partnering with us. The uncertainties associated with IP litigation could impair our ability to raise funds for clinical trials or research programs.

Our patents could be found invalid or unenforceable, and unfavorable outcomes in intellectual property litigation could limit our ability to develop or commercialize our drug candidates.

Our issued patents or pending patent applications covering our drug candidates or technologies could be challenged, invalidated, or deemed unenforceable in courts or administrative proceedings. For example, if we initiate legal action to enforce a patent against a third party for infringement, the defendant could counterclaim that our patent is invalid or unenforceable due to issues such as lack of novelty, obviousness, or non-enablement, or allege that material information was withheld or misrepresented during prosecution before the CNIPA, USPTO, or other patent offices. The outcome of such challenges is unpredictable. If a third party prevails in asserting invalidity or unenforceability, we could lose some or all patent protection for a drug candidate, allowing competitors to develop or commercialize similar products without payment to us. Even if we succeed in establishing infringement, courts may limit remedies to monetary damages rather than granting injunctions, which may not adequately protect our interests. In addition, third parties may claim that we infringe or misappropriate their IP rights, potentially barring us from using certain technologies or commercializing our drug candidates unless we obtain a license or until their patents expire. Defending or prosecuting such claims is costly, time-consuming, and may distract management and scientific personnel. An unfavorable outcome could result in significant damages, loss of IP rights, or restrictions on our ability to develop or commercialize our drug candidates, dissuading potential collaborators from licensing or partnering with us.

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

Our ability to build brand recognition in our markets of interest relies on securing and maintaining robust trademark protection. We hold issued trademark registrations and have pending applications, which may face governmental or third-party objections that could prevent registration or maintenance. During trademark registration proceedings before the CNIPA, USPTO, or comparable agencies, we may receive rejections and may not be able to overcome them through responses or other actions. Third parties may also oppose pending applications or seek to cancel registered trademarks, and our trademarks may not survive such proceedings. If we fail to obtain or maintain trademark protection for our primary brands, we may need to change our brand names, potentially disrupting our market presence and materially adversely affecting our business.

As our products mature, our reliance on trademarks to differentiate from competitors will increase. If we cannot prevent third parties from adopting, registering, or using trademarks or trade dress that infringe, dilute, or violate our trademark rights, or engaging in unfair competition or defamation, our brand identity and business could be materially harmed. Competitors or third parties may adopt similar trade names or trademarks, impeding our ability to build brand recognition and possibly causing market confusion. Additionally, owners of other registered trademarks or marks incorporating variations of our trademarks or trade names could bring infringement claims against us. Over time, failure to establish strong name recognition could weaken our competitive position.

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

We rely on our trade secrets and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. We seek to protect our trade secrets and confidential information, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to them, such as our employees, collaboration partners, sponsored researchers, contract manufacturers, consultants, advisers and other third parties. However, these agreements may not effectively prevent unauthorized disclosure or use of our trade secrets and confidential information. Any of the parties with whom we enter into confidentiality agreements may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies. Additionally, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes. Enforcing claims against parties who illegally disclosed or misappropriated our trade secrets can be difficult, expensive and time-consuming, and remedies, if any, may be inadequate. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be adversely affected.

We may be subject to claims that our employees, consultants or advisers have wrongfully used or disclosed alleged trade secrets of their former employers, or claims asserting ownership of what we regard as our own intellectual property.

Our employees, consultants, and advisors, including senior management, may currently be or have been previously employed at other companies, including competitors or potential competitors, and may have executed proprietary rights, non-disclosure, and non-competition agreements with those employers. We may face claims alleging that we or these individuals have wrongfully used or disclosed trade secrets or other proprietary information of their current or former employers. We are not aware of any threatened or pending claims related to these matters, but future litigation may be necessary to defend against such claims. If we fail to defend these claims, we could face monetary damages or lose valuable IP rights. Also, such litigation could result in substantial costs and distract our management and employees.

We may be unsuccessful in securing agreements assigning IP to us with every relevant employee, consultant and contractor involved in developing IP, and such agreements may not be self-executing or may be breached, leading to disputes over ownership of what we consider our IP. Individuals may also have pre-existing or competing obligations to third parties, such as academic institutions, rendering our assignment agreements ineffective. Furthermore, former employees, consultants, or third parties may claim ownership of our owned or licensed patents or applications. An adverse outcome in such disputes could result in loss of exclusivity, narrowed or invalidated patent claims, or loss of freedom to operate, which would limit our ability to prevent others from using or commercializing similar drug candidates or technologies without payment to us. Such challenges could also prevent us from developing, manufacturing, or commercializing our drug candidates without infringing third-party rights. Litigation to resolve these issues could involve significant costs and divert management and scientific personnel.

Changes in intellectual property laws, regulations and policies in the jurisdictions where we operate could impair our ability to protect our drug candidates.

Our ability to protect our drug candidates and technologies relies on securing, maintaining, defending, and enforcing IP rights, particularly patents, in key jurisdictions such as China and the U.S, but changes in patent laws or their interpretation could increase uncertainties, raise costs, narrow patent scope, or reduce their value, materially impairing our competitive position and business. For example, China's fourth Amendments to the PRC Patent Law (effective June 1, 2021) and its Implementing Rules (effective January 20, 2024) allow patent term extensions for third-party patents, potentially delaying our commercialization to avoid infringement; the U.S. America Invents Act's "first-to-file" system and delayed publication of discoveries (often 18 months or not at all) create uncertainty about whether we were the first to file or invent, and U.S. Supreme Court rulings or future legislative changes may further limit patent protection, collectively hindering our ability to prevent competitors from developing similar products and adversely affecting our business, financial condition and prospects.

Non-compliance with patent agency requirements could reduce or eliminate our patent protection, allowing competitors to enter the market.

Our ability to obtain and maintain patent protection for our drug candidates depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, such as the CNIPA, USPTO, and other patent offices. These agencies mandate periodic maintenance fees, renewal fees, annuity fees, and other governmental fees, payable at multiple stages over the lifetime of a patent, along with adherence to procedural and documentary provisions during the patent application and maintenance processes. Non-compliance in certain cases, particularly where it is not remedied within the prescribed time limits, such as failing to respond to official actions within prescribed time limits, non-payment of fees, or failure to properly legalize and submit formal documents, can result in the abandonment or lapse of a patent or patent application, leading to partial or complete loss of patent rights in the relevant jurisdiction. Such events could enable competitors to enter the market with similar or identical products, materially adversely affecting our competitive position, business, financial condition and prospects.

RISKS RELATING TO OUR OPERATIONS

We may encounter difficulties in managing our growth and expanding our operations.

Our ability to successfully advance our drug candidates through clinical trials and achieve commercialization depends on effectively managing our growth. Expanding our operations requires significant additions to our managerial, operational, manufacturing, sales, marketing, and financial personnel, as well as enhanced relationships with third-party suppliers, contract organizations, and strategic partners. This growth imposes substantial responsibilities on our management, including: recruiting, integrating, and retaining qualified personnel; continued innovation in the competitive

biopharmaceutical industry; managing our relationships with third parties; managing our internal development efforts effectively; and improving our operational, financial and management controls, reporting systems and procedures. If we fail to effectively manage this expansion, we may experience operational inefficiencies, weakened infrastructure, loss of business opportunities, reduced employee productivity, or loss of key personnel.

Our future success depends on our ability to retain key executives and to attract and retain other highly skilled professionals.

Our success depends significantly on the continued service of our senior management and key scientific, clinical and technical personnel, as well as our ability to attract, hire, retain and motivate qualified professionals in these areas. The loss of any senior management or key personnel, who may terminate their employment at any time despite formal agreements, could impede our research, development, and commercialization objectives, materially adversely affecting our business and results of operations. We also rely on consultants and advisors, including scientific and clinical experts, to formulate our discovery and development strategies, and their departure could further disrupt our efforts. We could experience difficulties in attracting and retaining qualified employees. Competition for qualified personnel in the biopharmaceutical industry is intense, with a limited pool of candidates possessing the necessary skills and experience. Rising staff costs in the global biopharmaceutical market may increase our expenses, yet still fail to ensure retention. We use salary, cash incentives, and share-based compensation that vest over time to retain employees, but the value of these equity grants may be insufficient if our Share [**REDACTED**] fluctuates. Replacing executive officers or key personnel may be difficult and time-consuming due to the specialized expertise required, potentially delaying drug candidate development or commercialization.

We are subject to the risks of operating in multiple jurisdictions.

As we conduct clinical trials and plan to commercialize our drug candidates in multiple jurisdictions, including China, the U.S. and other regions, we are subject to risks associated with global operations that could materially harm our business, financial condition, results of operations, and prospects. These risks include: changes in a country's or region's political, cultural, or economic conditions; geopolitical tensions; evolving local laws and regulations; economic stagnation or downturns; the burden of complying with diverse foreign laws; inadequate IP protection in certain jurisdictions; enforcement of anti-corruption and anti-bribery laws; trade-protection measures, import/export licensing requirements, tariffs, or penalties; delays from difficulties in obtaining export licenses, tariffs, or other barriers; and significant currency exchange rate fluctuations.

Rising geopolitical tensions and changes in international trade policies, such as U.S. proposals for tariffs on goods from China and other countries, could disrupt our clinical development, manufacturing processes, and supply chains. For example, the U.S. America First Investment Policy memo (February 21, 2025) and Outbound Investment Rule (effective January 2025) restrict investments and technology transfers in biotechnology, potentially limiting our access to capital, partnerships, or research capabilities in China. Similarly, U.S. Executive Order 14117 (effective April 8, 2025) restricts sensitive data transfers to countries like China, and future interpretations may impose compliance burdens, such as data anonymization. Proposed legislation like the U.S. BioSecure Act (2024) could further restrict market access or operations if expanded. These tensions and policies may also strain relationships with shareholders, suppliers, contract research organizations, or customers, hinder material imports/exports, or limit hiring of key personnel, reducing demand for our products or delaying commercialization. New tariffs, renegotiated trade agreements, or unfavorable policies could further increase costs or restrict market expansion, thereby materially adversely affect our business and financial performance.

We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business, which could be expensive, time-consuming and unsuccessful, thereby may adversely affect our business, financial condition, results of operations and prospects.

We may face claims, disputes, litigation, arbitration, or other legal proceedings in the ordinary course of business, including those related to product liability, breach of contract, employment disputes, IP infringement, or regulatory enforcement. Such proceedings, whether initiated by us or against us, could be costly, time-consuming, and divert management's attention and resources from core operations. Even claims or disputes that initially appear immaterial may escalate due to factors such as case circumstances, likelihood of loss, monetary stakes, or parties involved. Additionally, proceedings involving our counterparties, such as suppliers or CROs, may expose us to liabilities, and we may not secure timely or full indemnification, if at all. Any unfavorable outcomes or prolonged legal disputes could harm our reputation and financial performance, materially impacting our business and prospects.

Negative publicity and allegations involving us, our Shareholders, Directors, officers, employees and business partners may affect our reputation and may, as a result, negatively affect our business, financial condition and results of operations.

Our brand image is critical to our business success. Negative publicity or allegations involving us, our Shareholders, Directors, officers, employees, or business partners could damage our brand image and prospects. Such publicity, including perceived misconduct, unethical behavior, or regulatory non-compliance by us or our affiliates, could arise from disputes, lawsuits, regulatory investigations, or media coverage, and may undermine public confidence in our products and operations. Even general negative publicity about the biopharmaceutical industry, unrelated to our specific activities, could adversely affect our reputation. These events could impair our ability to maintain existing collaborations, attract new partners, or retain key employees, while also diverting management's attention and resources to address allegations or remediate reputational harm. Regulatory inquiries or actions could lead to substantial compliance costs or operational disruptions. Negative perceptions could also reduce demand for our future products, hinder our development and commercialization efforts, and cause a decline in our Share [**REDACTED**]. As a result, we may be required to spend significant time and incur substantial costs in response to allegations and negative publicity, and we may not be able to diffuse such negative publicity to the satisfaction of our [**REDACTED**].

We may be subject to product liability lawsuits that could cause us to incur substantial liabilities.

We face an inherent risk of product liability due to the clinical testing and potential future commercialization of our drug candidates in China, the U.S. and other jurisdictions. Such product liability claims may include allegations of defects in manufacturing, defects in design, failure to warn of inherent dangers, negligence, strict liability, or breaches of warranties, potentially under applicable consumer protection laws. If we cannot successfully defend against such claims, we may incur substantial liabilities, including monetary awards to trial participants or patients, or be required to limit or halt commercialization of our drug candidates. Liability claims may lead to: decreased demand for our products; damage to our reputation; withdrawal of clinical trial participants; initiation of regulatory investigations; costs to defend litigation; product recalls, withdrawals, or labeling, marketing, or promotional restrictions; loss of revenue; exhaustion of insurance and capital resources; inability to commercialize approved products; and a decline in our Share [**REDACTED**].

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

We maintain insurance policies as required by PRC laws and regulations and consistent with industry practices to protect against operational risks and unexpected events in the biopharmaceutical industry. See "Business — Insurance" for details. However, our insurance coverage may be insufficient to cover all potential claims or liabilities. Any damage to, or caused by, our facilities, personnel, or operations that exceeds our insurance coverage could result in significant costs, require substantial compensation or damages, and divert management and resources from core activities.

We are subject to stringent privacy laws, information security policies and contractual obligations related to data privacy and security, and we may be exposed to risks related to our management of the medical data of subjects enrolled in our clinical trials and other personal or sensitive information.

Data protection and privacy laws and regulations generally require clinical trial sponsors and operators and their personnel to protect the privacy of their enrolled subjects and prohibit unauthorized disclosure of personal information. If such institutions or personnel divulge the subjects' private or medical records without their consent, they will be held liable for damage caused thereby. We routinely receive, collect, generate, store, process, transmit and maintain medical data, treatment records and other personal details of the subjects enrolled in our clinical trials, along with other personal or sensitive information. As such, we are subject to the relevant local, state, national and international data protection and privacy laws, directives, regulations and standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data in the jurisdictions in which we operate and conduct our clinical trials, as well as contractual obligations.

The PRC authorities promulgated a series of laws and regulations governing the various aspects of cybersecurity and data security, personal information and privacy protection, including, among others, the Cybersecurity Law of the PRC, the Cybersecurity Review Measures, the Data Security Law of the PRC, the Personal Information Protection Law of the PRC, and the Civil Code of the PRC. Under the Personal Information Protection Law of the PRC, in case of any personal information handling, such individual prior consent shall be obtained, unless otherwise specified. Further, personal information handling activities that are in relation to the sensitive personal information including biometrics, medical health and personal information of teenagers under fourteen years old can only be conducted where such activities have a specific purpose, are highly necessary and strictly protective measures have been taken. In addition, assessment of data handlers' provision of important data and personal information collected and generated in their operations within the territory of the PRC to overseas recipients, and require relevant data handlers to submit a data security assessment to the regulatory authority for review prior to the outbound data transfer activities in order to prevent illegal data transfer activities. The Standard Contract Measures for Personal Information Export (the "SCC Measures") were promulgated by the CAC on February 22, 2023 and took effect on June 1, 2023. The SCC Measures attach the prescribed template for the standard contract on the cross-border transfer of personal information that could be used as an available option to satisfy the condition for cross-border transfer of personal information under Article 38 of the Personal Information Protection Law.

In addition, certain industry-specific laws and regulations affect the collection and transfer of data in China. The Regulations on the Administration of Human Genetic Resources of the PRC (the HGR Regulation) was promulgated by the State Council in May 2019 and further amended in March 2024. It stipulates that foreign organizations, individuals, and the entities established or actually controlled by foreign organizations or individuals are forbidden to collect, preserve and export China's human genetic resources. Foreign organizations and the entities established or actually controlled by foreign organizations or individuals may only utilize and be provided with China's

human genetic resources after satisfaction of all regulatory requirements, such as (i) China's human genetic resources being utilized only in international collaboration with Chinese scientific research institutions, universities, medical institutions, and enterprises for scientific research and clinical trials after completion of requisite approval or filing formalities with competent governmental authorities, and (ii) China's human genetic resources information being provided after required security review, filing and information backup procedures have been gone through. In October 2020, the SCNPC promulgated the Biosecurity Law of the PRC, which became effective in April 2021 and later amended in April 2024. The Biosecurity Law of the PRC reaffirms the regulatory requirements stipulated by the HGR Regulation while potentially increasing the administrative sanctions where China's human genetic resources are collected, preserved, exported or used in international collaboration in violation of applicable laws. The interpretation and implementation of the HGR Regulation and the related laws and regulations may vary from time to time.

Numerous U.S. federal and state laws and regulations relate to the privacy and security of personal information. In particular, regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996, or HIPAA, establish privacy and security standards that limit the use and disclosure of individually identifiable health information, known as "protected health information," and require the implementation of administrative, physical and technological safeguards to protect the privacy of protected health information and ensure the confidentiality, integrity and availability of electronic protected health information. Determining whether protected health information has been handled in compliance with applicable privacy standards and our contractual obligations may require complex factual and statistical analyses and may be subject to changing interpretation. Our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached due to employee error, malfeasance or other malicious or inadvertent disruptions. Any such breach or interruption could compromise our networks and the information stored there could be accessed by unauthorized parties, manipulated, publicly disclosed, lost or stolen. Any such access, breach or other loss of information could result in legal claims or proceedings, and liability under federal or state laws that protect the privacy of personal information, such as the HIPAA, the Health Information Technology for Economic and Clinical Health Act, and regulatory penalties. Notice of breaches must be made to affected individuals, the Secretary of the Department of Health and Human Services, and for extensive breaches, notice may need to be made to the media or State Attorneys General. Such a notice could harm our reputation and our ability to compete.

Complying with all applicable laws, regulations, standards and obligations relating to data privacy, security, and transfers may cause us to incur substantial operational costs or require us to modify our data processing practices and processes.

In addition, our clinical trials also frequently involve professionals from third-party institutions working on-site with our staff and enrolled subjects. We cannot ensure that such persons will always comply with our data privacy measures. We also collaborate with third parties including principal investigators, hospitals, CROs, CDMOs, and other third-party contractors and consultants for our clinical trials and operations. Any leakage or abuse of patient data by our third-party partners may be perceived by the patients as our fault, negligence or a result of our failure. Furthermore, any change in such laws and regulations could affect our ability to use medical data and subject us to liability for the use of such data for previously permitted purposes.

We may be restricted from transferring our scientific data abroad.

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (《科學數據管理辦法》) (the "Scientific Data Measures"), which provides a broad definition of scientific data and relevant rules for the management of scientific data. According to the Scientific Data Measures, enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the Chinese government is required to submit relevant scientific data for management by the entity to which

such researcher is affiliated before such data may be published in any foreign academic journal. Given the term state secret is not clearly defined, if and to the extent our research and development of drug candidates will be subject to the Scientific Data Measures and any subsequent laws as required by the relevant government authorities, we cannot assure you that we can always obtain relevant approvals for sending scientific data (such as the results of our preclinical studies or clinical trials conducted within China) abroad or to our foreign partners in China. If we are unable to obtain necessary approvals in a timely manner, or at all, our research and development of drug candidates may be hindered, which may materially and adversely affect our business, financial condition, results of operations and prospects. If the relevant government authorities consider the transmission of our scientific data to be in violation of the requirements under the Scientific Data Measures, we may be subject to fines and other administrative penalties imposed by those government authorities. In addition, according to the Administration of Human Genetic Resources (《人類遺傳資源管理條例》) promulgated in May 2019 and the PRC Biosecurity Law (《中華人民共和國生物安全法》) promulgated in October 2020, if any scientific data falls within the scope of Chinese human genetic resources, any transfer of such data outside of China will be subject to the relevant filing, information backup, security review, approval or other procedures with administrative department of health under the State Council in accordance with applicable laws and regulations. There can be no assurance that we will be able to complete such procedures or obtain the requisite approvals in a timely manner, or at all.

We may engage in acquisitions or strategic partnerships that would increase our capital requirements, cause dilution to our Shareholders, cause us to incur debt or assume contingent liabilities and subject us to other risks.

We may pursue acquisitions or strategic partnerships, including licensing or acquiring complementary products, IP, technologies, or businesses, to support our growth. Such transactions could involve significant risks, including: increased operating expenses and cash requirements; assumption of additional indebtedness or unforeseen liabilities; issuance of equity securities; assimilation of operations, IP and products of an acquired company, including difficulties associated with integrating new personnel; diversion of management's attention from existing programs; loss of key employees and uncertainties in maintaining key business relationships; risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing products or drug candidates and regulatory approvals; and our inability to generate revenue from acquired technology or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs.

With limited acquisition experience, we may struggle to identify attractive targets or expend significant time and resources without successfully acquiring them. Integration of an acquired company, its IP, or technology into our operations is complex, time-consuming, and expensive, requiring retention of key management and personnel, coordination of research and development, consolidation of facilities, and support for supplier, distribution, and customer relationships. Geographic distances, technological complexities, and disparate corporate cultures may exacerbate these difficulties, while competitors may recruit key employees or attract customers during integration. For investments or partnerships where we lack management and operational control, we may be unable to influence outcomes to meet strategic goals. Issuing dilutive securities, incurring debt, or acquiring intangible assets could lead to significant amortization expenses.

We may be directly or indirectly subject to applicable anti-kickback, false claims laws, physician payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations in relevant jurisdictions.

Our operations and arrangements with clinical site investigators, healthcare professionals, consultants, third-party payors, and potential customers in China, the U.S, and other jurisdictions may expose us to anti-kickback, false claims, physician payment transparency, fraud and abuse, and anti-bribery laws, including China's anti-bribery regulations and the U.S. Foreign Corrupt Practices Act (FCPA). These laws, which regulate our sales, marketing, and financial relationships, could

constrain how we develop, market, and distribute our drug candidates, if approved, particularly as we seek approvals from the NMPA, the FDA, or other authorities. Ensuring compliance with these complex and sometimes ambiguous regulations, including U.S. federal and state laws like the Anti-Kickback Statute, False Claims Act, and Federal Physician Payment Act, requires substantial costs. Non-compliance by third parties we engage, such as physicians or collaborators, could result in sanctions, like exclusion from government-funded programs, adversely affecting our business relationships.

We are subject to social insurance and housing provident fund regulations.

Under the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》), we are required to make contributions to social insurance and housing provident funds for our employees. See "Regulatory Overview — Regulations on Employment and Social Welfare" for details. Pursuant to the regulations, each employer shall declare and pay social insurance contributions and housing provident funds on time and in full. Contributions made through third-party accounts may not be viewed as contributions made by the employer. As of the Latest Practicable Date, we had not received any notifications or been subject to any material penalties arising from the noncompliance with social insurance or housing provident fund regulations.

We are subject to risks associated with our leased properties.

We lease some of our offices and facilities in China. Pursuant to the Measures for Administration of Lease of Commodity Properties (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) on December 1, 2010 and became effective on February 1, 2011, both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. In practice, as the filing of the lease agreements requires the coordination of both lessors and lessees, we cannot assure you that the lessors will collaborate and complete the registration in a timely manner. As of the Latest Practicable Date, our lease agreements in China had not been registered. Although failure to register the lease agreements does not in itself invalidate the leases, we may not be able to defend these leases against bona fide third parties, which may negatively affect our ability to operate our business covered under those leases. In addition, we may be required by relevant PRC governmental authorities to register such lease agreements within a prescribed timeframe, and failure to do so may subject us to fines. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease agreement. As of the Latest Practicable Date, we had not been subject to any material penalties arising from the non-registration of lease agreements. However, we cannot assure you that we would not be subject to any penalties and/or requests from the relevant governmental authorities to fulfill the registration requirements. As our leases expire, we may face difficulties renewing them on commercially acceptable terms, or at all. Our inability to enter into new leases or renew existing leases on terms acceptable to us could materially and adversely affect our business, results of operations, or financial condition.

We may be subject to natural disasters, health epidemics, acts of war, terrorism, and other force majeure events beyond our control.

Natural disasters, acts of war, terrorism, or other force majeure events beyond our control may adversely affect the economy, infrastructure, and livelihood of people in the regions where we conduct our business. Our operations and those of our third-party research collaborators, suppliers, contractors, and consultants may face threats from natural disasters such as floods, earthquakes, sandstorms, snowstorms, fires, or droughts, widespread health epidemics like swine flu, avian influenza, severe acute respiratory syndrome (SARS), Ebola, or Zika, or other force majeure events, including power, water, or fuel shortages, or failures, malfunctions, or breakdowns of information management systems, unexpected maintenance or technical problems, or potential wars or terrorist attacks. These events could severely disrupt our business operations, and cause loss of life, injury, asset destruction, or temporary closure of our facilities.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

Uncertainties in the legal systems of jurisdictions where we operate could adversely affect our business, financial condition and results of operations.

We are subject to uncertainties embedded in the legal systems of some geographic markets where we operate. Some jurisdictions have a civil law system based on written statutes, while others rely on common law. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value. Recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in such markets. In particular, the interpretation and enforcement of these laws and regulations are subject to future implementation, and their application to our business remains unsettled. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection available in many of the geographic markets where we operate. Local courts may have discretion to reject enforcement of foreign or arbitration awards. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to enforce contractual rights or claims. Additionally, regulatory uncertainties in different jurisdictions may be exploited through unmerited or frivolous legal actions, claims concerning the conduct of third parties, or threats to extract payments or benefits from us.

Furthermore, many legal systems in these markets are partly based on government policies and internal rules, some of which are not published timely or at all and may have retroactive effects. In some cases, key regulatory definitions are unclear or unpublished. As a result, we may not be aware of a violation of certain policies or rules until after the violation occurs. Administrative and court proceedings in certain markets may be protracted, resulting in substantial costs and diversion of resources and management attention. It is possible that new laws and regulations may be adopted or construed to apply to us in our geographic markets and elsewhere, impacting our business and operations. Increased scrutiny and regulation of the biopharmaceutical industry may require us to devote additional legal and other resources to compliance. Evolving or newly imposed laws and regulations in our geographic markets could hinder our industry's growth and materially adversely affect our business, financial condition and results of operations.

China's economic, political and social conditions, as well as government policies, could affect our business, financial condition and results of operations.

A substantial portion of our business, assets, and operations are located in China. Accordingly, our financial condition, results of operations, and business prospects are significantly influenced by China's economic, political, and social conditions and legal developments. The Chinese economy differs from many other jurisdictions and has experienced significant growth over recent decades since the implementation of the reform and opening-up policy. In recent years, the PRC government has implemented measures emphasizing market-driven economic reforms and sound corporate governance practices for business enterprises. These economic reform measures may be adjusted adaptively across industries or regions. Changes in China's business environment may also materially and adversely affect our business, financial condition and results of operations.

Changes in laws and regulations relating to the biopharmaceutical industry, including the ongoing healthcare reform in China, may result in additional compliance risks and costs.

In China, the U.S. and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes relating to the biopharmaceutical industry and the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any drug candidates for which we obtain marketing approval.

In particular, the PRC government has enacted a series of new laws and regulations in recent years aimed at improving the affordability and deterring potential over-use of oncology drugs. In December 2020, for instance, the National Health Commission (the "NHC") released the Notice on the Temporary Measures Regulating the Clinical Use of Oncology Drugs, followed by more detailed guidance announced in its Measurement Criteria for the Reasonable Clinical Use of Oncology

Drugs (2021 Version) in June 2021 ("Oncology Drug Guidance"), according to which several factors will be considered to evaluate whether the oncology drugs, especially "restricted class drugs," are under reasonable use by the medical institutions, in terms of usage rate and amount, among other criteria. The Oncology Drug Guidance sets out to designate antitumor drugs as "restricted class drugs" if they, among other characteristics, exhibit a poor safety profile, require sophisticated clinical administration, new to the market or prohibitively priced. If our oncology drug candidates are categorized as "restricted class drugs" after commercialization, we may face a decreased demand from the medical institutions and patients, which may adversely affect the commercialization and marketing of such drug candidates. These new laws, regulations and healthcare reform measures and others which may be adopted in the future may result in more rigorous prescription and coverage criteria, new reimbursement methods and additional downward pressure on drug prices.

These legislative trends and regulatory measures can potentially affect the sales, profitability and prospects of our drug candidates in the future. Moreover, because these laws and regulations are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices.

We may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, which could result in negative tax consequences to us and our shareholders.

Under the Corporate Income Tax Law of the PRC (the "CIT Law"), an enterprise established outside of China with "de facto management bodies" within China is considered a "resident enterprise," meaning that it will be treated in a manner similar to a Chinese enterprise for PRC enterprise income tax purposes. The Circular of the State Taxation Administration (the "STA") on Issues Concerning the Identification of Chinese-Controlled Enterprises Registered Overseas as Resident Enterprises on the Basis of Their De Facto Management Bodies issued by the STA on April 22, 2009 and partially abolished in December 2017, or Circular 82, provides certain specific criteria for determining the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore. Although Circular 82 only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by foreigners like us as of the Latest Practicable Date, the criteria set forth in the Circular 82 may reflect the STA's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. Under Circular 82, an offshore enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management and their work location is in the PRC; (ii) decisions relating to the enterprise's financial and human resources matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC. On July 27, 2011, the STA issued Administrative Measures of Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial), or Bulletin 45, which became effective on September 1, 2011 and as amended in 2015, 2016 and 2018, to provide further guidance on the implementation of Circular 82. Bulletin 45 clarifies certain issues related to determining PRC resident enterprise status, including which the competent tax authorities are responsible for determining offshore incorporated PRC resident enterprise status, as well as post-determination administration.

We believe neither our Company nor any of our non-PRC subsidiaries is a PRC resident enterprise for PRC enterprise income tax purposes. Despite the foregoing, the STA may take the view that the determining criteria set forth in Circular 82 and Bulletin 45 reflect the general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. Additional implementing regulations or guidance may be issued pursuant to which we or any of our subsidiaries incorporated outside of the PRC may be considered a "resident enterprise" for PRC enterprise income tax purposes. If the PRC tax authorities determine that we or any of our subsidiaries incorporated outside of the PRC is a resident enterprise for PRC enterprise income tax purposes, unfavorable PRC tax consequences could follow. We and our non-PRC subsidiaries may be subject to enterprise income tax at a rate of 25% on our worldwide

taxable income, as well as to PRC enterprise income tax reporting obligations. The CIT Law and its implementing rules issued by PRC tax authorities provide that dividends paid by us to our non-PRC shareholders and, while less clear, capital gains recognized by them with respect to the sale of our Shares may be subject to tax of 10% for non-PRC resident enterprise shareholders and 20% for non-PRC resident individual shareholders. In the case of dividend payments, such PRC tax may be withheld at source by us. Whether non-PRC shareholders of our Company would be able to obtain the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise may be subject to further interpretation and implementation. Any such tax may reduce the returns on your [**REDACTED**] in our Shares.

Governmental regulations on currency exchange may affect us.

The convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency into and out of China are subject to PRC foreign exchange regulations. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, approval from or registration with appropriate governmental authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies.

In July 2014, SAFE promulgated the Circular of the SAFE on Foreign Exchange Administration of Equity Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles ("Circular 37"). Circular 37 requires PRC residents (including PRC individuals and PRC corporate entities as well as foreign individuals with a habitual residence in China due to economic interests) to register with SAFE or its local branches in connection with their direct or indirect offshore investment activities. Circular 37 further requires amendment to the SAFE registrations in the event of any changes with respect to the basic information of the offshore special purpose vehicle, such as changes of the offshore special purpose vehicle's name and operational term, or any significant changes with respect to the PRC individual shareholder, such as the increase or decrease of capital contributions, share transfer or exchange, or mergers or divisions. Circular 37 is applicable to our shareholders who are PRC residents. If our shareholders who are PRC residents fail to make the required registration or to update the previously filed registration, our PRC subsidiaries may be prohibited from distributing their profits or the proceeds from any capital reduction, share transfer or liquidation to us, and we may also be prohibited from making additional capital contributions into our PRC subsidiaries. In February 2015, SAFE promulgated a Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment ("Notice 13"), effective from June 2015, and further amended by SAFE on December 30, 2019. Under Notice 13, applications for foreign exchange registration of inbound foreign direct investments and outbound overseas direct investments, including those required under Circular 37, will be filed with qualified banks instead of SAFE. The qualified banks will directly examine the applications and accept registrations under the supervision of SAFE. We cannot assure you that all our Shareholders will at all times comply with the registration procedures as required under these regulations. The failure or inability of the relevant shareholders to comply with the registration procedures set forth in these regulations may subject us to fines and legal sanctions. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC law for circumventing applicable foreign exchange restrictions. As a result, our business operations and our ability to distribute profits to you could be materially and adversely affected.

PRC regulations of loans and direct investment by offshore holding companies to PRC entities may delay or prevent us from using the [REDACTED] of the [REDACTED] to make loans or additional capital contributions to our PRC subsidiaries.

Any loans provided by our offshore holding companies to our PRC subsidiaries are subject to PRC regulations and such loans must be registered with the local branch of the SAFE. Additionally, if we finance such subsidiary by means of additional capital contributions, these capital contributions must be registered, reported or filed with certain government authorities, including the Ministry of Commerce (the "MOFCOM"), the State Administration for Market Regulation (the "SAMR") and the SAFE or their local counterparts. We cannot assure you that we will be able to obtain these government registrations or approvals or to complete registration procedures on a

timely basis, if at all, with respect to future loans or capital contributions by us to our subsidiaries or any of their respective subsidiaries. If we fail to obtain such approvals or registrations, our ability to make equity contributions or provide loans to our PRC subsidiaries or to fund their operations may be materially and adversely affected. This may materially and adversely affect our PRC subsidiaries' liquidity, their ability to fund their working capital and expansion projects, and their ability to meet their obligations and commitments. As a result, this may have a material adverse effect on our business, financial condition and results of operations.

We may rely on dividends and other distributions on equity paid by our PRC subsidiaries to fund any cash and financing requirements we may have. Any limitation on the ability of our PRC subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business or financial condition.

We are a holding company incorporated in the Cayman Islands, and we may rely on dividends and other distributions on equity that may be paid by our subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to the holders of our Shares and service any debt we may incur. If any of our subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. Under PRC laws and regulations, our PRC subsidiaries may pay dividends only out of their respective accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, our PRC subsidiaries are required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to fund certain statutory reserve funds, until the aggregate amount of such a fund reaches 50% of its registered capital. Such reserve funds cannot be distributed to us as dividends. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends to our [**REDACTED**] or other obligations to our suppliers, or otherwise fund and conduct our business.

There might be uncertainties in effecting service of legal process, enforcing foreign judgments against us or our Directors and senior management personnel in the PRC.

We are a holding company incorporated as an exempted company in the Cayman Islands with substantially all of our assets located in Chinese Mainland. In addition, a majority of our Directors and senior management personnel reside within Chinese mainland. Therefore, it may be difficult for [**REDACTED**] to directly effect service of legal process upon us or our Directors and senior management personnel in the PRC.

On July 14, 2006, the Supreme People's Court of the PRC and the government of Hong Kong Special Administrative Region entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned, or the Arrangement, which was taken into effect on August 1, 2008. Pursuant to the Arrangement, where any designated PRC court or any designated Hong Kong court has made an enforceable final judgment requiring payment of money in a civil or commercial case under a choice of court agreement in writing, any party concerned may apply to the relevant Hong Kong court or PRC court for recognition and enforcement of the judgment. A choice of court agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong court or a mainland court is expressly selected as the court having sole jurisdiction for the dispute.

On January 18, 2019, the Supreme People's Court and the Hong Kong SAR Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region, or the New Arrangement, which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong SAR and the Chinese mainland. On January 29, 2024, the New Arrangement was declared effective jointly by the Supreme People's Court of the PRC and the government of Hong Kong SAR, which has replaced the Arrangement. However, the New Arrangement does not apply to certain judgments of civil and commercial matters. Furthermore, there remain uncertainties as to the outcome of any applications to recognize and enforce such judgments and arbitral awards in the PRC.

We are a Cayman Islands exempted company and, because judicial precedent regarding the rights of shareholders is more limited under the laws of the Cayman Islands than other jurisdictions, you may have difficulties in protecting your shareholder rights.

Our corporate affairs are governed by our Memorandum and Articles of Association as well as the Cayman Companies Act and the common law of the Cayman Islands. The rights of shareholders to take action against the Directors, the rights of minority shareholders to institute actions and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those in Hong Kong and other jurisdictions. These differences may mean that the remedies available to the Company's minority shareholders may be different from those they would have under the laws of Hong Kong or other jurisdictions. See "Appendix III — Summary of the Constitution of the Company and Cayman Islands Company Law" in this document for further information.

RISKS RELATING TO THE [REDACTED]

No [REDACTED] currently exists for our Shares, and the [REDACTED] and [REDACTED] of our Shares may be volatile, which could lead to substantial losses to [REDACTED].

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

The [**REDACTED**] and [**REDACTED**] of our Shares may be highly volatile due to factors beyond our control, including general market conditions in Hong Kong, China, the U.S. and other global securities markets. In particular, the performance of other companies with business operations mainly in Chinese mainland that have listed their securities in Hong Kong, some of which have experienced significant price volatility, may influence [**REDACTED**] sentiment towards our Shares, impacting their [**REDACTED**] performance regardless of our operating results. Business-specific factors, such as variations in our revenue, earnings, or cash flow, could also cause significant fluctuations in our Share [**REDACTED**] and [**REDACTED**]. Any of these factors may result in large and sudden change in the [**REDACTED**] and [**REDACTED**] of our Shares.

Future [REDACTED] or perceived [REDACTED] of our Shares by major Shareholders following the [REDACTED] could materially and adversely affect [REDACTED] and our ability to raise capital.

Future sales or perceived sales of substantial amounts of our Shares by major Shareholders after the [**REDACTED**] could significantly decrease the prevailing [**REDACTED**] of our Shares. Contractual and regulatory restrictions will limit the number of Shares available for sale or issuance immediately following the [**REDACTED**]. However, once these restrictions lapse or are waived, sales of significant amounts of our Shares in the [**REDACTED**], or the perception that such sales may occur, could materially reduce our Share [**REDACTED**] and impair our ability to raise equity capital on favorable terms in the future.

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

The [**REDACTED**] of our Shares in the [**REDACTED**] exceeds the net tangible asset value per Share immediately prior to the [**REDACTED**], resulting in immediate dilution in the [**REDACTED**] net tangible asset value for [**REDACTED**]. Existing Shareholders, conversely, may experience an increase in the net tangible asset value per Share of their holdings. To support our business expansion or meet future financing needs, we may issue additional Shares or other equity securities. Such issuances, especially if not offered on a pro-rata basis to existing Shareholders, could further dilute the ownership percentage, earnings per Share, and net asset value per Share of existing Shareholders, potentially adversely affecting the value of your [**REDACTED**].

We could not assure you that we will declare and distribute any amount of dividends in the future.

We currently intend to retain most, if not all, of our available funds and future earnings to support the development and growth of our business. As a result, [**REDACTED**] should not rely on our Shares as a source of dividend income. See "Financial Information — Dividend" for details of our dividend policy. Under Cayman Islands law, our Board has discretion to declare dividends, subject to restrictions that dividends may only be paid out of profits or share premium, provided that such payments do not result in our Company being unable to pay its debts as they fall due in the ordinary course of business. In addition, our Shareholders may declare dividends by ordinary resolution, but no dividend may exceed the amount recommended by our Board. Even if our Board decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your [**REDACTED**] in our Shares will likely depend primarily upon any future [**REDACTED**] appreciation of our Shares. There is no guarantee that our Shares will [**REDACTED**] in value or even maintain the [**REDACTED**] at which you [**REDACTED**] the Shares. You may not realize a return on your [**REDACTED**] in our Shares, and you may even lose your entire [**REDACTED**] in our Shares.

We could not make fundamental changes to our business without the consent of the Stock Exchange.

On April 30, 2018, the Stock Exchange adopted rules under Chapter 18A of the Listing Rules. Under these rules, without the prior consent of the Stock Exchange, we may not effect any acquisition, disposal, or other transaction or arrangement, or a series of acquisitions, disposals, or other transactions or arrangements, that would result in a fundamental change in our principal business activities as described in this document. As a result, we may be unable to pursue certain strategic transactions that we might otherwise choose to undertake in the absence of Chapter 18A. If our competitors, not subject to these [**REDACTED**] restrictions, capitalize on such opportunities, we may be placed at a competitive disadvantage, which could materially adversely affect our business, financial condition and results of operations.

Information and statistics in this document that were obtained from official government sources have not been independently verified.

This document, particularly the section titled "Industry Overview," includes information and statistics about the pharmaceutical industry derived from official government sources. We believe these sources are appropriate and have taken reasonable care in extracting and reproducing such information. However, neither we, the Joint Sponsors, the [**REDACTED**], nor any of our or their respective directors, officers, or representatives, nor any other party involved in the [**REDACTED**], have independently verified this information, and no representation is made as to its accuracy or reliability. The collection methods for such data may be flawed, ineffective, or inconsistent with market practices, potentially leading to inaccuracies. In addition, the information may not be compiled on the same basis or with the same degree of accuracy as similar data presented elsewhere. In any event, you should exercise caution and avoid placing undue reliance on these statistics and information when evaluating an [**REDACTED**] in our Shares.

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

We strongly caution you not to rely on information contained in press articles or other media regarding our Company or the [**REDACTED**]. Prior to and following the publication of this document, there may be press and media coverage about us, our business, our industry, or the [**REDACTED**]. Such coverage may include information, such as operating and financial data, projections, or valuations, that does not appear in this document. Neither we nor any other party involved in the [**REDACTED**] has authorized the disclosure of such information in the press or media, and we do not accept responsibility for the accuracy or completeness of such information or publications. We make no representation as to the appropriateness, accuracy, completeness, or reliability of any such information or publication. To the extent that any such information is inconsistent with or conflicts with the information in this document, we disclaim responsibility for it, and you should not rely on such information when making your [**REDACTED**] decision.

In preparation for the [**REDACTED**], our Company has sought and [has been granted] the following waivers from strict compliance with the relevant provisions of the Listing Rules and the following exemptions from compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our headquarters and most of our business operations are based, managed and conducted in the PRC. As our executive Directors play very important roles in our business operation, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practicably difficult and commercially unreasonable for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our executive Directors to Hong Kong or appointment of additional executive Directors. Therefore, we do not have, and in the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules, provided that our Company implements the following arrangements:

(a) we have appointed Dr. CAO Guoqing (曹國慶) and Mr. POON Ping Yeung (潘秉揚) as our authorized representatives pursuant to Rule 3.05 of the Listing Rules. The authorized representatives will act as our principal channel of communication with the Stock Exchange. The authorized representatives will be readily contactable by phone, facsimile (if applicable) and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon the request of the Stock Exchange;

(b) when the Stock Exchange wishes to contact our Directors on any matter, each of the authorized representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly as and when required. We will also inform the Stock Exchange promptly in respect of any changes in the authorized representatives. We have provided the Stock Exchange with the contact details (i.e. mobile phone number, office phone number (if any), fax number (if any) and/or email address) of all Directors to facilitate communication with the Stock Exchange;

(c) all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon the request of the Stock Exchange;

(d) we have appointed Rainbow Capital (HK) Limited as our compliance adviser upon [**REDACTED**] pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the [**REDACTED**] and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [**REDACTED**]. Our compliance adviser will serve as the additional channel of communication with the Stock Exchange when the authorized representatives are not available and will have access at all times to our authorized representatives, our Directors and our senior management who will provide such information and assistance as our compliance adviser may need or reasonably request in connection with the performance of its duties as set out in Chapter 3A of the Listing Rules; and

(e) meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or our compliance adviser, or directly with our Directors within a reasonable time frame.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the 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/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 Codes;

(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.

Pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(a) whether the issuer has principal business activities primarily outside Hong Kong;

(b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and

(c) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "**Waiver Period**") and on the following conditions:

(a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(b) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company has appointed Dr. ZHOU Shiyu (周詩雨) ("**Dr. Zhou**"), the assistant to the chairperson of our Board, as one of our joint company secretaries. He has considerable experience in business development and relationship management, but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Mr. POON Ping Yeung (潘秉揚) ("**Mr. Poon**"), an associate member of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) in Hong Kong and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Dr. Zhou for an initial period of three years from the [**REDACTED**] to enable Dr. Zhou to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Given Mr. Poon's professional qualifications and experience, he will be able to explain to both Dr. Zhou and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Mr. Poon will also assist Dr. Zhou in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Mr. Poon is expected to work closely with Dr. Zhou and will maintain regular contact with Dr. Zhou, our Directors and the senior management of our Company. In addition, Dr. Zhou will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance his knowledge of the Listing Rules during the three-year period from the [**REDACTED**]. He will also be assisted by our compliance adviser and our legal adviser as to Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Dr. Zhou does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Dr. Zhou may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the [**REDACTED**] on the conditions that (a) Dr. Zhou must be assisted by Mr. Poon who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver will be revoked immediately if and when Mr. Poon ceases to provide assistance to Dr. Zhou as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

Before the expiration of the initial three-year period, the qualifications of Dr. Zhou will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock Exchange to enable it to assess whether Dr. Zhou, having benefited from the assistance of Mr. Poon for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(b) OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE AND PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all prospectuses to include matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and set out the reports specified in Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires a company to include in its prospectus a statement as to the gross trading income or sales turnover (as the case may be) of the company during each of the three financial years immediately preceding the issue of the prospectus, including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

Paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance further requires a company to include in its prospectus a report by the auditors of the company with respect to (i) the profits and losses of the company for each of three financial years immediately preceding the issue of the prospectus and (ii) the assets and liabilities of the company of each of the three financial years immediately preceding the issue of the prospectus.

Section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from the compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interest of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

Rule 4.04(1) of the Listing Rules requires that the consolidated results of the issuer and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the listing document or such shorter period as may be acceptable to the Stock Exchange be included in the accountants' report in the listing document.

Rule 18A.03(3) of the Listing Rules requires that a biotech company must have been in operation in its current line of business for at least two financial years prior to listing under substantially the same management. Rule 18A.06 of the Listing Rules requires that a biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in Rule 4.04 of the Listing Rules shall instead be references to "two financial years" or "two years", as the case may be. Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months from the date of the listing document.

In compliance with the abovementioned requirements under the Listing Rules, the Accountant's Report has been prepared to cover the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026.

Accordingly, an application has been made to the SFC for, and SFC [has granted], a certificate of exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of

Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance regarding the inclusion of the Accountant's Report covering the full three financial years immediately preceding the issue of this document on the following grounds:

(a) our Company is primarily engaged in the R&D, application and commercialization of biotech products, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules. Our Company will fulfill the additional conditions for [**REDACTED**] required under Chapter 18A of the Listing Rules;

(b) the Accountant's Report for each of the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026 has been prepared and is set out in Appendix I to this document in accordance with Rule 18A.06 of the Listing Rules;

(c) given that our Company is only required to disclose our financial results for each of the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026 in accordance with Chapter 18A of the Listing Rules, strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the requirements of paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for our Company;

(d) notwithstanding that the financial results set out in this document are only for the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this document pursuant to the relevant requirements; and

(e) the Accountant's Report covering the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026, together with other disclosures in this document, have already provided adequate and reasonable up-to-date information in the circumstances for the potential [**REDACTED**] to make an informed assessment of the business, assets, liabilities, financial position, management and prospects of our Company and to form a view on the track record of our Company. Therefore, the exemption would not prejudice the interest of the [**REDACTED**].

The SFC [has granted] a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that particulars of the exemption are set out in this document and this document will be issued on or before [**REDACTED**].

WAIVER AND EXEMPTION IN RELATION TO THE PRE-[REDACTED] EQUITY INCENTIVE PLAN

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the share options granted by our Company (the "**Share Option Disclosure Requirements**"):

(a) Rule 17.02(1)(b) of the Listing Rules stipulates that all material terms of a scheme adopted by our Company prior to the [**REDACTED**] must be clearly set out in this document, and our Company is also required to disclose in this document full details of

all outstanding options and awards and their potential dilution effect on the shareholdings upon [**REDACTED**] as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards;

(b) Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to set out in this document particulars of any capital of any member of our Group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee; and

(c) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires our Company to set out in this document, among other things, details of the number, description and amount of any shares in or debentures of our Company which any person has, or is entitled to be given, an option to subscribe for, together with the certain particulars of the option, namely the period during which it is exercisable, the price to be paid for shares or debentures subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it was given.

As of the Latest Practicable Date, our Company has granted options under the Pre-[**REDACTED**] Equity Incentive Plan to 115 grantees, including Directors, senior management of our Company and other employees our Group (who are not Directors, senior management or connected persons of our Company), to subscribe for an aggregate of 3,401,300 Shares, representing approximately [**REDACTED**]% of the total issued share capital of our Company immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), on the terms as set out in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document.

Our Company has applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules, and (ii) the SFC for a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, on the ground that strict compliance with the Share Option Disclosure Requirements would be unduly burdensome for our Company, and the waiver and the exemption would not prejudice the interest of the [**REDACTED**] for the following reasons:

(a) given that 115 grantees are involved, strict compliance with the Share Option Disclosure Requirements in setting out full details of all the grantees under the Pre-[**REDACTED**] Equity Incentive Plan in this document would be costly and unduly burdensome for our Company in light of a significant increase in cost and time for information compilation and document preparation;

(b) the disclosure of the personal details of each of the grantees, including their names and the number of share options granted to them, may require obtaining consents from all the grantees in order to comply with personal data privacy laws and principles;

(c) full disclosure of details of the grantees (which include their names and positions), as well as the share options granted to each of them, would provide our competitors with compensation details of our employees and facilitate their soliciting activities, which may impact our ability to recruit and retain valuable personnel;

(d) as of the Latest Practicable Date, save for two grantees who are Directors (who are also members of senior management of our Company), the remaining 113 grantees are employees of our Group, all of whom are not connected persons of our Company. Strict

compliance with the applicable Share Option Disclosure Requirements to disclose names, addresses and entitlements on an individual basis in this document will require additional pages of disclosures that do not provide any material information to the [**REDACTED**];

(e) the grant and exercise in full of the options under the Pre-[**REDACTED**] Equity Incentive Plan will not cause any material adverse impact on the financial position of our Company;

(f) lack of full compliance with the above disclosure requirements would not prevent our Company from providing its potential [**REDACTED**] with information for them to make an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and

(g) material information relating to the options under the Pre-[**REDACTED**] Equity Incentive Plan will be disclosed in this document, including the total number of Shares subject to the Pre-[**REDACTED**] Equity Incentive Plan, the exercise price per Share, the potential dilution effect on shareholding (if any), and impact on earnings/losses per Share upon full exercise of the options granted under the Pre-[**REDACTED**] Equity Incentive Plan. Our Directors consider that the information that is reasonably necessary for the potential [**REDACTED**] to make an informed assessment of our Company in their [**REDACTED**] decision making process has been included in this document.

The Stock Exchange [has granted] us a waiver from strict compliance with the relevant requirements under the Listing Rules on the conditions that:

(a) full details of the options under the Pre-[**REDACTED**] Equity Incentive Plan granted to each of the Directors and members of senior management of our Company will be disclosed in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document on an individual basis as required under the applicable Share Option Disclosure Requirements;

(b) for the remaining grantees, disclosures will be made, on an aggregate basis, categorized into lots based on the number of Shares under each individual grant, being (1) one Share to 100,000 Shares, (2) 100,001 Shares to 200,000 Shares, and (3) 200,001 Shares to 300,000 Shares, of (i) the aggregate number of grantees and the number of Shares underlying the options granted to them under the Pre-[**REDACTED**] Equity Incentive Plan, (ii) the consideration paid for the grant of the options under the Pre-[**REDACTED**] Equity Incentive Plan (if any), and (iii) the exercise period and the exercise price for the options granted under the Pre-[**REDACTED**] Equity Incentive Plan;

(c) there will be disclosures in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document for the aggregate number of Shares underlying the options under the Pre-[**REDACTED**] Equity Incentive Plan and the percentage of the total issued share capital of our Company represented by such number of Shares;

(d) the dilutive effect and impact on earnings/losses per Share upon full exercise of the options under the Pre-[**REDACTED**] Equity Incentive Plan, if any, will be disclosed in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document;

(e) a summary of the principal terms of the Pre-[**REDACTED**] Equity Incentive Plan will be disclosed in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document;

(f) a full list of all the grantees under the Pre-[**REDACTED**] Equity Incentive Plan (including those persons whose details have already been disclosed in this document), containing all the particulars as required under the applicable Share Option Disclosure Requirements, will be made available for public inspection in accordance with the paragraph headed "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" in Appendix V to this document;

(g) a certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be granted; and

(h) the particulars of the waiver and the exemption will be disclosed in this document.

The SFC [has granted] us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

(a) full details of the options under the Pre-[**REDACTED**] Equity Incentive Plan granted to each of the Directors and members of senior management of our Company will be disclosed in the paragraph headed "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document on an individual basis as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;

(b) for the remaining grantees, disclosures will be made, on an aggregate basis, categorized into lots based on the number of Shares under each individual grant, being (1) one Share to 100,000 Shares, (2) 100,001 Shares to 200,000 Shares, and (3) 200,001 Shares to 300,000 Shares, of (i) the aggregate number of grantees and the number of Shares underlying the options granted to them under the Pre-[**REDACTED**] Equity Incentive Plan, (ii) the consideration paid for the grant of the options under the Pre-[**REDACTED**] Equity Incentive Plan (if any), and (iii) the exercise period and the exercise price for the options granted under the Pre-[**REDACTED**] Equity Incentive Plan;

(c) a full list of all the grantees under the Pre-[**REDACTED**] Equity Incentive Plan (including those persons whose details have already been disclosed in this document), containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection in accordance with the paragraph headed "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" in Appendix V to this document; and

(d) the particulars of the exemption will be disclosed in this document and this document will be issued on or before [**REDACTED**].

For further details of the Pre-[**REDACTED**] Equity Incentive Plan, see "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document.

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. CAO Guoqing (曹國慶)	12559 Pebble Knoll Way Carmel IN 46033 United States	American
Mr. SHI Junwei (施俊巍)	Room 202 No. 12, Lane 709, Sanlin Road Pudong New Area Shanghai PRC	Chinese
Mr. ZHONG Zhongren (鍾仲人)	Room 3301, Building 6 No. 168 Hongqiao Road Shanghai PRC	Chinese
Non-executive Directors		
Dr. David Guowei WANG (王國瑋)	1210 VFW PKWY APT9 West Roxbury MA 02132-4308 United States	American
Dr. CHEN Kan (陳侃)	3842 167th PL NE Apt K2033 Redmond WA 98052-6331 United States	Chinese
Independent Non-executive Directors		
Ms. CHEN Weiwei (陳維維)	Room 2303, No. 16 Peninsula Garden Lane 1518, Xikang Road Putuo District Shanghai PRC	American
Dr. SHEN Zhenhai (沈振海)	860 Haddock D Foster City CA 94404 United States	American
Dr. JIANG Xuejun (姜學軍)	564 Floyd Street Englewood Cliffs NJ 07632 United States	American

For further information with respect to our Directors, see "Directors and Senior Management" in this document.

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors

Morgan Stanley Asia Limited
46/F, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Merrill Lynch (Asia Pacific) Limited
55/F, Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

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

[**REDACTED**]

Legal Advisers to our Company

As to Hong Kong and U.S. laws

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Hong Kong

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18 Harbour Road
Wanchai
Hong Kong

Legal Advisers to the Joint Sponsors and the [REDACTED]	*As to Hong Kong and U.S. laws* **Clifford Chance** 27/F, Jardine House One Connaught Place Central Hong Kong *As to PRC laws* **Commerce & Finance Law Offices** 12-15/F, China World Office 2 No. 1 Jianguomenwai Avenue Beijing PRC
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Principal Place of Business in Hong Kong	19/F, Golden Centre 188 Des Voeux Road Central Hong Kong
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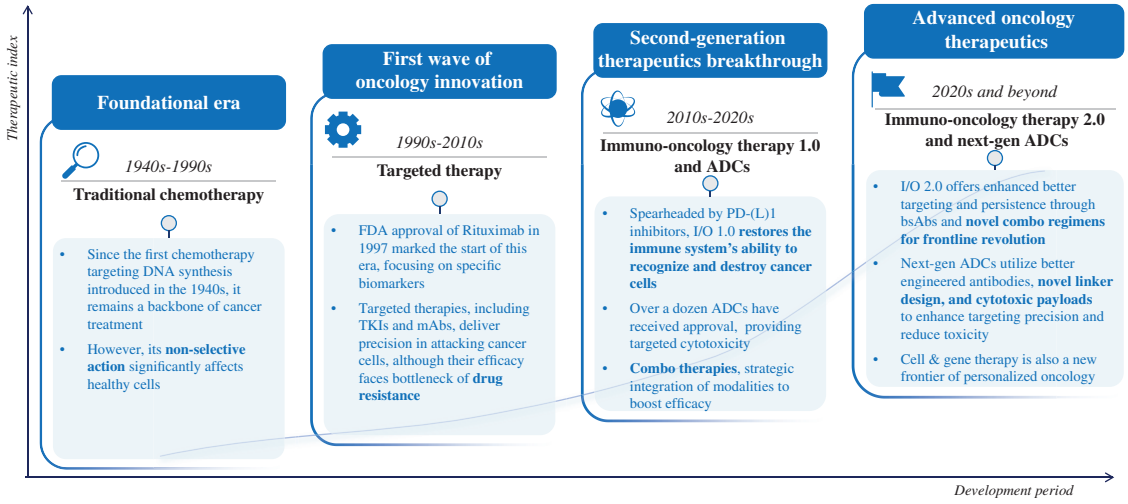
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GLOBAL CANCER DRUG MARKET

Overview of Cancer Treatment Evolution

Cancer therapeutics have advanced from traditional broad-spectrum chemotherapy to targeted and immune-based therapies, and now to advanced immunotherapies and ADCs. The following chart illustrates the global evolution of oncology treatment development.

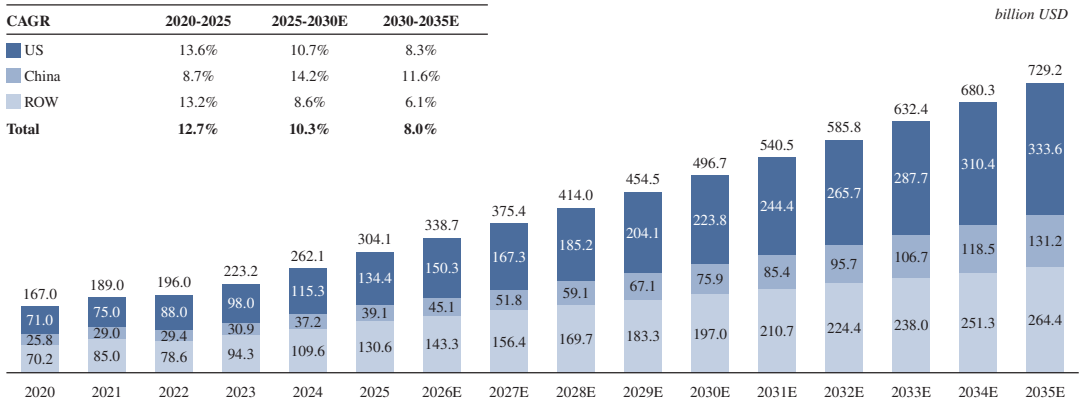


Source: Nature, Front Pharmacol., JAMA, CIC

Global and China Oncology Treatment Market Size

Global oncology drug market size, in the U.S., China and RoW, 2020-2035E

CAGR	2020-2025	2025-2030E	2030-2035E
US	13.6%	10.7%	8.3%
China	8.7%	14.2%	11.6%
ROW	13.2%	8.6%	6.1%
Total	**12.7%**	**10.3%**	**8.0%**



Source: International Agency for Research on Cancer (IARC), NCCR, NCCN, Chinese Society of Clinical Oncology (CSCO), CIC

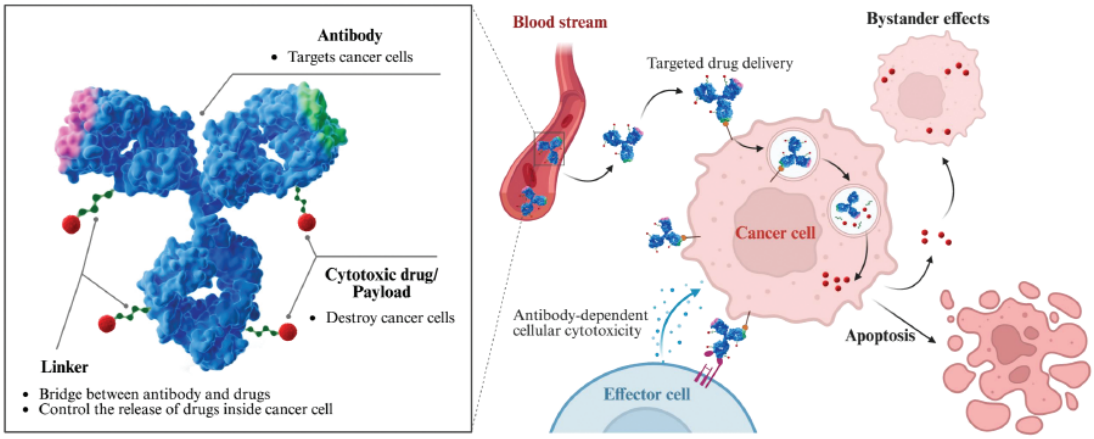
Advanced Cancer Therapeutic

Current targeted therapies and first-generation immunotherapies are constrained by limited durability of response and suboptimal efficacy in "cold" tumors with low immune infiltration. In addition, systemic toxicities and immune-related adverse events may restrict dose intensity and treatment duration. Advanced modalities are designed to address these limitations. ADCs deliver highly potent cytotoxic agents directly to tumor cells to limit off-target exposure and help overcome intratumoral heterogeneity. Immuno-oncology bispecific antibodies (I/O bsAbs) may co-engage complementary pathways in the tumor microenvironment, thereby amplifying antitumor immunity and tackling resistance to conventional checkpoint inhibitors.

Introduction to ADCs

ADC Structure and Mechanism

ADCs are targeted cancer therapeutics that integrate three key components: a monoclonal antibody directed against a tumor-associated antigen, a linker, and a cytotoxic payload. Four design pillars determine their clinical performance: target selection and antibody engineering; linker chemistry; payload mechanism and potency; and control of the DAR. After binding to its target antigen on tumor cells, the ADC-antigen complex is internalized and trafficked to intracellular compartments, where cleavage of the linker releases the cytotoxic payload to induce apoptosis. For membrane-permeable payloads, localized diffusion enables a bystander-killing effect that can eradicate neighboring tumor cells with low or heterogeneous antigen expression. These features are intended to concentrate cytotoxic activity within tumors while mitigating systemic exposure and improving the therapeutic index relative to traditional chemotherapy and earlier targeted approaches. The following schematic illustrates the structural components of an ADC and its mechanism of action.



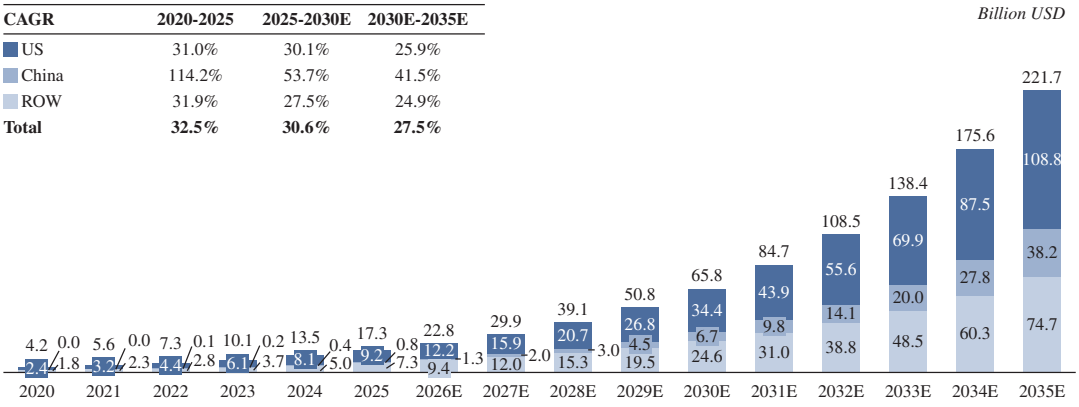
Source: CIC

ADC technology has evolved from heterogeneous constructs with unstable linkers and limited potency to more refined designs featuring humanized or fully human antibodies, high-potency payloads, and improved linker stability and conjugation methods. Advanced ADCs increasingly employ site-specific conjugation and optimized DARs to enhance homogeneity, pharmacokinetics and antitumor efficacy while reducing off-target toxicity. The frontier of ADC innovation is further expanding into bi-specific and multi-specific formats, designed to enhance tumor selectivity and therapeutic efficacy through simultaneous engagement of multiple surface antigens. These advances underpin the rapid expansion of ADCs across multiple solid tumors and hematologic malignancies.

Global and China ADC Market Size

Global ADC market size, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	31.0%	30.1%	25.9%
China	114.2%	53.7%	41.5%
ROW	31.9%	27.5%	24.9%
Total	**32.5%**	**30.6%**	**27.5%**



Source: Annual reports, IARC, NCCN, CSCO, CIC

Substantial Market Interest in ADCs

Since 2020, there have been about 300 ADC merger and acquisition and licensing deals globally, including around 60 involving MNCs, with disclosed value exceeding US$215 billion. Chinese innovators participated in approximately 44% of global deal count, underscoring China's increasingly active role as an important innovation hub for ADC development.

Potential Challenges and Implications for ADC Design

ADC's clinical development and use present challenges related to safety, pharmacology and design optimization. Several FDA-approved ADCs carry boxed warnings that reflect risks of severe or fatal adverse events, most commonly hepatotoxicity, myelosuppression and interstitial lung disease (ILD). For example, Trodelvy (sacituzumab govitecan) carries a boxed warning for severe neutropenia and diarrhea, while Enhertu (trastuzumab deruxtecan) carries a boxed warning for ILD/pneumonitis.

On-target off-tumor toxicity. Because some target antigens are expressed at low levels in normal tissues, ADC binding can trigger unintended toxicities, including hematologic, hepatic, or gastrointestinal adverse events. Mitigating this risk begins with stringent antigen selection based on tumor selectivity, surface localization and internalization kinetics. It also requires optimization of linker stability to limit extracellular release and refinement of dosing strategies to balance efficacy with tolerability.

Off-target toxicity. Toxicities can arise when the cytotoxic payload is released prematurely in circulation due to an unstable linker, or when the ADC is taken up non-specifically by normal cells. These mechanisms may lead to clinically meaningful adverse effects such as myelosuppression, neuropathy, ILD, or ocular events. Design priorities include careful payload class selection and tuning, robust conjugation chemistry, and control of drug-to-antibody ratio (DAR) and DAR heterogeneity to achieve consistent pharmacokinetics and minimize free-drug exposure.

Design and clinical solution. Optimizing the therapeutic index of ADCs typically combines engineering and clinical strategies: precise antigen selection; stable, tumor-triggered linkers; site-specific conjugation to control DAR; and payloads calibrated for potency, membrane permeability and bystander effect where appropriate. Dosing and schedule refinement, proactive

safety monitoring and supportive care protocols further mitigate risk. In addition, combining ADCs with immunotherapy is being explored to enhance tumor elimination by coupling targeted cytotoxicity with immune activation, provided that overlapping toxicities are managed with careful regimen design and sequencing.

Introduction to Advanced Immunotherapies

Evolution of I/O Innovations

The first wave of I/O therapies, led by PD-(L)1 inhibitors such as Merck's Keytruda, transformed cancer care across multiple tumor types and established checkpoint inhibition as a core modality. Keytruda alone has over 30 approvals and over US$30 billion in annual sales in 2025. Challenges remain, including drug resistance, limited durability of response and modest activity in "cold" tumors. Advanced I/O innovations, including bispecific and multispecific antibodies, seek to address these gaps by engaging complementary pathways, such as PD-(L)1 together with VEGF, CTLA-4, or IL-2, to boost immune activation, improve T-cell infiltration and broaden clinical benefit across tumor settings.

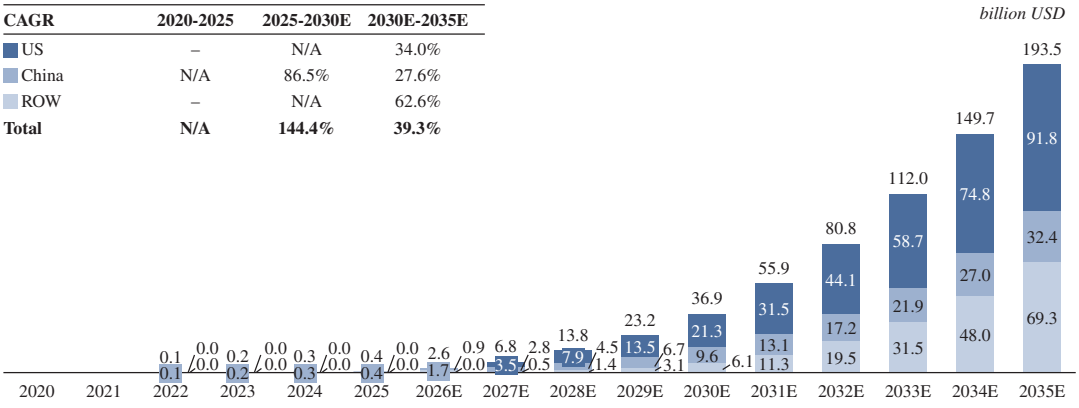
Introduction to I/O bsAbs

Bispecific antibodies are designed to bind two biologically complementary targets simultaneously, thereby coordinating multiple mechanisms of antitumor activity within a single molecule. By combining checkpoint inhibition with additional pathways such as angiogenesis modulation or T-cell costimulation, PD-(L)1-based bsAbs can enhance T-cell infiltration, normalize tumor vasculature, and counteract immune evasion mechanisms that limit the efficacy of first-generation PD-(L)1 monoclonal antibodies. Within this class, PD-(L)1/VEGF bsAbs have advanced most rapidly, providing early clinical validation of the concept and generating momentum for broader exploration across tumor types and lines of therapy.

Global and China I/O bsAbs Market Size

Global market size of PD-(L)1 bsAbs, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	–	N/A	34.0%
China	N/A	86.5%	27.6%
ROW	–	N/A	62.6%
Total	**N/A**	**144.4%**	**39.3%**



Source: Annual report, FDA, NMPA, CIC

Substantial Market Interest in I/O bsAbs

High-value partnering and licensing activity reflects strong confidence in I/O bsAbs as advanced oncology backbones. Since 2020, there have been 35 global PD-(L)1 bsAb merger and acquisition and licensing deals, including 7 with MNCs, with total disclosed consideration exceeding US$44 billion. Chinese companies have driven much of this momentum, participating in 71% of global deal count. These include 12 license-out agreements, highlighting both China's robust domestic innovation and increasing global demand for China-originated I/O assets.

ADC + Advanced Immunotherapy Combination Therapy

Evolution of Combination Therapy

By modulating multiple pathways in parallel, rational combinations can generate synergistic or additive effects and address the molecular and immunologic complexity of tumors. Within this shift, ADCs are moving from a later-line rescue option towards earlier treatment settings in combination with immunotherapies, reflecting their potential to deliver potent cytotoxic activity directly to tumor cells while preserving a manageable safety profile. The integration of ADCs into immuno-oncology regimens is aligned with a broader precision-therapy paradigm: cytotoxic payloads are focused where antigen is expressed, while checkpoint inhibition or bispecific modulation reshapes the tumor microenvironment to support durable immune control. For lung cancer, combination I/O regimens with ADCs have shown improvements in progression-free survival and overall response versus chemotherapy alone, illustrating the clinical rationale for coordinated cytotoxic delivery and immune activation.

Superiority of ADC + Next Generation Immunotherapy Combination

The biological rationale for combining ADCs with advanced immunotherapies, particularly PD-(L)1/VEGF bispecific antibodies, is inherently complementary. VEGF pathway blockade remodels and normalizes abnormal tumor vasculature, alleviates hypoxia and promotes immune-cell trafficking into the tumor bed, thereby improving both immune engagement and intratumoral delivery of ADCs. In this context, the ADC contributes precise, high-intensity cytotoxicity against antigen-expressing cells and can trigger immunogenic cell death, while the bsAb sustains checkpoint inhibition and anti-angiogenic effects, supporting systemic immune surveillance. This coordinated targeting of vascular, immune and tumor-intrinsic pathways is expected to translate into higher objective response rates and longer progression-free and overall survival in indications where PD-(L)1/VEGF biology is relevant. It may also expand the therapeutic window relative to ADC monotherapy by concentrating exposure within the tumor and reducing reliance on higher systemic doses. Ongoing clinical studies, including the combination of the PD-1/VEGF bispecific antibody (MHB039A) with a TROP-2-directed ADC (MHB036C), are designed to validate these mechanistic advantages.

Global Competitive Landscape In-house ADC + PD-(L)1-based bsAb Combinations

Active development programs for ADC plus PD-(L)1-based bispecific antibody combinations span China, the U.S. and other regions. Among them, our portfolio features the greatest number of ongoing trials and the most advanced stage globally, including a Phase II study of MHB036C (TROP-2 ADC) with MHB039A (PD-1/VEGF) and an additional Phase I/II program pairing MHB088C (B7-H3 ADC) with MHB039A. Peer programs include HER2 ADC plus PD-1/VEGF bispecific combinations and other cross-modality pairings, underscoring broad industry validation of this strategy. The table below summarizes the global competitive landscape of in-house developed ADC and PD-(L)1-based bsAb ongoing clinical combo trial.

Company	ADC asset	ADC target	PD-(L)1 bsAb asset	PD-(L)1 bsAb target	Combo trial phase highest	Combo trial indication highest	Treatment Line	FPD of highest stage globally	Trial location
Our group	MHB036C	Trop2	MHB039A	PD-1/VEGF	II	BC, incl. TNBC, HR+ HER2-BC	1L+	2025-08-07	China
					I/II	NSCLC	1L+	2025-01-20	China
Our group	MHB088C	B7-H3	MHB039A	PD-1/VEGF	I/II	SCLC	1L+	2025-08-07	China
Baili	Izalontamab Brengitecan (BL-B01D1)	EGFR/HER3	Danvilostomig (SI-B003)	PD-1/CTLA-4	II	Cervical Cancer and Other Gynecological Malignancies	2L+	2023-08-11	China
RemeGen	RC48	HER2	RC148	PD-1/VEGF	II	HR-/HER2-low Breast Cancer	1L+	2024-09-30	China
Junshi	JS212	EGFR/HER3	JS207	PD-1/VEGF	II	Advanced Lung Cancer	2L+	2025-12-24	China
					II	m/u ccRCC, m/u CRPC, la/mUC, u/a Melanoma	2L+	2026-03-20	China
Akeso	AK146D1	Trop2/ Nectin4 ADC	AK112	PD-1/VEGF	II	Advanced BC	1L+	2026-05-15	China
Qilu	QLC5513	TROP2	QL1706	PD-1/CTLA-4	Ib/II	Solid tumors	1L+	2025-12-18	China
Qilu	QLS5132	CLDN6	QL1706	PD-1/CTLA-4	Ib/II	Solid tumors	1L+	2026-04-03	China
Akeso	AK138D1	HER3	AK112	PD-1/VEGF	Ib/II	Advanced BC	1L+	2026-05-09	China
AstraZeneca	Puxitatug samrotecan	B7-H4	Rilvegostomig	PD-1/TIGIT	I/II	Solid tumors incl. OC, BC, EC, sq-NSCLC, BTC	2L+	2021-11-17	Global
Hengrui	Trastuzumab rezetecan (SHR-A1811)	HER2	SHR-1701	PD-L1/TGFB	I/II	HER2+ Gastric Cancer	1L+	2023-01-03	China
BioNTech/Biotheus	BNT3212	EGFR/HER3	BNT327/PM8002	PD-L1/VEGFA	I/II	Solid tumors	2L+	2025-08-20	China, Australia
MacroGenics	MGC018	B7-H3	Lorigerlimab (MGD019)	PD-1/CTLA-4	I	Solid tumors	2L+	2022-03-24	US

Source: CDE, clinicaltrial.gov, CIC

Growth Drivers and Future Trends

Growth Drivers

Expanding Patient Pool with Significant Medical Needs

Cancer remains a major cause of morbidity worldwide and in China, with large patient populations across lung, breast, colorectal, gastric, liver, prostate and thyroid cancers sustaining significant long-term treatment demand. As ADCs and PD-(L)1 bsAbs move from late-line salvage settings into earlier lines of therapy and broaden into more tumor types, the accessible patient pool for advanced modalities is expected to expand accordingly, supporting durable, structurally driven growth.

China's Pivotal Role in Driving Advanced Cancer Therapeutics Innovations

China's pharmaceutical market is growing faster than the global average, and transaction data demonstrate a decisive pivot towards advanced modalities. Since 2020, ADC-related deals have surpassed chemical drugs to become the most valuable transaction category, while bsAb-related deals have risen to the third largest by value. Chinese innovators have participated in approximately 44% of global ADC transactions and 71% of global PD-(L)1 bsAb BD&L deals, including a significant number of license-out arrangements, underscoring both strong domestic R&D capabilities and growing recognition from multinational partners.

Policy Tailwinds in China

Supportive policy frameworks further reinforce China's position. Streamlined regulatory pathways, including conditional and special approval mechanisms, facilitate earlier access to innovative oncology drugs that address high unmet medical needs. In 2025, 50 innovative drugs were included in the NRDL, and 19 innovative drugs were added to commercial health insurance. Approximately 80% of innovative drugs gain NRDL inclusion within two years of launch. The NRDL's adoption of a value rating framework, which emphasizes clinical efficacy and cost-effectiveness, provides a structured basis for including high-value therapies and can shorten the time from approval to broad reimbursement.

Future Trends

Combination Therapy and Expansion of Treatment Lines

Combination regimens are expected to remain at the core of oncology treatment evolution. ADCs are increasingly positioned as combination partners earlier in the treatment continuum, where their targeted cytotoxicity can be paired with checkpoint inhibitors or PD-(L)1/VEGF bsAbs to couple efficient tumor debulking with durable immune activation. VEGF blockade-containing bsAbs can normalize tumor vasculature and promote immune-cell and drug infiltration, thereby improving ADC delivery and amplifying antitumor effects. As clinical data from ongoing ADC + PD-(L)1-based bsAb programs mature, these regimens are expected to migrate from later lines into front-line standards in selected tumor types.

Precision Medicine: Novel Structure of ADC and Advanced I/O

Advanced ADCs adopt refined architectures, including stable linkers, site-specific conjugation and controlled DAR, alongside potent and, where appropriate, membrane-permeable payloads to align efficacy, safety and bystander activity. On the immunotherapy side, PD-(L)1-based bsAbs and other multispecific constructs are engineered to co-target pathways such as checkpoint inhibition and angiogenesis within a single molecule, simplifying regimens and more precisely modulating the tumor microenvironment. These structural and mechanistic enhancements are designed to overcome resistance seen with first-generation agents, extend durable benefit to a broader range of patients and fit squarely within the precision-therapy paradigm.

Wider Coverage of Targets and Expression Levels

Ongoing engineering improvements are enabling effective treatment of tumors with low or heterogeneous antigen expression and more complex microenvironments. ADC designs that incorporate optimized target selection, improved linkers and suitable payload properties, together with microenvironment modulation by PD-(L)1/VEGF bsAbs, can enhance immune infiltration and ADC penetration within tumors. This integrated approach supports pursuit of new targets and indications, including patient populations that historically derived limited benefit from standard chemotherapy or single-pathway immunotherapy.

GLOBAL TROP-2 ADC MARKET

Overview

TROP-2 is a transmembrane protein with essential roles in embryonic and organ development and comparatively low expression in normal tissues. In contrast, it is frequently overexpressed across multiple solid tumors and associated with tumor growth, invasion and metastasis. This makes TROP-2 an attractive and rational target for ADCs. The following table sets forth TROP-2 expression rates across key tumor types.

Cervical cancer	High-grade gliomas	Ovarian cancer	Thyroid cancer	Breast cancer	Genitourinary cancers	Squamous cell carcinoma of lung	Endometrial cancer	Prostate cancer	Colon cancer	Adenocarcinoma of lung	Head and neck cancer
89%	86%	83%	83%	80%	80%	75%	72%	71%	68%	64%	63%

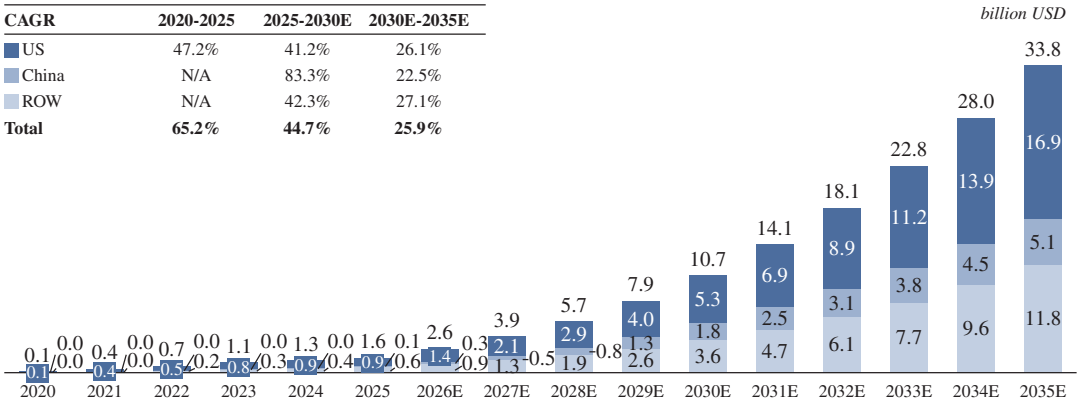
Source: Nature, Cancers, Cancer Immunol Immun, VIA MEDICA, CIC

A TROP-2 ADC typically consists of a monoclonal antibody that selectively recognizes TROP-2, a linker and a potent cytotoxic payload. Upon binding to TROP-2-expressing tumor cells, the ADC-antigen complex is internalized, and intracellular linker cleavage releases the cytotoxic payload to induce cancer cell death. When membrane-permeable payloads are used, a bystander effect can be achieved, enabling killing of neighboring tumor cells with lower or heterogeneous TROP-2 expression. This mechanism is well suited to tumors characterized by molecular heterogeneity and partial target expression, and provides a differentiated approach relative to conventional chemotherapy. In clinical development, TROP-2 ADCs are being advanced both as monotherapy and in rational combinations with immunotherapies, chemotherapies and targeted agents, with global programs concentrated in triple-negative breast cancer (TNBC), HR+/HER2- breast cancer, urothelial carcinoma and non-small cell lung cancer (NSCLC). TROP-2 expression has been reported in about 82% to 90% of NSCLC.

Global and China TROP-2 ADC Market Size

Global market size of Trop-2 ADC, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	47.2%	41.2%	26.1%
China	N/A	83.3%	22.5%
ROW	N/A	42.3%	27.1%
Total	**65.2%**	**44.7%**	**25.9%**



Source: Annual report, FDA, NMPA, CIC

Market Opportunity of TROP-2 ADC

The market opportunity for TROP-2 ADCs is anchored in the convergence of broad TROP-2 expression across major solid tumors, growing incidence, and documented limitations of current treatment options. Clinical experience in breast cancer and NSCLC has already defined clear late-line entry points for TROP-2 ADCs, with the potential to progress into earlier settings as safety and efficacy data accumulate. At the same time, toxicity profiles of first-generation agents reveal meaningful room for improvement.

Breast Cancer

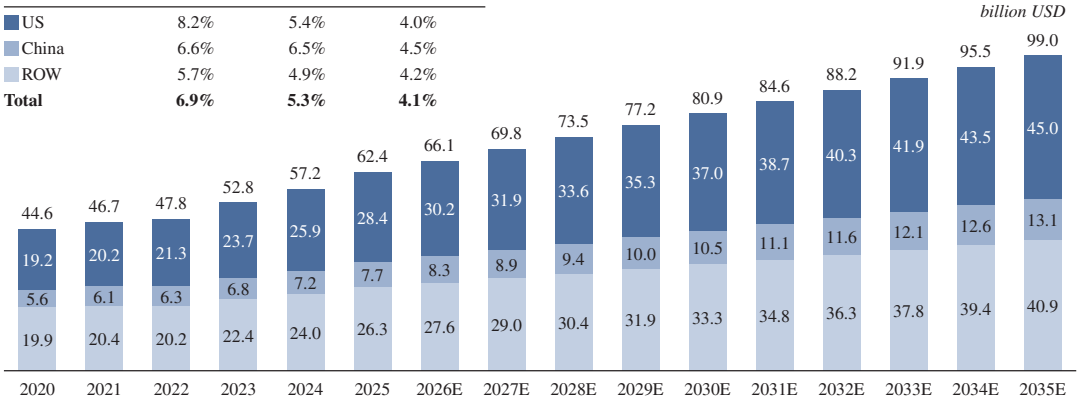
Overview

Breast cancer is the second most common cancer globally by incidence, with cases increasing from 2.26 million in 2020 to 2.45 million in 2025 and expected to reach 2.94 million by 2035. Incidence in the United States rose from 253.5 thousand in 2020 to 289.2 thousand in 2025 and is expected to reach 321.3 thousand in 2035. In China, incidence grew from 339.2 thousand in 2020 to 383.6 thousand in 2025 and is projected to reach 459.6 thousand in 2035. In the rest of the world, incidence increased from 1.67 million in 2020 to 1.78 million in 2025 and is anticipated to reach 2.15 million in 2035. TROP-2 is expressed in approximately 80% of breast cancer cases, with high expression observed in 50% of estrogen receptor-positive disease (ER+), 74% of human epidermal growth factor receptor 2-positive disease (HER2+) and 93% of TNBC samples.

Market Size

Global breast cancer drugs market size, 2020-2035E

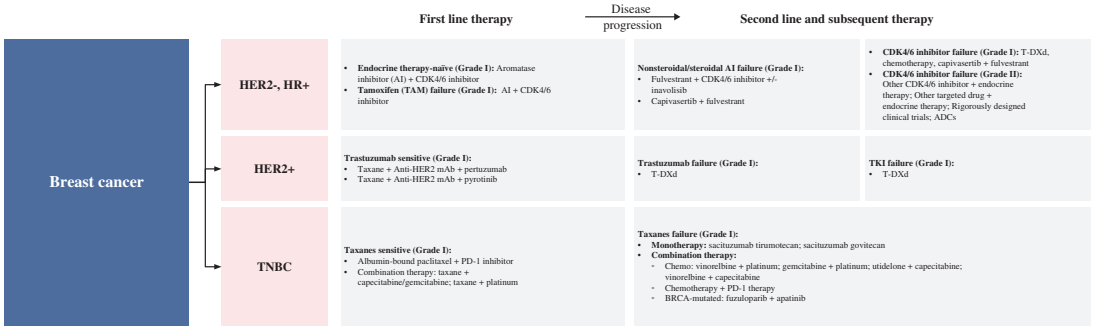
CAGR	2020-2025	2025-2030E	2030E-2035E
US	8.2%	5.4%	4.0%
China	6.6%	6.5%	4.5%
ROW	5.7%	4.9%	4.2%
Total	**6.9%**	**5.3%**	**4.1%**



Source: CSCO, CIC

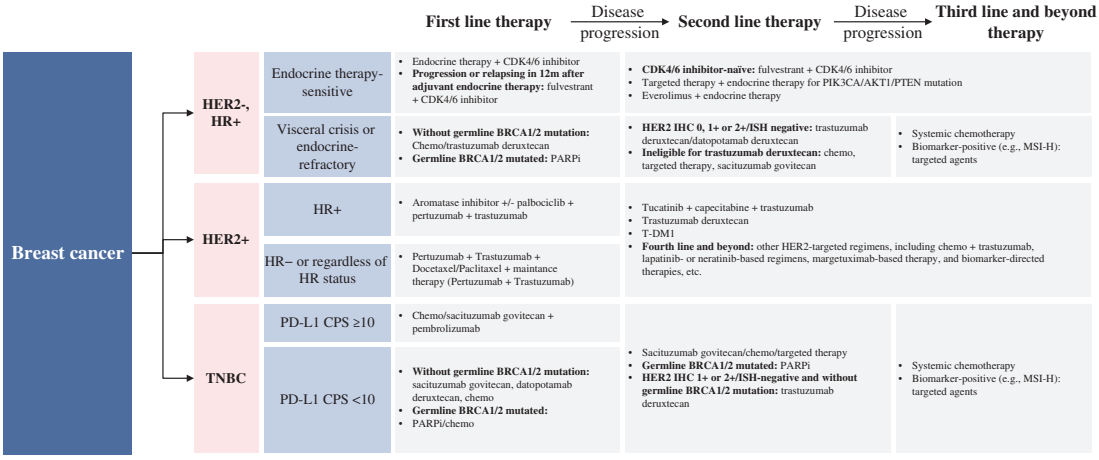
Treatment Paradigm

The following diagram outlines treatment path for breast cancer by subtype and line of therapy in China.



Source: CSCO, CIC

The following diagram outlines treatment path for breast cancer across subtypes and lines of therapy in the U.S.



Source: NCCN, CIC

HR+/HER2- Breast Cancer

HR+/HER2- breast cancer is the most prevalent subtype of breast cancer, accounting for about 70% of total cases. Between 5% and 10% of patients are diagnosed with advanced disease, with an approximate five-year survival rate of 30% globally. HR+/HER2- disease is reported to have significantly higher TROP-2 expression than HER2+ disease, supporting development of TROP-2-directed approaches in this population.

Incidence

Global HR+/HER2- incidence increased from 1.58 million in 2020 to 1.72 million in 2025 and is expected to reach about 2.06 million in 2035. In China, incidence rose from 237.5 thousand in 2020 to 268.6 thousand in 2025 and is anticipated to reach 321.7 thousand in 2035.

Limitation of Current Treatment

An estimated 40% to 50% of advanced HR+/HER2- patients are resistant to endocrine therapy. While initial regimens provide disease control, effectiveness diminishes in recurrent or metastatic settings. Toxicities associated with existing ADCs and systemic regimens, including ILD with T-DXd and severe neutropenia with Trodelvy, can limit tolerability and treatment continuity, reinforcing demand for better-tolerated, high-efficacy TROP-2 ADCs.

Triple-Negative Breast Cancer

TNBC accounts for approximately 15% of breast cancers and is characterized by absence of ER, PR and HER2, resulting in a paucity of targeted therapies. Recurrent or metastatic TNBC has a poor prognosis, with a five-year survival rate below 15%, and is currently treated predominantly with chemotherapy, with immunotherapy benefiting only selected subgroups. TROP-2 is overexpressed in about 93% of TNBC.

Incidence

Global TNBC incidence increased from 339.2 thousand in 2020 to 368.2 thousand in 2025 and is expected to reach about 440.1 thousand in 2035. In China, incidence rose from 50.9 thousand in 2020 to 57.5 thousand in 2025 and is anticipated to reach 68.9 thousand in 2035.

Limitation of Current Treatment

TNBC has few effective options beyond chemotherapy. Chemotherapy remains the mainstay because actionable targets are absent, and immunotherapy benefits only a subset of metastatic patients. Rapid disease progression and declining performance status contribute to short treatment duration and high attrition between lines. Existing TROP-2 ADCs demonstrate clinical promise but are associated with notable toxicities, including neutropenia with Trodelvy and interstitial lung disease or pneumonitis with Dato-DXd.

Non-small Cell Lung Cancer

Overview

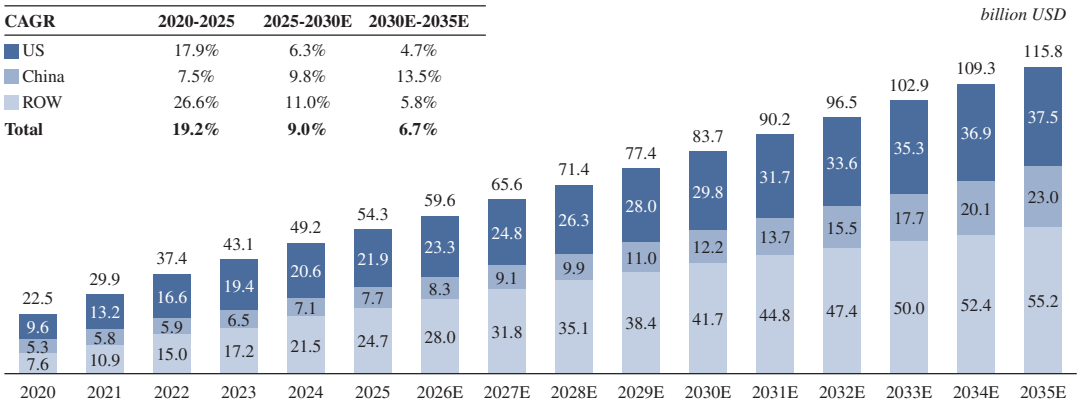
Lung cancer is the second most common cancer and the leading cause of cancer-related death worldwide. Non-small cell lung cancer (NSCLC) accounts for more than 85% of lung cancers, and about 70% of patients present with advanced diseases. Five-year survival for advanced NSCLC is about 8% to 10% in the U.S. and less than 5% in China. TROP-2 expression has been reported in about 82% to 90% of NSCLC.

Incidence

Global NSCLC incidence increased from 1.92 million in 2020 to 2.29 million in 2025 and is expected to reach about 2.96 million in 2035. In China, incidence grew from 830.1 thousand in 2020 to 1.06 million in 2025 and is anticipated to reach about 1.48 million in 2035. In the United States, incidence rose from 189.1 thousand in 2020 to 194.5 thousand in 2025 and is expected to reach about 210.7 thousand in 2035. In the rest of the world, incidence increased from 902.9 thousand in 2020 to 1.04 million in 2025 and is anticipated to reach about 1.26 million in 2035.

Market Size

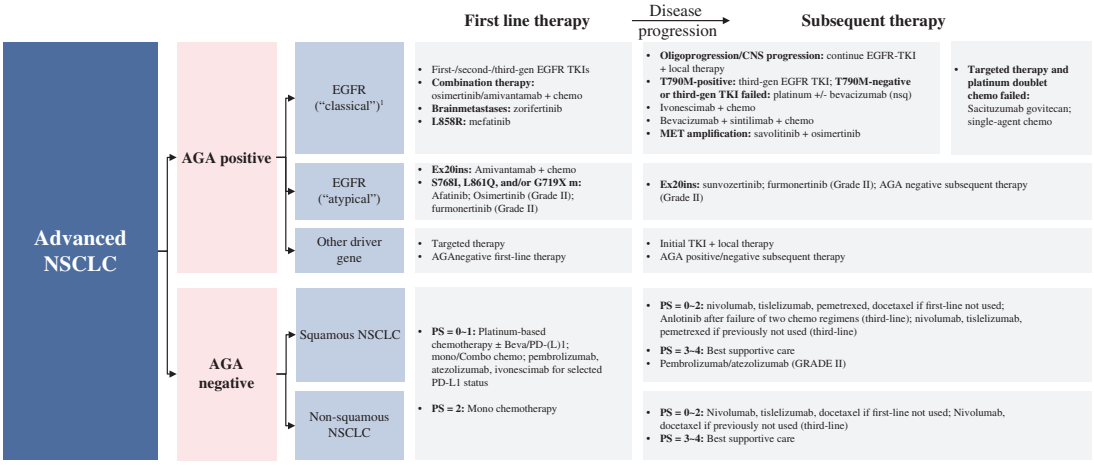
Global non-small-cell lung cancer drugs market size, 2020-2035E



Source: CSCO, CIC

Treatment Paradigm

The following diagram outlines treatment path for NSCLC by biomarker status and clinical stage in China.

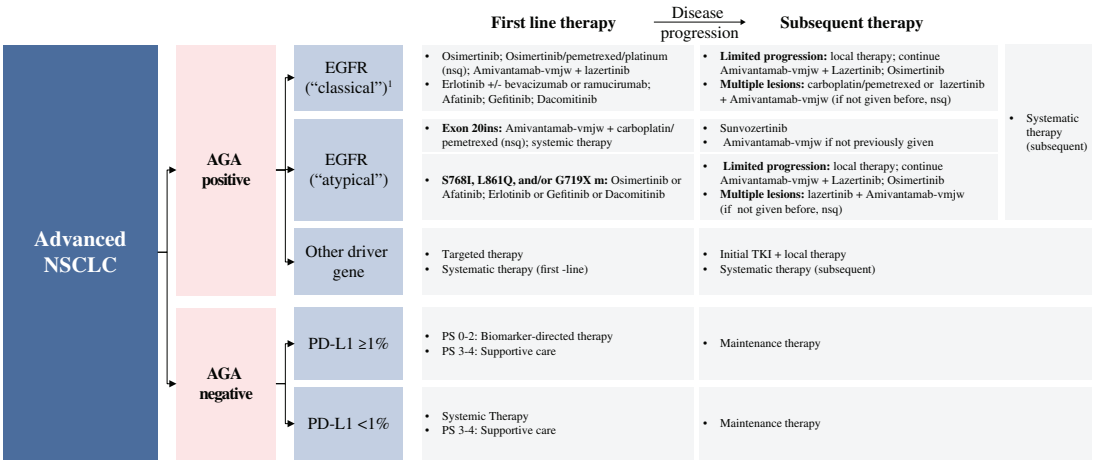


Notes: nsq: nonsquamous

1 EGFR ex19-del or L858R

2 All therapies listed are Grade I recommendations under the CSCO guideline, unless otherwise specified

The following diagram outlines treatment path for NSCLC by biomarker status and clinical stage in the U.S.



Note: nsq: nonsquamous

1 EGFR ex19-del or L858R

Limitations of Current Treatment

In NSCLC, the clinical benefit of immune checkpoint inhibitors is constrained in tumors with low or absent PD-L1 expression, underscoring the need for strategies that can operate effectively in immunologically "cold" microenvironments. Although chemo-immunotherapy improves outcomes for selected patients, primary and acquired resistance frequently emerge, leading to disease progression. Following failure of first-line chemo-immunotherapy, available treatment options are limited and generally deliver modest incremental benefit, with many patients cycling rapidly through subsequent regimens.

These gaps are compounded by the need to balance efficacy with proactive toxicity management to preserve performance status, quality of life and treatment adherence, particularly in later-line settings where tolerability often determines whether patients can receive additional therapy. The combination of high disease burden, resistance after front-line treatment and narrow post-progression choices highlights a clear opportunity for TROP-2-directed ADCs to provide targeted cytotoxicity and for rational combinations (for example, with advanced immunotherapies) to expand therapeutic options in PD-L1-low or refractory NSCLC, as TROP-2 expression has been reported in about 82% to 90% of NSCLC.

Competitive Landscape

List of Approved TROP-2 ADC

As of the Latest Practicable Date, three TROP-2 antibody-drug conjugates have obtained regulatory approvals that collectively cover TNBC, NSCLC and HR+/HER2- breast cancer. Recent decisions have moved the class into earlier clinical settings. As a monotherapy, MHB036C features an optimized ADC design, including an Fc-engineered anti-TROP-2 antibody, a proprietary topoisomerase I inhibitor payload, and a cleavable linker. Its payload is estimated to be five to ten times more potent than DXd. Clinical data have shown robust antitumor activity in lung and breast cancer at relatively low and tolerable doses, alongside a favorable safety profile (no major hematologic adverse events and an approximately 1% incidence of ILD). The table below outlines the global competitive landscape of approved TROP-2 ADCs.

Drug Name	Company	Indication	Treatment Line	First approval date	Combo/ Mono	Competent authority	Administration	2025 NRDL	Efficacy			Safety (TRAE% ≥ grade 3)	Clinical trial	Patient annual cost	Global sales in 2025
									mPFS (m)	mOS (m)	ORR				
Sacituzumab Tirumotecan (佳泰萊®)	Kelun biotech/ Merck	TNBC	3L+	2024/11/28	Mono	China	IV	YES	5.7	14.3	46.1%	63.1%	SKB264-III-03	~105 kRMB	RMB0.5 billion
		EGFRm non-sq NSCLC	3L+	2025/3/4	Mono	China	IV	YES	6.2	Not reached	41.8%	-	SKB264-II-08		
		EGFRm non-sq NSCLC	2L+	2025/10/11	Mono	China	IV	YES	7.1	35.6%	59.0%	-	SKB264-II-09		
Datopotamab Deruxtecan (Datroway®/ 達卓優®)	Daiichi Sankyo/ AstraZeneca	HR+ HER2-BC	3L+	2025/1/17	Mono	US	IV	-	6.9	18.6	36%	20.8%	TROPION-Breast01	~320 kUSD	JPY 47.6 billion
		EGFRm NSCLC	3L+	2025/6/23	Mono	US	IV	-	-	-	45%	-	TROPION-Lung05, TROPION-Lung01		
		HR+ HER2-BC	3L+	2025/8/22	Mono	China	IV	No	8.1	-	38.6%	-	TROPION-Breast01 (Chinese subgroup)	~95 kRMB	
		mTNBC	3L+	2026/5/22	Mono	US	IV	-	10.8	23.7	64%	-	TROPION-Breast02	~270 kUSD	
Sacituzumab Govitecan (Trodelvy®/ 拓達維®)	Gilead Sciences	TNBC	1L+	2026/6/24	Combo	US	IV	-	11.2	-	60%	≥ grade 3 TEAE 71%	ASCENT-04	~290 kUSD	US$1.4 billion
		TNBC	1L+	2026/6/24	Mono	US	IV	-	9.7	-	48%	≥ grade 3 TEAE 66%	ASCENT-03		
		TNBC	3L+	2020/4/22	Mono	US	IV	-	5.6	13.0	33.3%	59.6%	IMMU-132-01	~150 kUSD	
		HR+ HER2-BC	3L+	2023/2/3	Mono	US	IV	-	5.5	14.4	21.0%	≥ grade 3 TEAE 74%	TROPiCS-02		
		TNBC	3L+	2022/6/7	Mono	China	IV	No	5.55	-	38.8%	71.3%	EVER-132-001	~500 kRMB	
		HR+ HER2-BC	3L+	2025/3/18	Mono	China	IV	No	5.5	14.4	21.0%	≥ grade 3 TEAE 74%	TROPiCS-02		

Source: Company announcement, ASCO, Nature Medicine, International Journal of Cancer, The Lancet, FDA, NMPA, CIC

List of Clinical-Stage TROP-2 ADC Combo Studies for BC or NSCLC

In combination with MHB039A, MHB036C is further differentiated from peer TROP-2 ADC plus PD-1/PDL1 monoclonal antibody regimens, as MHB039A is a PD-1/VEGF bispecific antibody rather than a monospecific checkpoint inhibitor. Growing clinical evidence supports that PD-1/VEGF bispecific antibodies deliver improved anti-tumor responses compared with PD-1 monoclonal antibody. This chemotherapy-free combination integrates a promising TROP-2 with dual immune checkpoint and anti-angiogenic blockade, and has the potential to establish a new frontline standard of care in breast cancer and NSCLC. The following table lays out the global competitive landscape of TROP-2 ADC pipelines combo with PD-(L)1-based therapy for breast cancer or NSCLC.

Drug Name	Company	Indication	Treatment Line	Mono/Combo Therapy	Clinical Stage	First Posted Date	Trial Location
MHB036C	Our group	BC, incl. TNBC, HR+ HER2- BC	1L+	Combo with PD-1/VEGF bsAb	II	2025/8/7	China
		NSCLC	1L+	Combo with PD-1/VEGF bsAb	I/II	2025/1/20	China
Sacituzumab Tirumotecan	Kelun/Merck	High risk, early-stage TNBC or HR+ HER2- BC	Neoadjuvant Therapy	Combo with PD-1 mAb and chemo	III	2025/8/18	Global
		TNBC with PD-L1 CPS < 10	1L	Mono/Combo with PD-1 mAb	III	2025/4/18	Global
		TNBC or HR+ HER2- BC	1L	Mono/Combo with PD-1 mAb	II	2022/7/12	China
		PD-L1- nsq NSCLC	1L	Combo with PD-1 mAb	III	2024/9/13	China
		sq NSCLC	1L maintenance	Combo with PD-1 mAb	III	2024/7/15	Global excl. US
		NSCLC	Adjuvant Therapy	Combo with PD-1 mAb	III	2024/7/2	Global
		PD-L1+ NSCLC	1L	Combo with PD-1 mAb	III	2024/4/19	China
		NSCLC with PD-1 TPS≥ 50%	1L	Combo with PD-1 mAb	III	2024/3/26	Global
Datopotamab Deruxtecan	Daiichi Sankyo/ AstraZeneca	TNBC or HR+ HER2- BC	Neoadjuvant Therapy	Combo with PD-1 mAb	III	2024/3/21	Global
		PD-L1+ TNBC	1L	Mono/Combo with PD-1 mAb	III	2023/12/5	Global
		AGA- PD-L1+ nsq NSCLC	1L	Combo with PD-1/TIGIT bsAb	III	2025/3/5	Global
		AGA- NSCLC	1L	Combo with PD-1 mAb + chemo	III	2023/3/22	Global
		AGA- nsq NSCLC with PD-L1 TPS<50%	1L	Combo with PD-1 mAb +/-chemo	III	2023/1/19	Global
BAT8008	Bio-Thera Solutions	TNBC	2L+	Combo with PD-1 mAb	II	2024/4/2	China
			1L	Combo with PD-1 mAb	II	2025/5/28	China
		NSCLC	2L+	Combo with PD-1 mAb	II	2024/4/2	China
		AGA- NSCLC	1L	Combo with PD-1 mAb	II	2025/5/28	China
QLC5513	Qilu	TNBC	2L+	Combo with PD-1 mAb + CTLA mAb +/ chemo-	Ib/II	2025/12/18	China
DB-1305	Duality	BC, TNBC, NSCLC and other solid tumors	2L+	Combo with PD-1 mAb or PD- L1/VEGF-A bsAb	I/II	2022/6/29	Global
SHR-A1921	Hengrui	NSCLC	1L+	Combo with PD-1 mAb + CTLA mAb +/- chemo	I/II	2024/6/4	China

Source: CDE, clinicaltrial.gov, CIC

GLOBAL B7-H3 ADC MARKET

Overview

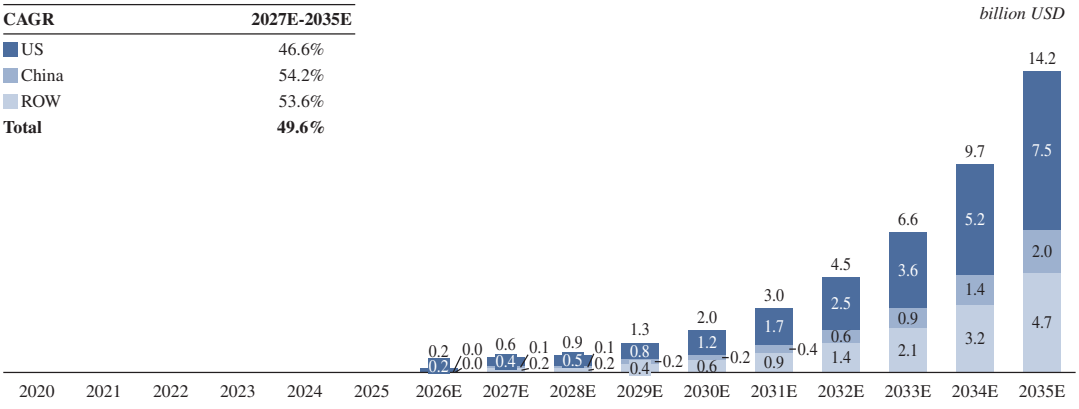
B7-H3 (CD276) is typically expressed at low levels in healthy tissues but is highly overexpressed across many solid tumors. B7-H3 contributes to immune evasion by suppressing T-cell-mediated antitumor responses and also promotes tumor progression, invasion and metastasis. After selective binding to B7-H3-expressing tumor cells, the conjugate is internalized; controlled linker cleavage then releases the payload to induce tumor-cell death. In parallel, antibody binding may block B7-H3-mediated immunosuppression and, through Fc effector function, engage antibody-dependent cellular cytotoxicity. This multi-layered mechanism provides an opportunity both to deliver potent cytotoxicity precisely to malignant tissue and to help restore antitumor immune activity. Although no B7-H3-targeted therapy has yet been approved, recent clinical readouts have been encouraging and have catalyzed significant development and partnering interest. Global efforts are concentrated in settings with high need, in particular small-cell lung cancer (SCLC) and metastatic castration-resistant prostate cancer (mCRPC).

Addressable Market Size

The market for B7-H3 ADCs is expected to grow from a low initial commercial base, supported by the broader clinical and commercial validation of ADCs in oncology and the expression of B7-H3 across multiple solid tumors, including SCLC, NSCLC, prostate cancer and head and neck cancer. Future growth is expected to be driven by product approvals, indication expansion, increasing physician familiarity and gradual clinical adoption.

Global market size of B7-H3 ADC, 2020-2035E

CAGR	2027E-2035E
US	46.6%
China	54.2%
ROW	53.6%
Total	**49.6%**



Source: Annual report, FDA, NMPA, CIC

Market Opportunity of B7-H3 ADC

Existing standards of care in priority indications such as SCLC and mCRPC deliver limited long-term control, and resistance is common. B7-H3 ADCs have the potential to provide differentiated benefit as targeted cytotoxic agents, either as monotherapy in relapsed/refractory populations or in combination with other systemic therapies to deepen and prolong responses.

Small-Cell Lung Cancer (SCLC)

Overview

SCLC is a highly aggressive subtype of lung cancer characterized by small cell size, large nuclei, scant cytoplasm and a biological propensity for rapid proliferation and early widespread metastasis. The overall five-year survival rate is about 7%. B7-H3 is reported to be overexpressed in approximately 65% to 75% of SCLC cases.

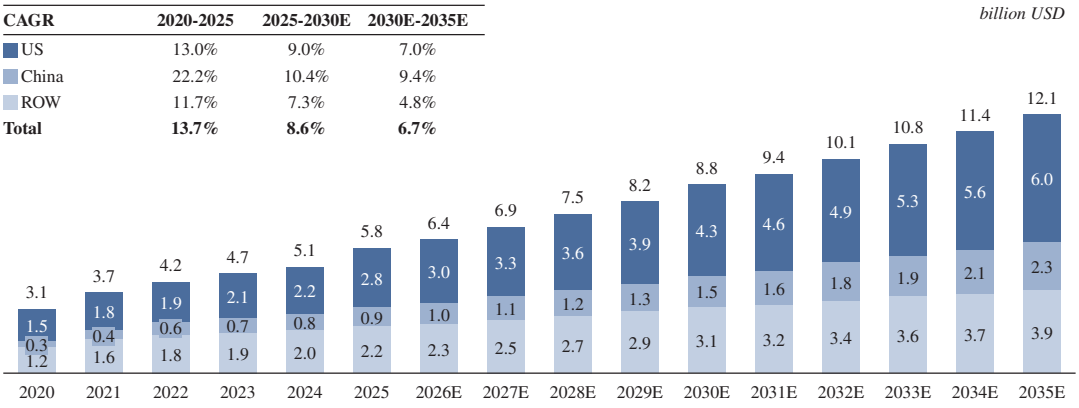
Incidence

Global SCLC incidence increased from 316.6 thousand in 2020 to 372.6 thousand in 2025 and is expected to reach 560.9 thousand in 2035. In China, incidence grew from 146.5 thousand cases in 2020 to 172.1 thousand in 2025 and is projected to reach 241.3 thousand in 2035. In the United States, incidence rose from 38.7 thousand cases in 2020 to 46.5 thousand in 2025 and is expected to reach 76.4 thousand in 2035. In the rest of the world, incidence increased from 131.4 thousand cases in 2020 to 154.1 thousand in 2025 and is anticipated to reach 243.1 thousand in 2035.

Market Size

Global small-cell lung cancer drugs market size, 2020-2035E

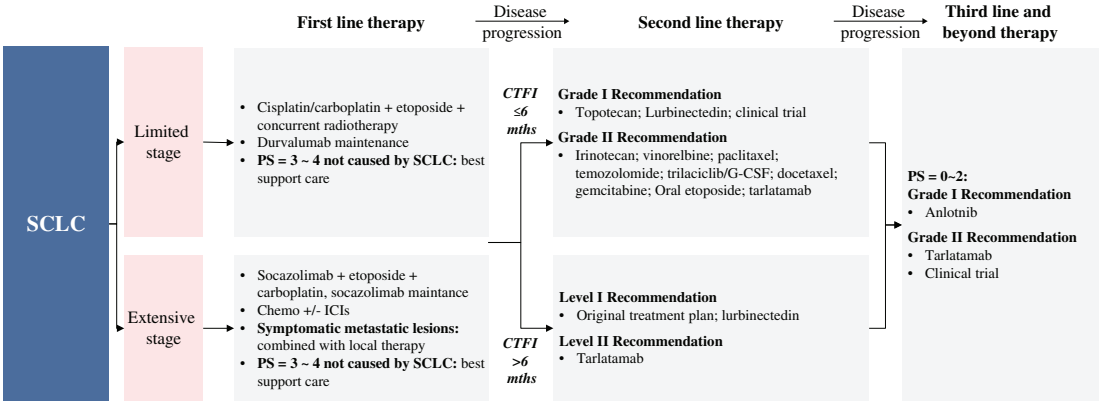
CAGR	2020-2025	2025-2030E	2030E-2035E
US	13.0%	9.0%	7.0%
China	22.2%	10.4%	9.4%
ROW	11.7%	7.3%	4.8%
Total	**13.7%**	**8.6%**	**6.7%**



Source: CSCO, CIC

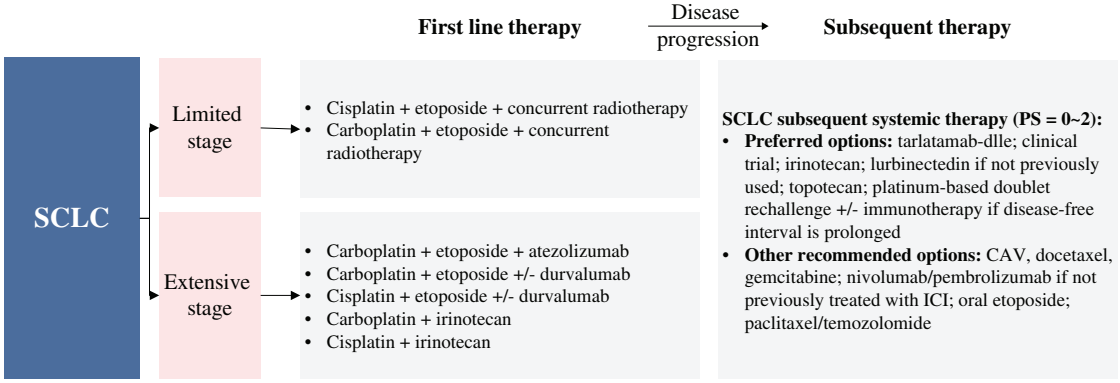
Treatment Paradigm

The following diagram outlines treatment path for SCLC by stage and line of therapy in China.



Source: CSCO 2026, CIC

The following diagram outlines treatment path for SCLC by stage and line of therapy in the U.S.



Note: CAV: cyclophosphamide/doxorubicin/vincristine

Limitations of Current Treatment

Although PD-(L)1 inhibitors have been incorporated into front-line regimens for extensive-stage disease, chemotherapy remains the cornerstone treatment for SCLC, and relapse often occurs within one year. Post-recurrence options are limited and yield modest benefit, leaving a substantial unmet need for more potent and selective modalities. With B7-H3 overexpressed in about 65% of SCLC, B7-H3 ADCs offer a targeted strategy to address resistance and improve outcomes in patients who progress on current standards.

Metastatic Castration-Resistant Prostate Cancer

Overview

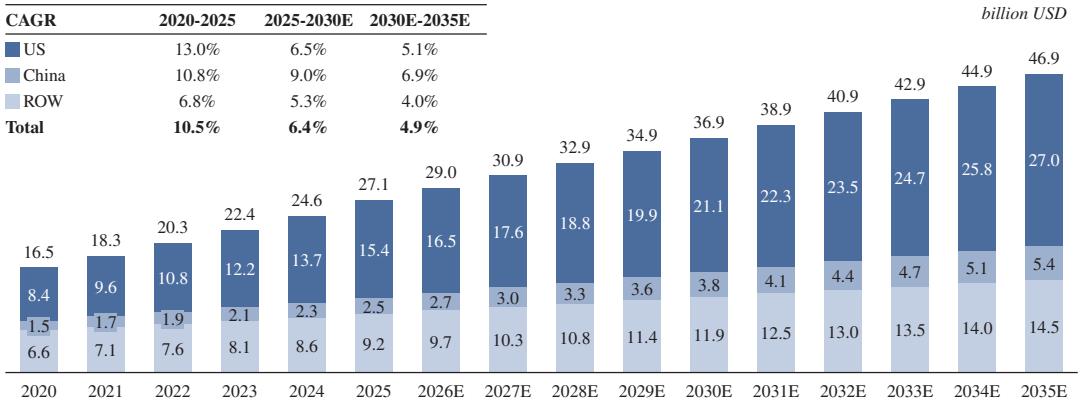
Castration-resistant prostate cancer (CRPC) represents an advanced stage that persists and progresses despite testosterone-lowering therapy. While most prostate cancers initially depend on androgen signaling, CRPC tumors adapt to survive and proliferate under reduced hormone levels. The metastatic form, mCRPC, is particularly aggressive and associated with high morbidity, complex treatment sequencing and limited durable responses. B7-H3 expression is observed in approximately 93% of mCRPC cases.

Incidence

Global prostate cancer incidence increased from 1.41 million in 2020 to 1.57 million in 2025 and is expected to reach 2.10 million in 2035. Within this, incidence in the United States increased from 191.9 thousand in 2020 to 245.1 thousand in 2025 and is expected to reach 275.2 thousand in 2035. In China, incidence grew from 112.1 thousand cases in 2020 to 178.6 thousand in 2025 and is projected to reach 297.6 thousand in 2035. In the rest of the world, incidence rose from 1.11 million cases in 2020 to 1.15 million in 2025 and is anticipated to reach 1.53 million in 2035. mCRPC accounts for about 5%-10% of prostate cancer cases.

Market Size

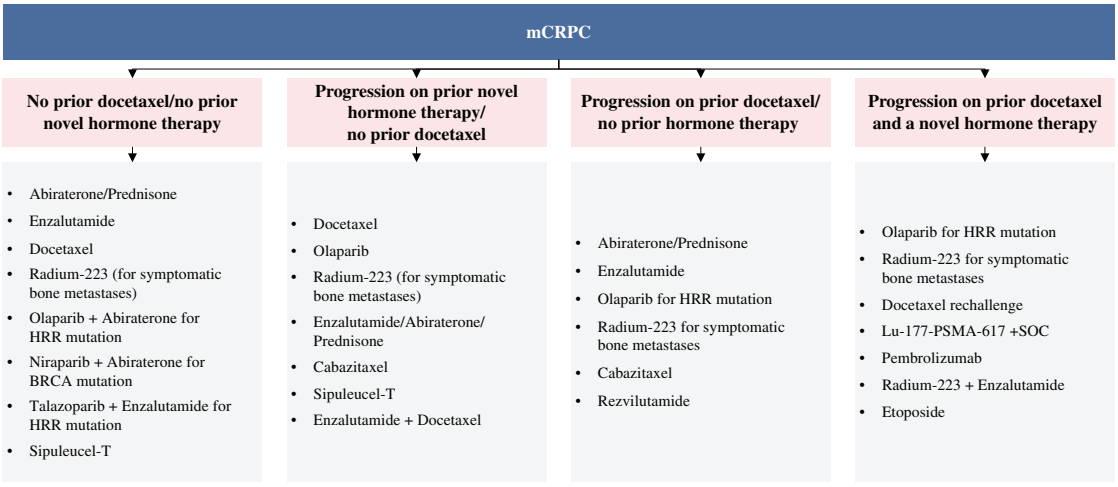
Global prostate cancer drugs market size, 2020-2035E



Source: CSCO, NCCN, CIC

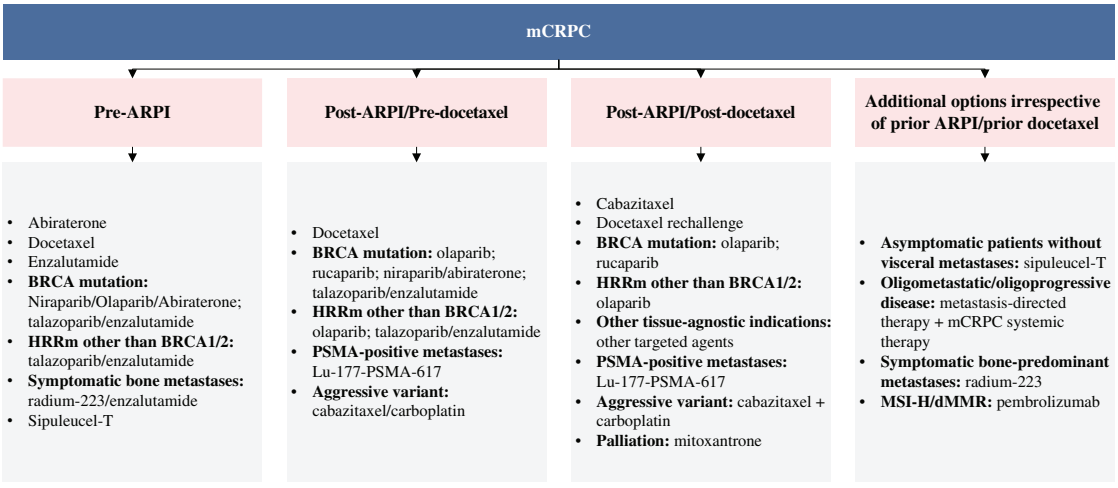
Treatment Paradigm

The following diagram outlines the treatment path for *mCRPC* in China.



Source: CSCO 2025, CIC

The following diagram outlines the treatment path for *mCRPC* in the U.S.



Source: NCCN 2026, CIC

Limitations of Current Treatment

Current mCRPC treatment involves androgen receptor pathway inhibitors (ARPIs), taxanes, radiopharmaceuticals, PARP inhibitors and, in selected cases, immunotherapy. However, cross-resistance between ARPIs, emergent resistance to subsequent lines and lack of robust predictive biomarkers limit the depth and durability of response. With B7-H3 expressed in up to 93% of CRPC cases, B7-H3 ADCs provide a differentiated, biomarker-aligned strategy targeting a widely expressed molecule independent of traditional androgen-signaling pathways, with the potential to overcome resistance and improve outcomes in heavily pretreated patients.

Competitive Landscape

List of Clinical-Phase B7-H3 ADC

As of the Latest Practicable Date, there are no B7-H3 antibody-drug conjugates approved globally. Clinical development of B7-H3-targeted modalities has faced safety and tolerability challenges. At least two B7-H3- targeted investigational agents were discontinued in Phase I or Phase II after serious adverse events were reported, and one global Phase III study of a B7-H3-targeted ADC was temporarily suspended in December 2025 before resuming in January 2026 following protocol amendments and enhanced safety monitoring. Notwithstanding these historical events, continued investment by multiple developers and structural optimization efforts demonstrate sustained industry confidence in the therapeutic potential of B7-H3.

Within this competitive landscape, MHB088C is differentiated by its safety profile. While topoisomerase-based ADCs are often associated with clinically meaningful ILD and severe hematologic toxicities, MHB088C has demonstrated robust anti-tumor activity across multiple solid tumors with a favorable safety profile, including a low rate of ILD and approximately 10% grade $\geq$ 3 hematologic adverse events.

B7-H3 ADC Combo Study Pipelines for SCLC

The table below sets forth the competitive landscape of B7-H3 ADC combo pipelines with PD-(L)1-based therapy for SCLC currently in clinical trials.

Drug Name	Company	Indication	Treatment Line	Mono/Combo Therapy	Clinical Stage	First Posted Date	Trial Location
MHB088C	Our group/Qilu	SCLC	1L+	Combo with PD-1/VEGF bsAb	I/II	2025/8/7	China
DB-1311/ BNT324	Duality/BioNTech	SCLC	1L+	Combo with PD-1/VEGF bsAb	I/II	2025/3/24	Global
I-DXd	Daiichi Sankyo/ Merck	SCLC	1L induction or maintenance	Combo with PD-L1 mAb +/- chemo	I/II	2024/4/12	Global excl. China
		ES-SCLC	2L+	Combo with DLL3/HAS/CD3 inhibitors	I/II	2025/11/12	Global
YL201	MediLink	SCLC	1L+	Combo with PD-1/VEGF bsAb	I/II	2025/9/12	China
		ES-SCLC	2L+	Combo with or without PD-(L)1 mAb	I	2025/3/13	Global
HS-20093/ GSK5764227	Hansoh/GSK	SCLC	Maintenance	Combo with PD-L1 mAb	I	2025/7/7	China

Source: CDE, clinicaltrial.gov, CIC

B7-H3 ADC Monotherapy Pipelines for SCLC or CRPC

The table below sets forth the competitive landscape of B7-H3 ADC monotherapy pipelines for SCLC or CRPC currently in clinical trials.

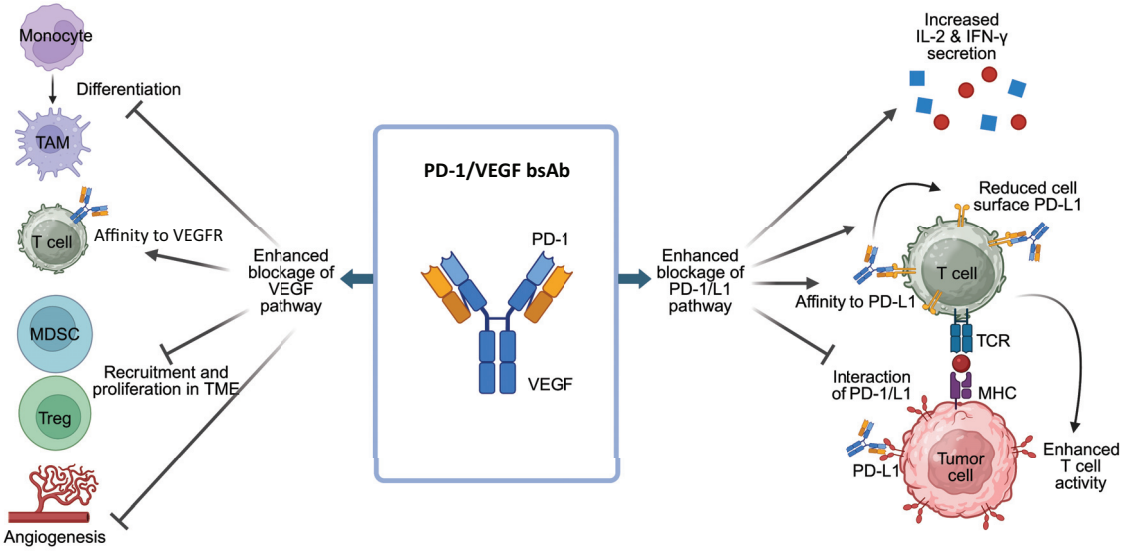
Drug Name	Company	Indication	Treatment Line	Mono/Combo Therapy	Clinical Stage	First Posted Date	Trial Location
MHB088C	Our company/Qilu	ES-SCLC	2L+	Mono	III	2025/4/10	China
		mCRPC	2L+	Mono	I/II	2023/4/26	China
I-DXd	Daiichi Sankyo/ Merck	ES-SCLC	2L	Mono	III	2024/1/12	Global
		mCRPC	2L+	Mono	III	2025/4/13	Global
HS-20093/ GSK5764227	Hansoh/GSK	LS-/ES-SCLC	2L	Mono	III	2024/7/12	Global
		mCRPC	2L+	Mono	II	2023/8/21	China
YL201	MediLink/Amgen	LS-/ES-SCLC	2L	Mono	III	2024/9/25	China
		mCRPC	2L+	Mono	II	2024/2/5	China
		ES-SCLC	2L+	Mono	I	2025/3/13	Global
DB-1311/ BNT324	Duality/BioNTech	mCRPC	2L+	Mono	I/II	2023/6/22	Global
IBI129	Innovent	SCLC	2L+	Mono	I/II	2024/3/15	Global excl.US
RC288	RemeGen	SCLC, CRPC	2L+	Mono	I/IIa	2026/4/14	China
MGC026	MacroGenics	SCLC	2L+	Mono	I	2024/2/5	Global excl.China
		mCRPC	2L+	Mono	I	2024/3/6	Global excl.China
SYS6043	CSPC Megalith	SCLC, mCRPC	2L+	Mono	I	2024/12/27	China
IDE034	IDEAYA	CRPC	2L+	Mono	I	2026/3/31	US

Source: CDE, clinicaltrial.gov, CIC

GLOBAL PD-(L)1/VEGF BsAb MARKET

Overview

PD-1 and VEGF are established cancer targets with complementary roles in tumor immune escape and angiogenesis. PD-1 is a key immune checkpoint exploited by tumors to evade immune attack, while VEGF is a major driver of tumor angiogenesis and contributes to immune suppression within the tumor microenvironment. PD-(L)1/VEGF bsAbs are designed to inhibit the PD-1/PD-L1 checkpoint axis and VEGF-driven angiogenesis at the same time, producing synergistic anti-tumor effects. In the presence of VEGF, PD-L1 binding affinity increases by up to 13-fold, which improves tumor targeting and may reduce off-target effects. The following figure illustrates this dual mechanism of PD-(L)1/VEGF bsAbs.



Source: iScience, Journal of Hematology & Oncology, CIC

Comparison with First-Generation PD-1 mAb

Improved survival outcomes. Dual blockade of PD-(L)1 and VEGF pathways can achieve longer progression-free survival and overall survival in several tumor types by simultaneously activating anti-tumor immunity and normalizing tumor vasculature. In the Phase III HARMONi-2 study, ivonescimab extended median progression-free survival by 5.32 months to 11.14 months in first-line PD-L1-positive advanced NSCLC, highlighting the potential of this modality to surpass PD-1 monotherapy backbones.

Favorable safety profile. PD-(L)1/VEGF bsAbs introduce both immune-related and anti-angiogenic class effects, but clinical data to date indicate that toxicities are generally manageable with appropriate monitoring and established management algorithms. Importantly, safety profiles have not shown prohibitive overlap beyond what is expected from each pathway alone, supporting their feasibility as long-term backbones.

Enhanced response rates and tumor selectivity. Dual targeting improves objective response rates, including in patients who derive limited benefit from PD-(L)1 monotherapy. Increased PD-L1 binding efficiency and higher tumor specificity in the presence of VEGF contribute to stronger tumor targeting and immune activation.

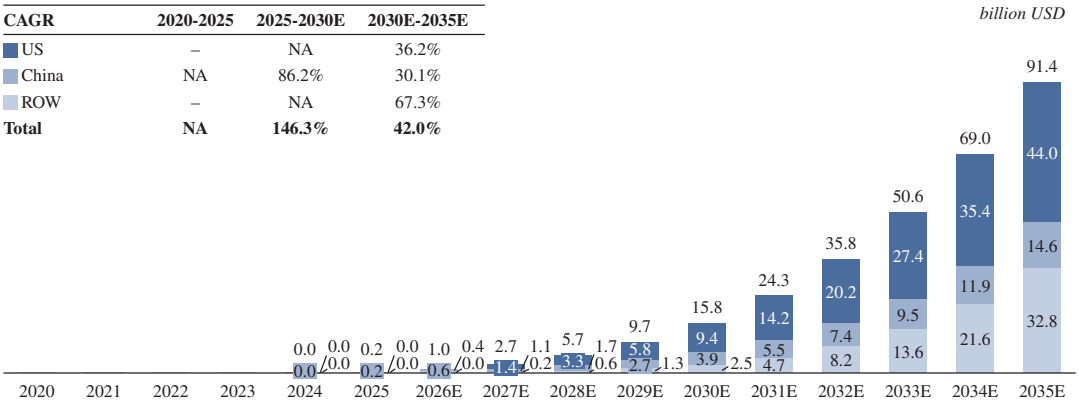
Potential to overcome resistance. VEGF inhibition remodels the tumor microenvironment by reducing immunosuppressive cell populations, normalizing vasculature and improving T-cell infiltration. When integrated into a bsAb format with PD-(L)1 blockade, this effect helps counteract resistance mechanisms to first-generation checkpoint inhibitors and extends benefit to broader patient groups.

Global and China PD-(L)1/VEGF BsAb Market Size

The market for PD-(L)1/VEGF bispecific antibodies is expected to grow from a low current commercial base, supported by potential penetration into the existing PD-(L)1 treatment market and expansion into patient populations not optimally addressed by conventional PD-(L)1 therapies, including PD-L1-low or PD-L1-negative tumors, IO-experienced or IO-resistant patients and tumor types where angiogenesis-mediated immunosuppression is clinically relevant. Future growth is expected to be driven by regulatory approvals, indication expansion and physician adoption.

Global market size of PD-(L)1/VEGF(A) bsAbs, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	–	NA	36.2%
China	NA	86.2%	30.1%
ROW	–	NA	67.3%
Total	**NA**	**146.3%**	**42.0%**



Source: Annual report, FDA, NMPA, CIC

Market Opportunities of PD-(L)1/VEGF BsAb

Potential to Redefine Treatment Backbones

Given their dual mechanism and favorable clinical signals, PD-(L)1/VEGF bsAbs are designed to serve as advanced monoclonal antibody backbones across multiple solid tumors. Data from the Phase III HARMONi-2 trial, where ivonescimab showed statistically significant and clinically relevant progression-free survival benefits versus pembrolizumab in first-line PD-L1-positive advanced NSCLC. As more indications and earlier-line uses are validated, PD-(L)1/VEGF bsAbs are well positioned to become standard components of front-line regimens.

Opportunity to Enhance ADC Regimens

VEGF blockade can normalize tumor vasculature, improve perfusion and increase immune-cell and biologic-drug trafficking into tumors. When combined with ADCs, PD-(L)1/VEGF bsAbs may enhance intratumoral delivery of cytotoxic payloads, potentiate immunogenic cell death and broaden responses beyond PD-(L)1 monotherapy plus ADC combinations. This synergy is being actively explored, including in in-house programs where PD-1/VEGF bsAbs such as MHB039A are combined with advanced ADCs, with the goal of achieving deeper responses, delaying resistance and simplifying combination architectures into rational, biologically integrated regimens.

Competitive Landscape

List of Approved PD-(L)1/VEGF BsAb

Ivonescimab is the first PD-1/VEGF bsAb approved in China, with two approved indications, and serves as the initial clinical benchmark for the class.

Drug Name	Target	Company	Globally Most Advanced Indication	First Posted Date	Trial Location	Administration	2025NDRL	Efficacy			Safety (TRAE% ≥ grade 3)	Clinical trial	Patient annual cost	Global sales in 2025
								mPFS (mo)	mOS (mo)	ORR				
Ivonescimab (AK112)	PD-1/VEGF	Akesobio/ Summit	EGFRmt nsq la/m NSCLC post 3rd gen EGFR-TKI	2024/05/24	China	IV	-	7.1	16.8	50.6%	59.6%	HARMONi-A	~100 kRMB	N.A.(1)
			la/m NSCLC with PD-L1 expression (TPS ≥ 1%)	2025/04/25	China	IV	YES	11.14	-	50.0%	29.4%	HARMONi-2	~100 kRMB	

Source: WCLC, SITC, FDA, NMPA, CIC

Note:

(1). The product revenue not publicly disclosed in annual report.

List of Clinical-Phase PD-(L)1/VEGF BsAb

Multiple PD-(L)1/VEGF candidates are in active clinical development across China, the U.S. and global multicenter programs, spanning Phase I to Phase III and covering NSCLC, breast cancer, renal cell carcinoma and other solid tumors. Within this landscape, our MHB039A is an in-house PD-1/VEGF bsAb with a broad development strategy encompassing advanced breast cancer (including TNBC, HR+/HER2+ and HR+/HER2-), NSCLC, SCLC and other solid tumors. MHB039A is differentiated by its molecular design, which has demonstrated full blocking activities against both PD-1 and VEGF and is intended to improve druggability, physicochemical properties, protein yield and stability. MHB039A has progressed to the Phase II clinical trials in China, positioning us among the leading innovators in this emerging class and providing a proprietary backbone for combination with our ADC portfolio. The table below sets forth the global competitive landscape of PD-(L)1/VEGF bsAbs.

Drug Name	Target	Company	Globally Most Advanced Indication	Clinical Stage	First Posted Date	Trial Location
MHB039A	PD-1/VEGF	Our group	Advanced BC (incl. TNBC, HR+ HER2- BC), NSCLC, SCLC and solid tumors	II	2025/8/07	China
Ivonescimab (AK112)	PD-1/VEGF	Akesobio/ Summit	EGFRmt nsq la/m NSCLC post 3rd gen EGFR-TKI	Approved	2024/5/24	China
			la/m NSCLC with PD-L1 expression (TPS ≥ 1%)	Approved	2025/4/25	China
			Stage IV NSCLC	III	2023/10/26	Global
			mCRC	III	2026/3/5	China
Pumitamig (BNT327/BMS986545)	PD-L1/VEGF	BioNTech/BMS	SCLC	III	2025/4/11	Global
			u/m CRC	III	2026/4/9	Global
			la/m NSCLC with PD-L1 expression (TPS ≥ 50%)	III	2026/1/23	Global
			Unresectable Stage III NSCLC	III	2026/5/13	Global
PF-08634404	PD-1/VEGF	Pfizer/3SBio	NSCLC	III	2025/5/16	China
			mCRC	III	2025/10/30	Global
			Advanced/recurrent pMMR EC	III	2026/5/11	Global
SCTB14	PD-1/VEGF	SinoCellTech	la/mNSCLC with PD-L1 expression (TPS ≥ 10%)	III	2025/11/28	China
RC148	PD-L1/VEGF	RemeGen	la/m NSCLC	III	2026/2/11	China
HB0025	PD-L1/VEGF	Huaota	nsq NSCLC	III	2026/2/11	China
			sq NSCLC	III	2026/1/6	China
			pMMR EC	III	2026/6/22	China
IMM2510/ AXN-2510	PD-L1/VEGF	ImmuneOnco/ Instil Bio	NSCLC and solid tumors	II	2023/11/20	China
B1962	PD-L1/VEGF	Tasly	Solid tumors	II	2024/11/07	China
JS207	PD-1/VEGF	Junshi Pharma	NSCLC	II	2025/3/15	China
			mCRC	II	2026/3/26	China
CVL006	PD-L1/VEGF	Convalife	Solid tumors	Ib/II	2026/4/23	China
LM-299	PD-1/VEGF	LaNova/Merck	Solid tumors	I/II	2024/8/14	China
AI-081	PD-1/VEGF	OncoC4	Solid tumors	I/II	2025/3/26	China
			Solid tumors	I/II	2025/8/15	US
KH003	PD-L1/VEGF	Sailing Pharma	Solid tumors	I/II	2025/6/10	China
SG1408	PD-L1/VEGF	Sumgen	Solid tumors	I	2022/11/02	China
SCR-M015	PD-1/VEGF	Simcere	Solid tumors	I	2026/6/22	China

Source: FDA, NMPA, clinicaltrials.gov, CDE, CIC

GLOBAL THYROID EYE DISEASE MARKET

Overview

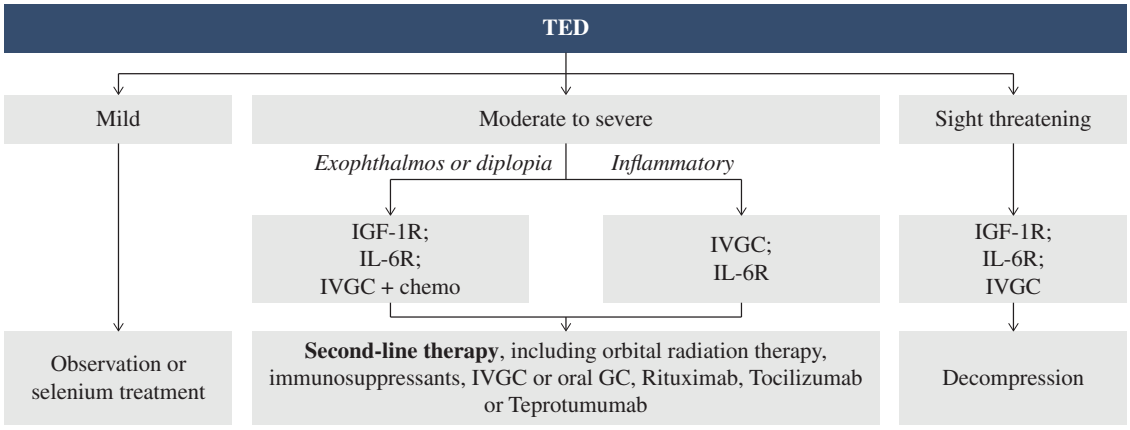
Thyroid eye disease (TED) is an autoimmune disorder characterized by inflammation, expansion and remodeling of orbital tissues, most commonly in association with Graves' disease. Patients may experience eyelid retraction, proptosis, conjunctival and periorbital swelling, ocular pain, foreign-body sensation, diplopia and, in severe sight-threatening cases, exposure keratopathy or compressive optic neuropathy. TED typically follows a biphasic course comprising an active inflammatory phase, lasting several months up to two years, followed by an inactive fibrotic phase in which structural changes may become permanent. Prognosis and severity are influenced by smoking status, control of thyroid function and early recognition and treatment of active disease.

Prevalence

The global prevalence of TED was approximately 17.4 million in 2025 and is projected to reach 20.3 million by 2035. Moderate-to-severe TED accounted for approximately 22% of total TED cases, or 3.8 million globally in 2025. In China, prevalence increased from 4.3 million in 2020 to 4.4 million in 2025 and is expected to reach 4.7 million by 2035. In the United States, prevalence increased from 0.8 million in 2020 to 0.9 million in 2025 and is expected to reach 1.0 million by 2035. In the rest of the world, prevalence rose from 10.8 million in 2020 to 12.1 million in 2025 and is projected to reach 14.7 million by 2035.

Treatment Paradigm

Current management of TED is stratified by disease activity and severity. The following diagram outlines first-line and second-line approaches to treat TED by disease severity.



Source: the Lancet, 2022 ATA/ETA, CSE2025, CIC

Based on *Lancet Diabetes & Endocrinology* 2025, the 22nd Chinese Society of Endocrinology Academic Conference (CSE2025) proposed considering IGF-1R and IL-6R antagonists as first-line options for appropriate pateints, reflecting the continued evolution of TED treatment toward targeted biologic therapies.

Introduction of IGF-1R mAb

IGF-1R is a clinically validated therapeutic target in TED. Pathologically, IGF-1R signaling contributes to recruitment and activation of T and B lymphocytes and upregulation of inflammatory cytokines such as IL-6 and TNF-α within the orbit. This cascade promotes fibroblast activation, glycosaminoglycan deposition, adipogenesis and extraocular muscle enlargement, which drive proptosis and motility disturbance. By directly antagonizing IGF-1R, monoclonal antibodies can modulate upstream disease biology rather than solely suppressing downstream inflammation, offering the potential for disease-modifying effects, reduction of orbital volume expansion and meaningful, sustained improvement in signs and symptoms.

Current Treatment Limitations of IGF-1R Therapy and Unmet Medical Needs

Despite recent advances, limitations of current treatment underscore the need for next-generation IGF-1R therapies that offer improved safety, more convenient administration and sustained disease control:

Balancing efficacy and safety. Although IGF-1R-targeted therapy has demonstrated robust clinical efficacy, it is associated with clinically meaningful risks, particularly hyperglycemia and hearing-related adverse events, which require close monitoring and can limit use in patients with comorbidities. With teprotumumab, hearing-related adverse events have been reported across studies with rates ranging from 7% to 81.5%; a boxed warning on hearing impairment, including hearing loss, was added after approval. Corticosteroids remain widely used but can exacerbate osteoporosis and hyperglycemia, while rituximab increases infection risk in vulnerable populations.

Route of administration and care burden. The intravenous route of administration for currently approved IGF-1R therapies necessitates multiple lengthy infusions per treatment course, each typically 60 to 90 minutes, imposing significant time and resource burdens on patients and healthcare systems and potentially impacting adherence. Treatment courses carried out via intravenous also carry risks of infusion reactions, reinforcing interest in more convenient subcutaneous alternatives.

Durability and recurrence. 72 weeks after teprotumumab treatment, 38% of patients experienced relapse. This rate increased to 63% over a two-year period in a post-marketing assessment following treatment discontinuation. Longer-term follow-up further indicates that a substantial proportion of patients experience attenuation of benefit or disease reactivation over time, including early relapses within months and cumulative recurrence rates reported above 60% over about 2.5 years, which increase cumulative treatment exposure and costs.

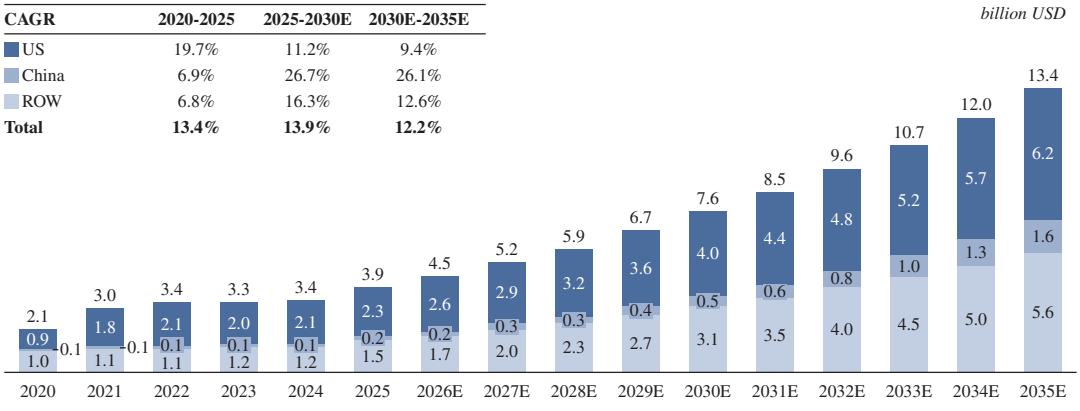
Our late-stage, soon-to-commercial candidate MHB018A, a subcutaneous IGF-1R antibody in the Phase III in China, has the potential to address these needs. MHB018A is designed to reduce infusion burden through subcutaneous dosing while pursuing robust disease control within the same validated mechanism of action.

Market Size

Currently, global approved TED drug therapies include Teprotumumab (IGF-1R), Teprotumumab N01 (IGF-1R), Veligrotug (IGF-1R), glucocorticoids and other immunosuppressants. IGF-1R constituted 49% of the market size in 2024 for TED drug treatment globally.

Global thyroid eye disease market size, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	19.7%	11.2%	9.4%
China	6.9%	26.7%	26.1%
ROW	6.8%	16.3%	12.6%
Total	**13.4%**	**13.9%**	**12.2%**



Source: CSCO, CIC

Competitive Landscape of IGF-1R Antibodies

List of Approved IGF-1R Antibodies

As of the Latest Practicable Date, three intravenous IGF-1R antibodies are approved for TED. Tepezza (teprotumumab) is approved, and generated approximately US$1.9 billion in sales in 2025. Sycume (teprotumumab N01) is approved in China, providing the first domestically available IGF-1R therapy for TED; an application for its inclusion in the NRDL was submitted in March 2025. The table below sets forth the list of approved IGF-1R antibodies.

Drug Name	Company	Indication	Administration	First approval date	Country	Efficacy[1]		Safety (sAE%)	Clinical trial	2025 NRDL	Patient annual cost	Global sales in 2025
						Proptosis responder rate[2]	Proptosis (mm) average Change					
Teprotumumab (Tepezza®)	Amgen/Horizon	TED	IV	2020/1/21	US	51%	-2.3	11.63%	NCT01868997	-	~330 kUSD	US$1.9 billion
						73%	-2.3	5%	NCT03298867			
Teprotumumab N01 (信必敏®)	Innovent	TED	IV	2025/3/11	China	81.9%	-2.3	0	NCT05795621	Yes	~105 kRMB	N.A.[3]
Veligrotug (Lumvoa™)	Viridian	TED	IV	2026/6/26	US	70%	-2.9	0	NCT05176639	-	~120 kUSD	N.A.[3]
						56%	-2.34	0	NCT06021054			

Notes:

1. Adjusted by placebo at 24 weeks.
2. The proptosis responder rate was defined as the percentage of patients with ≥ 2 mm reduction in proptosis in the study eye from baseline, without deterioration in the non-study eye (≥ 2 mm increase) in proptosis.
3. The revenue from this product is not publicly disclosed in companies' annual report.

Source: FDA, NMPA, CIC

List of Clinical-Phase IGF-1R Antibodies

Drug Name	Company	Administration	Clinical Stage	First Posted Date	Trial Location
MHB018A	Our group	SC	III	2025/5/25	China
Teprotumumab	Amgen/Horizon	SC	III	2024/2/8	US, others
VRDN-003	Viridian	SC	III	2025/2/6	US, others
KHN939	Pulekang	IV	III	2026/5/18	China
AMG 732	Amgen	SC	II	2026/2/27	US, others
Lonigutamab	ValenzaBio	SC	I/II	2023/1/13	US, others
SCTT11	Shenzhou Cell Engineering	SC	I/II	2025/1/6	China
NTB003	Chia Tai Tianqing	IV	Ib/II	2026/1/27	China

Source: clinicaltrials.gov, CDE, CIC

Tepezza and Sycume are administered intravenously, requiring repeated infusions over each treatment cycle and carrying the known risks of infusion-related reactions and hearing and metabolic adverse events. In contrast, our MHB018A is being developed as a subcutaneous IGF-1R antibody, which differentiates it from other IGF-1R antibodies in both administration and tolerability. Subcutaneous administration provides a more convenient route of administration compared with intravenous IGF-1R antibodies, which require repeated infusions during each treatment cycle. Moreover, compared with intravenous infusion, subcutaneous injection typically results in slower absorption and lower Cmax. As many acute adverse events are Cmax-dependent, the reduced peak exposure may reduce the incidence and severity of hearing-related adverse events that have been widely observed as a potential class effect of IGF-1R-targeted therapies. If validated in our ongoing Phase III trials, MHB018A's Sub-Q formulation could reduce treatment burden, enhance adherence and offer comparable or improved efficacy together with a more favorable safety and tolerability profile.

GLOBAL DERMATOLOGY TREATMENT AND CARE MARKET

Disease Overview of Dermatology

The global dermatology drug market increased from US$40.8 billion in 2020 to US$72.8 billion in 2025, representing a CAGR of 12.3%, and is projected to reach US$119.7 billion by 2035, implying a CAGR of 5.1% from 2025 to 2035. China's market size rose from US$3.8 billion in 2020 to US$7.7 billion in 2025, at a CAGR of 14.9%, and is expected to reach US$16.9 billion by 2035, representing a CAGR 8.2% from 2025.

Dermatologic autoimmune and immune-mediated diseases such as atopic dermatitis (AD) and vitiligo share core pathogenic features of immune dysregulation and cytokine-driven inflammation, with downstream consequences for skin-barrier integrity, pigmentation and chronic symptom burden.

Atopic Dermatitis

Overview

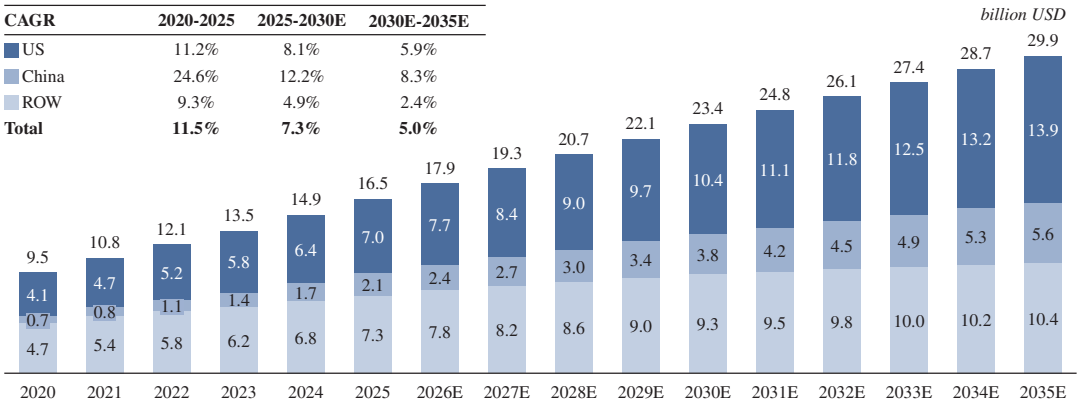
AD is a common, chronic inflammatory skin disease characterized by recurrent, pruritic eczematous lesions and dry, sensitive skin. The disease imposes persistent quality-of-life, social, academic and occupational burdens, particularly when onset occurs early in life or when control is suboptimal. Mild disease represents the majority of cases, with moderate disease comprising a meaningful minority and severe disease accounting for a smaller but clinically significant subset.

Prevalence

Across the world, AD affects 15% to 20% of the children and 6% to 10% of the adult. The global prevalence of AD was approximately 250.6 million in 2025 and is expected to increase to 276.1 million by 2035. In China, prevalence was 54.8 million in 2024 and is expected to reach 56.6 million by 2035. In the United States, prevalence was 31.2 million in 2025 and is expected to reach 32.4 million by 2035, while in the rest of the world, prevalence was 164.6 million in 2025 and is projected to reach 187.1 million by 2035. Severity distribution is approximately 73% mild, 25% moderate, and 2% severe.

Market Size

Global atopic dermatitis market size, 2020-2035E



Source: CSCO, CIC

Vitiligo

Overview

Vitiligo is a chronic autoimmune depigmenting disorder in which melanocyte destruction results in enlarging areas of depigmented skin, hair and, in some cases, mucosa. Although not life-threatening, vitiligo substantially affects self-image, social interactions and mental health, particularly when lesions involve visible sites. Disease control often requires prolonged therapy, and durable repigmentation remains challenging in many patients.

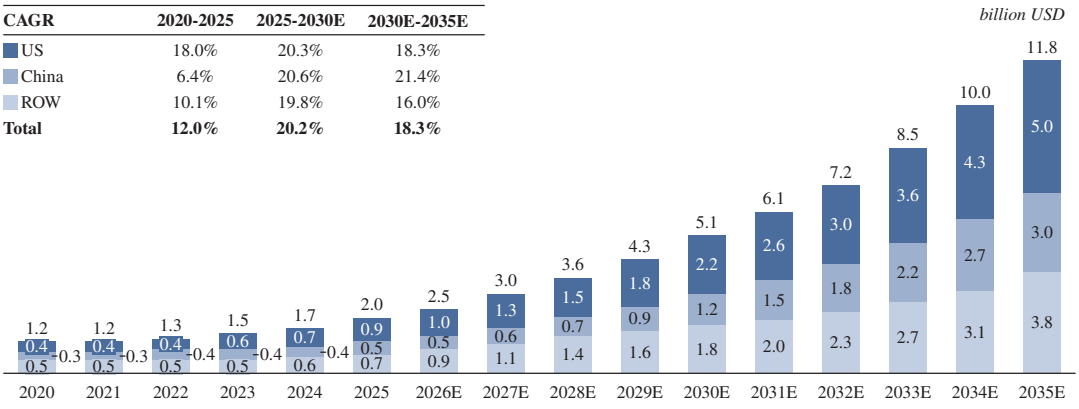
Prevalence

Global prevalence of vitiligo was approximately 28.8 million in 2025 and is projected to reach 31.6 million by 2035. In China, prevalence was 10.3 million in 2025 and is expected to increase modestly to 10.6 million by 2035. In the United States, prevalence was 3.3 million in 2025 and is expected to reach 3.5 million by 2035. In the rest of the world, prevalence was 15.2 million in 2025 and is projected to reach 17.4 million by 2035.

Market Size

Global vitiligo market size, 2020-2035E

CAGR	2020-2025	2025-2030E	2030E-2035E
US	18.0%	20.3%	18.3%
China	6.4%	20.6%	21.4%
ROW	10.1%	19.8%	16.0%
Total	**12.0%**	**20.2%**	**18.3%**



Source: CSCO, CIC

Introduction of JAK Inhibitors

JAK inhibitors (JAKi) have emerged as an important therapeutic class in immune-mediated dermatologic diseases by intervening downstream of multiple cytokine receptors that signal through the JAK-STAT pathway. By modulating signaling of cytokines such as IL-4, IL-13, IL-31 and IFN-γ, JAKi can address diverse inflammatory phenotypes across AD, vitiligo and related disorders within a unified mechanism, which is particularly valuable in patients with overlapping atopic or autoimmune manifestations. This broad pathway coverage enables rapid and pronounced reductions in pruritus and inflammation, translating into early symptom relief and improved quality of life. Availability of both oral systemic and topical formulations allows treatment to be matched to disease extent and severity: oral agents are suited to widespread or refractory disease, while topical formulations enable targeted therapy with reduced systemic exposure for localized lesions. For dermatology treatment, topical JAKi have clear advantages over oral options when disease is localized, delivering drug directly to affected skin, minimizing systemic exposure and associated risks, and enabling convenient, lesion-directed regimens without committing patients to systemic therapy. The market size for JAK inhibitors for both atopic dermatitis and vitiligo is US$2.6 billion in 2025.

Competitive Landscape of Topical JAKi

MH004 is differentiated from other topical JAK inhibitors by its novel pro-drug design and proprietary topical formulation. As a locally administered JAK inhibitor, MH004 is designed to enhance skin permeability and achieve potent local JAK inhibition in skin tissues while minimizing systemic exposure and the systemic toxicities typically associated with oral JAK inhibitors. Its key differentiating feature lies in its ability to deliver high local JAK inhibition with limited systemic burden.

List of Approved Topical JAKi in AD and Vitiligo Treatment

Drug Name	Company	Target	Dosage form	Administration	Indication	First approval date	Country	2025 NRDL	Unit price	Global sales in 2025
Ruxolitinib Cream (OPZELURA®/ 百盧妥®)	Incyte	JAK1/JAK2	Ointment	Topical	Mild to moderate AD in non-immunocompromised adult and pediatric patients 12 years of age and older	2021-09-21	US	-	US$35/g (60g/tube: US$2,094 USD)	US$0.7 billion
					Nonsegmental vitiligo in adult and pediatric patients 12 years of age and older	2022-07-18	US	-		
					Mild to moderate AD in non-immunocompromised adult and pediatric patients 2 years of age and older	2025-09-18	US	-		
	CMS/ Incyte	JAK1/JAK2	Ointment	Topical	Nonsegmental vitiligo in adult and pediatric patients 12 years of age and older	2026-01-30	China	-	RMB 58/g (100g/tube: RMB 5,800)	

Source: FDA, NMPA, EMA, PMDA, CIC

List of Clinical-Phase Topical JAKi in AD and Vitiligo Treatment

AD Pipeline

Drug Name	Company	Indication	Administration	Target	Clinical Stage	First Posted Date	Trial Location
Tofacitinib etocomil	Our group	AD	Topical	JAK	NDA	2025-05-31	China
Pumecitinib	Puqi	AD	Topical	JAK1, JAK2	NDA	2026-02-11	China
QLM3003	Qilu	AD	Topical	JAK1, JAK2, JAK3	III	2025-03-17	China
VC005 cream	Vcare	AD	Topical	JAK1	III	2026-04-23	China

Note: Only included the highest clinical stage in the Phase III or above

Source: clinicaltrials.gov, CDE, CIC

Vitiligo Pipeline

In vitiligo, the pipeline spans global Phase III programs and an emerging cohort of China-based candidates targeting JAK1, JAK2 or related pathways. Our MH004 is also in clinical development for vitiligo in China, making us one of the limited numbers of domestic companies simultaneously pursuing JAK inhibition in both AD and vitiligo. This dual-indication strategy, if supported by robust data, could allow efficient leverage of development, manufacturing and commercialization capabilities across related immune-dermatology segments. The table below sets forth the global competitive landscape of topical JAK inhibitors pipeline for vitiligo.

Drug Name	Company	Indication	Administration	Target	Clinical Stage	First Posted Date	Trial Location
Tofacitinib etocomil	Our group	Vitiligo	Topical	JAK	III	2026-06-29	China
HDM3010	Huadong	Vitiligo	Topical	JAK1,JAK2	III	2024-09-09	China
Ivarmacitinib cream	Hengrui	Vitiligo	Topical	JAK1	II	2025-01-22	China
LNK01004	Lynk	Vitiligo	Topical	JAK1,JAK2	II	2026-05-20	China

Note: Only included the highest clinical stage in the Phase II or above

Source: clinicaltrials.gov, CDE, CIC

SOURCE OF INFORMATION

We commissioned CIC to conduct an analysis of and to prepare a report on the major markets for which our drug candidates are positioned. We agreed to pay CIC a total fee of RMB600 thousand. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the CIC report. CIC's services include industry consulting, commercial due diligence, strategic consulting, etc. Its consulting team has been tracking the latest market trends across various industries, where it has relevant and insightful market intelligence. The CIC report was compiled based on the following assumptions: (i) the overall social, economic and political environment globally and in China is expected to remain stable during the forecast period; (ii) the economic and industrial development globally and in China 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; and (iv) there is no extreme force majeure or industry regulation in which the market may be affected dramatically or fundamentally. In compiling and preparing the CIC report, CIC used the following key methodologies to collect multiple sources, validate the data and information collected, and cross-check each respondent's information and views against those of others: (i) secondary research, which involved reviewing published sources including national statistics, annual reports of listed companies, industry reports and data based on CIC's own research database; and (ii) primary research, which involved in-depth interviews with the industry participants. CIC's projections are made based on various market determinants and their coefficients assigned to a market which indicate their relative importance. The market determinants represent both subjective assumptions and objective factors, therefore, the projected data may not be consistent with the real data.

OVERVIEW OF LAWS AND REGULATIONS IN THE PRC

REGULATIONS ON PHARMACEUTICAL PRODUCT

Drug Regulatory Regime

The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "**Drug Administration Law**") was promulgated by the Standing Committee of the NPC (the "**SCNPC**"), in September 1984, last amended on August 26, 2019 and became effective on December 1, 2019. 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》) (the "**Implementation Regulations**") was promulgated by the State Council in August 2002, and was last amended in January 2026, and became effective on May 2026. The Drug Administration Law and the Implementation Regulations have jointly established the legal framework for the administration of pharmaceutical products in the PRC, including the research, development and manufacturing of drugs. The Drug Administration Law applies to entities and individuals engaged in the development, production, trade, application, supervision and administration of pharmaceutical products, which regulates and provides for a framework for the administration of pharmaceutical manufacturers, pharmaceutical trading companies and medicinal preparations of medical institutions, and the development, research, manufacturing, distribution, packaging, pricing and advertisements of pharmaceutical products. The Implementation Regulations, at the same time, provides the detailed implementation regulations on the Drug Administration Law.

The General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued an Opinions on Deepening the Reform of the Evaluation and Approval Systems and Encouraging Innovation on Drugs and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》) (the "**Innovation Opinions**") in October 2017. According to the Innovation Opinions, institutions for drug clinical trials should establish an independent ethics committee and the clinical trial schemes are subject to examination, approval and signing with approval opinions by the ethics committee before implementation, in order to protect the rights and interests of human subjects in clinical trials.

Application for Clinical Trial

According to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs (《關於調整部分藥品行政審批事項審批程序的決定》) promulgated by the China Food and Drug Administration (currently known as the National Medical Products Administration, the "**NMPA**") on March 17, 2017, the decision on the approval of clinical trials of drugs shall be made by the Center for Drug Evaluation ("**CDE**") from May 1, 2017. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》) (the "**Registration Measures**"), which was promulgated on January 22, 2020 and took effect on July 1, 2020, drug clinical trials shall be divided into Phase I clinical trial, Phase II clinical trial, Phase III clinical trial, Phase IV clinical trial, and bioequivalence trial. After the completion of the pharmaceutical, pharmacological and toxicological research of the drug clinical trial, the applicant may submit relevant research materials to CDE for applying for the approval to conduct drug clinical trial. The CDE will organize pharmaceutical, medical and other technicians to review the application and to decide whether to approve the drug clinical trial within 60 days of the date of acceptance of the application. Once the decision is made, the result will be notified to the applicant through the website of the CDE and if no notice of decision is issued within the aforementioned time limit, the application of clinical trial shall be deemed as approval. In accordance with Registration Measures and the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》) issued in July 2018, if a clinical trial applicant does not receive any negative or questioned opinions from the CDE within 60 days after the date when the trial application is accepted and the fees are paid, the applicant can proceed with the clinical trial in accordance with the trial protocol submitted to the CDE.

After obtaining the approval of clinical trial, the applicant must complete the clinical trial registration at the Drug Clinical Trial Information Platform for public disclosure in accordance with the Circular on Drug Clinical Trial Information Platform (《關於藥物臨床試驗信息平台的公告》), which came into effect in September 2013. The applicant shall complete the trial pre-registration within one month after obtaining the approval of the clinical trial application in order to obtain the trial's unique registration number and complete registration of certain follow-up information before the first subject's enrollment in the trial. If the registration is not completed within one year after the approval, the applicant shall submit an explanation, and if the first submission is not completed within three years, the approval of the clinical trial application shall automatically expire. During the drug clinical trials, the applicant shall update registration information continuously, and register information of the outcome of the drug clinical trial upon completion.

Accelerated Approval for Clinical Trial and Registration

The Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices (《關於改革藥品醫療器械審評審批制度的意見》) issued by the State Council on August, 2015, established a reform framework of the evaluation and approval system for drugs and medical devices, and indicated the tasks of enhancing the standards of approval for drug registration, accelerating the evaluation and approval process for innovative drugs, and improving the approval for clinical trials of drugs, etc.

The China Food and Drug Administration (currently known as the NMPA) released the Circular Concerning Several Policies on Drug Registration Review and Approval (《關於藥品註冊審評審批若干政策的公告》) in November 2015, which clarified the measures and policies regarding simplifying and accelerating the approval process of clinical trials.

The Innovation Opinions established a framework for reforming the evaluation and approval system for drugs, medical devices and equipment.

According to the Announcement on Matters Concerning the Optimization of Drug Registration Review and Approval (《關於優化藥品註冊審評審批有關事宜的公告》) jointly issued by the NMPA and the National Health Commission (the "**NHC**") in May 2018, the CDE will prioritize the allocation of resources for review, inspection, examination and approval of registration applications that have been included in the scope of fast track clinical trial approval.

In April 2026, the NMPA issued the Review and Approval Procedures for Conditional Approval of Drug Marketing Applications (《藥品附條件批准上市申請審評審批工作程序》) which came into effect on the date of its promulgation.

In July 2020, NMPA issued the Priority Review and Approval Procedures for Drug Marketing Authorizations (Trial Implementation) (《藥品上市許可優先審評審批工作程序(試行)》), at the time of application for drug marketing authorization, drugs which have obvious clinical value may apply for prioritized review and approval procedures.

Conduct of Clinical Trial

After obtaining clinical trial approval, the applicant shall conduct clinical trials at qualified clinical trial institutions. The qualified clinical trial institution refers to institutions that have the conditions to conduct clinical trials in accordance with the requirements and technical guidelines set forth in the Regulations for the Administration of Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》), which came into effect on December 1, 2019.

The applicant filing an application for clinical drug trial after completing the pharmaceutical research, pharmacological and toxicological research, and other researches supporting clinical drug trial shall submit relevant research materials according to the requirements for the application materials. The applicant who intends to carry out a bioequivalence test shall, after undergoing the

recordation formalities for bioequivalence test at the website of the CDE as required, carry out relevant research work according to the plan recorded. The applicant who is approved to carry out clinical drug trial shall, before carrying out subsequent clinical drug trial by stages, develop corresponding plan for clinical drug trial, carry out clinical drug trial upon examination and with consent of the ethics committee, and submit corresponding plan for clinical drug trial and supporting materials on the website of the Center for Drug Evaluation. Where indications (or functions) are intended to be added for a drug approved for clinical drug trial and the use of a drug in combination with other drugs is added, the applicant shall file a new application for clinical drug trial, and may only carry out new clinical drug trial with approval.

According to the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》), where the application for clinical trial of new investigational drug has been approved, upon the completion of Phase I and Phase II clinical trials and prior to Phase III clinical trial, the applicant shall submit the application for communication meetings to CDE to discuss with CDE the key technical questions including the design of the Phase III clinical trial protocol. According to the Administrative Measures for Communication on the Research, Development and Technical Evaluation of Drugs (《藥物研發與技術審評溝通交流管理辦法》), revised by the NMPA on December 10, 2020, during the research and development periods and in the registration applications of, among others, the innovative new drugs, the applicants may propose to conduct communication meetings with the CDE. The communication meetings can be classified into three types. Type I meetings are convened to address key safety issues in clinical trials of drugs and key technical issues in the research and development of breakthrough therapeutic drugs. Type II meetings are held during the key research and development stages of drugs, mainly including meetings before submitting the clinical trial application, meetings upon the completion of Phase II trials and prior to the Phase III trials, meetings before submitting the marketing application for a new drug, and meetings for risk evaluation and control. Type III meetings refer to other meetings not classified as Type I or Type II.

Good Clinical Practices

Clinical trials must be conducted in accordance with the Good Clinical Practice for Drug Trials (《藥物臨床試驗質量管理規範》) (the "**GCP Rules**") promulgated by NMPA and NHC on April 23, 2020 and effective on July 1, 2020, which stipulates the requirements for the procedures of conducting clinical trials, including preclinical trial preparation, trial protocols, protection of testees' rights and interests, duties of researchers, sponsors and monitors, as well as data management and statistical analysis. According to the GCP Rules, clinical trial means systematical investigation of drugs conducted on human subjects (patients or healthy volunteers) to prove or reveal the clinical, pharmacological and other pharmacodynamic effects, adverse reactions or absorption, distribution, metabolism and excretion of the drug being investigated. In order to ensure the quality of clinical trials and the safety of human subjects, the GCP Rules provides comprehensive and substantive requirements on the design and conduct of clinical trials in the PRC. In particular, the GCP Rules enhances the protection for study subjects and tightens the control over bio-samples collected under clinical trials.

The GCP Rules also set out the qualifications and requirements for the investigators and centers participating in clinical trial.

The GCP Rules also summarizes the role of ethic committee in clinical trial process. An ethic committee shall consist of experts working in the medical, pharmaceutical and other fields. The clinical trial protocol may not be executed unless approved by the ethic committee. Pursuant to the Announcement on Issuing the Guidelines for Ethical Review Work of Drug Clinical Trials (《關於印發藥物臨床試驗倫理審查工作指導原則的通知》) promulgated by State Food and Drug

Administration (currently known as the NMPA) in November 2010, the ethics committee shall carry out a review on the project of clinical trial on the drug to decide if it is rational in terms of science and ethics, and shall be subject to guidance and supervision under the drug supervisory and administrative departments.

Trial Exemptions and Acceptance of Foreign Data

The NMPA issued the Technical Guidance Principles on Accepting Foreign Drug Clinical Trial Data (《接受藥品境外臨床試驗數據的技術指導原則》) in July 2018, as one of the implementing rules for the Innovation Opinions, which provides that overseas clinical data can be submitted for the drug marketing registration applications in China. Such applications can be in the form of waivers to China-based clinical trials, bridging trials and direct drug marketing registration. According to the Technical Guidance Principles on Accepting Foreign Drug Clinical Trial Data, sponsors may use the data of foreign clinical trials to support drug marketing registration in China, provided that sponsors must ensure the authenticity, integrity, accuracy and traceability of foreign clinical trial data and such data must be obtained consistent with the relevant requirements under the Good Clinical Practice of the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use (the "**ICH**"). Moreover, sponsors shall ensure the scientific design of overseas clinical trials, the compliance of clinical trial quality management system requirements, and the accuracy and integrity of statistical analysis of data. To ensure that the clinical trial design and statistical analysis of the data are scientific and reasonable, for the drugs with simultaneous R&D at home and abroad and forthcoming clinical trials in China, the sponsors may, prior to implementing registrational clinical trials, contact the CDE to ensure the compliance of registrational clinical trials' design with the essential technical requirements for drug registration in China. Sponsors must also comply with other relevant sections of the Registration Measures when applying for drug marketing registrations in China using foreign clinical trial data.

New Drug Registration

Pursuant to the Registration Measures, upon completion of clinical trials, determination of quality standards, completion of validation of commercial-scale production processes and completion of other related preparation works, the applicant may apply with the NMPA for the marketing authorization. The applicant must obtain the marketing authorization for a new drag before the drug can be manufactured and sold in the China market.

Marketing Authorization Holder Mechanism

Pursuant to the Drug Administration Law, the PRC implements the marketing authorization holder mechanism for management of the drug industry. The drug marketing authorization holder refers to an enterprise or a drug research and development institution that has obtained the drug registration certificate. The drug marketing authorization holder shall be responsible for non-clinical research, clinical trials, production and operation, post-marketing research, adverse reaction monitoring, reporting and processing of drugs in accordance with the provisions of the law.

Approval or Filing of Human Genetic Resources

The Regulations on the Administration of Human Genetic Resources of the PRC (《中華人民共和國人類遺傳資源管理條例》), promulgated by the State Council in May 2019, latest amended in March 2024 and came into effect in May 2024, further stipulates that in order to obtain marketing authorization for relevant drugs and medical devices in China, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials. However, the type, quantity and usage of the human genetic resources to be used shall be filed with the administrative department of health under the State Council before clinical trials. In May 2023, the MST issued the Implementation Rules for the Administrative Regulation on Human Genetic Resources (《人類遺傳資源管理條例實施細

則》), which came into effect on July 1, 2023, optimizing the scope of administrative licensing and record-keeping, enhancing the operability of the human genetic resources administration system, and implementing the registration and reporting system for the management of human genetic resources.

On October 17, 2020, the SCNPC promulgated the Biosecurity Law of the PRC (《中華人民共和國生物安全法》) (the "**Biosecurity Law**") which became effective on April 15, 2021 and latest amended on April 26, 2024, establishing a comprehensive legislative framework on the current regulations in the areas including prevention and control of outbreak of major newly-emerged infectious diseases, animal and plant epidemics, security of biotechnology research, development and application, biosafety management of pathogenic microbiology laboratories, security management of human genetic resources and biological resources, prevention of the invasion of alien species and protection of biodiversity, countermeasures against microbial resistance and prevention of bioterrorism and threat of biological weapons.

Two-Invoice System

Pursuant to the Implementing Opinions on Promoting the "Two-Invoice System" for Drug Procurement By Public Medical Institutions (For Trial Implementation) (《關於在公立醫療機構藥品採購中推行「兩票制」的實施意見(試行)》) which was issued on December 26, 2016, the Two-Invoice System is a system under which invoices are issued by drug manufacturers to drug distributors on a once-off basis while invoices are issued by drug distributors to medical institutions on a once-off basis.

Pursuant to the Several Opinions of the General Office of the State Council on Further Reform and Improvement in Policies of Drug Production, Circulation and Use (《國務院辦公廳關於進一步改革完善藥品生產流通使用政策的若干意見》), which was issued on January 24, 2017. Pharmaceutical companies must comply with the Two-Invoice System in order to engage in procurement processes with public hospitals.

REGULATIONS ON INFORMATION SECURITY AND DATA PROTECTION

Data Security and Data Export

The SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) on June 10, 2021, which became effective from September 1, 2021, for the establishment of a data classification and grading protection system to conduct classified and hierarchical protection of data. Entities engaged in data processing activities shall, in accordance with laws and regulations, establish a sound full-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**") and other twelve PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Cyber Review Measures**"), which came into effect on February 15, 2022. The Cyber Review Measures stipulate that, among others, (i) when the purchase of network products and services by a critical information infrastructures operator (the "**CIIO**") (關鍵信息基礎設施運營者) or the data processing activities conducted by a network platform operator (網絡平台運營者) affect or may affect national security, a cybersecurity review shall be conducted pursuant to the Cyber Review Measures; (ii) an application for cybersecurity review shall be made by an issuer who is a network platform operator holding personal information of more than one million users before such issuer applies to list its securities abroad; and (iii) the relevant PRC governmental authorities may initiate cybersecurity review if such governmental authorities determine that the issuer's network products or services, or data processing activities affect or may affect national security.

According to the Measures on Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》) issued by the CAC on July 7, 2022 and effective on September 1, 2022, a data processor that provides data overseas under any of the following circumstances shall apply to the national cyberspace administration for the security assessment of the outbound data transfer through local provincial cyberspace administration: (i) a data processor provides important data abroad; (ii) the CIIO or the data processor that has processed the personal information of more than 1 million people provides personal information abroad; (iii) the data processor that has provided the personal information of over 100,000 people or the sensitive personal information of over 10,000 people cumulatively since January 1 of the previous year provides personal information abroad; and (iv) any other circumstance where an application for the security assessment of outbound data transfer is required by the national cyberspace administration.

Personal Information Protection

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 SCNPC on August 20, 2021 and implemented on November 1, 2021 further emphasizes the obligations and responsibilities of processors for the protection of personal information, and requests higher level of protective measures on the processing of sensitive personal information.

According to the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) promulgated by the SCNPC on November 7, 2016 and effective on June 1, 2017, network operators must follow the principles of legality, legitimacy and necessity when collecting and using personal information, publicly disclose the rules for collection and use, clearly state the purpose, method and scope of collecting and using information, and obtain the consent of the person whose data is being collected.

REGULATIONS ON INTELLECTUAL PROPERTY

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》) latest amended by the SCNPC on 17 October 2020 and came into effect on 1 June 2021 and the Implementation Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) latest amended by the State Council on 11 December 2023 and came into effect on 20 January 2024, patents in China are divided into three types, i.e., invention patent, utility patent and design patent. The duration of a patent right for invention is 20 years, the duration of a patent right for utility model is 10 years, and the duration of a patent right for design is 15 years, all calculated from the date of application.

In accordance with the Trademark Law of the PRC (《中華人民共和國商標法》) which was latest amended by the SCNPC on 23 April 2019, with the latest revision effective on 1 November 2019, and the Implementation Regulations for the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) which was latest amended by the State Council on 29 April 2014, with the latest revision effective on 1 May 2014, trademarks approved and registered by the Trademark Office of the National Intellectual Property Administration are registered trademarks, including commodity trademarks, service marks, collective trademarks, and certification marks; the validity period of a registered trademark is 10 years, calculated from the date of approval of registration.

The PRC Copyright Law (《中華人民共和國著作權法》), which was promulgated by the SCNPC on September 7, 1990 and amended on November 11, 2020, provides that Chinese citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology, and computer software.

REGULATIONS ON LEASING

According to the Civil Code of the PRC (《中華人民共和國民法典》) promulgated by the NPC on 28 May 2020 and implemented on 1 January 2021, the creation, modification, transfer, and extinction of real property rights that are subject to registration in accordance with the law shall take effect when they are recorded in the real estate registration book. A real estate ownership

certificate is the proof that the owner has the right to the real estate. Pursuant to the Administrative Measures for Commodity Housing Leasing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on 1 December 2010 and came into effect on 1 February 2011, the parties to house leasing shall, within 30 days after the execution of the house leasing contract, go through the house leasing registration and filing formalities with the competent construction (real-estate) departments of the People's Government of the municipality directly under the Central Government, city or county at the place where the leased house is located. If a violation of the measures occurs, the party shall be ordered to rectify within a prescribed time limit. and if any party fails to do so, it shall be imposed of a fine of more than RMB1,000 and less than RMB10,000.

REGULATIONS ON FIRE PROTECTION AND ENVIRONMENTAL PROTECTION

Fire Control

Pursuant to the Fire Control 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 on April 29, 2021 and effective therefrom, while the fire control and rescue institutions of such people's governments shall be responsible for implementation. The design of fire control of the construction projects must comply with the national technical standards of fire control. 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. According to **Interim Regulations on Administration of Examination and Acceptance of Fire Control Design of Construction Projects** (《建設工程消防設計審查驗收管理暫行規定》) issued by the Ministry of Housing and Urban-Rural Development on April 1, 2020 and latest amended on 21 August, 2023, an examination system for fire control design and acceptance only applies to special construction projects, and for other projects, a record-filing and spot check system would be applied.

Environmental Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) was promulgated and effective on 26 December 1989, and most recently amended on 24 April 2014. Pursuant to the Environmental Protection Law, construction projects that have environmental impact shall be subject to environmental impact assessment.

Environment Impact Assessment

On 28 October 2002, the SCNPC promulgated the Environmental Impact Assessment Law of PRC (《中華人民共和國環境影響評價法》), which was latest amended on 29 December 2018. According to the Environmental Impact Assessment Law, the State Council implemented the environmental impact assessment to classify construction projects according to the impact of the construction projects on the environment. Pursuant to the Interim Measures for Environmental Protection Acceptance of Completed Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) effective as of 20 November 2017 and the Regulations on the Administration Construction Project Environmental Protection (《建設項目環境保護管理條例》), which was revised on 16 July 2017 and implemented on October 1, 2017, after the completion of a construction project for which an environmental impact report or an environmental impact report form is required, the construction entity shall, according to standards and procedures prescribed by the environmental protection administrative authorities, conduct environmental protection completion acceptance check and compile an acceptance check report. A construction project for which an environmental impact report or an environmental impact report form is required shall not be put into production or use until the environmental protection completion acceptance check has been passed.

Disposal of Hazardous Waste

Pursuant to the Law on the Prevention and Control of Environmental Pollution Caused by Solid Waste of the PRC (《中華人民共和國固體廢物污染環境防治法》), which was promulgated by the SCNPC in 1995 and was latest amended on 29 April 2020, entities generating hazardous waste shall store, utilise and dispose hazardous waste according to the relevant requirements of the state and environmental protection standards, and shall not dump or pile up hazardous waste without authorisation. Furthermore, it is forbidden to entrust hazardous waste to entities without a permit for disposal, or else the competent ecological and environmental authorities shall order it to make rectification, impose fines, confiscate illegal gains, and in serious circumstance, order it to suspend business or close down upon the approval of the government authorities.

REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on 5 July 1994 and last amended on 29 December 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on 29 June 2007 and amended on 28 December 2012, and the Implementing Regulations of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council on 18 September 2008 and came into effect on the same day, employers must enter into written labor contracts with full-time employees. All employers shall comply with local minimum wage standards. Employers must establish a system for labor safety and sanitation, strictly comply with national standards, and provide relevant education to their employees. Violations of the Labor Contract Law and the Labor Law may result in fines, and in serious cases, other administrative and criminal liabilities may be incurred.

In accordance with the Labor Contract Law and the Interim Provisions on Labor Dispatching (《勞務派遣暫行規定》) promulgated by the Ministry of Human Resources and Social Security of the PRC on 24 January 2014 and effective on 1 March 2014, it specified the scope and proportion of the usage of the laborer, execution and performance of labor dispatch agreements and legal liability. An employer shall strictly control the number of dispatched laborers which shall not exceed 10% of the total number of its workers. An employer that is in violation thereof shall be ordered to make correction by the labor administrative department. Where no correction is made by the prescribed deadline, the employer shall be subject to a fine ranging from RMB5,000 to RMB10,000 for each dispatched worker.

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") issued by the SCNPC in 2010 and latest amended on December 29, 2018, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and most recently amended on March 24, 2019 and effective from the same date, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

In accordance with the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and amended on March 24, 2002, and March 24, 2019, enterprises must register at the designated administrative centers and open bank accounts for depositing employees' housing provident funds. Employers and employees are also required to pay and deposit housing provident funds, with an amount no less than 5% of the monthly average salary of the employee in the preceding year in full and on time. Where employers fail to make payment within such period, enforcement by the people's court will be

applied. In case of failure to register and open accounts for depositing employees' housing provident funds, the housing fund management center shall order employers to go through the formalities within a specified period, where employers fail to do such formalities within the prescribed time, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed.

REGULATIONS ON FOREIGN INVESTMENT

Investment activities in the PRC by foreign investors are principally governed by the Catalog of Encouraged Industries for Foreign Investment (《鼓勵外商投資產業目錄》) (the "**Encouraged Catalog**"), and the Special Administrative Measures (Negative List) for Foreign Investment Access (《外商投資准入特別管理措施(負面清單)》) (the "**Negative List**"), which are promulgated and amended from time to time by the Ministry of Commerce of the PRC (the "**MOFCOM**") and the National Development and Reform Commission (the "**NDRC**"), and together with the Foreign Investment Law of PRC (《中華人民共和國外商投資法》) (the "**FIL**") and its respective implementation rules and ancillary regulations.

In March 2019, the FIL was promulgated by National People's Congress (the "**NPC**") and came into effect on January 1, 2020, the FIL, by means of legislation, establishes the basic framework for the access, promotion, protection and administration of foreign investment in view of investment protection and fair competition. According to the FIL, foreign investment shall enjoy pre-entry national treatment, except for those foreign invested entities that operate in industries deemed to be either "restricted" or "prohibited" in the "negative list", and the State Council shall promulgate or approve a list of special administrative measures for access of foreign investments. To ensure the effective implementation of the FIL, the Regulations on Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Regulations**"), was promulgated by State Council in December 2019 and came into effect on January 1, 2020.

In December 2019, the MOFCOM and the State Administration for Market Regulation (the "**SAMR**") promulgated the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which came into effect in January 2020. Since January 1, 2020, for foreign investors carrying out investment activities directly or indirectly in China, the foreign investors or foreign-invested enterprises shall submit investment information to the relevant commerce administrative authorities according to the Measure on Reporting of Foreign Investment Information.

According to the Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and the MOFCOM on December 19, 2020 and became effective on January 18, 2021, any foreign investment that has or possibly has an impact on state security shall be subject to security review in accordance with the provisions hereof. A foreign investor or a party concerned in China shall take the initiative to make a declaration to the working mechanism office prior to making the investment in any important infrastructure, important transportation services and other important fields that concern state security while obtaining the actual control over the enterprises invested in.

REGULATIONS ON FOREIGN EXCHANGE

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》), most recently amended in August 2008. Under the PRC foreign exchange regulations, payments of current account items, such as profit distributions, interest payments and trade and service- related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE, by complying with certain procedural requirements. By contrast, approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital account items, such as direct investments, repayment of foreign currency-denominated loans, repatriation of investments and investments in securities outside of China.

The SAFE issued the Circular on Reforming of the Management Method of the Settlement of Foreign Currency Capital of Foreign-Invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular 19**") on March 30, 2015, and it became effective on June 1, 2015, which was partially repealed on December 30, 2019, and latest amended on March 23, 2023. The SAFE Circular 19 expands a pilot reform of the administration of the settlement of the foreign exchange capitals of foreign-invested enterprises nationwide. In June 2016, SAFE further promulgated the Circular on the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《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》) (the "**SAFE Circular 16**"), which, among other things, amends certain provisions of SAFE Circular 19. Pursuant to SAFE Circular 19 and SAFE Circular 16, the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign-invested company is regulated such that Renminbi capital may not be used for business beyond its business scope or to provide loans to persons other than affiliates unless otherwise permitted under its business scope.

In October 2019, SAFE issued the Circular on Further Facilitating Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (the "**SAFE Circular 28**"), which cancels the restrictions on domestic equity investments by capital fund of non-investment foreign invested enterprises and allows non-investment foreign invested enterprises to use their capital funds to lawfully make equity investments in China, provided that such investments do not violate the Negative List and the target investment projects are genuine and in compliance with laws. According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (the "**SAFE Circular 8**"), issued by SAFE in April 2020, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, eligible enterprises are allowed to make domestic payments by using their capital funds, foreign credits and the income under capital accounts of overseas listing, without prior provision of the evidentiary materials concerning authenticity to the bank for each transaction. The handling banks shall conduct spot checks afterwards in accordance with the relevant requirements. The interpretation and implementation in practice of SAFE Circular 28 and SAFE Circular 8 are still subject to substantial uncertainties given they are newly issued regulations.

Pursuant to the Circular on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (the "**SAFE Circular 7**"), promulgated by SAFE in February 2012, employees, directors, supervisors, and other senior management participating in any share incentive plan of an overseas publicly-listed company who are PRC citizens or who are non-PRC citizens residing in China for a continuous period of not less than one year, subject to a few exceptions, are required to register with SAFE through a domestic agency. Moreover, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. The income of foreign exchange PRC residents by selling out the shares according to the equity incentive plan and the dividend distributed by the overseas-listed company shall be distributed to the PRC residents after being remitted to the bank account in China opened by the domestic institutions.

REGULATIONS ON TAXATION

Enterprise Income Tax

The Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**"), promulgated by the NPC on March 16, 2007, came into effect on January 1, 2008 and amended on February 24, 2017 and December 29, 2018, as well as the Implementation Rules of the EIT Law (《中華人民共和國企業所得税法實施條例》) (the "**Implementation Rules**"), promulgated by the State Council on December 6, 2007, came into force on January 1, 2008 and amended on April 23, 2019, are the principal law and regulation governing enterprise income tax in the PRC. According to the EIT Law and its Implementation Rules, enterprises are classified into resident enterprises and non-resident enterprises. Resident enterprises refer to enterprises that are

legally established in the PRC, or are established under foreign laws but whose actual management bodies are located in the PRC. Non-resident enterprises refer to enterprises that are legally established under foreign laws and have set up institutions or sites in the PRC but with no actual management body in the PRC, or enterprises that have not set up institutions or sites in the PRC but have derived incomes from the PRC. A uniform income tax rate of 25% applies to all resident enterprises and non-resident enterprises that have set up institutions or sites in the PRC to the extent that such incomes are derived from their set-up institutions or sites in the PRC, or such income are obtained outside the PRC but have an actual connection with the set-up institutions or sites. Non-resident enterprises that have not set up institutions or sites in the PRC, or have set up institutions or sites but the incomes obtained by the said enterprises have no actual connection with the set-up institutions or sites, shall pay enterprise income tax at the rate of 10% in relation to their income sources from the PRC.

Value-Added Tax

Pursuant to the Value-Added Tax Law of the PRC (《中華人民共和國增值税法》), which was promulgated by the SCNPC on December 25, 2024 and effective from January 1, 2026, entities and individuals engaging in selling goods, services, intangible assets, or immovables within the territory of the PRC are taxpayers of the value-added tax ("**VAT**").

According to the Notice of the Ministry of Finance and the State Taxation Administration on the Adjusting Value-added Tax Rates (《財政部 税務總局關於調整增值税税率的通知》) effective in May 2018, the VAT rates of 17% and 11% on sales, imported goods shall be adjusted to 16% and 10%, respectively.

According to the Announcement of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (《財政部 税務總局 海關總署關於深化增值税改革有關政策 的公告》) promulgated on March 20, 2019 and effective from April 1, 2019, the VAT rates of 16% and 10% on sales, imported goods shall be adjusted to 13% and 9%, respectively.

REGULATIONS ON OVERSEAS LISTINGS

According to 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》) and five relevant guidelines, issued by the China Securities Regulatory Commission (the "**CSRC**") on February 17, 2023 and effective from March 31, 2023 (hereinafter referred to as the "Trial Measures"), where a domestic company seeks overseas securities issuance and listing, the issuer shall file with the CSRC in accordance with the Trial Measures. If an issuer procures an overseas initial public offering or listing, it shall file with the CSRC within three (3) business days after submitting application documents for overseas securities issuance and listing.

According to the Provisions on Strengthening the Confidentiality and Archives Management of Overseas Securities Offering and Listing by Domestic Enterprises (《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 "**Archives Provisions**") promulgated by the CSRC, the Ministry of Finance of the PRC (中華人民共和國財政部), the State Secrets Bureau and the State Archives Administration of the PRC on 24 February 2023 and implemented from 31 March 2023, domestic enterprises, securities companies and securities service institutions providing corresponding services shall strictly comply with the relevant requirements for confidentiality and archives management, establish and improve confidentiality and file management systems, and take the necessary measures to implement confidentiality and archives management responsibilities, in the direct or indirect overseas securities offering or listing activities by domestic enterprises. According to the Archives Provisions, during the process of domestic enterprises conducting offering and listing overseas, if documents or data involving state secrets or adversely affecting national security or the

public interest need to be provided or publicly disclosed to relevant securities companies, securities service agencies, overseas regulatory authorities and other units and individuals, the relevant approval/filing and other regulatory procedures shall be completed.

OVERVIEW OF U.S. LAWS AND REGULATIONS

U.S. Government Regulation of Drug and Biological Products

In the U.S., the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act (the "**FDCA**") and its implementing regulations, and regulates biologics under the FDCA, the Public Health Service Act (the "**PHSA**") and their implementing regulations. Drugs and biologics are also subject to other federal, state and local statutes and regulations, including those relating to competition.

Once a product candidate is identified for development, it enters preclinical testing. Preclinical testing is conducted in accordance with the FDA's Good Laboratory Practice regulations. A sponsor of IND must submit the results of the preclinical testing, manufacturing information, analytical data, the clinical trial protocol, and any available clinical data or literature to the FDA. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions and places the trial on a clinical hold within that 30-day period. The FDA may also impose clinical holds or partial clinical holds at any time during clinical trials due to safety concerns or non-compliance. All clinical trials that involve administration of investigational products in humans must be conducted under the supervision of qualified investigators in accordance with GCP regulations, including the requirement that all research subjects provide informed consent in writing before participation. Further, an Institutional Review Board ("**IRB**") must review and approve the plan for any clinical trial before it commences at any institution and must conduct continuing review and reapprove the study at least annually. Each new clinical protocol and any protocol amendments must be submitted for FDA review and to the IRBs for approval. An IRB can suspend or terminate approval of a clinical trial if the trial is not conducted in accordance with the IRB's requirements or if the product is associated with unexpected serious harm to subjects.

Clinical trials generally proceed in three phases, which may overlap. Phase I trials generally involve a small number of healthy volunteers or patients, who are initially exposed to a single dose and then multiple doses of the product candidate. The primary purpose is to assess the metabolism, pharmacologic action, side effects, tolerability and safety of the product candidate. Phase II trials are conducted in patients to evaluate proof of concept and/or determine the dose required to produce the desired benefits. At the same time, safety and further PK and PD information is collected, possible adverse effects and safety risks are identified, and a preliminary evaluation of efficacy is conducted. Phase III trials generally involve a larger number of patients across multiple sites and are intended to generate the data necessary to demonstrate safety and efficacy for the product's intended use, establish the overall benefit/risk relationship of the product and provide an adequate basis for product labeling. Sponsors must submit progress reports on clinical trials to the FDA at least annually. They must also submit safety reports to the FDA and investigators within 15 calendar days after determining that the information is reportable and must report any unexpected fatal or life-threatening suspected adverse reaction as soon as possible and no later than 7 calendar days after initial receipt of the information. Sponsors of clinical trials involving FDA-regulated products, including drugs, are also required to register and disclose certain clinical trial information, which is publicly available at **www.clinicaltrials.gov**. Concurrently with clinical trials, companies typically complete additional animal studies and finalize manufacturing processes for commercial-scale production in accordance with GMP requirements.

U.S. Review and Approval Processes

The results of product development, preclinical studies and clinical trials, together with descriptions of the manufacturing process, analytical testing, proposed labeling and other relevant information, are submitted to the FDA as part of an NDA or BLA. Unless deferred or waived, an NDA, BLA or relevant supplement must also include sufficient data to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. Submission of an NDA or BLA is subject to payment of a substantial user fee and an annual prescription drug program fee. Within 60 days after receipt, the FDA reviews an NDA or BLA to determine whether it is sufficiently complete to permit substantive review. Once the application is accepted for filing, the FDA conducts an in-depth review to determine, among other things, whether the product is safe and effective for its intended use. The FDA also evaluates whether the product is manufactured in compliance with GMP requirements to ensure its identity, strength, quality and purity. Before approving an NDA or BLA, the FDA typically inspects the manufacturing processes and facilities to confirm compliance with GMP requirements and the ability to produce the product consistently within required specifications. The FDA may also refer the application to an advisory committee, an expert panel, for recommendations on whether the application should be approved and under what conditions.

The FDA may refuse to approve an NDA or BLA if the applicable regulatory requirements are not met, or it may require additional clinical or other data and information. In that case, the FDA will issue a complete response letter identifying the deficiencies that must be addressed before the application can be approved. These deficiencies may be minor, such as labeling changes, or major, such as the need for additional clinical trials. A complete response letter may also include recommended actions to place the application in condition for approval. The applicant may resubmit the NDA or BLA after addressing the identified deficiencies, withdraw the application or request a hearing. Regulatory approval may also be limited to specific diseases, dosages or other approved conditions of use. In addition, the FDA may require contraindications, warnings or precautions in the product labeling, as well as post-approval studies, including Phase IV clinical trials, and testing and surveillance programs to monitor the safety of commercialized products.

In the U.S., products comprising components that would otherwise be regulated by different FDA centers are referred to as combination products. The FDA's Office of Combination Products generally assigns a lead center for review based on the product's primary mode of action. Depending on the type of combination product, approval, clearance or licensure may be obtained through a single marketing application, although the FDA may in some cases require separate applications for individual constituent parts. Even where a single application is used, multiple FDA centers may participate in the review. Applicants must also work with the FDA on the application of relevant premarket and post-marketing requirements, including clinical trial, adverse event reporting and GMP requirements, to the combination product.

Expedited Development and Review Programs

The FDA has various programs intended to facilitate or expedite the development and review of drugs and biologics for serious or life-threatening conditions that may address unmet medical needs.

Fast Track Designation

A drug may be eligible for fast track designation if it is intended to treat a serious or life-threatening disease or condition and demonstrates the potential to address an unmet medical need. A sponsor may request fast track designation for a specific indication concurrently with or after submission of the IND, and the FDA must respond within 60 days after receiving the request. Fast track designation may provide benefits such as more frequent interactions with the FDA, the potential use of surrogate endpoints and rolling review, under which the FDA may review portions

of an NDA before the application is complete if the applicant provides, and the FDA accepts, a schedule for the remaining submissions and pays the applicable user fees. However, the FDA's review clock does not begin until the final portion of the NDA is submitted. The FDA may also withdraw fast track designation if emerging clinical data no longer supports it.

Breakthrough Therapy Designation

A drug or biologic may be eligible for designation as a breakthrough therapy if the product is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. A sponsor may request breakthrough therapy designation concurrently with, or at any time after, submission of the IND, and the FDA must determine within 60 days after receipt of the request whether the product qualifies. If so designated, the FDA shall act to expedite the development and review of the marketing application, including by meeting with the sponsor throughout development and providing timely advice to ensure that the program for collecting preclinical and clinical data is as efficient as practicable.

Accelerated Approval

Under the FDA's accelerated approval regulations, the FDA may approve a drug or biologic candidate for a serious or life-threatening illness that provides meaningful therapeutic benefit over existing treatments where the product demonstrates an effect on either a surrogate endpoint reasonably likely to predict clinical benefit or a clinical endpoint that can be measured earlier than irreversible morbidity or mortality ("**IMM**") and is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the disease or condition and the availability or lack of alternative treatments. A product candidate approved on this basis is subject to rigorous post-marketing requirements, including post-approval clinical trials to confirm clinical benefit. Failure to conduct the required studies or to confirm clinical benefit in post-marketing studies may permit the FDA to withdraw approval on an expedited basis. In addition, promotional materials for products approved under the accelerated approval regulations are subject to prior FDA review.

Priority Review

The FDA may grant priority review to drugs that offers significant improvement in treatment or provide a treatment where no adequate therapy exists. Under priority review, the FDA's goal is to review an application within six months, compared with ten months for standard review under Prescription Drug User Fee Act guidelines. For NDAs for new molecular entities, these review periods are measured from the filing date rather than the submission date, which generally adds approximately two months to the overall review timeline. Products eligible for fast-track designation are also often eligible for priority review.

Orphan Drug Designation

Under the Orphan Drug Act of 1983, the FDA may grant orphan drug designation to a drug or biologic intended to treat a rare disease or condition that generally affects fewer than 200,000 individuals in the U.S. or for which there is no reasonable expectation that the costs of research and development will be recovered. The first applicant to obtain FDA approval for a drug or biologic with orphan designation for a particular disease or condition is entitled to seven years of marketing exclusivity for that indication. During that exclusivity period, the FDA may not approve another application to market the same product for the same disease or condition, except in limited circumstances.

Post-Marketing Requirements

Following approval, a product and its manufacturer remain subject to ongoing FDA regulation, including requirements relating to monitoring and record-keeping, adverse event reporting, and promotion and advertising. These include restrictions on promoting products for unapproved uses or patient populations (known as "off-label use") and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe legally available products for off-label uses, manufacturers may not market or promote such uses. Prescription drug promotional materials must be submitted to the FDA at the time of first use or publication. In addition, any modifications to the drug or biologic, including changes to indications, labeling, manufacturing processes or facilities may require submission and approval of a new NDA or BLA, or a supplement thereto, and may require additional data, preclinical studies or clinical trials.

The FDA may also impose conditions of approval, including a risk evaluation and mitigation strategy ("**REMS**"), to ensure safe use of a product. A REMS could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, or patient registries and could limit the product's commercial promotion, distribution, prescribing or dispensing. Product approvals may be withdrawn for failure to comply with regulatory requirements or if safety or other issues arise after marketing.

Approved products must be manufactured in approved facilities and in accordance with cGMP requirements. Manufacturers and other entities involved in the manufacture or distribution of approved drugs and biologics must register their establishments with the FDA and certain state agencies and are subject to periodic inspections for compliance with cGMP and other applicable requirements. Failure to comply with these requirements, or the later discovery of safety, manufacturing or other regulatory issues, may result in labeling changes, post-marketing studies or clinical trials, distribution restrictions under a REMS, restrictions on marketing or manufacturing, warning or other enforcement letters, fines, holds on post-approval clinical trials, refusal to approve pending applications or supplements, product recalls, import or export restrictions, seizure, suspension, revocation or withdrawal of approval, injunctions, and civil or criminal penalties.

Optimizing the Dosage of Human Prescription Drugs and Biological Products for the Treatment of Oncologic Diseases

In August 2024, the FDA issued guidance on optimizing the dosage of oncology drugs and biological products during clinical development before submission of a marketing application for a new indication and usage. The guidance encourages sponsors to identify an optimal dosage that maximizes therapeutic benefit while minimizing toxicity, reflecting the FDA's view that the traditional focus on maximum tolerated dose may be inappropriate for certain modern oncology therapies, particularly targeted therapies, where lower and better tolerated doses may achieve similar efficacy. The guidance notes that unnecessarily high doses may adversely affect quality of life, treatment adherence and clinical outcomes, and encourages early engagement with the FDA, including through formal meetings or the Model-Informed Drug Development paired meeting program, to discuss dosage optimization plans. Sponsors are encouraged to initiate early evaluations of (i) population pharmacokinetics, dose- and exposure-response relationships, the impact of intrinsic factors on pharmacokinetics, pharmacodynamics and safety, and potential drug-drug interactions, supported by sampling plans to characterize drug behavior and variability and consideration of alternative dosing strategies; (ii) trial designs comparing multiple dosages in randomized, parallel or adaptive trials, with trial sizes sufficient to detect meaningful differences in safety and activity, and use of model-informed approaches, including semi-mechanistic or mechanistic methods, to inform dosage selection for current and future indications; (iii) safety and tolerability, including dose modifications, discontinuations and patient-reported outcomes, together with predefined stopping rules for toxicity and strategies such as dose titration for drugs with early-onset toxicities; (iv) dose formulation, including the availability of suitable dose strengths and forms to facilitate evaluation of multiple dosages; and (v) subsequent indications, given that dosage may differ by disease setting and that further dose-finding may be required for subsequent indications or combination therapies. Dose optimization studies are expected to compare multiple

dosages using relevant clinical endpoints, such as overall response rate or progression-free survival, and may, where appropriate, incorporate data from similar therapies. Features such as blinding to reduce bias, pre-specified crossover analysis plans and intra-patient dose adjustments to improve tolerability are also encouraged.

Patent Term Restoration and Marketing Exclusivity

After approval, the holder of a patent covering a drug or biological product may apply for an extension of up to five years to restore a portion of the patent term lost during product development and FDA review of an NDA or BLA under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, provided that the approval represents the first permitted commercial marketing or use of the product containing the active ingredient. The extension period is calculated as one-half of the testing phase, measured from IND submission to NDA or BLA submission, plus all of the review phase, measured from NDA or BLA submission to approval, subject to a maximum extension of five years, and may be reduced if the applicant did not act with due diligence. In no event may the remaining patent term, as extended, exceed 14 years from the date of FDA approval. Only one patent for each approved product may be extended, and only claims covering the approved product, a method of using it or a method of manufacturing it is eligible. The patent holder must apply within 60 days after approval, and the USPTO, in consultation with the FDA, reviews the application. If an eligible patent may expire before the application is approved, the patent owner may seek an interim extension of up to one year, renewable up to four times, although each interim extension reduces the final extension by one year. Interim extensions are available only if an NDA or BLA has been submitted and the Director of the USPTO determines that approval of the product is likely.

BIOSECURE Act

On December 18, 2025, the U.S. Senate passed the BIOSECURE Act as a part of the National Defense Authorization Act for Fiscal Year 2026, which was signed into law by the U.S. President. The BIOSECURE Act will prohibit the U.S. government from procuring biotechnology equipment or services from designated "biotechnology companies of concern," and will prohibit government contracts, loans and grants to any entity that uses biotechnology equipment or services from a designated "biotechnology company of concern." The BIOSECURE Act provides that any entity on the Department of Defense's section 1260H list of Chinese military companies operating in the U.S., as well as any of the entity's subsidiary, parent, affiliate, or successor, will qualify as "biotechnology companies of concern." The U.S. government has the authority to identify additional entities for inclusion as "biotechnology companies of concern," specifically any entity that is subject to the administrative governance structure, direction, control, or operates on behalf of the government of a foreign adversary (defined by law to be China, Iran, North Korea, and Russia), is involved in the manufacturing, distribution, provision, or procurement of a biotechnology equipment or service, and poses a risk to the national security of the U.S., based on: (i) engaging in joint research with, being supported by, or being affiliated with a foreign adversary's military, internal security forces, or intelligence agencies; (ii) providing multiomic data obtained via biotechnology equipment or services to the government of a foreign adversary; or (iii) obtaining human multiomic data via the biotechnology equipment or services without express and informed consent. The prohibitions in the BIOSECURE Act will go into effect for new contracts, grants and loans issued 60 days after the Federal Acquisition Regulation is updated for entities drawn from the 1260H list, and within 180 days after the Federal Acquisition Regulation is updated for entities not included on the 1260H list.

OVERVIEW OF EU LAWS AND REGULATIONS

Clinical Trial Approval

The European Medicines Agency ("**EMA**") is the scientific agency of the EU that coordinates the evaluation and monitoring of medicinal products, including drugs and biologics, and provides technical guidance and scientific advice to sponsors. In the EU, the development of medicinal products generally involves preclinical laboratory, animal and formulation studies conducted in

accordance with applicable Good Laboratory Practice requirements; submission of a Clinical Trial Application ("**CTA**") before human clinical trials may begin; conduct of adequate and well-controlled clinical trials to establish safety and efficacy for the proposed indication; inspection by the relevant authorities of manufacturing facilities, including those of third parties, for compliance with cGMP requirements; potential inspection of the non-clinical and clinical trial sites generating data in support of a Marketing Authorization Application ("**MAA**"); and approval of the MAA through the applicable EU or member-state procedure before commercial marketing, sale or shipment of the product. Preclinical studies generally include laboratory evaluation of product chemistry, formulation and stability, as well as animal studies assessing potential efficacy and toxicity. The results of these studies, together with relevant manufacturing and analytical information, form part of the CTA and, later, the MAA.

Clinical trials in the EU are governed by the Clinical Trials Regulation (EU) No. 536/2014, which is directly applicable in all EU member states and provides for a single submission through the Clinical Trials Information System ("**CTIS**"). The EMA does not itself authorize clinical trials but maintains CTIS as the single entry point through which sponsors submit CTAs and through which the relevant member state authorities coordinate review, request further information, authorize or refuse a trial and oversee an authorized trial. Each application is subject to a validation phase, an assessment phase and a decision phase, within defined timelines, and each member state concerned ultimately issues its own decision on whether the trial may proceed in its territory.

Under Regulation (EU) No. 536/2014, the assessment phase is divided into Part I and Part II. Part I covers the elements of the application common across the EU and is led by a reporting member state ("**RMS**"), with input from the other member states concerned ("**MSC**"). These Part I elements generally include the scientific and technical aspects of the trial, such as the trial design, the anticipated therapeutic and public health benefits, risk and inconvenience to subjects, investigational medicinal product quality information, manufacturing and import arrangements, and labeling and investigator's brochure documentation. Part II is assessed separately by each MSC and addresses national, local and ethical aspects, including informed consent, subject recruitment arrangements, compensation, protection of personal data and biological samples, and the suitability of investigators and trial sites. Requests for information ("**RFIs**") may be raised by the RMS during Part I or by an MSC during Part II. Each MSC reaches its own national decision based on the coordinated Part I assessment and its own Part II assessment as to whether the clinical trial may be conducted in its territory. A sponsor may apply to one or more MSCs to conduct a clinical trial, including a Phase III or other pivotal trial following completion of earlier trial phases, provided that the applicable procedures and requirements are satisfied.

Clinical Trial Implementation

Article 47 of the Clinical Trials Regulation (EU) No. 536/2014 provides that the sponsor of a clinical trial and the investigator shall ensure that the clinical trial is conducted in accordance with the protocol and the principles of GCP and, in preparing the protocol and conducting the trial, must also take appropriate account of the quality standards and guidelines established by the International Council for Harmonisation of Technical Requirements of Pharmaceuticals for Human Use ("**ICH**") on GCP. ICH E6(R3) Guideline for Good Clinical Practice provides that the sponsor may consider establishing a data review team or data monitoring committee to assess the progress of a clinical trial, including the safety data and the efficacy endpoints, at intervals and to recommend to the sponsor whether to continue, modify or stop a trial.

Marketing Authorization

Centralized Procedure

Authorization to market a product in the EU may be obtained through one of four procedures: the centralized procedure, the mutual recognition procedure, the decentralized procedure or the national procedure.

The centralized procedure enables an applicant to obtain a marketing authorization that is valid in all EU member states on the basis of a single application. It is mandatory for certain categories of products, including medicines derived from biotechnology processes such as genetic engineering, advanced therapy medicinal products such as gene therapies or tissue-engineered products, orphan medicines, and medicinal products containing a new active substance indicated for the treatment of cancer, diabetes, neurodegenerative disorders, autoimmune and other immune dysfunctions, or viral diseases. It is optional for certain other medicinal products, including those containing a new active substance, where the applicant can demonstrate that the product constitutes a significant therapeutic, scientific or technical innovation or that granting authorization would be in the interest of public health in the EU. If granted by the European Commission based on the opinion of the EMA, the authorization is valid in all EU member states.

Under the mutual recognition procedure, a marketing authorization granted in one EU member state is recognized by one or more other member states. The decentralized procedure permits authorization in more than one EU member state in parallel for products that are not required to be authorized through the centralized procedure and have not yet been authorized in any member state. Under the national procedure, the competent authority of an individual EU member state reviews and decides upon a marketing authorization application for that member state.

Administration Procedure

MAAs should first be electronically submitted to the EMA through the eSubmission gateway and must contain the information required under applicable EU legislation., including details of the target patient population, whether the medicine addresses an unmet medical need, and data on the medicine's quality, including its chemical, physical and biological properties, such as stability, purity and biological activity, as well as evidence of compliance with good laboratory practice, good manufacturing practice and good clinical practice. The MAA must also describe the medicine's mechanism of action, pharmacokinetic profile and clinical benefits in the intended patient population, set out its safety profile, including in relevant special populations, and describe how risks will be managed and monitored after authorization, including through a risk management plan ("**RMP**"), which is reviewed for suitability by the Pharmacovigilance Risk Assessment Committee ("**PRAC**"). In addition, the applicant must submit the proposed Summary of Product Characteristics ("**SmPC**"), labelling and package leaflet for review by the Committee for Medicinal Products for Human Use ("**CHMP**"). After submission, the EMA performs a technical validation of the MAA to confirm that the application contains the elements required for scientific assessment and may request additional information before the procedure starts. After the MAA is validated by the EMA, it will be referred to the CHMP.

Under the centralized procedure, the CHMP is the EMA committee responsible for rendering the scientific opinion on the safety, efficacy and quality of medicinal products for human use. The CHMP is composed of experts nominated by the national competent authorities of the EU member states, and one or more members are appointed as Rapporteur and, where applicable, Co-Rapporteur to coordinate the evaluation; after approval, the Rapporteur continues to monitor the product throughout its life cycle. The CHMP has 210 active days to adopt an opinion on whether a marketing authorization should be granted, excluding clock-stops when the applicant is asked to provide additional information. For products of major public health interest, particularly from the perspective of therapeutic innovation, the applicant may request accelerated assessment under Article 14(9) of Regulation (EC) No. 726/2004, in which case the timetable may be reduced to 150 days, although the CHMP may revert to the standard timetable if accelerated assessment is no longer considered appropriate. The final CHMP recommendation is reached by a formal vote. The CHMP seeks to reach its recommendation by consensus, but where consensus cannot be reached, the opinion reflects the majority view, and divergent opinions and the names of the members expressing them are attached to the opinion and reflected in the meeting minutes and public assessment materials. Once the procedure is completed, the EMA publishes a European Public Assessment Report ("**EPAR**"). If the CHMP opinion is negative, the grounds for that conclusion are disclosed.

After adoption of the CHMP opinion, the European Commission must adopt a decision on the MAA after consulting the EU member states, a process that may take over 60 days. During that consultation period, each member state has 22 days to submit written observations on the draft decision to the European Commission, and a concerned member state may request that the draft decision be discussed at a plenary meeting of the Standing Committee on Medicinal Products for Human Use, stating its reasons in detail. If, in the opinion of the European Commission, a member state's written observations raise important new scientific or technical questions not addressed by the EMA opinion, the European Commission may suspend the procedure and refer the application back to the EMA for further consideration. Although significant concerns or divergent views raised by member states may be considered within the CHMP and by the European Commission, the final decision rests with the European Commission. An applicant is not required to obtain prior consent or clearance from the member states in which the clinical trial was conducted. A centralized marketing authorization is valid throughout the EU and in the EEA-EFTA states of Iceland, Liechtenstein and Norway, and confers the same rights and obligations in each member state as a marketing authorization granted by that member state. After a drug is authorized and launched, all aspects relating to its quality, safety and efficacy must continue to be kept under review.

Import of Investigational Medicinal Products

In the EU, the manufacture and import of investigational medicinal products ("**IMPs**") for clinical trial use are subject to prior authorization, subject to certain exemptions. Such authorization requires the applicant to maintain suitable premises, equipment and quality control facilities that meet prescribed standards, and to have at least one permanently available qualified person meeting the professional requirements under applicable EU legislation. Each batch manufactured or imported into the EU must be certified by the qualified person as meeting the applicable quality and compliance requirements. IMPs must be manufactured in accordance with EU GMP, and imported IMPs must meet quality standards at least equivalent to EU GMP. The European Commission issues detailed GMP guidelines and Member States monitor compliance through inspections. The authorization requirement does not apply to the preparation of medicinal products for use as IMPs, where this process is carried out in hospitals, health centers or clinics legally authorized in the MSC and the IMPs are intended for use exclusively in hospitals, health centers or clinics taking part in the same clinical trial in that member state.

Conditional Approval

In specific circumstances, EU legislation (Article 14(7) Regulation (EC) No. 726/2004 and Regulation (EC) No. 507/2006 on Conditional Marketing Authorizations for Medicinal Products for Human Use) permits the grant of a conditional marketing authorization before comprehensive clinical data required for a full marketing authorization are available. Such authorization may be granted for products, including medicines designated as orphan medicinal products, if (i) the risk-benefit balance is positive, (ii) it is likely that the applicant will be able to provide the required comprehensive clinical trial data, (iii) the product fulfills unmet medical needs, and (iv) the benefit to public health of the product's immediate availability outweighs the risk inherent in the need for additional data. A conditional marketing authorization may impose specific obligations on the marketing authorization holder, including completion of ongoing or new studies and collection of additional pharmacovigilance data. Conditional marketing authorizations are valid for one year and may be renewed annually if the risk-benefit balance remains positive, following assessment of the need for any additional or modified conditions or specific obligations. The timelines for the centralized procedure described above also apply to the CHMP review of applications for conditional marketing authorization.

Post-Authorization Measures

After obtaining marketing approval in the EU, the applicant may, on a case-by-case basis, be required by the European Medicines Agency ("EMA") to provide additional post-authorization data, including data relating to the safety and, in certain cases, the efficacy or quality of authorized medicinal products. Such post-authorization measures are intended to support the ongoing assessment of a medicinal product in the post-approval setting. An applicant is generally not notified of any such requirement until after marketing approval has been granted. Under the centralized procedure, individual EU member states do not have unilateral authority to impose a post-authorization study requirement on a product approved by the European Commission.

OVERVIEW

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on March 8, 2018. Dr. Cao, the chairperson of our Board, our executive Director, chief executive officer and chief scientific officer, has led the overall operations and management of our Group since he founded our Group. For more details of the experience and qualifications of Dr. Cao, see "Directors and Senior Management" in this document.

BUSINESS MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestones
2018	Our Company was incorporated in the Cayman Islands in March.
	Minghui Shanghai was established in April.
	We conducted series A financing with an aggregate investment amount of RMB80 million.
2019	Minghui Hangzhou was established in July.
	We commenced operation of our R&D center in December.
2020	We conducted series B financing and series B+ financing with an aggregate investment amount of over RMB460 million.
2021	We obtained the IND approval for the Phase I/II clinical trial of MH004 for AD from the NMPA in China in September.
2022	Minghui Pharmaceutical (USA), Inc. was established in the United States in July.
	We completed the Phase II trial of MH004 for mild-to-moderate atopic dermatitis with a positive readout in October.
2023	We obtained the IND approval from the FDA for the global Phase III trial of MH004 for mild-to-moderate atopic dermatitis in the United States, recorded the first patient dosed in the Phase I/II clinical trial of MHB036C for advanced malignant solid tumors in China, and recorded the first patient dosed in the Phase I/II trial of MHB018A in healthy volunteers and patients with TED in China, in May.
	We initiated the Phase III clinical trial of MH004 for mild-to-moderate atopic dermatitis in China in August.
	We held a Type B PIND meeting with the FDA, which agreed that no bridging study is required to support clinical trials of MHB018A in the United States in September.
	We conducted series pre-C financing with an investment amount of over RMB200 million.
2024	We presented the Phase I/II results of MHB088C at the annual meeting of American Society of Clinical Oncology (ASCO) in June.

Year	Milestones
2025	We completed the Phase III study of MH004 for mild-to-moderate atopic dermatitis in China in February, with MH004 demonstrating potent efficacy with a favorable safety profile in its Phase III study for AD, and obtained the approval from the NMPA to initiate the Phase III trial for MHB018A for the active TED in China in February.
	We granted Qilu Pharmaceutical Co., Ltd an exclusive license to develop and commercialize MHB088C in Greater China while retaining the ex-Greater China rights in March.
	We made our first submission of an NDA for MH004 for mild-to-moderate atopic dermatitis in China in May.
	We initiated three clinical trials for combination therapies of MHB039A with MHB036C in May and that with MHB088C in September, both in China.
	We initiated the Phase III trial of MHB088C for 2L SCLC as a monotherapy in China in June.
	We obtained the approval from the NMPA to initiate the Phase III trial for MHB018A for the chronic TED in China and initiated the Phase III trial of MHB018A in active TED in China in July.
	We presented the Phase II results from the SCLC subanalysis of MHB088C at ASCO's annual meeting, and presented MHB088C as a late breaking oral presentation at WCLC in September.
	We obtained the IND approval for the global Phase III trial for MHB018A for TED in December.
	We conducted series C financing with an aggregate investment amount of US$131 million.
2026	We initiated the Phase III trial of MHB018A for chronic TED in China, and initiated the global Phase III trials in the United States, Europe and Japan for MHB018A for active and chronic TED, all in March.
	We presented the updated clinical data of MHB088C from Phase I/II study in heavily pretreated mCRPC patients at a poster session of ASCO's annual meeting in April.
	We presented Phase I/II clinical data of MHB018A in patients with active and chronic TED at the Endocrine Society's Annual Meeting in June.

OUR PRINCIPAL SUBSIDIARIES

As of the Latest Practicable Date, we had the following two subsidiaries which made a material contribution to our results of operations during the Track Record Period:

Subsidiaries	Date and place of incorporation	Registered capital/issued share capital	Principal business activities
Minghui Shanghai[(1)]	April 27, 2018; PRC	RMB300 million	R&D of therapeutic products for tumors and autoimmune diseases
Minghui Hangzhou[(2)]	July 29, 2019; PRC	US$150 million	R&D of therapeutic products for tumors and autoimmune diseases

Notes:

(1) Minghui Shanghai has been our operating entity with primary R&D and management functions since its establishment in 2018, and has further served as our clinical development center where our clinical development team are based since 2021.

(2) Minghui Hangzhou has served as our principal laboratory and R&D center since its establishment in 2019.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any major acquisitions, disposals or mergers that we consider to be material to us.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

1. Incorporation of our Company and initial share transfer

On March 8, 2018, our Company was incorporated as an exempted company with limited liability in the Cayman Islands. Upon incorporation, our Company had an authorized share capital of US$50,000 divided into 50,000 ordinary shares with a par value of US$1.00 each, and one Share was allotted and issued to the initial subscriber at par value. On the same date, the initial subscriber transferred its one Share to Ming De Holdings at par value. Upon completion of the share issuance and transfer, our Company was wholly owned by Ming De Holdings, which is wholly owned by Dr. Cao.

2. Share subdivision and issuance of shares in May 2018

Pursuant to the shareholder's resolutions dated May 28, 2018, each of the authorized issued and unissued Shares with a par value of US$1.00 each was subdivided into 100,000 Shares with a par value of US$0.00001 each (the "**Share Subdivision**"). Upon completion of the Share Subdivision on May 28, 2018, (i) the authorized share capital of our Company became US$50,000 divided into 5,000,000,000 Shares with a par value of US$0.00001 each, and (ii) Ming De Holdings held 100,000 Shares with a par value of US$0.00001 each.

3. Pre-[REDACTED] Investments and issuance of Shares in connection therewith from May 2018 to July 2025

Between May 2018 and July 2025, our Company conducted series A financing, series B financing, series B+ financing, series pre-C financing and series C financing. For details, see "— Pre-[**REDACTED**] Investments" in this section.

In connection with series A financing, on May 28, 2018, 219,900,000 Shares were allotted and issued to Ming De Holdings at par value.

4. Repurchases and issuance of Shares in November 2025

Historically, there were nominee shareholding arrangements pertaining to 42,095,000 Shares, 1,196,300 Shares and 6,006,000 Shares beneficially owned by Ms. Geng, Prabhakar Kondaji JADHAV and William Waiman CHIN, respectively, through Ming De Holdings. Ms. Geng is the spouse of Dr. Cao and had held 42,095,000 Shares through Ming De Holdings for their family shareholding arrangement from May 2018 to November 2025. She was a former Director from May 2018 to June 2020, and has been an administration director of Minghui Shanghai and Minghui Hangzhou since May 2018, primarily responsible for administrative affairs and office management of Minghui Shanghai and Minghui Hangzhou. Prabhakar Kondaji JADHAV was a former senior vice president of our Company from December 2020 to December 2024 primarily responsible for our early-stage R&D activities involving chemistry, such as molecular structure research, including the early-stage development of MH004 and the foundation work for the early-stage R&D platform. Prabhakar Kondaji JADHAV was awarded 6,006,000 Shares to be settled by the transfer of such Shares from Ming De Holdings upon maturity of his employment with our Group. Following maturity of his employment with our Group in December 2024, Prabhakar Kondaji JADHAV had held 6,006,000 Shares through his nominee, Ming De Holdings, for the convenience of handling corporate filing related administrative affairs, from December 2024 to November 2025. There was no material impact on our Group arising from his departure from our Group as all early-stage R&D activities for which he was responsible had been completed and in particular, MH004 had already advanced into the late-stage development prior to the maturity of his employment. Pursuant to a consulting agreement entered into by Minghui Shanghai and Chin Consulting LLC (a company wholly owned by William Waiman CHIN) on September 1, 2022, Chin Consulting LLC agreed to provide consulting services relating to pre-clinical, clinical and business development of our product candidates to our Group for a term of one year in return for 100,000 Shares. William Waiman CHIN is a professor at Harvard Medical School with a focus on translational medical science and has held senior leadership positions at biopharma and biotech companies, such as Eli Lilly. Leveraging his considerable knowledge and experience in the medical field, through the consulting services, our Group had been provided with valuable insights and general guidance on our overall R&D direction and business development strategies. Chin Consulting LLC had held 100,000 Shares through its nominee, Ming De Holdings, for the convenience of handling corporate filing related administrative affairs, from September 2022 to November 2025. Each of Prabhakar Kondaji JADHAV, Chin Consulting LLC and William Waiman CHIN is an Independent Third Party.

On November 18, 2025, our Company repurchased 220,000,000 Shares held by Ming De Holdings, and allotted and issued (i) 168,397,700 Shares to Ming De Holdings, (ii) 42,095,000 Shares to Radiance C LLC, (iii) 2,205,000 Shares to Mhhorizon Limited, (iv) 1,196,300 Shares to Mhorizon Holding Limited, (v) 6,006,000 Shares to Prabhakar Kondaji JADHAV, and (vi) 100,000 Shares to Chin Consulting LLC. Following the aforementioned changes in our share capital on November 19, 2025, the aforementioned nominee shareholding arrangements were all terminated.

Radiance C LLC is wholly owned by Trident Trust Company (South Dakota) Inc., an independent professional trustee appointed to administer the trust established by Ms. Geng as the settlor for her personal estate planning purpose, with Dr. Cao and their children and descendants as beneficiaries. Dr. Cao, as the protector and investment adviser of the trust and the manager of Radiance C LLC, has the power to make investment decisions in respect of the assets of the Trust and to manage the affairs of Radiance C LLC, including the exercise of voting rights attached to the Shares held by Radiance C LLC. Trident Trust Company (South Dakota) Inc. acts upon the written directions of Dr. Cao (in his capacity as the protector and investment adviser of the trust), and does not independently control or direct the exercise of voting rights attached to the Shares held by Radiance C LLC. Mhhorizon Limited and Mhorizon Holding Limited are our employee incentive platforms.

PRE-[REDACTED] INVESTMENTS

Principal terms of the Pre-[REDACTED] Investments

Details of the Pre-[**REDACTED**] Investments by our Pre-[**REDACTED**] Investors through subscription of Preferred Shares are summarized below.

	Series A Financing[(1)]	Series B Financing[(2)]	Series B+ Financing[(3)]	Series Pre-C Financing[(4)]	Series C Financing[(5)]
Dates of agreements	May 28, 2018; September 10, 2018	June 30, 2020	December 22, 2020	March 21, 2023; March 12, 2025	July 31, 2025
Number of shares subscribed	80,000,000 Series A Preferred Shares	37,500,000 Series B Preferred Shares	70,328,251 Series B+ Preferred Shares	34,473,967 Series Pre-C Preferred Shares	138,045,839 Series C Preferred Shares
Amount of consideration paid *(approximation)*	RMB80 million	RMB150 million	RMB312.57 million	RMB211.33 million	US$131 million
Date of payment of full consideration	April 30, 2020	November 26, 2025	September 22, 2021	November 24, 2025	August 15, 2025
Post-money valuation of our Company *(approximation)*[(6)]	RMB300.00 million	RMB1,350.00 million	RMB1,812.57 million	RMB2,711.33 million	RMB3,936.32 million
Cost per share under the Pre-[REDACTED] Investments *(approximation)*	RMB1.00	RMB4.00	RMB4.44	RMB6.13	US$0.95
Discount to the [REDACTED] *(approximation)*[(7)]	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%
Basis of determination of the valuation and consideration	The valuation and consideration for the Pre-[**REDACTED**] Investments were determined based on arm's length negotiations between the relevant parties after taking into consideration the timing of the investments and the business, operations and status of our business and operating entities.				
Lock-up period	There is no lock-up arrangement for the Pre-[**REDACTED**] Investors.				
Use of proceeds from the Pre-[REDACTED] Investments	We shall utilize the proceeds from the Pre-[**REDACTED**] Investments for the principal business of our Company, including but not limited to the R&D activities and general working capital purposes. As of the Latest Practicable Date, approximately 84.8% of the net proceeds from the Pre-[**REDACTED**] Investments had been utilized.				
Strategic benefits of the Pre-[REDACTED] Investments to our Group	At the time of the Pre-[**REDACTED**] Investments, our Directors were of the view that our Company could benefit from the additional funds provided by the investments in our Company and the knowledge and experience of the Pre-[**REDACTED**] Investors.				

Notes:

(1) In respect of series A financing, Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership (蘇州工業園區原點正則貳號創業投資企業(有限合夥)), Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership) (杭州華安朴初投資合夥企業(有限合夥)), Ming Medicine L.P. and Domking Holdings Ltd subscribed for 30,000,000 Series A Preferred Shares, 10,000,000 Series A Preferred Shares, 30,000,000 Series A Preferred Shares and 10,000,000 Series A Preferred Shares, at a consideration of RMB30,000,000, RMB10,000,000, RMB30,000,000 and RMB10,000,000, respectively. Subsequently, on April 15, 2024, Ming Medicine L.P. transferred 15,000,000 Series A Preferred Shares and 15,000,000 Series A Preferred Shares to Pure Progress International Limited and Best Jolly Investments Limited, both at nil consideration, respectively, as a result of distribution of assets of Ming Medicine L.P. held by Pure Progress International Limited and Best Jolly Investments Limited as its only two limited partners. On the same date, as part of the arrangement for distribution of assets of Ming Medicine L.P. as agreed among its beneficial owners, Best Jolly Investments Limited further transferred

15,000,000 Series A Preferred Shares to Alpha Result Global Limited (an affiliate of Best Jolly Investments Limited), at nil consideration. Details relating to the aforementioned share transfers are not included in the above table as such transfers were conducted as part of the internal restructuring of our Shareholders and no consideration was received by our Company.

(2) In respect of series B financing, Hua an hui quan Investments Co., Limited, Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership) (杭州華安近水投資合夥企業(有限合夥)) ("**Huaan Jinshui**") and Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) (蘇州工業園區元禾原點三號醫療健康產業投資合夥企業(有限合夥)) subscribed for 15,000,000 Series B Preferred Shares, 15,000,000 Series B Preferred Shares and 7,500,000 Series B Preferred Shares, at a consideration of RMB60,000,000, RMB60,000,000 and RMB30,000,000, respectively. Series B financing was completed in November 2025 as the onshore entity of our Pre-[**REDACTED**] Investor which invested in series B financing was required to complete its overseas direct investment (ODI) registration with the relevant local competent authorities, the timing of which had been subject to various factors, including but not limited to the internal approval procedures of such Pre-[**REDACTED**] Investor and the related onshore entity, preparation of relevant registration documents, and the vetting and approval procedures of the relevant local competent authorities.

(3) In respect of series B+ financing, IDG Breyer Capital Fund L.P., TG River V Investment Ltd, Huaan Jinshui, Tiger Jade Investment I Company Limited, TF MHP Ltd., Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) (杭州泰格股權投資合夥企業(有限合夥)), Hangzhou Taiyu Phase III Venture Investment Partnership (Limited Partnership) (杭州泰譽三期創業投資合夥企業(有限合夥)) and Hongkong Hui Er Kang Investment Limited subscribed for 22,371,188 Series B+ Preferred Shares, 11,250,000 Series B+ Preferred Shares, 10,125,000 Series B+ Preferred Shares, 7,457,063 Series B+ Preferred Shares, 6,750,000 Series B+ Preferred Shares, 6,750,000 Series B+ Preferred Shares, 4,500,000 Series B+ Preferred Shares and 1,125,000 Series B+ Preferred Shares, at a consideration of US$15,000,000, RMB50,000,000, RMB45,000,000, US$5,000,000, RMB30,000,000, RMB30,000,000, RMB20,000,000 and RMB50,000,000, respectively.

(4) In respect of series pre-C financing, Berwick Developments Limited (巴域發展有限公司), Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) (深圳信熹復興投資合夥企業(有限合夥)), Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) (上海信熹信芯私募投資基金合夥企業(有限合夥)), Hua an mu rong Investments Co., Limited, Hua an shen ge Investments Co., Limited and Domking Holdings Ltd subscribed for 13,728,478 Series Pre-C Preferred Shares, 8,156,565 Series Pre-C Preferred Shares, 3,262,626 Series Pre-C Preferred Shares, 5,220,202 Series Pre-C Preferred Shares, 2,936,363 Series Pre-C Preferred Shares and 1,169,733 Series Pre-C Preferred Shares, at a consideration of US$10,000,000, RMB50,000,000, RMB20,000,000, RMB32,000,000, RMB18,000,000 and US$1,000,000, respectively. Further, on April 8, 2026, as CAI Huiyu (蔡慧瑜) ("**Ms. Cai**") decided to hold equity interests in our Company directly, Berwick Developments Limited (a company wholly owned by Ms. Cai) transferred 13,728,478 Series Pre-C Preferred Shares to Ms. Cai at nil consideration. Details relating to the aforementioned share transfer are not included in the above table as such transfer was conducted as part of the internal arrangement by our Shareholders and no consideration was received by our Company.

(5) In respect of series C financing, OrbiMed Asia Partners V, L.P., TF Capital TISENC Ltd., Qiming Venture Partners VIII-HC, L.P., Qiming Venture Partners VIII Investments, LLC, BioTrack Capital Fund II, LP, New Day Fund, L.P., 5Y Capital Growth Fund I, L.P., OrbiMed Private Investments IX, LP, Wider Link Enterprise Investment Limited (德弘企業投資有限公司), Net Dragon Limited, OrbiMed Genesis Master Fund, L.P., Domking Holdings Ltd, GAN Wen (甘文) and 5Y Capital Growth Fund I Co-Investment, L.P. subscribed for 31,613,551 Series C Preferred Shares, 17,914,346 Series C Preferred Shares, 17,226,224 Series C Preferred Shares, 14,387,327 Series C Preferred Shares, 10,537,850 Series C Preferred Shares, 10,537,850 Series C Preferred Shares, 9,583,921 Series C Preferred Shares, 8,957,173 Series C Preferred Shares, 7,376,495 Series C Preferred Shares, 5,268,925 Series C Preferred Shares, 1,580,678 Series C Preferred Shares, 1,053,785 Series C Preferred Shares, 1,053,785 Series C Preferred Shares, 953,929 Series C Preferred Shares, at a consideration of US$30,000,000, US$17,000,000, US$16,347,000, US$13,653,000, US$10,000,000, US$10,000,000, US$9,094,759, US$8,500,000, US$7,000,000, US$5,000,000, US$1,500,000, US$1,000,000, US$1,000,000 and US$905,241, respectively.

(6) The increase in the valuation of our Company from series A financing to series B+ financing was mainly due to various advancements in our business and product candidates, including (i) the commencement of operation of our R&D center, (ii) our transition from the pre-clinical stage to the clinical stage, (iii) the establishment of our pre-drug platform, and (iv) the prospects of our pipeline candidates, especially MH004.

The increase in the valuation of our Company from series B+ financing to series pre-C financing was mainly due to various advancements in our business and product candidates, including (i) the obtaining of our IND approval for the Phase I/II clinical trial of MH004 for AD from the NMPA in China, (ii) the establishment of our subsidiary, Minghui Pharmaceutical (USA), Inc. in the United States, (iii) the completion of the Phase II trial of MH004 for mild-to-moderate atopic dermatitis with a positive readout, and (iv) the publication of the Phase I/II results for B7-H3 ADC at ASCO's annual meeting.

The increase in the valuation of our Company from series pre-C financing to series C financing was mainly due to various advancements in our business and product candidates, including (i) the obtaining of the IND approval from the FDA for the global Phase III trial of MH004 for mild-to-moderate atopic dermatitis in the United States, (ii) the dosing of the first patient in the Phase I/II trial of MHB018A in healthy volunteers and patients with TED in China, (iii) the commencement of the Phase III clinical trial of MH004 for mild-to-moderate atopic dermatitis in China, (iv) the holding of Type B PIND meeting with the FDA, which agreed that no bridging study is required to support clinical trials of MHB018A in the United States, (v) the publication of the Phase I/II results of MHB088C at ASCO's annual meeting, (vi) the completion of the Phase III study of MH004 for mild-to-moderate atopic dermatitis in China,

demonstrating a potent efficacy data with favorable safety profile in its Phase III study for AD, (vii) the granting of an exclusive license to Qilu Pharmaceutical Co., Ltd to develop and commercialize MHB088C in Greater China while retaining the ex-Greater China rights, (viii) the publication of Phase II results from the SCLC subanalysis of MHB088C at ASCO's annual meeting, (ix) the commencement of a clinical trial for combination therapies ofMHB039A with MHB036C for 1L+ NSCLC, (x) our first submission of an NDA for MH004 for mild-to-moderate atopic dermatitis in China, (xi) the obtaining of the approval from the NMPA to initiate the Phase III trial for MHB018A for the active TED in China, and (xii) the commencement of the Phase III trial of MHB088C for 2L SCLC as a monotherapy in China.

Calculated on the [**REDACTED**] of HK$[**REDACTED**], being the mid-point of the indicative [**REDACTED**], the valuation of our Company upon [**REDACTED**] will be approximately HK$[**REDACTED**] (assuming the [**REDACTED**] is not exercised). The increase in valuation of our Company upon [**REDACTED**] from series C financing has taken into account: (i) the advancements in our business and product candidates, including (a) the commencement of two clinical trials for combination therapies of MHB039A with MHB036C or MHB088C for 1L+ BC or 1L+ SCLC, respectively, in China, (b) the obtaining of the approval from the NMPA to initiate the Phase III trial for MHB018A for the chronic TED in China, (c) the obtaining of the IND approval for the global Phase III trial for MHB018A for TED, (d) the commencement of the Phase III trial of MHB018A for chronic TED in China, (e) the commencement of the global Phase III trials in the United States, Europe and Japan for MHB018A for active and chronic TED, and (f) the respective publication of the updated clinical data of MHB088C from the Phase I/II study in heavily pretreated mCRPC patients at a poster session of ASCO's annual meeting and the Phase I/II clinical data of MHB018A in patients with active and chronic TED at the Endocrine Society's Annual Meeting, (ii) the difference in risk undertaken by the Pre-[**REDACTED**] Investors investing in a private company *vis-à-vis* investors investing in a [**REDACTED**] company; (iii) the premium attached to the Shares of our Company as they become [**REDACTED**] upon [**REDACTED**]; and (iv) the expected capital raised during the [**REDACTED**].

For details of the aforesaid advancements in our business and product candidates, see "Business" in this document.

(7) The discount is based on the indicative [**REDACTED**] of HK$[**REDACTED**] (being the mid-point of the indicative [**REDACTED**] as stated in this document) and the indicative exchange rates of US$1.00 = HK$7.8433 and HK$1.00 = RMB0.86784.

Rights of the Pre-[REDACTED] Investors

The Pre-[**REDACTED**] Investors were granted customary special rights, including but not limited to the redemption right, information and inspection rights, right of first refusal, tag-along rights, veto right and/or director appointment right. The redemption right had been terminated prior to the [**REDACTED**], but shall automatically be reinstated (with retroactive effect) upon occurrence of any of the following events (whichever occurs the earliest): (i) the [**REDACTED**] is returned or rejected by [**REDACTED**]; (ii) our Company withdraws the [**REDACTED**]; or (iii) our Company fails to complete the [**REDACTED**] within 12 months from the date on which the [**REDACTED**] is submitted. All other special rights granted to the Pre-[**REDACTED**] Investors by our Company shall cease to be effective upon [**REDACTED**].

All Preferred Shares shall be automatically converted into Shares on [a one-to-one basis] upon completion of the [**REDACTED**].

Compliance with the Pre-[REDACTED] Investment Guidance

On the basis that (i) the considerations for the Pre-[**REDACTED**] Investments were or are expected to be irrevocably settled on a date which is no less than 120 clear days before the [**REDACTED**], and (ii) the special rights granted to the Pre-[**REDACTED**] Investors shall be terminated before the date of the Company's first submission of the [**REDACTED**] and/or shall be terminated upon the [**REDACTED**] (as the case may be), the Joint Sponsors confirm that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

Information about the Pre-[REDACTED] Investors

Below sets out information of our Pre-[**REDACTED**] Investors. To the best knowledge of our Directors, each of our Pre-[**REDACTED**] Investors and where applicable, their respective general partner(s), limited partner(s) and ultimate beneficial owner(s) is an Independent Third Party.

1. OrbiMed

OrbiMed Private Investments IX, LP ("**OPI IX**") is a Delaware limited partnership. OrbiMed Capital GP IX LLC ("**GP IX**") is the general partner of OPI IX. OrbiMed Advisors LLC ("**OrbiMed Advisors**") is the managing member of GP IX. As of the Latest Practicable Date, none of the limited partners of OPI IX held 30% or more interests. OrbiMed Asia Partners V, L.P. ("**OAP V**") and OrbiMed Genesis Master Fund, L.P. ("**Genesis**") are Cayman Islands exempted limited partnerships. OrbiMed Asia GP V, L.P. ("**Asia GP**") is the general partner of OAP V and OrbiMed Advisors V Limited ("**Advisors V**") is the general partner of Asia GP. OrbiMed Advisors is the advisory company to OAP V. OrbiMed Genesis GP LLC ("**Genesis GP**") is the general partner of Genesis. OrbiMed Advisors is the managing member of Genesis GP. As of the Latest Practicable Date, none of the limited partners of OAP V held 30% or more interests. Further, as of the same date, the limited partners of Genesis were OrbiMed Genesis Fund, L.P. and OrbiMed Genesis Fund Ltd, and none of the limited partners or shareholders of OrbiMed Genesis Fund, L.P. and OrbiMed Genesis Fund Ltd. (as the case may be) held 30% or more interests therein, respectively. By virtue of such relationships, OrbiMed Advisors controls voting and investment power over the securities held by OPI IX, OAP V and Genesis. OrbiMed Advisors exercises voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and W. Carter Neild, each of whom disclaims beneficial ownership of the shares held by OPI IX, OAP V and Genesis.

OrbiMed Advisors is our sophisticated investor. OrbiMed Advisors is a global healthcare investment firm with assets under management of approximately US$20 billion as of December 31, 2025. OrbiMed Advisors invests globally in the healthcare sector with investments ranging from early-stage private companies to large multinational corporations, including VISEN Pharmaceuticals (a company listed on the Stock Exchange (stock code: 2561)) and RemeGen Co., Ltd. (榮昌生物製藥(煙台)股份有限公司) (a company listed on the Stock Exchange (stock code: 9995)). OrbiMed Advisors, through its affiliates, has made investments in our Company through subscription of Preferred Shares in August 2025, and leveraging its considerable investment experience across the healthcare sector, has provided us with high-level guidance and valuable insights for our strategic development. Further, the investments received from OrbiMed Advisors have, among others, demonstrated the recognition and a reasonable degree of market acceptance of our Company in light of its background and reputation, brought our Company potential strategic benefits by having such investor with sizeable assets under management and the relevant healthcare investment experience investing in our Company through its affiliates, and brought in its knowledge and experience in the healthcare sector.

2. HuaAn Funds

Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership) (杭州華安朴初投資合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC and is managed by its general partner, Hangzhou Hua'an Enterprise Management Co., Ltd. (杭州華安企業管理有限公司) ("**Hua'an Enterprise**"), which was held as to 70% by YU Hong (于虹) as of the Latest Practicable Date. As of the Latest Practicable Date, Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership) had seven limited partners, each of which held less than 30% interests.

Hua an hui quan Investments Co., Limited is a limited liability company established under the laws of the BVI and is wholly owned by Shanghai Kangrui Huiquan Enterprise Management Partnership (Limited Partnership) (上海康瑞匯泉企業管理合夥企業(有限合夥)), whose general partner is Hua'an Enterprise.

Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership) (杭州華安近水投資合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC and is managed by its general partner, Hua'an Enterprise. As of the Latest Practicable Date, Hangzhou

Huaan Jinshui Investments Limited Partnership (Limited Partnership) had 12 limited partners, among which SUN Deyue (孫德越) held approximately 34.29% interests and the remaining 11 limited partners each held less than 30% interests.

Hua an mu rong Investments Co., Limited is a limited liability company established under the laws of the BVI and is wholly owned by Shanghai Jikang Yuanliu Enterprise Management Partnership (Limited Partnership) (上海濟康源流企業管理合夥企業(有限合夥)), whose general partner is Hua'an Enterprise.

Hua an shen ge Investments Co., Limited is a limited liability company established under the laws of the BVI and is wholly owned by Shanghai Yunkang Zepei Enterprise Management Partnership (Limited Partnership) (上海雲康澤沛企業管理合夥企業(有限合夥)), whose general partner is Hua'an Enterprise.

Hua an hui quan Investments Co., Limited, Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership), Hua an mu rong Investments Co., Limited and Hua an shen ge Investments Co., Limited are investment vehicles of HuaAn Funds. HuaAn Funds is a fund management company, and has invested in various biomedical companies, including Hangzhou HuaAn Biotechnology Co., Ltd. (杭州華安生物技術有限公司), Bliss Biopharmaceutical (Hangzhou) Co., Ltd. (百力司康生物醫藥(杭州)有限公司) and Hangzhou Bailing (Biolynx) Biotechnology Co., Ltd. (杭州百凌生物科技有限公司).

3. Oriza Holdings

Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) (蘇州工業園區元禾原點三號醫療健康產業投資合夥企業(有限合夥)) and Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership (蘇州工業園區原點正則貳號創業投資企業(有限合夥)) are limited partnerships established under the laws of the PRC and are managed by their respective general partners, Suzhou Industrial Park Oriza Governance Entrepreneurship Investment Management Center (Limited Partnership) (蘇州工業園區原點治則創業投資管理中心(有限合夥)) and Suzhou Industrial Park Oriza Lize Entrepreneurship Investment Management Center (Limited Partnership) (蘇州工業園區原點理則創業投資管理中心(有限合夥)), each of whose executive partner is FEI Jianjiang (費建江). As of the Latest Practicable Date, Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) had ten limited partners, among which Suzhou Oriza Holdings Corporation (蘇州元禾控股股份有限公司) ("**Oriza Holdings**") held approximately 38.40% interests and the remaining nine limited partners each held less than 30% interests. As of the Latest Practicable Date, Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership had 15 limited partners, among which Oriza Holdings held 30% interests and the remaining 14 limited partners each held less than 30% interests.

Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) and Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership are investment vehicles of Oriza Holdings. Oriza Holdings is an investment holding company principally engaged in equity investments, credit finance and equity investment services, and has invested in various biomedical companies, including Qiguang Dejian Pharmaceutical Technology (Suzhou) Co., Ltd. (啟光德健醫藥科技(蘇州)有限公司), Phaeno Biomedical Technology (Hangzhou) Co., Ltd. (輝諾生物醫藥科技(杭州)有限公司), Eccogene Inc. and Suzhou Neologics Biomedical Co., Ltd. (蘇州邏晟生物醫藥有限公司).

4. Qiming Venture Partners

Qiming Venture Partners VIII Investments, LLC ("**Qiming VIII LLC**") is a limited liability company incorporated under the laws of Cayman Islands. Qiming VIII LLC is owned by Qiming Venture Partners VIII, L.P. ("**Qiming Venture Partners VIII**") and Qiming VIII Strategic Investors Fund, L.P. ("**Qiming VIII Strategic**"). Qiming Venture Partners VIII, Qiming VIII Strategic and Qiming Venture Partners VIII-HC, L.P. ("**Qiming Venture Partners VIII-HC**") are exempted

limited partnership registered under the laws of the Cayman Islands. Qiming GP VIII, LLC is the general partner of Qiming Venture Partners VIII and Qiming VIII Strategic. Qiming GP VIII-HC, LLC is the general partner of Qiming Venture Partners VIII-HC. As of the Latest Practicable Date, each of Qiming GP VIII, LLC and Qiming GP VIII-HC, LLC was held by Duane Ziping KUANG (鄺子平) as to 30%, Gary Edward Rieschel as to 30% and other shareholders each holding less than 30%.

Qiming Venture Partners VIII, Qiming VIII Strategic and Qiming GP VIII-HC, LLC are venture capital funds operated under Qiming Venture Partners, which is a leading venture capital firm in China focusing on investments in companies in the technology and healthcare sectors across China.

5. Hangzhou Tigermed Consulting Co. Ltd. ("**Hangzhou Tigermed**")

TG River V Investment Ltd is a company established under the laws of the BVI and is wholly owned by TG Sino-Dragon Fund L.P, whose general partner is TG Mountain Investment Co., which is indirectly wholly owned by Hong Kong Tigermed Consulting Co., Ltd, which is wholly owned by Hangzhou Tigermed, which is a company listed on the Stock Exchange (stock code: 3347) and the Shenzhen Stock Exchange (stock code: 300347).

Hangzhou Taiyu Phase III Venture Investment Partnership (Limited Partnership) (杭州泰譽三期創業投資合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC and is managed by its general partner, Hangzhou TigerYeah Investment Consulting Co., Ltd. (杭州泰煜投資諮詢有限公司), which is a subsidiary of Hangzhou Tigermed. As of the Latest Practicable Date, Hangzhou Taiyu Phase IV Venture Investment Partnership (Limited Partnership) had seven limited partners, among which Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) (杭州泰格股權投資合夥企業(有限合夥)) held 40.48% interests and the remaining six limited partners each held less than 30% interests.

Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) is a limited partnership established under the laws of the PRC and is managed by its general partner, Shanghai Tigermed Pharmaceutical Technology Co., Ltd. (上海泰格醫藥科技有限公司), which is a subsidiary of Hangzhou Tigermed. As of the Latest Practicable Date, Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) was held as to approximately 99.99% by Hangzhou Tigermed as its sole limited partner.

As of the Latest Practicable Date, Hangzhou Tigermed also held, through a limited partner of Tiger Jade Capital Fund L.P., approximately 42.34% interests in Tiger Jade Capital Fund L.P., which is the sole shareholder of Tiger Jade Investment I Company Limited (our Shareholder).

6. Tiger Jade Investment I Company Limited

Tiger Jade Investment I Company Limited is a limited liability company established under the laws of the BVI and is wholly owned by Tiger Jade Capital Fund L.P., whose general partner is Tiger Jade Capital, which is in turn wholly owned by LIU Ying (劉瑩). As of the Latest Practicable Date, Tiger Jade Capital Fund L.P. was held by Blue Sky Resources Investment II Ltd. (a wholly-owned subsidiary of Hangzhou Tigermed) as to approximately 42.34% as its limited partner and other limited partners each holding less than 30% interests.

Tiger Jade Investment I Company Limited is principally engaged in investments, and has invested in various biomedical companies, including Edding Genor Group Holdings Limited (a company listed on the Stock Exchange (stock code: 6998)), Shanghai KangaBio Co., Ltd. (上海康抗生物技術有限公司) and Opharmic Technology (HK) Limited.

7. IDG Breyer Capital Fund, L.P.

IDG Breyer Capital Fund, L.P. ("**IDG Breyer Fund**") is an exempted limited partnership established under the laws of the Cayman Islands. The sole general partner of IDG Breyer Fund is IDG Breyer Capital Fund GP Associates L.P., whose sole general partner is IDG Breyer Capital Fund GP Associates Ltd.. IDG Breyer Capital Fund GP Associates Ltd. is controlled by HO Chi Sing and YANG Fei as its board members, and none of the shareholders of IDG Breyer Capital Fund GP Associates Ltd. held 30% or more equity interests therein as of the Latest Practicable Date. As of the Latest Practicable Date, IDG Breyer Fund was held by a listed company as to more than 30% as a limited partner and other limited partners each holding less than 30% interests.

IDG Breyer Fund is a capital fund with a primary purpose of making equity and equity-related investments in the next-generation technology and technology-driven sectors, including but not limited to artificial intelligence, autonomous driving, intelligent manufacturing, genome technology, fintech and 5G-enabled next generation cloud services.

8. TF Capital

TF MHP Ltd. is a limited liability company established under the laws of the BVI and is wholly owned by TF Capital Fund III L.P. TF Capital TISENC Ltd. a limited liability company established under the laws of the BVI and was held by TF Capital Fund IV L.P. as to 40.47% and other shareholders each holding less than 30% equity interests as of the Latest Practicable Date. Each of TF Capital Fund III L.P. and TF Capital Fund IV L.P. is managed and controlled by TF Venture Capital Management Co., Ltd (as its manager) and Taitong Fund Management Co., Ltd. (as its general partner). Both TF Venture Capital Management Co., Ltd. and Taitong Fund Management Co., Ltd. were indirectly wholly owned by CHIANG CHEN Hsiu-lien (陳秀戀) as of the Latest Practicable Date. As of the Latest Practicable Date, none of the limited partners of each of TF Capital Fund III L.P. and TF Capital Fund IV L.P. held 30% or more interests therein, respectively.

CHIANG CHEN Hsiu-lien has invested in a number of listed companies in healthcare industry, including but not limited to Zai Lab Limited (a company listed on the Nasdaq Stock Exchange (stock symbol: ZLAB) and the Stock Exchange (stock code: 9688), Hua Medicine (a company listed on the Stock Exchange (stock code: 2552)) and Frontage Holdings Corporation (a company listed on the Stock Exchange (stock code: 1521)).

9. Domking Holdings Ltd

Domking Holdings Ltd is limited liability company established under the laws of the Cayman Islands and is indirectly wholly owned by SHI Shilin (施世林). Domking Holdings Ltd is principally engaged in investments.

10. SincereVC

Each of Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) (上海信熹信芯私募投資基金合夥企業(有限合夥)) and Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) (深圳信熹復興投資合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC and is managed by its general partner, Shanghai Xinxi Investment Management Co., Ltd. (上海信熹投資管理有限公司), which was held as to 48% and 40% by Xinxi Asset Management (Shanghai) Co., Ltd. (信熹資產管理(上海)有限公司) (which was in turn held as to 89.20% by LAN Youjin (蘭有金)) and Shanghai Xinxi Investment Center (Limited Partnership) (上海信熹投資中心(有限合夥)) (whose general partner is Xinxi Asset Management (Shanghai) Co., Ltd.), respectively, as of the Latest Practicable Date.

As of the Latest Practicable Date, Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) had three limited partners, among which Shenzhen Xinxi Baiao Investment Partnership (Limited Partnership) (深圳市信熹柏奧投資合夥企業(有限合夥)) held 58% interests, Shanghai Angel Guiding Venture Capital Co., Ltd. (上海天使引導創業投資有限公司) held 30% interests and Shanghai Putuo Technology Investment Co., Ltd. (上海普陀科技投資有限公司) held 10% interests. As of the same date, Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) had 23 limited partners, each holding less than 30% interests.

Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) and Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) are investment arms of SincereVC, a venture capital firm focusing on investments in the life sciences and intelligent technology sectors. SincereVC has invested in various biomedical companies, including Chongqing Genrix Biopharmaceutical Co., Ltd. (重慶智翔金泰生物制藥股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688443)) and ABM Therapeutics, Inc..

11. CAI Huiyu (蔡慧瑜)

CAI Huiyu (蔡慧瑜) is a former physician in the specialty of internal medicine, and is an individual investor with an investment focus on the pharmaceutical industry.

12. 5Y Capital

Each of 5Y Capital Growth Fund I, L.P. and 5Y Capital Growth Fund I Co-Investment, L.P., an exempted limited partnership established under the laws of the Cayman Islands, is a private fund of 5Y Capital controlled by 5Y Capital GP Limited as its general partner. As of the Latest Practicable Date, 5Y Capital GP Limited was wholly owned by Mr. LIU Qin (劉芹). As of the same date, none of the limited partners of 5Y Capital Growth Fund I, L.P. and 5Y Capital Growth Fund I Co-Investment, L.P. held 30% or more interests therein, respectively. 5Y Capital is a venture capital firm which specializes in fostering the growth of outstanding companies in the technology, life sciences and consumer innovation sectors.

13. BioTrack Capital Fund II, LP

BioTrack Capital Fund II, LP is an exempted limited partnership established under the laws of the Cayman Islands. Its sole general partner is BioTrack Fund II GP Limited, which is ultimately controlled by Mr. ZHI Zhongji through indirect equity ownership. As of the Latest Practicable Date, none of the limited partners of BioTrack Capital Fund II, LP held 30% or more interests.

BioTrack Capital Fund II, LP is an investment arm of BioTrack Capital, which is a venture capital firm that focuses on investing in and incubating early-stage biotech, med-tech and healthcare companies. BioTrack Capital has invested in more than 100 portfolio companies, including OBIO Technology (Shanghai) Corp., Ltd. (和元生物技術(上海)股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688238)), Jiangsu Yahong Meditech Co., Ltd. (江蘇亞虹醫藥科技股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688176)) and TYK Medicines, Inc (a company listed on the Stock Exchange (stock code: 2410)).

14. New Day Fund, L.P.

New Day Fund, L.P. is an exempted limited partnership established under the laws of the Cayman Islands. Its general partner is New Day GP Ltd, which was indirectly wholly owned by HAN Chao (韓超) as of the Latest Practicable Date. As of the Latest Practicable Date, none of the limited partners of New Day Fund, L.P. held 30% or more interests. New Day Fund, L.P. is principally engaged in investments in the biomedical sector.

15. Wider Link Enterprise Investment Limited (德弘企業投資有限公司)

Wider Link Enterprise Investment Limited (德弘企業投資有限公司) is a company incorporated in Hong Kong and is wholly owned by XU Gangwu. Wider Link Enterprise Investment Limited is principally engaged in investments, and has invested in various biomedical companies, including Leman Biotech Co., Ltd (深圳萊芒生物科技有限公司) and Cholesgen (Shanghai) Co. Ltd. (珂蘭(上海)醫藥科技有限公司).

16. Net Dragon Limited

Net Dragon Limited is a company established under the laws of the BVI and is wholly owned by a trust for the benefit of LIU Qiangdong (劉強東). Net Dragon Limited is principally engaged in investments.

17. Hongkong Hui Er Kang Investment Limited

Hongkong Hui Er Kang Investment Limited is a company established under the laws of Hong Kong and is wholly owned by ZHAO Liyong (趙利勇). Hongkong Hui Er Kang Investment Limited is principally engaged in investments.

18. Pure Progress International Limited

Pure Progress International Limited is a company established under the laws of the BVI and is wholly owned by YE Qiaoli (葉巧麗). Pure Progress International Limited is principally engaged in investments, and has invested in various biomedical companies, including CStone Pharmaceuticals (a company listed on the Stock Exchange (stock code: 2616)) and Ascentage Pharma Group International (a company listed on the Stock Exchange (stock code: 6855)).

19. Alpha Result Global Limited

Alpha Result Global Limited is a company established under the laws of the BVI and is wholly owned by WU Xiaoji (吳小驥). Alpha Result Global Limited is principally engaged in investments.

20. GAN Wen (甘文)

GAN Wen is an individual investor with an investment focus on the healthcare industry, and has invested in healthcare companies, such as JD Health International Inc. (a company listed on the Stock Exchange (stock codes: 6618 (HKD counter) and 86618 (RMB counter)). She is also a co-founder of two chain medical aesthetic institutions.

REASONS FOR THE [REDACTED]

Our Company is seeking a [**REDACTED**] of its Shares on the [**REDACTED**] in order to provide further capital for the R&D and commercialization of our product candidates, to strengthen our Company's working capital and to further raise our business profile and global presence. For further details of our future plans, see "Future Plans and Use of [**REDACTED**]" in this document.

[**REDACTED**]

With respect to the indicative [**REDACTED**] of HK$[**REDACTED**], HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**] (being the low-end, mid-point and high-end of the indicative [**REDACTED**], respectively), the expected [**REDACTED**] the Shares upon [**REDACTED**] (assuming the [**REDACTED**] is not exercised), in each case, will [**REDACTED**]. Pursuant to Rule 8.08(1) of the Listing Rules, the minimum number of Shares held by the [**REDACTED**] at the time of [**REDACTED**] as a percentage of the total number of Shares shall be approximately [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]%, when the [**REDACTED**] is fixed at HK$[**REDACTED**], HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**], respectively.

Immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Dr. Cao (the chairperson of our Board, our executive Director, chief executive officer and chief scientific officer) will indirectly, through Ming De Holdings and Radiance C LLC, control approximately [**REDACTED**]% of the total issued Shares and therefore, will be a core connected person of our Company. As such, the Shares held by Ming De Holdings and Radiance C LLC will not count towards the [**REDACTED**] for the purpose of Rule 8.08(1) of the Listing Rules.

Mhhorizon Limited and Mhorizon Holding Limited are our employee incentive platforms and wholly owned by Trident Trust (Company) (HK) Limited, an independent professional trustee appointed to administer the trust for the benefits of employees who have been granted options under the Pre-[**REDACTED**] Equity Incentive Plan. As Trident Trust (Company) (HK) Limited shall act

in accordance with the instructions of our Board in managing the trusts pursuant to the relevant trust deeds, the Shares held by Mhhorizon Limited and Mhorizon Holding Limited will not count towards the [**REDACTED**] for the purpose of Rule 8.08(1) of the Listing Rules.

Based on the above, it is expected that immediately following the completion of the [**REDACTED**], assuming that (i) the [**REDACTED**] is not exercised, (ii) [**REDACTED**] Shares are issued pursuant to the [**REDACTED**], and (iii) [**REDACTED**] Shares are [**REDACTED**] and outstanding upon completion of the [**REDACTED**], a total of [**REDACTED**] Shares (representing approximately [**REDACTED**]% of our total issued Shares) will count towards the [**REDACTED**] for the purpose of Rule 8.08(1) of the Listing Rules. As a result, our Company is expected to satisfy the [**REDACTED**] requirement under Rule 8.08(1) of the Listing Rules.

[**REDACTED**]

ADOPTION OF PRE-[REDACTED] EQUITY INCENTIVE PLAN

In recognition of the contributions of our employees, and to incentivize them to further promote our development, on April 14, 2021, our Company adopted the Pre-[**REDACTED**] Equity Incentive Plan, and Mhhorizon Limited and Mhorizon Holding Limited were established as our employee incentive platforms. Each of Mhhorizon Limited and Mhorizon Holding Limited is wholly owned by Trident Trust (Company) (HK) Limited, an independent professional trustee appointed to administer the trust for the benefits of employees who have been granted options under the Pre-[**REDACTED**] Equity Incentive Plan. Pursuant to the relevant trust deeds, Trident Trust (Company) (HK) Limited shall act in accordance with the instructions of our Board in managing the trusts. For details and principal terms of the Pre-[**REDACTED**] Equity Incentive Plan, see "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document.

PRC REGULATORY REQUIREMENT

Our PRC Legal Adviser has confirmed that our PRC subsidiaries have been duly established and all necessary regulatory approvals and registrations in respect of the incorporation of our PRC subsidiaries, as applicable, have been obtained in accordance with PRC laws in all material respects.

SAFE REGISTRATION

Pursuant to the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) promulgated by the SAFE, (a) a PRC resident must register with the local SAFE branch before he/she contributes assets or equity interests in an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or controlled by the PRC resident for the purpose of conducting investment or financing; and (b) following the initial registration, the PRC resident is required to register with the local SAFE branch for any major change in respect of the Overseas SPV. Pursuant to the circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE, the power to accept SAFE registration was delegated from local SAFE to local banks.

As advised by our PRC Legal Adviser, as of the Latest Practicable Date, none of the direct Shareholders of our Company is a PRC resident.

CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and the [**REDACTED**] (assuming the [**REDACTED**] is not exercised):

	As of the Latest Practicable Date[1]								As of the [REDACTED][2]	
Shareholders	**Ordinary Shares**	**Series A Preferred Shares**	**Series B Preferred Shares**	**Series B+ Preferred Shares**	**Series Pre-C Preferred Shares**	**Series C Preferred Shares**	**Aggregate number of Shares[1]**	**Approximate ownership percentage in the total issued share capital of our Company[1]**	**Number of Shares**	**Approximate ownership percentage in the total issued share capital of our Company**
Single Largest Group of Shareholders										
Ming De Holdings	168,397,700	–	–	–	–	–	168,397,700	29.02%	168,397,700	[REDACTED]%
Radiance C LLC	42,095,000	–	–	–	–	–	42,095,000	7.25%	42,095,000	[REDACTED]%
Subtotal	*210,492,700*	–	–	–	–	–	*210,492,700*	*36.27%*	*210,492,700*	[REDACTED]%
HuaAn Funds										
Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership) (杭州華安近水投資合夥企業(有限合夥))	–	–	15,000,000	10,125,000	–	–	25,125,000	4.33%	25,125,000	[REDACTED]%
Hua an hui quan Investments Co., Limited	–	–	15,000,000	–	–	–	15,000,000	2.58%	15,000,000	[REDACTED]%
Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership) (杭州華安朴初投資合夥企業(有限合夥))	–	10,000,000	–	–	–	–	10,000,000	1.72%	10,000,000	[REDACTED]%
Hua an mu rong Investments Co., Limited	–	–	–	–	5,220,202	–	5,220,202	0.90%	5,220,202	[REDACTED]%
Hua an shen ge Investments Co., Limited	–	–	–	–	2,936,363	–	2,936,363	0.51%	2,936,363	[REDACTED]%
Subtotal	–	*10,000,000*	*30,000,000*	*10,125,000*	*8,156,565*	–	*58,281,565*	*10.04%*	*58,281,565*	[REDACTED]%
OrbiMed Advisors										
OrbiMed Asia Partners V, L.P.	–	–	–	–	–	31,613,551	31,613,551	5.45%	31,613,551	[REDACTED]%
OrbiMed Private Investments IX, LP	–	–	–	–	–	8,957,173	8,957,173	1.54%	8,957,173	[REDACTED]%
OrbiMed Genesis Master Fund, L.P.	–	–	–	–	–	1,580,678	1,580,678	0.27%	1,580,678	[REDACTED]%
Subtotal	–	–	–	–	–	*42,151,402*	*42,151,402*	*7.26%*	*42,151,402*	[REDACTED]%
Oriza Holdings										
Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership (蘇州工業園區原點正則貳號創業投資企業(有限合夥))	–	30,000,000	–	–	–	–	30,000,000	5.17%	30,000,000	[REDACTED]%
Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) (蘇州工業園區元禾原點三號醫療健康產業投資合夥企業(有限合夥))	–	–	7,500,000	–	–	–	7,500,000	1.29%	7,500,000	[REDACTED]%

Shareholders	As of the Latest Practicable Date[1]								As of the [REDACTED][2]	
	Ordinary Shares	Series A Preferred Shares	Series B Preferred Shares	Series B+ Preferred Shares	Series Pre-C Preferred Shares	Series C Preferred Shares	Aggregate number of Shares[1]	Approximate ownership percentage in the total issued share capital of our Company[1]	Number of Shares	Approximate ownership percentage in the total issued share capital of our Company
Subtotal	–	*30,000,000*	*7,500,000*	–	–	–	*37,500,000*	*6.46%*	*37,500,000*	[REDACTED]%
Qiming Venture Partners										
Qiming Venture Partners VIII-HC, L.P.	–	–	–	–	–	17,226,224	17,226,224	2.97%	17,226,224	[REDACTED]%
Qiming Venture Partners VIII Investments, LLC	–	–	–	–	–	14,387,327	14,387,327	2.48%	14,387,327	[REDACTED]%
Subtotal	–	–	–	–	–	*31,613,551*	*31,613,551*	*5.45%*	*31,613,551*	[REDACTED]%
TF Capital										
TF Capital TISENC Ltd.	–	–	–	–	–	17,914,346	17,914,346	3.09%	17,914,346	[REDACTED]%
TF MHP Ltd.	–	–	–	6,750,000	–	–	6,750,000	1.16%	6,750,000	[REDACTED]%
Subtotal	–	–	–	*6,750,000*	–	*17,914,346*	*24,664,346*	*4.25%*	*24,664,346*	[REDACTED]%
Hangzhou Tigermed										
TG River V Investment Ltd.	–	–	–	11,250,000	–	–	11,250,000	1.94%	11,250,000	[REDACTED]%
Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) (杭州泰格股權投資合夥企業(有限合夥))	–	–	–	6,750,000	–	–	6,750,000	1.16%	6,750,000	[REDACTED]%
Hangzhou Taiyu Phase III Venture Investment Partnership (Limited Partnership) (杭州泰譽三期創業投資合夥企業(有限合夥))	–	–	–	4,500,000	–	–	4,500,000	0.78%	4,500,000	[REDACTED]%
Tiger Jade Investment I Company Limited	–	–	–	7,457,063	–	–	7,457,063	1.28%	7,457,063	[REDACTED]%
Subtotal	–	–	–	*29,957,063*	–	–	*29,957,063*	*5.16%*	*29,957,063*	[REDACTED]%
SincereVC										
Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) (深圳信熹復興投資合夥企業(有限合夥))	–	–	–	–	8,156,565	–	8,156,565	1.41%	8,156,565	[REDACTED]%
Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) (上海信熹信芯私募投資基金合夥企業(有限合夥))	–	–	–	–	3,262,626	–	3,262,626	0.56%	3,262,626	[REDACTED]%
Subtotal	–	–	–	–	*11,419,191*	–	*11,419,191*	*1.97%*	*11,419,191*	[REDACTED]%
5Y Capital										
5Y Capital Growth Fund I, L.P.	–	–	–	–	–	9,583,921	9,583,921	1.65%	9,583,921	[REDACTED]%
5Y Capital Growth Fund I Co-Investment, L.P.	–	–	–	–	–	953,929	953,929	0.16%	953,929	[REDACTED]%
Subtotal	–	–	–	–	–	*10,537,850*	*10,537,850*	*1.82%*	*10,537,850*	[REDACTED]%
IDG Breyer Capital Fund L.P.	–	–	–	22,371,188	–	–	22,371,188	3.85%	22,371,188	[REDACTED]%

Shareholders	As of the Latest Practicable Date[1]								As of the [REDACTED][2]	
	Ordinary Shares	Series A Preferred Shares	Series B Preferred Shares	Series B+ Preferred Shares	Series Pre-C Preferred Shares	Series C Preferred Shares	Aggregate number of Shares[1]	Approximate ownership percentage in the total issued share capital of our Company[1]	Number of Shares	Approximate ownership percentage in the total issued share capital of our Company
Pure Progress International Limited	–	15,000,000	–	–	–	–	15,000,000	2.58%	15,000,000	[REDACTED]%
Alpha Result Global Limited	–	15,000,000	–	–	–	–	15,000,000	2.58%	15,000,000	[REDACTED]%
CAI Huiyu (蔡慧瑜)	–		–	–	13,728,478	–	13,728,478	2.37%	13,728,478	[REDACTED]%
Domking Holdings Ltd	–	10,000,000	–	–	1,169,733	1,053,785	12,223,518	2.11%	12,223,518	[REDACTED]%
BioTrack Capital Fund II, LP	–	–	–	–	–	10,537,850	10,537,850	1.82%	10,537,850	[REDACTED]%
New Day Fund, L.P.	–	–	–	–	–	10,537,850	10,537,850	1.82%	10,537,850	[REDACTED]%
Wider Link Enterprise Investment Limited (德弘企業投資有限公司)	–	–	–		–	7,376,495	7,376,495	1.27%	7,376,495	[REDACTED]%
Prabhakar Kondaji JADHAV	6,006,000	–	–	–	–	–	6,006,000	1.03%	6,006,000	[REDACTED]%
Net Dragon Limited	–	–	–	–	–	5,268,925	5,268,925	0.91%	5,268,925	[REDACTED]%
Mhhorizon Limited	2,205,000	–	–	–	–	–	2,205,000	0.38%	2,205,000	[REDACTED]%
Mhorizon Holding Limited	1,196,300	–	–	–	–	–	1,196,300	0.21%	1,196,300	[REDACTED]%
Hongkong Hui Er Kang Investment Limited	–	–	–	1,125,000	–	–	1,125,000	0.19%	1,125,000	[REDACTED]%
GAN Wen (甘文)	–	–	–	–	–	1,053,785	1,053,785	0.18%	1,053,785	[REDACTED]%
Chin Consulting LLC	100,000	–	–	–	–	–	100,000	0.02%	100,000	[REDACTED]%
Other [**REDACTED**] taking part in the [**REDACTED**]	–	–	–	–	–	–	–	–	[REDACTED]	[REDACTED]%
Total	**220,000,000**	**80,000,000**	**37,500,000**	**70,328,251**	**34,473,967**	**138,045,839**	**580,348,057**	**100.00%**	[REDACTED]	**100.00%**

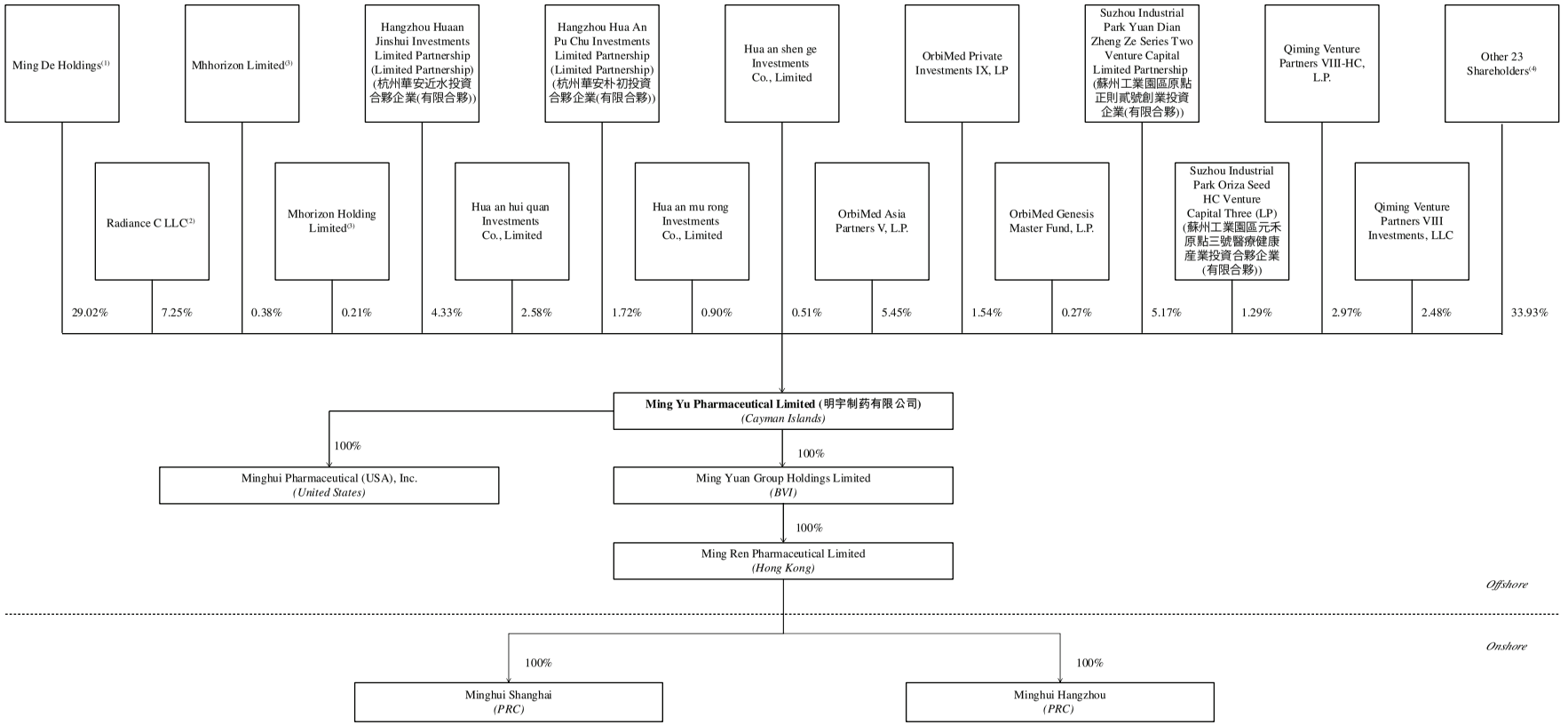
Notes:

(1) Assuming that all Preferred Shares have been converted into Shares on a one-to-one basis.

(2) Assuming the [**REDACTED**] is not exercised.

OUR CORPORATE STRUCTURE IMMEDIATELY PRIOR TO COMPLETION OF THE [REDACTED]

The following chart sets forth the shareholding structure of our Group immediately prior to the [**REDACTED**] (assuming all Preferred Shares have been converted into Shares on a one-to-one basis):



Notes:

(1) Ming De Holdings is a member of our Single Largest Group of Shareholders upon [**REDACTED**]. It is wholly owned by Dr. Cao, the chairperson of our Board, our executive Director, chief executive officer and chief scientific officer, and a member of our Single Largest Group of Shareholders upon [**REDACTED**].

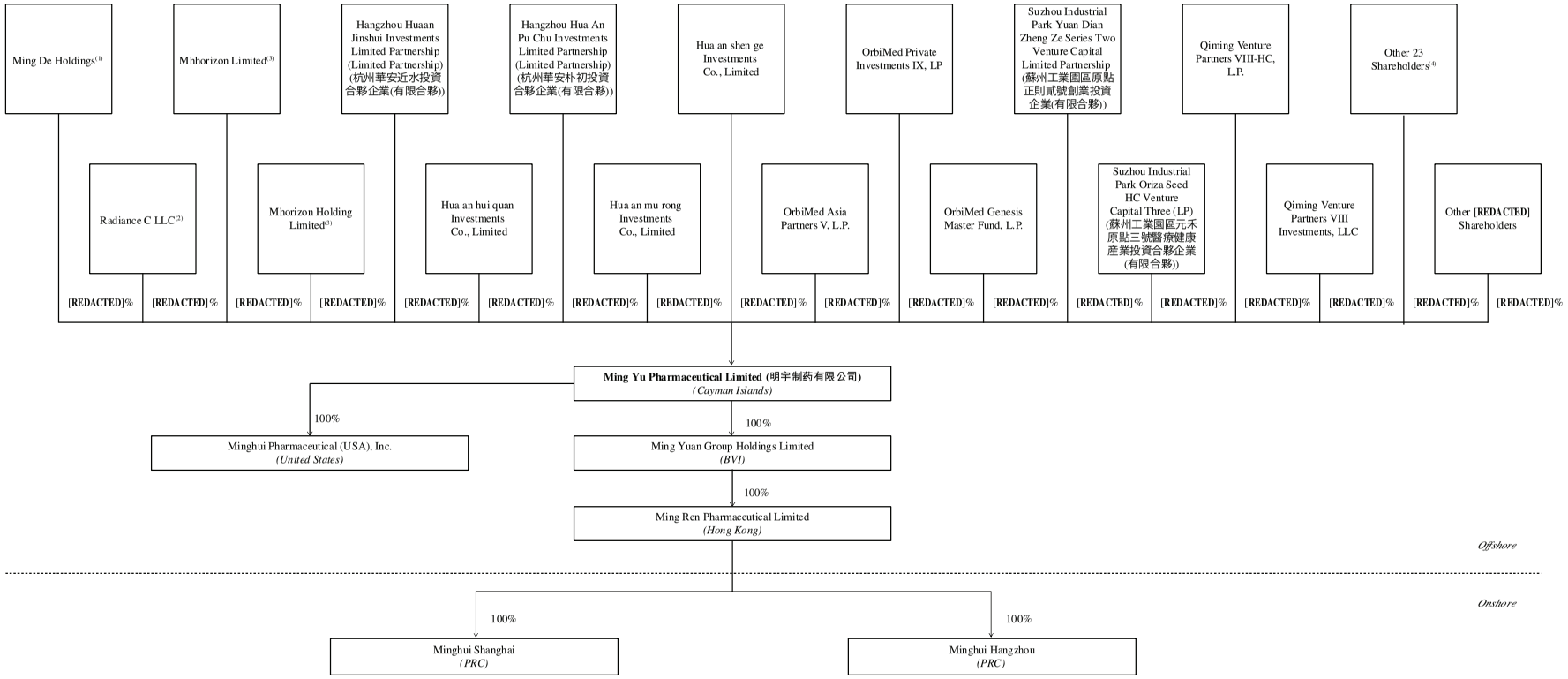
(2) Radiance C LLC is a company established under the laws of the State of Delaware and is a member of our Single Largest Group of Shareholders upon [**REDACTED**]. Radiance C LLC is wholly owned by Trident Trust Company (South Dakota) Inc., an independent professional trustee appointed to administer the trust established by Ms. Geng (a member of our Single Largest Group of Shareholders upon [**REDACTED**]) as the settlor for her personal estate planning purpose, with Dr. Cao and their children and descendants as beneficiaries. Dr. Cao, as the protector and investment adviser of the trust and the manager of Radiance C LLC, has the power to make investment decisions in respect of the assets of the Trust and to manage the affairs of Radiance C LLC, including the exercise of voting rights attached to the Shares held by Radiance C LLC. Trident Trust Company (South Dakota) Inc. acts upon the written directions of Dr. Cao (in his capacity as the protector and investment adviser of the trust), and does not independently control or direct the exercise of voting rights attached to the Shares held by Radiance C LLC.

(3) Each of Mhhorizon Limited and Mhorizon Holding Limited is a company established under the laws of the BVI and is our employee incentive platform. For details, see "— Adoption of Pre-[**REDACTED**] Equity Incentive Plan" in this section.

(4) Other 23 Shareholders include Prabhakar Kondaji JADHAV, Chin Consulting LLC, Domking Holdings Ltd, Pure Progress International Limited, Alpha Result Global Limited, Tiger Jade Investment I Company Limited, Hongkong Hui Er Kang Investment Limited, IDG Breyer Capital Fund L.P., TF MHP Ltd., TG River V Investment Ltd, Hangzhou Taiyu Phase III Venture Investment Partnership (Limited Partnership) (杭州泰毓三期創業投資合夥企業(有限合夥)), Hangzhou Tigermed Equity Investment Partnership (Limited Partnership) (杭州泰格股權投資合夥企業(有限合夥)), CAI Huiyu (蔡慧瑜), Shenzhen Xinxi Fuxing Investment Partnership (Limited Partnership) (深圳信熹復興投資合夥企業(有限合夥)), Shanghai Xinxi Xinxin Private Equity Investment Fund Partnership (Limited Partnership) (上海信熹信芯私募投資基金合夥企業(有限合夥)), 5Y Capital Growth Fund I, L.P., 5Y Capital Growth Fund I Co-Investment, L.P., TF Capital TISENC Ltd., Net Dragon Limited, BioTrack Capital Fund II, LP, Wider Link Enterprise Investment Limited (德弘企業投資有限公司), New Day Fund, L.P. and GAN Wen (甘文). For details relating to their shareholding in our Company, see "— Capitalization of Our Company" in this section.

OUR CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE [REDACTED]

The following chart sets forth the shareholding structure of our Group immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised):



Note: See the notes to the paragraph headed "— Our Corporate Structure Immediately Prior to Completion of the [**REDACTED**]" in this section.

OVERVIEW

Established in 2018, we are a biotechnology company anchored in an integrated oncology approach combining antibody-drug conjugates (ADCs) and advanced immunotherapies. As of the Latest Practicable Date, our pipeline consisted of 11 product candidates, including two self-discovered and self-developed Core Products. Our Core Product MHB036C is ADC candidate (biological drug) under development for the treatment of solid tumors. Its lead indications are for the first or later line (1L+) treatment of non-small cell lung cancer (NSCLC) and breast cancer (BC). Another Core Product MHB018A is an antibody drug candidate (biological drug) under development for the treatment of thyroid eye disease (TED), with active TED being its lead indication.

We have developed: (i) a robust clinical oncology portfolio built on our proprietary ADC platform and a novel PD-1/VEGF bispecific antibody (bsAb), and (ii) late-stage autoimmune assets progressing towards commercialization. Our autoimmune programs are positioned to generate revenue in near future, while our oncology programs focus on advancing ADC monotherapies for late-line settings and exploring combination therapies with our PD-1/VEGF bsAb to transform front-line cancer treatment. Together, these programs comprise a diversified pipeline of candidates:

Novel Oncology ADC and PD-1/VEGF Combination Therapies: Our Core Product MHB036C is a promising TROP-2 ADC developed for the treatment of a broad range of solid tumors. It is currently in a Phase I/II combination study for 1L+ NSCLC and a Phase II combination study for 1L+ BC, with our key product MHB039A, an innovative PD-1/VEGF bsAb. Our key product MHB088C is a promising B7-H3 ADC for the treatment of small cell lung cancer (SCLC) and other cancers, which is currently in a Phase III trial for 2L SCLC, 2L metastatic castration-resistant prostate cancer (mCRPC) and 2L esophageal squamous cell carcinoma (ESCC) as a monotherapy and a Phase I/II trial for 1L+ SCLC in combination with MHB039A.

Late Stage Autoimmune Assets: Our Core Product, MHB018A, is a novel and promising subcutaneous IGF-1R (Sub-Q IGF-1R) VHH-based antibody. It is currently in a Phase III trial for active TED and a Phase III trial for chronic TED, supported by compelling Phase II efficacy and safety data in both active and chronic TED. Our key product MH004 is a novel topical Janus kinase (JAK) inhibitor with an NDA submitted for mild-to-moderate atopic dermatitis (AD) in China in 2025, addressing the autoimmune indications with high need.

Our proprietary SuperTopoi platform is designed to overcome the industry-wide challenges faced by conventional ADC technology. It features a novel payload with 5-10 times higher potency compared with deruxtecan (Dxd)-based ADCs, while maintaining a better safety profile characterized by a low incidence of severe hematological toxicity and a significant reduced incidence of interstitial lung disease (ILD). This optimized therapeutic window enables broader application, including potential use in front-line settings.

Our strategic differentiation is anchored in an integrated oncology approach combining ADCs and advanced immunotherapies, including our PD-1/VEGF bsAb MHB039A. We develop proprietary ADC candidates and evaluate them in both monotherapy and combination setting with MHB039A to deliver targeted cytotoxic activity and enhance anti-tumor immune response within the tumor microenvironment. We leverage our in-house platforms to support discovery, development, and combination-regimen evaluation across our oncology pipeline.

Our strength has been commercially validated by external recognition. We entered a strategic partnership with Qilu Pharmaceutical Co., Ltd for the Greater China rights to MHB088C, a deal valued at up to RMB1.345 billion. MHB088C's clinical data were selected for oral presentations in 2024 and 2025, and poster presentation in 2026 at the American Society of Clinical Oncology (ASCO) annual meetings. This repeated recognition by one of the world's most prestigious oncology forums underscores the significant interest and promise of this asset within the medical community.

Our Product Pipeline

The following chart summarizes the key information of our drug candidates as of the Latest Practicable Date:

	Program	Target	Modality	Indication(s)	Mono/ Combo	Pre-clinical / Phase I / Phase II / Phase III / NDA/BLA	Current Status/Upcoming Milestone	Commercial Rights
	Autoimmune							
★	**MHB018A**	Sub-Q IGF-1R	mAb	Active TED[1][2]	Mono	China	Phase III topline readout anticipated in 2026Q3	Global
						United States/Europe/Japan[4]	Phase III FPI anticipated in 2026Q4	
				Chronic TED[1]	Mono	China	Phase III topline readout anticipated in 2027Q3	
						United States/Europe/Japan[4]	Phase III FPI anticipated in 2026Q4	
▲	**MH004**	Topical JAKi	Small Molecule	Mild-to-Moderate Atopic Dermatitis[2]	Mono	China	NDA approval anticipated in 2027H1	Global
						United States[5]	Phase III IND approved by the FDA in 2023	
				Vitiligo	Mono	China	Phase III FPI anticipated in 2026H2	
	MH048	BTK/pan-Src/ RIPK3 inhibitor	Small Molecule	Immunological Diseases	Mono		IND filing in China anticipated in 2026H2	Global
	Oncology							
★	**MHB036C**	TROP-2	ADC	Solid Tumors (e.g. 2L+ BC, NSCLC)	Mono	China	Phase I trial completed; Phase II trial ongoing	Global
▲	**MHB039A**	PD-1/VEGF	BsAb	1L+ SCLC	Combo with MHB088C[3]	China	Phase II data readout anticipated in 2026	Global
				1L+ BC (TNBC/ HR+/HER2- BC)	Combo with MHB036C[3]	China	Phase II data readout anticipated in 2026	
				1L+ NSCLC	Combo with MHB036C[3]	China	Phase II data readout anticipated in 2026	
				Solid Tumors	Mono	China[6]	Phase I/II trial commenced in April 2024	
▲	**MHB088C**	B7-H3	ADC	Solid Tumors	Mono	United States[7]	Phase Ib/II IND approved by the FDA in 2024	Global (except Greater China) **Greater China rights out-licensed to Qilu*
	MHB118C	Undisclosed	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2026	Global
	MHB046C	Undisclosed	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2026	Global
	MHB009C	B7-H4	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2027	Global
	MHB042C	c-Met	ADC	Solid Tumors	Mono	China	Phase I trial completion anticipated in 2027	Global
	MHB048C	PSMA	ADC	Prostate Cancer	Mono	China	Phase I trial completion anticipated in 2027	Global

Clinical trials exempted and granted approval to progress to the next clinical stage

★ Core Product ▲ Key Product

Notes:

(1) Eligibility includes both treatment-naïve patients and patients previously treated with steroids. Consistent with the approved drug TEPEZZA, MHB018A is being developed for the treatment of the above two separate indications covering active and chronic TED respectively, with no limitation on treatment lines.

(2) The denoted indication(s) represent the lead indication(s) for each drug candidate, for which we expect to obtain first marketing approval(s).

(3) Each of our combination therapies is conducted under a separate IND approval granted by the NMPA. The enrolled patient populations for each relevant indications are distinct from those of the corresponding monotherapy studies.

(4) The U.S. FDA has agreed to accept China clinical data to initiate U.S. Phase III trials without bridging studies. We have obtained both Phase III IND approvals from the FDA and initiated the registrational trials. We plan to enroll the first patient in December 2026.

(5) We have no current plan to further develop MH004 in the U.S. market.

(6) We have no plan to further develop MHB039A as monotherapy and are focusing on the development in combination with ADCs.

(7) MHB088C is currently in a Phase III trial for 2L SCLC, 2L mCRPC and 2L ESCC as a monotherapy sponsored by Qilu, and a Phase I/II trial for 1L+ SCLC in combination with MHB039A in China initiated in September 2025, sponsored by us. We have entered into an exclusive license agreement with Qilu on March 31, 2025 to develop and commercialize MHB088C in Greater China (Chinese Mainland, Hong Kong, Macau and Taiwan). We have no current plan to further develop MHB088C as monotherapy in the U.S. market.

Since our inception in 2018, we have advanced five clinical assets to Phase II or more advanced stages, including one submitted NDA and two additional assets in the Phase III studies. We have built a robust pipeline that combines the near-term value catalysts of our advanced immunology assets with the long-term potential of our oncology candidates. Together with additional ADC candidates against novel targets as well as validated targets like B7-H4, c-Met, and PSMA, this diversified and risk-mitigated pipeline exemplifies our approach to sustained innovation, global commercial growth, and long-term shareholder value creation. All pipeline products are self-discovered by us.

MHB036C (TROP-2 ADC) — Core Product

MHB036C has demonstrated convincing antitumor activity in multiple indications, including NSCLC and BC, with combination potential alongside advanced immuno-oncology agents in front-line settings. To align the asset for front-line and chemo-free combinations, in May 2025 and September 2025, we initiated a Phase I/II combination study of MHB036C and MHB039A in 1L+ NSCLC and a Phase II combination study in 1L+ BC, respectively, in China. The market size of TROP-2 ADC is expected to grow from US$1.6 billion in 2025 to US$33.8 billion in 2035, rapidly expanding with a CAGR of 35.7% from 2025 to 2035, according to CIC.

MHB036C differentiates itself with molecular design, efficacy and safety profiles. MHB036C is featured by its better safety profile as evidenced by a much lower incidence of ILD than Dxd-based programs in clinical setting. GLP toxicology studies of our ADCs demonstrated no evidence of lung inflammation or fibrosis where ILD has often been reported in each of Dxd-based programs. Only around 1.0% ILD rates were observed in our clinical studies, and our proprietary payload is 5-10 times more potent than Dxd. This enhanced potency may enable stronger efficacy in patients or tumor types with low-to-moderate tumor-associated antigen (TAA) expression.

In the completed Phase I and ongoing Phase II studies, MHB036C demonstrated encouraging efficacy across multiple tumor settings in the 1.5 mg/kg cohort. In triple-negative breast cancer (TNBC) patients for 2L+ treatment (n=30), the cohort reached an objective response rate (ORR) of 43%, with a median progression-free survival (PFS) of 6.9 months. In HR+HER2- BC patients for 2L+ treatment (n=25), we observed a 40% ORR and a median PFS of 9.0 months. In EGFR-mutant NSCLC patients for 2L+ treatment (n=16), we observed a 37.5% ORR and a median PFS of 9.1 months. Similarly, in NSCLC patients without AGA for 2L+ treatment (n=7), the treatment yielded

a 57% ORR and a median PFS of 7.2 months. Safety results reinforce MHB036C's favorable risk-benefit profile. There were no major hematological side effects and only approximately 1% occurrence of ILD observed compared to other TROP-2 ADCs.

MHB018A (Sub-Q IGF-1R) — Core Product

MHB018A is our novel Sub-Q IGF-1R VHH-based antibody and the promising IGF-1R program with proven Phase II efficacy and safety data. Compared to the existing competitors, its 450 mg/kg once-every-four-weeks (Q4W) dosing regimen offers a more convenient and patient friendly option. As a subcutaneous formulation could be available at retail pharmacies, MHB018A would also provide easier patient access. In China, a Phase III trial for active TED and chronic TED began in July 2025 and March 2026, respectively. MHB018A is potentially the first to market Sub-Q IGF-1R product in China. In the U.S., the FDA has agreed to accept China clinical data to initiate Phase III trials without bridging studies. We received IND clearance from the FDA for Phase III trial in December 2025. TED represents a highly promising therapeutic market: according to CIC, TED's global market was US$3.9 billion in 2025 and is expected to reach US$13.4 billion in 2035, representing a CAGR of 13.1% from 2025 to 2035.

MHB018A differentiates itself with (i) innovative molecule design: which may enable improved tissue penetration and potentially enhanced efficacy; (ii) better biological activity: MHB018A demonstrates approximately two- to three-fold stronger ligand-blocking potency compared to the existing IGF-1R antibodies; (iii) dual IGF-1 + IGF-2 blocker: which potentially suppresses the downstream growth and inflammatory pathways central to TED pathology; and (iv) low hearing loss risk: clinical data from 98 TED patients receiving MHB018A have demonstrated no reports of severe hearing damage, while our competitor is known for a significant risk of hearing loss. Teprotumumab is a mainstream IV IGF-1R antibody developed by Horizon Therapeutics and subsequently acquired by Amgen for US$27.8 billion. Teprotumumab generated the first-year sales of $800 million, which rose to $2.0 billion in the second year. Comparatively, backboned by proven Phase II efficacy in both active and chronic TED, MHB018A stands out as the promising Sub-Q IGF-1R antibody globally with better efficacy and convenient administration.

TED is a long-lasting autoimmune condition that affects the tissues around the eyes. It typically develops in two phases: an active phase, during which inflammation worsens and symptoms progress, and an inactive (chronic) phase, characterized by fibrosis and persistent tissue remodelling, with only residual inflammatory activity. Hence, active and chronic TED represent different stages of the same disease.

The clinical trial design for MHB018A reflects both their shared disease biology, as well as their distinct disease stage and patient characteristics. Patient selection criteria differ between the two trials to appropriately capture each disease stage. Patients with active TED are enrolled within 12 months of symptom onset and are required to have a Clinical Activity Score (CAS) of at least 3, reflecting ongoing inflammatory activity. In contrast, patients with chronic TED have a longer disease duration (more than 12 months and less than 10 years) and are not subject to a minimum CAS requirement, as the chronic disease is characterized by stable but persistent structural and functional impairment rather than active inflammation. Despite these differences, the primary treatment objective in both active and chronic TED is the reduction of clinically meaningful eye protrusion. They share a common primary endpoint, namely proptosis response rate at Week 24.

We presented the Phase I/II clinical data of MHB018A in patients with active and chronic TED at the Endocrine Society's Annual Meeting in June 2026. In the completed Phase II active TED trial, MHB018A has shown a significant efficacy at a proptosis response rate of 81% at the 450 mg dose (n=32) at Week 12. Data indicates a better therapeutic response than other intravenous and subcutaneous IGF-1R antibodies. In terms of safety, MHB018A was well tolerated across all three dosing regimens. No unique toxicities were observed and no Grade≥3 hearing-related AEs were reported. In the completed Phase II chronic TED trial, MHB018A achieved a proptosis response rate of 76% at Week 24 (n=33), which is better than other intravenous IGF-1R antibodies. In terms of

safety, MHB018A was well tolerated over the 24-week treatment period. No TEAE led to treatment discontinuation, death, or premature withdrawal from the study, and no subjects experienced SAEs. In addition, no severe hearing damage was observed, which adds to MHB018A's safety characteristics.

MHB088C (B7-H3 ADC) — Key Product

MHB088C is currently in pivotal Phase III trials for 2L SCLC, 2L mCRPC and 2L ESCC as a monotherapy and a Phase I/II trial for 1L+ SCLC in combination with MHB039A in China. Granted with breakthrough therapy designations, MHB088C is one of the most advanced B7-H3 ADC evaluated in combination trials with PD-(L)1/VEGF bsAb for 1L SCLC globally, according to CIC. It has a huge potential in indication expansion, including combination use in front-line settings. MHB088C's clinical data were selected for oral presentations in 2024 and 2025, and poster presentation in 2026 at the ASCO annual meetings. In addition, MHB088C was selected to present in World Conference on Lung Cancer (WCLC) in 2025 as a late breaking oral presentation. We granted Qilu an exclusive license to develop and commercialize MHB088C in Greater China while retaining the ex-Greater China rights. The B7-H3 ADC field represents a compelling and novel oncology market, propelled by the high and frequent expression of B7-H3 across a wide range of solid tumors, including lung, prostate, and head and neck cancers, with limited expression in healthy tissues.

MHB088C differentiates itself with molecular design, efficacy and safety profiles. MHB088C delivers 3-4 times greater cell-binding activity and 2-3 times higher internalization than competitor B7-H3 antibodies, enabling more efficient payload delivery. Clinically, MHB088C has established a better safety and robust efficacy profile across more than 300 patients up to the Latest Practicable Date. Data also demonstrate the lowest incidence of hematologic toxicity among all B7-H3 competitors based on published clinical data. As of March 13, 2025, there were only three ILD cases (1.0%) reported among 300 patients, and nearly 10% of Grade 3 major hematologic AEs with favorable tolerability at 1.6 and 2.0 mg/kg Q2W. This clinical profile represents the lowest incidence of hematologic toxicity among all competitors based on published clinical data. In the Phase II clinical trial, the ORR of MHB088C as 2L+ treatment for SCLC, mCRPC and ESCC reached 42.2%, 29.0% and 34.7%, respectively. As of November 30, 2025, MHB088C demonstrated favourable radiographic PFS (rPFS) benefit in mCRPC, with 12-month PFS rates of 71.7% in all patients and 74.8% in those previously treated with both androgen receptor pathway inhibitors (ARPIs) and taxanes.

MHB039A (PD-1/VEGF bsAb) — Key Product

MHB039A is next generation I/O therapy offers extended dosing duration and enhanced therapeutic synergy. We are conducting a Phase I/II combination study of MHB036C and MHB039A in NSCLC patients and a Phase II combination study in BC, respectively, in China, We are also conducting a Phase I/II combination study of MHB088C and MHB039A in SCLC patients in China.

PD-(L)1/VEGF bsAbs are designed to serve as advanced monoclonal antibody backbones across multiple solid tumors, including NSCLC and BC. The global PD-(L)1/VEGF bsAb market is estimated at US$36.9 billion in 2030 and is expected to reach US$193.5 billion in 2035, representing a CAGR of 39.3% from 2030 to 2035. In China, the PD-(L)1/VEGF bsAb market is estimated at US$9.6 billion in 2030 and is expected to reach US$32.4 billion in 2035, representing a CAGR of 27.6% from 2030 to 2035. As of the Latest Practicable Date, there were only one approved PD-(L)1/VEGF bsAb with two approved indications and 16 drug candidates under active clinical development globally.

MHB039A is engineered by fusing a humanized anti-PD-1 VHH to the N-terminus of bevacizumab, a validated VEGF antibody. Its optimized molecular design delivers robust druggability and enables full blockade of both PD-1 and VEGF, overcoming the loss of PD-1 activity seen in certain other PD-1/VEGF bispecific antibodies with PD-1 arm in the C-terminus. This unique profile positions MHB039A as a differentiated candidate. MHB039A delivers significantly lower rates of systemic toxicities commonly seen with VEGF blockade.

The Phase I clinical data for MHB039A demonstrates a foundational efficacy and safety profile. The study achieved saturated PD-1 receptor occupancy and VEGF biomarker response at doses of 10 mg/kg Q3W and above. Encouraging preliminary anti-tumor activities were observed in patients previously treated with agents targeting the same pathways, including PD-1/PD-L1 inhibitors, VEGFR tyrosine kinase inhibitors, or anti-VEGF monoclonal antibodies. Across 20 evaluable patients, only a low incidence of Grade 3 adverse events was reported, with no major hypertension or bleeding.

We position MHB039A as an advanced immunotherapy backbone designed be paired with our ADC candidates to enable chemo-free front-line treatment and unlock opportunities in multiple solid tumors. We also plan to explore additional combination of MHB039A across our diversified ADC portfolio. By leveraging proprietary combination regimens, MHB039A is uniquely positioned to deliver synergistic efficacy.

MH004 (Topical JAKi) — Key Product

MH004 is the first topical prodrug of tofacitinib in the China market that targets AD and vitiligo. MH004 leverages an innovative transdermal delivery technology that enhances skin penetration and limited systemic exposure. This breakthrough potentially addresses the need for topical JAK treatments with a localized profile intended to minimize systemic safety risks associated with the class. We cleared the U.S. Phase III IND with FDA in 2023 and resubmitted an NDA for mild-to-moderate AD in China in March 2026.

MH004 offers differentiated topical JAK inhibition (JAKi) with substantially less systemic exposure and reduced JAK2 inhibitory activity relative to ruxolitinib cream, which supports broader dermatologic use under clinical and regulatory guidance. MH004 has demonstrated potent efficacy with a favorable safety profile in its Phase III study for AD. In the study, 58.6% of patients treated with MH004 (concentration of 1.0%) achieved EASI-75, compared to 19.8% for the vehicle group. MH004 reached a 41.0% investigator global assessment treatment success (IGA-TS), compared to 10.3% for the vehicle group at Week 4. The completed Phase II study in vitiligo has shown early signals of efficacy, with encouraging F-VASI improvements as early as Week 4. We plan to initiate a Phase III study for vitiligo in the second half of 2026.

OUR STRENGTHS

A Focus in Novel ADCs and Advanced Immunotherapy, Complemented by A Late-stage Autoimmune Portfolio

In the current oncology landscape, the standard of care is often the combination of first-generation immuno-oncology (I/O 1.0) and traditional chemotherapy. ADCs are rapidly becoming a cornerstone of oncology drug development, representing a paradigm shift in cancer therapy. We are making the next paradigm shift. Our strategy is built on the powerful synergy of advanced immunotherapy (I/O 2.0) and ADC as the smart chemotherapy, through our dual, integrated growth engines: a proprietary ADC platform that delivers targeted smart chemotherapy with better efficacy and an improved safety profile over conventional chemotherapy, and a I/O 2.0 pipeline featuring late-stage bispecific antibodies. Besides, advancements in target selection and conjugation technologies are enabling ADCs to expand beyond tumor-specific indications towards pan-tumor and pan-expression strategies.

In addition to ADC, advanced I/O therapies are driving a transformative shift in cancer treatment paradigms. The advanced I/O such as bsAb can simultaneously engage complementary pathways in the immune-oncology landscape to enhance antitumor immunity and overcome resistance to conventional checkpoint inhibitors. Notable development in I/O therapy has been the emergence of PD-1/VEGF bsAb as a validated backbone for cancer treatment. PD-1/VEGF bsAb have produced encouraging late-stage clinical data and fueled with record-breaking out-licensing deals.

We have demonstrated our clinical capabilities with our complementary ADC and autoimmune therapy platforms. Since our inception in 2018, we have advanced five clinical assets to the Phase II or more advanced stages, including one submitted NDA and two additional assets in the Phase III studies. We have moved 10 programs into clinical stages and received 23 IND approvals within seven years.

We have employed a strategic approach to accelerate clinical development and balance between certainty and novelty. In the autoimmune field, our development strategies emphasize novel formulation to tackle huge medical needs and develop derisked assets to balance portfolio. Meanwhile, in the oncology space, we center on novel therapy and combination therapy, leveraging the synergy between advanced assets (such as PD-1/VEGF bsAb and various ADCs), to unleash the huge potential of our assets in front-line oncology treatment.

Advancing the Oncology Treatment Paradigm through the Advanced ADC and Immuno-oncology Combination Therapies Featuring Promising ADCs and a Novel PD-1/VEGF Bispecific Antibody

We are building a comprehensive, chemo-free platform designed to overcome the key limitations of current ADC and I/O therapies, specifically, efficacy gaps and safety concerns. This is powered by two highly differentiated ADCs MHB036C (TROP-2 ADC) and MHB088C (B7-H3 ADC), each engineered with better safety profiles, particularly regarding reduced hematologic toxicity and low rates of ILD.

MHB036C (TROP-2 ADC) + MHB039A (PD-1/VEGF bsAb)

MHB036C has demonstrated convincing antitumor activity in multiple indications, including NSCLC and BC, with combination potential alongside advanced immuno-oncology agents in front-line settings. In its Phase II study, MHB036C monotherapy demonstrated ORR of 43% and mPFS data of 6.9 months across multiple tumor settings. ILD is a significant concern for the Dxd-based programs, and only around 1.0% ILD rates were observed in its clinical studies. In addition, there were no major hematological side effects and only approximately 1% occurence of ILD observed in MHB036C compared to other TROP-2 ADCs.

We are developing an advanced I/O regimen by combining MHB036C and MHB039A. In May 2025 and September 2025, we initiated a Phase I/II combination study of MHB036C and MHB039A in NSCLC patients and a Phase II combination study in BC patients, respectively, in China. Our goal is for this PD-1/VEGF bispecific and TROP-2 ADC combination to become a leading 1L+ treatment for a range of solid tumors.

MHB088C (B7-H3 ADC) + MHB039A (PD-1/VEGF bsAb)

MHB088C has a versatile clinical profile to support a clear and expansive development pathway in monotherapy indications such as SCLC, mCRPC and ESCC with significant promise as a backbone for 1L+ combination therapies. MHB088C has advanced from IND approval to the Phase III registration trial within approximately 24 months, substantially faster than the industry norm of 36-48 months. The Phase II monotherapy study established a better safety profile across more than 300 patients. As of March 13, 2025, there were only three ILD cases (1.0%) and nearly 10% Grade ≥3 major hematologic adverse events at the clinically optimal doses of 1.6-2.0 mg/kg administered every 2 weeks (Q2W). This clinical profile represents the lowest incidence of hematologic toxicity among all competitors based on published clinical data, according to CIC.

We are developing an advanced I/O regimen by combining MHB088C and MHB039A. We initiated the Phase I/II trial for the combination study in September 2025 to explore its potential in 1L SCLC. The program also includes plans to expand into additional solid tumors, such as mCRPC.

Late-Stage Autoimmune Portfolio with Differentiated Formulations, Robust Clinical Validation, Near-Term Commercialization and Differentiated Cash Flow Potential

The autoimmune disease industry is a growing segment of the global pharmaceutical market. Chronic diseases like AD, vitiligo, and TED are driving demand for safer, more convenient therapies. Current solutions including oral JAK inhibitors and intravenous IGF-1R antibodies face serious safety issues. JAK inhibitors carry safety risks that have led to FDA black box warnings. Similarly, hearing loss represents a concerning adverse event associated with approved IGF-1R monoclonal antibodies like teprotumumab.

Our pipeline focuses on improving both patient safety and compliance through targeted drug delivery approaches. We have developed two late-stage autoimmune assets: MH004 and MHB018A, each backed by robust Phase II or III data, global regulatory alignment, and high market potential. MH004 is designed to overcome systemic exposure and safety limitations associated with oral JAK inhibitors. Its Phase III trials for AD were completed in China in 2024 showing efficacy in reducing eczema area and severity. We resubmitted an NDA for mild-to-moderate AD in China in March 2026. MHB018A is a novel Sub-Q IGF-1R monoclonal antibody with compelling Phase II data showing good proptosis response in active and chronic TED patients, without observing severe hearing-related adverse events. We presented the Phase I/II clinical data of MHB018A in patients with active and chronic TED at the Endocrine Society's Annual Meeting in June 2026. Such external recognition validates our data quality and supports the cash flow potential.

Proprietary Topo I ADC Platform SuperTopoi with Differentiated Safety Profiles and Comprehensive Clinical Data, Anchored for Sustainable ADC Portfolio Innovation with Novel Targets, Linkers and Structures

SuperTopoi has leading technical advantages: delivering industry-leading potency, better safety, and scalable clinical efficiency. Its novel Topo I payload demonstrates 5–10 times higher potency than Dxd, achieving comparable tumor inhibition at one-third the dose while maintaining minimal toxicity. The proprietary hydrophilic linker ensures plasma stability and controlled release.

Validated through four clinical-stage ADC programs, SuperTopoi has shown a markedly low incidence of ILD (1–2%) and no major hematologic toxicity across more than 400 treated patients. Clinically, our ADCs deliver potent and durable responses at low doses, such as MHB088C achieving a confirmed 42% ORR in second-line SCLC.

Our platform is the foundation for a robust pipeline of advanced ADCs targeting novel and validated targets such as B7-H4, c-Met, and PSMA. The market potential of our platform is validated by a strategic licensing partnership with Qilu Pharmaceutical for MHB088C, a deal valued at up to RMB1.345 billion.

A Management Team Distinguished by Proven Achievements, Exceptional Execution Capabilities, and the Support from Seasoned Industry Veterans

We are led by Dr. Cao Guoqing, Ph.D., Founder, Chairman, CEO, CSO, and a seasoned drug innovator and entrepreneur with more than 25 years' experience in the pharmaceutical industry. Dr. Cao has over 25 years of experience in the pharmaceutical industry with extensive expertise in biopharmaceutical R&D. He worked at Eli Lilly & Company for 12 years in cardiometabolic research. From 2012 to 2017, he served as vice president at Jiangsu Hengrui Pharmaceuticals Co., Ltd., overseeing discovery, preclinical development, translational medicine, business development and portfolio management. Dr. Cao has published over 80 peer-reviewed papers and is an inventor of more than 50 patents and patent applications. He obtained his Ph.D. in biochemistry from The Ohio State University, followed by a postdoctoral fellowship under Nobel Laureates at the University of Texas Southwestern Medical Center.

Our strategic vision and operational execution are supported by notable global investors including OrbiMed, and Qiming with more than US$240 million investments.

OUR STRATEGIES

Rapidly and Strategically Advance Our Novel ADC and Advanced I/O Assets to Later Stage and Continue to Explore Combination Therapies Opportunities

We are committed to rapidly and strategically advancing the clinical developments towards commercialization of our autoimmune, ADC and advanced I/O portfolio, while harnessing the synergistic benefits of innovative combination therapies.

MHB036C (TROP-2 ADC): Building on promising efficacy data in 2L+ TNBC, 2L+ HR+/HER2- BC and 2L+ NSCLC, and following completion of dose optimization, we plan to advance MHB036C into later-stage clinical trials. Our focus will be on developing a combination therapy of MHB036C and MHB039A for early-line treatments in NSCLC and BC.

MHB088C (B7-H3 ADC): The ongoing Phase III study in 2L SCLC is expected to complete in the first half of 2028, supported by further exploration in both monotherapy and combination therapy applications across additional indications.

MHB039A (PD-1/VEGF bsAb): We completed the dose-escalation phase and initiated three combination trials with MHB036C or MHB088C. We will continue to advance this innovative bsAb through differentiated combination strategies with our ADC portfolio.

Following the MHB036C and MHB039A combination trial in May 2025, we expect Phase II data read-out for NSCLC and BC in the second half of 2026. We initiated the MHB088C and MHB039A Phase II combination trial in September 2025 and expect data read-out in the second half of 2026. On top of these combination trials, we have seven ADC candidates at the preclinical or Phase I clinical trial stage. We will continue to explore combination potential between MHB039A and our diversified ADC portfolio.

Accelerate Global Clinical Development of Our Autoimmune Portfolio Towards Commercialization

Our strategy is to drive our products through a modality-agnostic approach that includes antibody, small molecule, and other therapeutics leveraging our resources and capabilities. We are executing tailored development strategies for both China and global markets.

MH004 (Topical JAKi): We will advance MH004, the only topical JAK inhibitor with proprietary prodrug technology designed for enhanced skin penetration and a favorable safety profile, to address the needs of the mild-to-moderate AD and vitiligo market. Our strategy is to position MH004 as a potential treatment with a localized profile intended to minimize systemic safety risks associated with the class, aiming to generate stable, near-term cash flow. In China, we resubmitted the NDA in March 2026 for AD and will work towards obtaining NMPA approval in the first half of 2027. Globally, the Phase III IND was cleared by the FDA in 2023. We will also pursue indication expansion for vitiligo.

MHB018A (Sub-Q IGF-1R mAb): We will continue the development of MHB018A for TED. In China, we will progress the ongoing registrational studies and plan to complete and submit BLAs to the NMPA in the second half of 2027 and the second half of 2028 for active and chronic TED, respectively. For the U.S. market, we received IND approval from the FDA for Phase III trial in December 2025, and plan to enroll the first patient in December 2026.

Proactively Explore Value-accretive Partnerships Globally to Maximize the Clinical and Commercial Potential of Our Drug Candidates

We are proactively pursing global strategic partnerships to efficiently advance and commercialize our highly differentiated ADC + I/O and autoimmune pipeline.

MHB088C Greater China Rights Collaboration. We will continue building our successful collaboration with Qilu, one of the China's largest pharmaceutical companies with a robust portfolio of over 300 marketed products. This collaboration is designed to drive the late-stage development and commercialization of our MHB088C (B7-H3 ADC) in Greater China through a capital-efficient approach.

Global Partnership Strategies. We will continue to identify and secure optimal global partners to accelerate the clinical progress and drive the commercial success of our pipeline. We will prioritize alliances with established industry leaders and tailor collaboration structures (including out-licensing, co-development, and formation of new companies) to the specific profile and stage of each asset. We are committed to tapping into our partner's global clinical expertise and commercial networks, especially for expansion outside of China.

Fuel Pipeline Development through Continuous and Highly Efficient R&D Efforts

We will prioritize the acceleration of pipeline assets into advanced clinical stage. In parallel, with our differentiated I/O asset PD-1/VEGF bsAb, we intend to proactively explore additional combination therapies, positioning our assets as dual engines to revolutionize front-line oncology treatment applied in a spectrum of indications.

Strategically Enhance Our Operational Capabilities, including Efficient Manufacturing and Commercialization Capabilities

Collaborations with CDMOs and Future Capacity Expansion. We will continue to partner with reputable contract development and manufacturing organizations (CDMOs) for manufacturing capacity on preclinical studies, clinical trials, and future commercialization. In anticipation of the near-term launch for MH004, we have secured two CDMOs for API manufacturing and drug production, respectively, ensuring a robust supply chain for commercialization. We will implement effective management and quality control on the manufacturing process and products. To accommodate the growing demand for our drug candidates once commercialized, we may increase the number of CDMO collaborations, with diligence in selecting CDMO partners, and may consider building up our in-house manufacturing capacity in China.

Methodically Expand Commercial Capabilities. We are establishing in-house sales force in preparation for the launch of our autoimmune portfolio in the near term. We expect to build a commercialization team of sales staff comprised of pharmaceutical marketing veterans with deep industry experience by the first half of 2027. The team will formulate a comprehensive marketing and promotional plan to drive rapid commercial-scale distribution upon approval expected in the first half of 2027. In China, we will expand our marketing team in a rigorous and organized manner, and enhance our promotional efforts and actively prepare for the National Reimbursement Drug List (NRDL) negotiations with relevant authorities. In the long run, we plan to assemble an internal sales and marketing force with extensive experience in oncology, especially in lung cancer and BC, for our lead ADC and bsAb products. Globally, we will seek partnerships to facilitate market entry in the U.S. and other international regions.

Further Attract, Train and Retain Talent to Expand Our Capabilities

We are dedicated to implementing a global talent acquisition strategy that attracts and retains top-tier professionals in oncology and immunology. Our recruitment efforts spans the entire full drug development spectrum: from drug discovery and clinical development to manufacturing and global commercialization. We actively seek distinguished scientific, commercial, and managerial leaders to ensure we remain at the competitive forefront of a dynamic industry. We actively invest in robust talent development initiatives, including ongoing training and career progression programs. These initiatives are designed to sharpen the technical acumen and deepen our team's technical and industry capabilities. By empowering employees with knowledge and growth opportunities, we cultivate a culture of innovation and sustained excellence.

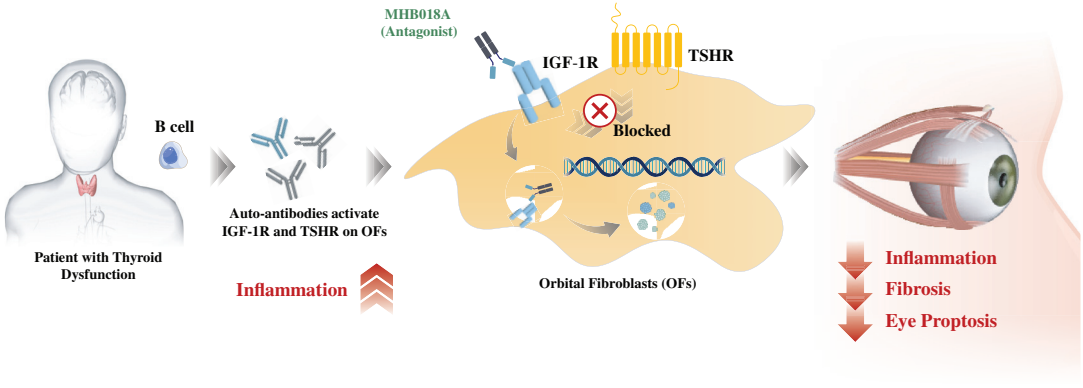
OUR PRODUCT PIPELINE

Core Product MHB018A: Novel Sub-Q IGF-1R Antibody and the Promising IGF-1R Program

Overview

MHB018A has proven Phase II efficacy and safety (n=98, no severe hearing damage) data. Compared to the existing competitors, its 450 mg/kg Q4W subcutaneous dosing regimen offers patients a more convenient and patient friendly option. As a subcutaneous formulation available at retail pharmacies, MHB018A also provides easier patient access. With its innnovative molecule design, MHB018A has a better biological activity demonstrated through its strong ligand-blocking potency and complete IGF-1 and IGF-2 blockade. We hold the exclusive global rights for development, manufacturing and commercialization and has full control over of MHB018A.

Mechanism of Action



TED is a long-lasting autoimmune condition that affects the tissues around the eyes. It typically develops in two phases: an active phase, during which inflammation worsens and symptoms progress, and an inactive (chronic) phase, characterized by fibrosis and persistent tissue remodelling, with only residual inflammatory activity. These changes can lead to eye protrusion, double vision, difficulty closing the eyes, pain, and, in severe cases, vision impairment. A key biological driver of TED is IGF-1R, a protein found on the surface of many cells, including cells within the eye socket. In patients with TED, IGF-1R is over-expressed on orbital fibroblasts and immune cells. When activated, this receptor sends signals that promote inflammation, abnormal fat accumulation, and tissue swelling. These processes increase pressure within the confined eye socket and contribute directly to eye protrusion and other TED symptoms.

MHB018A is a humanized monoclonal antibody designed to target IGF-1R with high specificity. MHB018A is administered by subcutaneous injection. By binding to IGF-1R, MHB018A blocks the interaction between the receptor and its natural ligands (IGF-1 and IGF-2) and promotes receptor internalization and degradation, thereby reducing the downstream signals that drive inflammation, tissue swelling, and orbital remodeling. *In vivo* data indicates that MHB018A increases serum IGF-1 levels through competitive receptor binding and internalization, confirming its mechanism of action as a receptor blocker.

Market Opportunity and Competition

The global TED drug market increased from US$2.1 billion in 2020 to approximately US$3.9 billion in 2025, and is projected to reach US$13.4 billion in 2035, representing a CAGR of 13.1% from 2025 to 2035. The growth is driven primarily by rising diagnosis and treatment of active TED, expanding access to targeted biologics and potential adoption of new formulations and routes of administration that broaden eligibility.

As of the Latest Practicable Date, three intravenous IGF-1R antibodies are approved for TED. Both antibodies are administered intravenously, requiring repeated infusions over each treatment cycle and carrying the known risks of infusion-related reactions and hearing and metabolic adverse events. For details, see "Industry Overview — Global Thyroid Eye Disease Market."

Competitive Advantages

Innovative Molecule Design. MHB018A utilizes a VHH-Fc fusion protein format, approximately half the molecular size of conventional antibodies, which may enable improved tissue penetration and potentially enhanced efficacy. The VHH design also confers excellent physicochemical properties and strong CMC robustness, including high solubility and low viscosity at 150 mg/mL, which is ideal for autoinjector development. The molecule demonstrates high stability under refrigerated conditions (2-8°C) for at least 24 months and achieves high protein yield (8g/L). It is a major advantage for cost of goods.

Better Biological Activity. MHB018A exhibits a better biological activity. It demonstrates approximately 2-3-fold stronger ligand-blocking potency compared to the existing IGF-1R antibodies. It also achieves complete blockade of both IGF-1 and IGF-2, whereas the other IGF-1R antibodies do not fully block IGF-2.

Mechanistic Strategies to Mitigate Hearing Loss Risk. MHB018A incorporates two strategies designed to mitigate hearing-related risk. First, we use a subcutaneous administration to reduce systemic exposure. Second, MHB018A has an Fc-silenced antibody backbone which eliminates ADCC- and CDC-mediated immune-related risks. Clinical data affirms MHB018A's favorable safety profile and lowering long-term risk for patients. MHB018A shows no severe hearing damage in over 90 treated patients, while teprotumumab is known for a significant risk of hearing loss.

Summary of Clinical Trials

The following sets forth an overview of the key clinical studies of MHB018A.

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/ expected initiation date	Actual/ expected completion date
MHB018A-CP001CN	Ia	Mono	Randomized, double-blind, placebo-controlled, fixed-dose	China	Healthy volunteers (SAD)	Completed	n=16 (actual)	May 2023 (actual)	September 2023 (actual)
MHB018A-CP002CN	Ib/II	Mono	Ib: Randomized, double-blind, placebo-controlled II: Dose expansion	China	Ib: Active TED participants (MAD) II: Active and chronic TED participants (dose-expansion)	Completed	Active TED n=71 (actual) Chronic TED n=33 (actual)	September 2023 (actual)	August 2025 (actual)
MHB018A-P-301	III	Mono	Randomized, double-blind, placebo-controlled	China	Active TED participants	Ongoing	n=108 (expected)	July 2025 (actual)	second half of 2027 (expected)
MHB018A-P-302	III	Mono	Randomized, double-blind, placebo-controlled	China	Chronic TED participants	Ongoing	n=150 (expected)	March 2026 (actual)	second half of 2028 (expected)

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/ expected initiation date	Actual/ expected completion date
MHB018A-P-303	III	Mono	Multi-center, open-label extension study	China	Active and chronic TED participants	Ongoing	Eligible subjects including non-responders or with relapsed disease from MHB018A-P-301 and MHB018A-P-302 studies	January 2026 (actual)	first half of 2030 (expected)
MHB018A-P-304. .	III	Mono	Randomized, double-blind, placebo-controlled	U.S./E.U./ Japan	Active TED participants	Planned	n=84 (expected)	December 2026 (expected)	second half of 2029 (expected)
MHB018A-P-305. .	III	Mono	Randomized, double-blind, placebo-controlled	U.S./E.U./ Japan	Chronic TED participants	Planned	n=135 (expected)	December 2026 (expected)	second half of 2029 (expected)
MHB018A-P-306. .	III	Mono	Multi-center, open-label extension study	U.S./E.U./ Japan	Active and chronic TED participants	Planned	Eligible subjects including non-responders or with relapsed disease from MHB018A-P-304 and MHB018A-P-305 studies	second half of 2027 (expected)	first half of 2031 (expected)

MHB018A-CP001CN: A Phase Ia, Randomized, Double-Blind, Placebo-Controlled Clinical Study of MHB018A Injection in Healthy Subjects

Overview. This was a mono Phase Ia, single-center, randomized, double-blinded, placebo-controlled first-in-human mono clinical study of MHB018A injection (monotherapy) in healthy subjects. This was a single ascending dose (SAD) study in healthy subjects with the multiple ascending dose (MAD) study to be conducted subsequently in patients. We sponsored the study. The primary objectives were to evaluate the safety and tolerability of a single dose of MHB018A injection in healthy subjects. The secondary objectives were to assess the PK profile, the immunogenicity, and relevant serum biomarkers in subjects.

Trial design. A total of 16 healthy participants were enrolled in this study. Two dose groups were designed for the SAD trial with the starting dose of a fixed 300 mg and then escalated to a fixed 600 mg dose. Each group was designed to enroll 8 healthy subjects that were randomly assigned to receive a specified dose of MHB018A injection or receive the same volume of MHB018A placebo according to a ratio of 6:2 (active vs placebo). After randomization, the subjects in the SAD part received the study drug on Day 1 and completed a safety evaluation on Day 15 post-dose. The primary endpoints were safety evaluation. The secondary endpoints included PK, ADA, and biomarker evaluation.

Key inclusion criteria included: (i) female and male healthy subjects aged 18 years to 60 years (inclusive) at the time of signing the informed consent form; and (ii) body mass index (BMI) within the range of 18.0 to 28.0 kg/m^2 (inclusive), body weight $\geq$60 kg for males and $\geq$50 kg for females at screening.

Key exclusion criteria included: (i) diagnosed with any clinical diseases (such as disorders in respiratory system, circulatory system, digestive system, nervous system, hematological system, urogenital system, and endocrine system) or psychiatric disorders (such as depression and schizophrenia) within the past half a year or at screening; (ii) history of malignancies in any organ systems within 5 years prior to screening; (iii) having received any other medications within 2 weeks prior to the first dose of the study drug (or within 5 elimination half-lives after the last dose, whichever is longer); and (iv) known or suspected (by the investigator) allergy to any components of the investigational drug, history of allergic disease, or allergic constitution.

Status. We initiated the Phase Ia clinical trial in May 2023 and completed the trial in September 2023.

Safety data. 16 patients were included in the safety set analysis. MHB018A was well tolerated at doses up to 600 mg. There was one treatment-related Grade ≥3 TEAE and no SAE observed. Most AEs were Grade 1 or Grade 2 in severity and resolved after completion of treatment. Data from the healthy volunteer study supported a Q4W dosing regimen at either the 300 mg or 600 mg dose level.

MHB018A-CP002CN: A Phase Ib/II, Randomized, Double-blind, Placebo-controlled Clinical Study of MHB018A Injection in Subjects with Moderate-to-Severe Thyroid Associated Orbitopathy

Overview. This was a Phase Ib/II study of MHB018A injection (monotherapy) in subjects with moderate-to-severe TED. This study consisted of a randomized, double-blind, placebo-controlled dose exploration part and an open-label dose expansion part. We sponsored the study.

Trial Design. In the dose exploration part, total 30 active TED patients were enrolled into three different dose groups (600 mg+300 mg×2, 300 mg×3 and 450 mg×3). Based on the safety, preliminary efficacy and PK/PD results in the exploration part, two doses (300 mg×3 and 450 mg×3) were selected for further expansion in an open-label fashion. The efficacy for each dose group was evaluated by combining both the dose exploration and dose expansion patients, and the six placebo treated patients were also pooled together as the control arm.

In the exploration part, two doses (300 mg×3 and 450 mg×3) were selected for further expansion in an open-label study. The efficacy for each dose group was evaluated by combining both the dose exploration and dose expansion patients and the six placebo treated patients were also pooled together as the control arm. Based on efficacy and safety data from the active TED cohorts, 450 mg Q4W was selected for expansion in 33 chronic TED patients in an open-label study with a treatment duration of 24 weeks.

In Phase Ib, the primary endpoints were incidence of TEAE, SAE, and AE leading to study discontinuation, vital signs, physical examination, 12-lead electrocardiogram, and laboratory test. The secondary endpoints included plasma drug concentration, proportion of subject with MHB018A ADA, and RP2D.

In Phase II, the primary endpoint was the proptosis response rate. The key secondary endpoints included CAS score improvement rate, diplopia improvement rate, incidence of TEAE, SAE and AE leading to study discontinuation.

Key inclusion criteria included: (i) male or female, aged 18 to 75 years (inclusive); (ii) subjects with Graves' disease clinically diagnosed with TED (for active TED subjects: study eye/target eye with a CAS ≥3 (on 7-point scale) at screening and baseline; for chronic TED subjects: study eye/target eye with a CAS <3 (on 7-point scale) and ocular symptoms occurred ≤10 years prior to signing the informed consent form; and (iii) subjects clinically diagnosed with moderate-to-severe TED at screening and baseline (i.e., not affecting visual acuity but significantly impacting daily life), typically accompanying by two or more of the following symptoms: eyelid retraction >2 mm, moderate-to-severe soft tissue involvement, proptosis by ≥3 mm from normal value, and/or intermittent or persistent diplopia.

Key exclusion criteria included: (i) decreased best-corrected visual acuity due to optic neuropathy as defined by a decrease in vision within the last 6 months of two lines of Snellen chart, new visual field defect or color defect secondary to optic nerve involvement; (ii) corneal

abnormalities affecting efficacy evaluation as assessed by the investigator; (iii) a decrease of ≥2 points in CAS or a reduction in proptosis in the target eye by ≥2 mm within 4 weeks prior to the first dose; and (iv) free thyroxine and free triiodothyronine levels out of normal reference range by more than 50% at screening.

Status. We initiated the Phase Ib/II clinical trial in September 2023 and completed the trial in August 2025.

Efficacy. In patients with active TED, Week 12 proptosis response rates were 56.0%, 50.0%, and 81.3% for the 300 mg ×3 (n=25), 600 mg + 300 mg ×2 (n=8), and 450 mg ×3 (n=32) cohorts, respectively, compared with 16.7% for placebo. Mean changes in proptosis from baseline at Week 12 were -2.225 mm, -2.693 mm, and -2.827 mm for the 300 mg ×3, 600 mg + 300 mg ×2, and 450 mg ×3 groups, respectively, compared with -1.132 mm for placebo.

Summary of Study-eye Clinical Efficacy in Active TED at Week 12

	300 mg ×3 n=25	600 mg + 300 mg ×2 n=8	450 mg ×3 n=32	Placebo n=6
Proptosis response rate[(1)]	56.0%	50.0%	81.3%	16.7%
Change in proptosis from baseline (mm)	-2.225 mm	-2.693 mm	-2.827 mm	-1.132 mm

Note: Proptosis response rate refers to the percentage of subjects with a reduction in proptosis of ≥2 mm in the study eye compared to baseline, without deterioration (≥2 mm) in the fellow eye.

MHB018A demonstrated rapid improvement in proptosis, with some participants responding as early as Week 4. Notably, in the 450 mg ×3 regimen, 43.8% and 62.5% of subjects achieved a ≥2 mm reduction from baseline in proptosis at Weeks 4 and 8, respectively.

Proptosis Response Rate by Visit for Active TED

	300 mg ×3 n=25	600 mg + 300 mg ×2 n=8	450 mg ×3 n=32	Placebo n=6
Week 4				
Proptosis response rate, %	44.0	37.5	43.8	0.0
(95% CI)	(24.40, 65.07)	(8.52, 75.51)	(26.36, 62.34)	(0.00, 45.93)
Risk difference, % (95% CI)	44.0 (0.83, 63.22)	37.5 (-10.40, 70.34)	43.8 (1.39, 60.89)	
Week 8				
Proptosis response rate, %	60.0	37.5	62.5	16.7
(95% CI)	(38.67, 78.87)	(8.52, 75.51)	(43.69, 78.90)	(0.42, 64.12)
Risk difference, % (95% CI)	43.3 (-1.88, 68.05)	20.8 (-29.90, 60.31)	45.8 (1.80, 68.67)	
Week 12				
Proptosis response rate, %	56.0	50.0	81.3	16.7
(95% CI)	(34.93, 75.60)	(15.70, 84.30)	(63.56, 92.79)	(0.42, 64.12)
Risk difference, % (95% CI)	39.3 (-5.87, 64.59)	33.3 (-19.60, 69.88)	64.6 (21.51, 84.04)	

A progressive, dose-dependent reduction in proptosis from baseline was observed across MHB018A treatment arms as the number of doses increased, with the 450 mg ×3 regimen showing the greatest improvement from baseline.

Change from Baseline in Proptosis (mm) by Visit for Active TED

	300 mg Q4W n=25	600 mg + 300 mg Q4W n=8	450 mg Q4W n=32	Placebo n=6
Week 4				
Mean (SD)	-1.670 (1.361)	-1.459 (1.086)	-1.661 (1.011)	-0.400 (0.724)
Week 8				
Mean (SD)	-2.139 (1.346)	-1.765 (1.081)	-2.483 (1.147)	-0.618 (1.464)
Week 12				
Mean (SD)	-2.225 (1.441)	-2.693 (1.445)	-2.827 (1.156)	-1.132 (2.292)

In patients with chronic TED, 33 patients received MHB018A 450 mg Q4W. Proptosis demonstrated a sustained improvement over time, with 64% achieving a ≥2 mm reduction by Week 12 and 25 patients (76%) achieving a ≥2 mm reduction by Week 24, meeting the primary clinical efficacy endpoint.

Safety Data. In patients with active TED, 71 subjects were included in the safety set analysis. MHB018A was well tolerated across three dosing regimens.

Safety Profile for Active TED

	600 mg+300 mg Q4W N=8 (%)	300 mg Q4W N=25 (%)	450 mg Q4W N=32 (%)	Placebo N=6 (%)
Any TEAEs	8 (100)	25 (100)	32 (100)	5 (83.3)
Grade ≥3 TEAEs	3 (37.5)	0	3 (9.4)	0
TEAEs leading to dose interruption	1 (12.5)	2 (8.0)	4 (12.5)	0
TEAEs leading to treatment discontinuation	1 (12.5)	0	1 (3.1)	0
TEAEs leading to death	0	0	0	0
TEAEs leading to premature withdrawal from the study	1 (12.5)	0	1 (3.1)	0
Any TRAEs	7 (87.5)	20 (80.0)	31 (96.9)	5 (83.3)
Grade ≥3 TRAEs	1 (12.5)	0	1 (3.1)	0
TRAEs leading to dose interruption	1 (12.5)	1 (4.0)	2 (6.3)	0
TRAEs leading to treatment discontinuation	1 (12.5)	0	0	0
TRAEs leading to death	0	0	0	0
TRAEs leading to premature withdrawal from the study	1 (12.5)	0	0	0
SAEs	3 (37.5)	0	3 (9.4)	0
Treatment-related SAEs	1 (12.5)	0	1 (3.1)	0
Grade ≥3 SAEs	2 (25.0)	0	3 (9.4)	0
Grade ≥3 treatment-related SAEs	0	0	1 (3.1)	0

In patients with chronic TED, 33 subjects were included in the safety set analysis. MHB018A was well tolerated over the 24-week treatment period.

Safety Profile for Chronic TED

	450 mg Q4W N=33 (%)
Any TEAEs	33 (100)
Grade ≥3 TEAEs	0
TEAEs leading to dose interruption	8 (24.2)

	450 mg Q4W N=33 (%)
TEAEs leading to treatment discontinuation	0
TEAEs leading to death	0
TEAEs leading to premature withdrawal from the study	0
Any TRAEs	33 (100)
Grade ≥3 TRAEs	0
TRAEs leading to dose interruption	6 (18.2)
TRAEs leading to treatment discontinuation	0
TRAEs leading to death	0
TRAEs leading to premature withdrawal from the study	0
SAEs	0
Treatment-related SAEs	0
Grade ≥3 SAEs	0
Grade ≥3 treatment-related SAEs	0

Overall, MHB018A demonstrated a favorable safety profile, and its benefit-risk profile supports continued clinical development. 450 mg Q4W was selected as the recommended Phase III Dose (RP3D).

MHB018A-P-301: A Phase III, Randomized, Double-Blind, Placebo-Controlled Study to Evaluate the Efficacy of MHB018A Injection in Subjects with Active Moderate-to-Severe Thyroid Eye Disease

Overview. This is a multiregional, multicenter, randomized, double-blind, placebo-controlled Phase III clinical trial of MHB018A monotherapy conducted in subjects with active moderate-to-severe TED in China. We sponsor the study.

Trial Design. The study expects to enroll 108 patients in a 2:1 ratio to receive either MHB018A or placebo. Participants will receive a fixed dose of 450 mg MHB018A administered subcutaneously every four weeks for a total of six doses over 24 weeks. Patients who do not have proptosis response at Week 24, or those who require additional treatment during the safety follow-up period, may enroll in an open-label extension study (MHB018A-P-303). Patients who demonstrate a proptosis response at Week 24, or choose not to join the open-label extension, will continue with safety monitoring for 48 weeks, with the Week 24 safety data serving as a key data point for the planned BLA submission. The primary endpoint is the proptosis response rate at Week 24, comparing the active drug to placebo. The key secondary endpoints will include change in proptosis, percentage of subjects with CAS of 0 or 1, and diplopia response rate at Week 24.

Status. We initiated the trial in July 2025 in China and expect to complete it in the second half of 2027.

MHB018A-P-302: A Phase III, Randomized, Double-Blind, Placebo-Controlled Study to Evaluate the Efficacy of MHB018A Injection in Subjects with Chronic Moderate-to-Severe Thyroid Eye Disease

Overview. This is a multiregional, multicenter, randomized, double-blind, placebo-controlled Phase III clinical trial of MHB018A monotherapy conducted in subjects with chronic moderate-to-severe TED in China. We sponsor the study.

Trial Design. The study expects to enroll 150 patients in a 2:1 ratio to receive either MHB018A or placebo. Participants receive a fixed dose of 450 mg MHB018A administered subcutaneously every four weeks for a total of six doses over 24 weeks. Patients who do not have proptosis response at Week 24, or those who require additional treatment during the safety follow-up period, may enroll in an open-label extension study (MHB018A-P-303). Patients who demonstrate a proptosis response at Week 24, or choose not to join the open-label extension, will continue with safety monitoring for 48 weeks, with the Week 24 safety data serving as a key data

point for the planned BLA submission. The primary endpoint is the proptosis response rate at Week 24, comparing the active drug to placebo. The secondary endpoints include change in proptosis, percentage of subjects with CAS of 0 or 1, and diplopia response rate at Week 24.

Status. We initiated the trial in March 2026 in China and expect to complete it in the second half of 2028.

MHB018A-P-303: A Phase III, Multicenter, Open-Label Extension Study to Evaluate the Efficacy and Safety of MHB018A Injection in Subjects with Thyroid Eye Disease

Overview. This is a multicenter, open-label Phase III extension study of MHB018A monotherapy in subjects with moderate-to-severe TED in China.

Trial Design. Active TED subjects who previously participated in and completed the double-blind treatment period of the MHB018A-P-301 study, or chronic TED subjects who participated in and completed the double-blind treatment period of the MHB018A-P-302 study, and who did not meet the proptosis response criteria at the end of the 24-week double-blind treatment period are eligible to enter this open-label trial to receive a 24-week MHB018A treatment (MHB018A 450 mg Q4W). Additionally, subjects who met the proptosis response criteria at the end of the 24-week double-blind treatment period but subsequently met the retreatment criteria for disease relapse during the safety follow-up period are also eligible to enter this open-label treatment trial to receive an additional 24-week MHB018A treatment (MHB018A 450 mg Q4W). Patients will receive a fixed dose administered subcutaneously every four weeks for a total of six doses over 24 weeks, followed by a 48-week safety follow-up period.

Status. We initiated the trial in January 2026 and expect to complete it in the first half of 2030.

MHB018A-P-304: A Phase III, Randomized, Double-Blind, Placebo-Controlled Study to Evaluate the Efficacy of MHB018A Injection in Subjects with Active Moderate-to-Severe Thyroid Eye Disease

Overview. This is a multiregional, multicenter, randomized, double-blind, placebo-controlled Phase III clinical trial of MHB018A monotherapy conducted in subjects with active moderate-to-severe TED in U.S./E.U./Japan.

Trial Design. We expect to enroll 84 patients in the study. The remaining trial design is identical to *MHB018A-P-301*.

Status. We engaged with a CRO to commence the study in March 2026. We expect the first patient enrollment in December 2026, reach primary completion in the second half of 2028, and achieve full study completion in the second half of 2029.

MHB018A-P-305: A Phase III, Randomized, Double-Blind, Placebo-Controlled Study to Evaluate the Efficacy of MHB018A Injection in Subjects with Chronic Moderate-to-Severe Thyroid Eye Disease

Overview. This is a multiregional, multicenter, randomized, double-blind, placebo-controlled Phase III clinical trial of MHB018A monotherapy conducted in subjects with chronic moderate-to-severe TED in U.S./E.U./Japan.

Trial Design. We expect to enroll 135 patients in the study. The remaining trial design is identical to *MHB018A-P-302*.

Status. We engaged with a CRO to commence the study in March 2026. We expect the first patient enrollment in December 2026, reach primary completion in the second half of 2028, and achieve full study completion in the second half of 2029.

MHB018A-P-306: A Phase III, Multicenter, Open-Label Extension Study to Evaluate the Efficacy and Safety of MHB018A Injection in Subjects with Thyroid Eye Disease

Overview. This is a is a multicenter, open-label Phase III extension study of MHB018A monotherapy in subjects with moderate-to-severe TED in U.S./E.U./Japan.

Trial Design. Identical design as *MHB018A-P-303*.

Status. We expect to initiate the study in the second half of 2027, reach primary completion in the first half of 2030, and achieve full study completion in the first half of 2031.

Clinical Development Plan

MHB018A is advancing through pivotal clinical trials. In the U.S., an EOP2 meeting with the FDA was held in December 2024. The agency agreed to accept China clinical data as the basis for Phase III trial initiation in the U.S., without requiring any bridging studies. As a result, we filed the Phase III IND for both active and chronic indications in November 2025 and received IND clearance from the FDA in December 2025. We plan to enroll the first patient in the U.S. in December 2026. The clinical operations have been outsourced to an experienced CRO, with our domestic clinical operational team responsible for overall management and coordination. We expect to submit BLAs to the NMPA in the second half of 2027 and the second half of 2028 for active and chronic TED, respectively.

In Europe and Japan, we intend to submit CTN applications to conduct Phase III clinical trials of MHB018A in the second half of 2026. We plan to conduct clinical development in order to expand patient enrollment and seek potential commercialization of MHB018A in Europe and Japan after receiving approval from the EMA and the Pharmaceuticals and Medical Devices Agency (PMDA), respectively.

We have no current plan to conduct head-to-head comparative studies for MHB018A. However, should such studies be requested by competent regulatory authorities, we would consider the request in the context of its overall clinical development strategy.

Material Communications with Competent Authorities

The following table sets forth a summary of our material communications with regulatory authorities regarding MHB018A:

Trial	Milestone/Stage	Timeline
Phase I/II Randomized, double-blind, placebo-controlled, fixed-dose in healthy volunteers and patients with TED in China	Submission of IND application to the NMPA in China	January 2023
	Umbrella IND approval from the NMPA in China for Phase I/II clinical trial of MHB018A monotherapy targeting TED sponsored by us	March 2023
Phase III clinical trial for active TED in China	Submission of request for EOP2 meeting with the NMPA for Phase III trial for active TED in China	February 2025

Trial	Milestone/Stage	Timeline
	Approval from the NMPA to initiate for Phase III trial for active TED in China	June 2025(1)
Phase III clinical trial for chronic TED in China	Submission of request for EOP2 meeting with the NMPA for Phase III trial for chronic TED in China	July 2025
	Approval from the NMPA to initiate Phase III for Phase III trial for chronic TED in China	September 2025
Phase III clinical trial for TED in the U.S.	Type B PIND meeting with the FDA which agreed that a bridging study is not needed to support clinical trials in the U.S.	September 2023
	Submission of request for EOP2 meeting with the FDA for Phase III trial for TED in the U.S.	September 2024
	Receipt of EOP2 meeting minutes from the FDA regarding the global Phase III trial design for global Phase III trials for TED(2)	December 2024
	IND submission for global Phase III trials for TED to the FDA	November 2025
	IND approval from the FDA for global Phase III trials for TED(3)	December 2025

Notes

(1) We obtained full efficacy data from the active TED cohort and subsequently submitted an application for an EOP2 meeting with the NMPA in February 2025. At the time we received the NMPA clearance for Phase III trial for active TED, the chronic TED cohort study was still ongoing. Hence, the clearance date for the Phase III trial for active TED (June 2025) preceded the formal completion date of the overall Phase I/II trial (August 2025).

(2) The FDA has no holding comments on the Phase III clinical trial protocols for either active or chronic TED.

(3) The IND approval for global Phase III trials for TED was granted based on the results of Phase I/II clinical trial generated in China and submitted to the FDA. No additional clinical trial data was required.

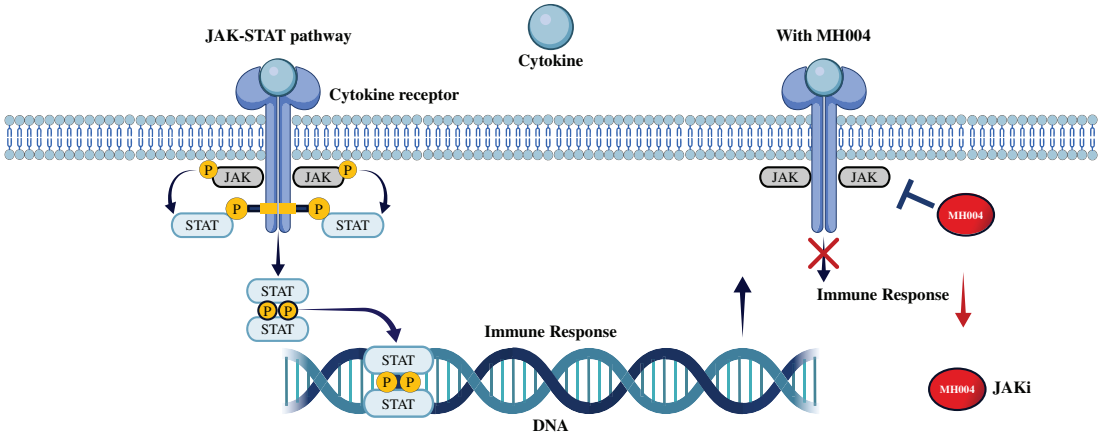
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB018A SUCCESSFULLY.

Key Product MH004: Novel Topical Prodrug of Tofacitinib Targeting Atopic Dermatitis and Vitiligo

Overview

MH004 (tofacitinib etocomil) ointment is our proprietary topical formulation containing a novel prodrug of tofacitinib designed to modulate JAK1 and JAK2/3 pathways that regulate type 2 cytokine, a primary mediator of inflammation in AD. Compared with tofacitinib, MH004 has a more balanced lipophilicity and hydrophilicity profile, resulting in enhanced skin penetration and improved suitability for topical application. MH004 is being developed for multiple dermatologic autoimmune diseases, including AD and vitiligo. We hold the exclusive global rights for development, manufacturing and commercialization and have full control over MH004.

Mechanism of Action



AD is primarily driven by type 2 cytokines regulated by JAK signaling pathway, particularly JAK1 and JAK2/3. JAK activity also contributes to itch modulation via sensory nerve fibers and help regulate epidermal proteins essential to maintaining the skin barrier. Vitiligo arises from immune-mediated destruction of melanocytes, driven in part by IFN-γ/JAK-STAT signaling, and manifests as progressive depigmented macules and patches involving exposed and cosmetically sensitive areas.

Most existing JAK inhibitors are relatively hydrophilic, limiting their ability to penetrate the skin for topical use. MH004 was designed to address this challenge as a prodrug of tofacitinib with optimized lipophilicity and hydrophilicity profile. Unlike most marketed JAKi that rely on oral administration, MH004 is formulated as a novel cream-like ointment that, once applied, gradually penetrates the skin and undergoes hydrolysis to locally release the active metabolite, tofacitinib, a potent JAK1/2/3 inhibitor with anti-inflammatory effects.

Market Opportunity and Competition

Atopic Dermatitis

The global AD drug market expanded from US$9.5 billion in 2020 to US$16.5 billion in 2025, and is projected to reach US$29.9 billion in 2035, implying a CAGR of 6.1% from 2025. In China, the market grew from US$0.7 billion in 2020 to US$2.1 billion in 2025, and is expected to continue growing at a CAGR of 10.3% through 2035. As of the Latest Practicable Date, there were four topical JAK inhibitors in Phase III or more advanced stages for AD globally. MH004 (tofacitinib etocomil) is one of the two JAKi that has advanced to the NDA stage in China for AD, positioning it among the earliest potential domestic entrants in the systemic JAK segment. Other candidates targeting JAK1, JAK2, JAK3, or TYK2 remain in earlier clinical phases.

Vitiligo

The global vitiligo drug market grew from US$1.2 billion in 2020 to US$2.0 billion in 2025, and is expected to reach US$11.8 billion in 2035, implying a CAGR of 19.4% from 2025. As of the Latest Practicable Date, there were four topical JAK inhibitors under Phase II or in more advanced clinical trial stages for vitiligo globally.

For details, see "Industry Overview — Global Dermatology Treatment And Care Market."

Competitive Advantages

MH004 offers differentiated topical JAKi with substantially low systemic exposure and reduced JAK2 inhibitory activity, which may support broader dermatologic use under clinical and regulatory guidance. MH004 ointment can enable use for skin diseases including AD and vitiligo, with a localized profile intended to minimize systemic safety risks associated with the class.

Summary of Clinical Trials

The following sets forth an overview of the key clinical studies of MH004.

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/ expected initiation date	Actual/ expected completion date
MH004-CP002CN.	I/II	Mono	Randomized, double-blind, placebo-controlled	China	Ia: Healthy volunteers II: Patients aged 12 years and above with mild-to-moderate AD (children, adolescents and adults).	Completed	I:n=10 II:n=150 (actual)	January 2022 (actual)	October 2022 (actual)(1)
MH004-P-302 . .	III	Mono	Randomized, double-blind, placebo-controlled with long-term safety follow-up	China	Patients aged 12 years and above with mild-to-moderate AD (children, adolescents and adults).	Completed	n=377 (actual)	August 2023 (actual)	August 2025 (actual)
					Pediatric/adolescent subset Patients who were adolescents at enrollment (<18 years).		n=109 (actual)		
MH004-E-201 . .	II	Mono	Randomized, double-blind, placebo-controlled with an extension treatment period	China	Patients aged 12 years and above with non-segmental vitiligo (children, adolescents and adults).	(Completed)	n=156 (expected)	March 2024 (actual)	May 2026 (actual)

Note:

(1) We completed the Phase I/II clinical trial of MH004 for AD within one year owing to our integrated Phase I/II design and short four-week treatment course. The high prevalence of AD in China and our established dermatology site network facilitated efficient patient enrollment. The local Phase I assessed safety in two dose groups in healthy volunteers, building on prior Australian data. With no material protocol amendments and efficient execution by our in-house team and CRO, data processing and database lock were completed promptly.

MH004-CP002CN: A Randomized, Placebo-Controlled Phase I/II Dose-Finding Study In China Evaluating The Efficacy And Safety Of MH004 Ointment In Subjects With AD.

Overview. This is a multicenter, randomized, placebo-controlled, Phase I/II trial conducted in China to assess the efficacy and safety of MH004 ointment (monotherapy) after 4 weeks of treatment in patients aged 12 years and older with mild-to-moderate AD. The study consisted of Phase I and Phase II trials, for PK bridging study and dose-evaluation study, respectively. We sponsored the study.

Phase I

Trial design. A total of 10 healthy subjects were enrolled. All subjects received a single dose of 1% MH004 ointment (n = 8) or placebo (n = 2) on Day 1, followed by BID dosing (q12d) from Day 2 to Day 8. PK samples were collected after dosing on Day 1 and after dosing on Day 8. The applied dose was 0.5 g/100 cm^2 of MH004 ointment applied to the entire skin surface of the back, equivalent to 13% of the total BSA.The primary endpoints were to evaluate the safety and tolerability. The secondary endpoints were to evaluate the PK profile.

Key inclusion criteria included: (i) male or female, between 18 and 70 years of age (inclusive), at the time of signing the informed consent form; and (ii) 18.0 $kg/m^2 \leq$ body mass index (BMI) $\leq$ 35.0 kg/m^2 (inclusive) at screening.

Key exclusion criteria included: (i) participants with skin disorders (*e.g.*, eczema, psoriasis) at screening that might affect the application of investigational drug and corresponding observation; (ii) any clinical diseases (*e.g.*, respiratory, circulatory, digestive, neurological, hematologic, genitourinary, endocrine disorders) or psychiatric disorders (*e.g.*, depression, schizophrenia) at screening; (iii) history of medication (including local, topical, systemic, therapeutic, or prophylactic medications) within 2 weeks prior to the start of dosing; and (iv) history of malignancy of any organ within 5 years prior to screening.

Status. We initiated the Phase I clinical trial in January 2022 and completed the trial in February 2022.

Safety data. In the treatment group, 8 subjects experienced 25 treatment-emergent adverse events (TEAEs). No serious adverse events (SAEs) occurred and no adverse events led to discontinuation. In the placebo group, 1 subject experienced 1 TEAE. No SAEs occurred and no adverse events led to discontinuation. No Grade 3 or higher AEs or SAEs were reported.

Phase II

Trial design. A total of 150 patients with mild to moderate AD were enrolled and randomized into three groups (0.3%, 1.0% MH004, and placebo group), with 50 participants in each group. The participants received multiple doses of the investigational drug or placebo for 4 weeks. The doses were given by spreading appropriate amount of MH004 or placebo to the affected areas.The primary endpoints were to evaluate the preliminary efficacy. The secondary endpoints were to evaluate the safety, tolerability, and PK profile.

Key inclusion criteria included: (i) male or female, between 12 and 70 years of age (inclusive), at the time of signing the informed consent form; (ii) clinical diagnosis of AD according to Hanifin-Rajka diagnostic criteria at screening with a history of 6 months or more prior to screening; (iii) Patients with mild and moderate AD before first dose (Investigator Global Assessment (IGA) score of 2 to 3, and total area of AD lesions: 3% $\leq$ BSA $\leq$ 20%).

Key exclusion criteria included: (i) the following treatments were used prior to screening: a) Use of topical medications (other than emollients containing no medicinal ingredients) for the treatment of AD within 2 weeks prior to application; b) Systemic treatment (except for corticosteroid inhalants and nasal sprays) with antihistamines/corticosteroids or other immunosuppressives/immunomodulatory substances (e.g., cyclosporine, mycophenolate mofetil, azathioprine, methotrexate) within 2 weeks or 5 half-lives prior to application; c) Previous treatment with oral or topical JAK inhibitors; d) Treatment with ultraviolet radiation within 2 weeks prior to application or chronic exposure to natural or artificial sources of ultraviolet radiation, and/or intentional exposure to such ultraviolet radiation during the study, which in the opinion of the investigator might affect treatment of AD; e) Participation in any other clinical trials within 28 days prior to screening; f) Use of biological products within 5 half-lives or 12 weeks prior to application (whichever is longer); g) Participants who have received live or attenuated vaccines

within 4 weeks prior to treatment, or planned to receive such vaccines during the study; (ii) participants who have other diseases, in addition to skin disorders (e.g., other autoimmune disorders), that required continuous treatment, which in the opinion of the investigator might affect study-related assessments; and (iii) any systemic disease or other active skin diseases, such as psoriasis, that might affect the evaluation of the results of the trial.

Status. We initiated the Phase II clinical trial in March 2022 and completed the trial in October 2022.

Efficacy data. A total of 150 participants were enrolled and 146 were included in the FAS, including 47 in the 0.3% active treatment group, 49 in the 1.0% active treatment group and 50 in the placebo group. 1.0% MH004 BID demonstrated a significantly greater mean percentage change from baseline in EASI scores versus vehicle at week 4 (-78.7% vs -46.7%; P = 0.0003).

Safety data. 68 patients (45.6%) experienced TEAEs, among which 5 patients (3.4%) discontinued. 31 patients experienced treatment-related adverse events (TRAEs). No SAEs occurred.

MH004-P-302: Multicenter, Randomized, Double-Blind, Vehicle-Controlled Phase III Study to Evaluate the Efficacy and Safety of MH004 Ointment Followed by a 44-week Open-Label Long-Term Safety Extension Period in Adolescents and Adults with Mild to Moderate AD

Overview. This Phase III trial of MH004 ointment in China is multicenter, randomized, double-blind and vehicle-controlled, followed by a 44-week open-label long-term safety (LTS) period, designed to evaluate the efficacy and safety of MH004 ointment (monotherapy) in patients aged 12 years and older with mild-to-moderate AD, including adolescents and adults. Building on Phase I/II findings, the study further assessed and confirmed the 1.0% MH004 BID regimen for efficacy over an 8-week vehicle-controlled (VC) period and for long-term safety. We sponsored the study.

Trial design. A total of 377 subjects were randomized in a 2:1 ratio. 251 subjects were assigned to MH004 1.0% ointment and 126 subjects were assigned to vehicle. MH004 1% ointment was applied topically to the affected area as a thin film twice daily. In the vehicle group, 111 elected to enter the 44-week open-label LTS period after completing the VC period. The primary endpoints were the proportions achieving IGA treatment success (IGA-TS; IGA 0/1 with ≥2-point improvement from baseline) at Week 4 and achieving EASI-75 at Week 4. Key secondary endpoints included the proportions achieving IGA-TS and EASI-75 at Week 8; the proportion with a ≥4-point improvement from baseline in Itch NRS at Week 4.

Key inclusion criteria included: (i) adolescents aged ≥ 12 to 17 years, inclusive, and men and women aged ≥18 years; (ii) clinical diagnosis of mild to moderate AD for at least 1 year prior to Day 1; (iii) participants who meet all the following AD criteria: VC period: IGA 2 to 3, affected BSA 3% to 20% (excluding scalp) at the baseline visit. LTS period: IGA 0 to 4, affected BSA 0% to 20% (excluding scalp) at Week 8; and (iv) participants who have at least one atopic dermatitis lesion not located on the hands, feet, or genitalia.

Key exclusion criteria included: (i) unstable course of atopic dermatitis (spontaneously improving or rapidly deteriorating) as determined by the investigator in the 4 weeks prior to baseline; (ii) concurrent conditions and history of other diseases: Immunocompromised; Chronic or acute infection requiring treatment with systemic antibiotics, antivirals, antiparasitics, antiprotozoals, or antifungals within 2 weeks before Baseline; Active acute bacterial, fungal, or viral skin infection within 1 week before Baseline; Any other concomitant skin disorder, pigmentation, or extensive scarring that, in the opinion of the investigator, may interfere with the evaluation of atopic dermatitis lesions or compromise participant safety; Presence of atopic dermatitis lesions only on the hands or feet without prior history of involvement of other classical

areas of involvement such as the face or the folds; Other types of eczema; and (iii) clinically significant cardiac disease; new cerebral infarction within 6 months from dosing; malignancies within 5 years from dosing; low hemoglobin; severe renal disease on dialysis; liver disease.

Status. We have initiated a Phase III clinical trial in August 2023 and completed the trial in August 2025.

Efficacy data. During the double-blind VC period at Weeks 4 and 8, the proportions of subjects achieving IGA-TS and EASI-75 were significantly higher in the 1.0% MH004 ointment group than in the vehicle group.

Overall Efficacy Outcomes

Efficacy endpoints	1.0% MH004 group N=251 (%)	Vehicle group N=126 (%)	P value
Week 4 IGA-TS response			
Responders	103 (41.0)	13 (10.3)	<0.0001
95% CI for response rate	34.889, 47.397	5.609, 16.997	
Week 4 EASI-75 response			
Responders	147 (58.6)	25 (19.8)	<0.0001
95% CI for response rate	52.201, 64.726	13.271, 27.881	

In the pediatric/adolescent subset, a total of 109 subjects aged ≥12 years who were adolescents at enrollment (<18 years) were included.

Efficacy Outcomes In Adolescents Aged 12–17 Years

Efficacy endpoints	1.0% MH004 group N=72 (%)	Vehicle group N=37 (%)	P value
Week 4 IGA-TS response			
Responders	39 (54.2)	6 (16.2)	0.0002
95% CI for response rate	42.004, 65.975	6.193, 32.014	
Week 4 EASI-75 response			
Responders	45 (62.5)	7 (18.9)	<0.0001
95% CI for response rate	50.299, 73.639	7.962, 35.155	

Safety data. A total of 377 subjects with mild-to-moderate AD were included in the safety analysis set. A cumulative 339 subjects entered the LTS phase and received 1.0% MH004 ointment as needed for extended safety observation. 228 subjects who received 1.0% MH004 during the period continued on 1.0% MH004, while 111 subjects who had received vehicle switched to 1.0% MH004. During the VC period of MH004-P-302, two SAEs were observed and were assessed by investigators as unrelated to study treatment. As of December 13, 2024, in the SS across all study periods, 16 subjects experienced SAEs, all assessed as unrelated to the investigational product.

Overall Safety Profile

	1.0% MH004 N=251 (%)	Vehicle N=126 (%)
Any TEAEs	115 (45.8)	70 (55.6)
Grade ≥3 TEAEs	9 (3.6)	0
TEAEs Leading to Treatment Interruption	4 (1.6)	5 (4.0)
TEAEs Leading to Treatment Discontinuation	2 (0.8)	1 (0.8)

	1.0% MH004 N=251 (%)	Vehicle N=126 (%)
TEAEs Leading to Early Study Withdrawal	2 (0.8)	0
TEAEs leading to Death	0	0
TEAEs Related to Local Skin Reactions at the Application Site	37 (14.7)	29 (23.0)
Any TRAEs	48 (19.1)	37 (29.4)
Grade ≥3 TRAEs	0	0
TRAEs Leading to Treatment Interruption	2 (0.8)	5 (4.0)
TRAEs Leading to Treatment Discontinuation	2 (0.8)	1 (0.8)
TRAEs Leading to Study Withdrawal	2 (0.8)	0
TRAEs leading to Death	0	0
TRAEs Related to Local Skin Reactions at the Application Site	36 (14.3)	28 (22.2)
SAEs	2 (0.8)	0
Treatment-related SAEs	0	0

A total of 109 adolescents (<18 years) with mild-to-moderate AD were included in the safety analysis set, comprising 72 subjects in the 1.0% MH004 ointment group and 37 subjects in the vehicle group.

Safety Profile in Adolescent Aged 12-17 Years Subset

	1.0% MH004 N=72 (%)	Vehicle N=37 (%)
Any TEAEs	31 (43.1)	20 (54.1)
Grade ≥3 TEAEs	3 (4.2)	0
TEAEs Leading to Treatment Interruption	1 (1.4)	0
TEAEs Leading to Treatment Discontinuation	1 (1.4)	0
TEAEs Leading to Early Study Withdrawal	1 (1.4)	0
TEAEs leading to Death	0	0
TEAEs Related to Local Skin Reactions at the Application Site	10 (13.9)	8 (21.6)
Any TRAEs	15 (20.8)	9 (24.3)
Grade ≥3 TRAEs	0	0
TRAEs Leading to Treatment Interruption	1 (1.4)	0
TRAEs Leading to Treatment Discontinuation	1 (1.4)	0
TRAEs Leading to Study Withdrawal	1 (1.4)	0
TRAEs leading to Death	0	0
TRAEs Related to Local Skin Reactions at the Application Site	9 (12.5)	7 (18.9)
SAEs	0	0
Drug-related SAEs	0	0

The reported TRAEs in the trial were mostly local skin reactions at the application site, including pain and itching.

MH004-E-201: Phase II Clinical Trial of MH004 Ointment in Patients With Non-segmental Vitiligo

Overview. This is a multicenter, randomized, double-blind, vehicle-controlled Phase II study of MH004 Ointment with a 28-week open-label long-term safety extension period. The study was designed to evaluate the safety, tolerability, PK, and primary efficacy of MH004 Ointment in adolescents and adults with vitiligo.

Trial Design. This Phase II trial of MH004 Ointment comprises two periods: a vehicle control period and an open-label long-term safety extension period. A total of 156 participants will be enrolled and randomly aligned to the 1.0% MH004 Ointment or vehicle arms and treated for up to 24 weeks, followed by a 28-week open-label LTS treatment period with 1.0% MH004 Ointment. The primary endpoint is the proportion of participants achieving F-VASI50 at Week 24. The secondary endpoint include the percentage of participants achieving F-VASI75 score at Week 24, the percentage change from baseline in F-BSA and F-VASI at Week 24, the percentage achieving T-VASI50 and T-VASI75 scores at Week 24; the proportion of participants achieving F-VASI50 at Week 52, the percentage change from baseline in T-VASI, T-BSA, and achieving T-VASI50 at Week 52, and the number of TEAE.

Key inclusion criteria include: (i) patients aged 12-65 years of either gender with non-segmental vitiligo involving ≥0.5% facial BSA and ≤20% total BSA, and (ii) willing to use effective contraception throughout participation.

Key exclusion criteria include: (i) other dermatoses that may complicate the assessment of vitiligo, (ii) previous depigmentation treatments (eg, monobenzone) for past treatment of vitiligo or other pigmented areas, (iii) use of protocol-specified prohibited treatments within the washout period, (iv) liver or renal damage, (v) allergic to any component of the investigational drug, and (vi) pregnant or lactating subjects.

Status. We initiated the Phase II clinical trial in March 2024 and completed the trial in May 2026. No additional Phase I trial was required for the indication vitiligo, as we have completed the Phase I trial in healthy subjects in the MH004-CP002CN study, which met the regulatory requirements for Phase II initiation. Initiation of the Phase II vitiligo trial is supported by the proven JAK inhibition mechanism in vitiligo and MH004's clinical activity demonstrated in AD.

Clinical Development Plan

For AD, we expect to launch MH004 in 2027 upon NDA approval. For vitiligo, we expect to initiate the Phase III trial in the second half of 2026.

We have no current plan to conduct head-to-head comparative studies for MH004. However, should such studies be requested by competent regulatory authorities, we would consider the request in the context of its overall clinical development strategy.

Material Communications with Competent Authorities

The following table sets forth a summary of our material communications with regulatory authorities regarding MH004:

Trial	Milestone/Stage	Timeline
Phase I/II clinical trial in healthy volunteers and patients with mild to moderate AD	Submission of IND application to the NMPA in China	July 2021
	Umbrella IND approval from the NMPA for Phase I/II clinical trial of MH004 monotherapy targeting mild to moderate AD sponsored by us	September 2021
Phase III clinical trial to evaluate the efficacy and safety of MH004 ointment followed by a 44-week open-label long-term safety extension period in adolescents and adults with mild to moderate AD	Submission of request for EOP2 meeting with the NMPA in China regarding our planned Phase III trial in AD in China	March 2023
	Approval from the NMPA on Phase III trial in China	May 2023
	NDA submission to the NMPA in China	May 2025

Trial	Milestone/Stage	Timeline
Phase III clinical trial for mild to moderate AD	Type B PIND meeting with FDA in the U.S.	October 2022
	Type B EOP2 meeting with FDA in the U.S.	January 2023
	Submission of IND application to the FDA in the U.S.	February 2023
	IND approval from the FDA in the U.S. for Phase III clinical trial of MH004 monotherapy targeting mild to moderate AD sponsored by us	April 2023
Phase II clinical trial for vitiligo	Submission of IND application to the NMPA in China	May 2023
	IND approval from the NMPA in China for Phase III clinical trial of MH004 monotherapy targeting vitiligo sponsored by us	July 2023
NDA of MH004 for AD	Initial submission of NDA[(1)]	May 2025
	CDE recommended us to resubmit the NDA for MH004 after obtaining the safety follow-up data from all subjects in the Phase III clinical trial for mild to moderate AD	December 2025
	Submission of an application to withdraw the initial NDA	January 2026
	NMPA approval of our application to withdraw	March 2026
	Resubmission of NDA (with all the safety follow-up data)	March 2026
	Resubmission of NDA accepted by the NMPA[(2)]	April 2026

Notes:

(1) NMPA issued formal review comments covering clinical, pharmacology and toxicology aspects. We responded to all comments and submitted the required supplementary documents and revised dossiers within the required timeframe.

(2) As of the Latest Practicable Date, we have not received any scientific or clinical comments, nor any request to conduct additional clinical trials, from the NMPA in connection with this NDA resubmission.

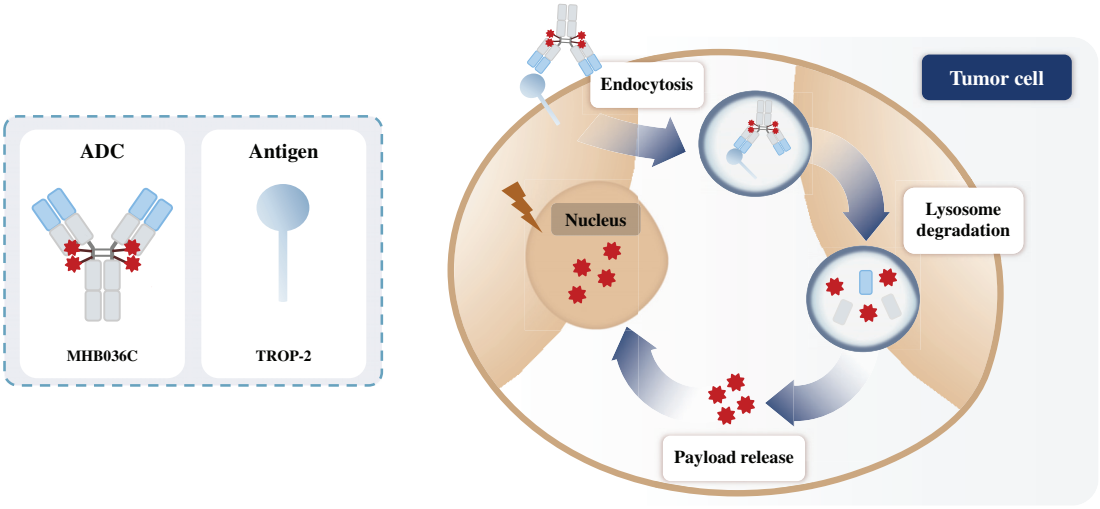
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MH004 SUCCESSFULLY.

Core Product MHB036C: A Promising TROP-2 ADC Targeting Multiple Solid Tumors

Overview

MHB036C has demonstrated convincing antitumor activity in multiple indications, including NSCLC and BC, with combination potential alongside advanced immuno-oncology agents in front-line settings. We hold the exclusive global rights for development, manufacturing and commercialization and has full control over of MHB036C.

Mechanism of Action



Trophoblast cell surface antigen 2 (TROP-2) is a transmembrane glycoprotein implicated in tumor growth and proliferation. Since the expression of TROP-2 is low in normal tissues yet frequently overexpressed in tumors and tumor-associated stroma, it is considered an attractive therapeutic target.

MHB036C is a TROP-2-targeting ADC composed of a proprietary, advanced DNA topoisomerase I inhibitor payload conjugated to a humanized monoclonal antibody via a cleavable maleimide tetrapeptide linker. The antibody has been Fc-engineered to mitigate potential off-target toxicity arising from nonspecific endocytosis. MHB036C binds selectively to TROP-2 on the tumor cell surface and is internalized as an ADC. The linker is designed to remain stable in plasma yet be selectively cleaved by lysosomal cathepsins, which are highly expressed in tumor cells. Following enzymatic cleavage, the payload is released from MHB036C, binds to and stabilizes the topoisomerase I–DNA cleavage complex, and consequently induces DNA damage and apoptotic death of tumor cells.

Market Opportunity and Competition

The global BC drug market grew from US$44.6 billion in 2020 to US$62.4 billion in 2025, and is expected to reach US$99.0 billion by 2035, representing a CAGR of 4.7% from 2025.

As of the Latest Practicable Date, three TROP-2 ADCs have obtained regulatory approvals that collectively cover TNBC, NSCLC and HR+/HER2- BC. Beyond approved products, an active global clinical pipeline is pursuing both monotherapy and combination strategies in BC, NSCLC and other solid tumors. For details, see "Industry Overview — Global TROP-2 ADC Market."

Competitive Advantages

Molecular design. MHB036C has been engineered using our proprietary SuperTopoi platform incorporating DNA Topo I inhibitor, a differentiated and potent payload. To manage safety, we adopt a stable and cleavable linker and a potent toxin with shorter half-life. The linker minimizes systemic exposure and reduces hematologic risks. Our proprietary DNA Topo I inhibitor is 5-10 times more potent than Dxd. This enhanced potency may enable stronger efficacy in patients or tumor types with low-to-moderate tumor-associated antigen (TAA) expression.

Addressing the efficacy and safety gap in current TROP-2 ADCs. There is a clear demand for an improved TROP-2 ADC. Existing products have encountered dose-limiting safety challenges, particularly ILD and major hematologic adverse events such as neutropenia and anemia. These factors constrain the long-term or front-line treatment. By addressing both efficacy and safety gaps, our SuperTopoi-based design has the potential to significantly advance the clinical and commercial profile of TROP-2 ADCs.

Summary of Clinical Trials

The following sets forth an overview of the key clinical studies of MHB036C.

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/expected initiation date	Actual/expected completion date
MHB036C-CP001CN	I/II	Mono	First-in-human, multicenter, open-label, dose-escalation and dose-expansion study	China	Patients with advanced malignant solid tumors (NSCLC, BC and TNBC)	Phase I completed	n=11 (actual)	May 2023 (actual)	November 2023 (actual)
						Phase II ongoing[(1)]	n=127 (actual)	November 2023 (actual)	December 2026 (expected)
MHB036C-A-201	I/II	Combo	Multicenter, open-label, non-randomized	China	Patients with advanced lung cancer	Ongoing	n=300 (expected)	May 2025 (actual)	May 2030[(2)] (expected)
MHB036C-E-202	II	Combo	Multicenter, open-label, safety run-in, indication expansion	China	Patients with advanced BC and other malignant tumors	Ongoing	n=210 (expected)	September 2025 (actual)	August 2031[(2)] (expected)

Notes:

(1) The safety review committee reviewed the Phase I data, confirmed safety of the selected dose and MTD, and allowed Phase II to proceed in November 2023, in accordance with the approved clinical trial protocol.

(2) The MHB036C-A-201 and MHB036C-E-202 trials include nine and four cohorts, respectively. Both Phase II trials are large-scale and multi-cohort in design. These trials are positioned in front-line settings with endpoints including PFS and OS, which require substantially longer patient follow-up compared with late-line studies. Collectively, these complexities support the estimated five to six year timeline for overall Phase II completions.

MHB036C-CP001CN: A Phase I/II, Dose Escalation and Dose Expansion Study of MHB036C for Advanced Solid Tumor to Evaluate the Tolerability/Safety, Pharmacokinetics and Efficacy

Overview. This is a Phase I/II first-in-human, multicenter, open-label study to evaluate the efficacy and safety of MHB036C monotherapy in advanced malignant tumors. The trial is organized into two sequential parts: a Phase I dose-escalation stage followed by a Phase II dose-expansion stage. In the dose escalation stage, the purpose is to assess the safety, tolerability, pharmacokinetic profile and preliminary efficacy, and to determine the MTD. The dose expansion part is a multi-cohort study designed to assess the preliminary efficacy, safety, immunogenicity and pharmacokinetic profiles, so as to determine the RP2D. We sponsored the study.

Phase I Trial: Dose Escalation Study of MHB036C Monotherapy in Participants with Advanced or Metastatic Solid Tumors

Trial design. In the Phase I dose escalation trial, eleven eligible participants with advanced or metastatic malignant solid tumors were enrolled and administered at dose levels ranging from 0.25 to 2.25 mg/kg. MHB036C was administered once every three weeks (Q3W) for a 21-day treatment cycle. Twenty-one days after the participant's first dose was the observation period for DLT. Following the end of DLT evaluation period, participants would continue to receive MHB036C treatment Q3W until intolerable toxicity, disease progression, withdrawal of consent by the participant, death, loss to follow-up, or other conditions leading to treatment discontinuation. The primary objectives of Phase I trial were to evaluate the safety and tolerability of MHB036C in participants with advanced malignant solid tumors. The secondary objectives were to evaluate the PK profiles of total antibodies, ADC, and free toxin, the immunogenicity of MHB036C, and preliminary efficacy of MHB036C in participants with advanced or metastatic solid tumors.

Key inclusion criteria included: (i) aged 18 years or older (inclusive), without gender limitation; (ii) ECOG performance score of 0-1; (iii) expected survival time of more than 3 months; and (iv) having histologically or cytologically confirmed advanced or metastatic solid tumors, which have failed or are intolerant to standard of care (SOC), or for which no SOC is available.

Key exclusion criteria included: (i) participants with 2 or more malignancies (except effectively treated non-melanoma skin cancer, cervical carcinoma in situ or other tumors, or malignancies considered cured) within 5 years prior to sign the Informed Consent Form; (ii) participants who have received chemotherapy within 3 weeks prior to the first dose of investigational product, or have received anti-tumor therapy including radiation therapy, biologic therapy, endocrine therapy, immunotherapy, within 4 weeks prior to the first dose; (iii) participants with the following conditions: a) medication of nitrosourea or mitomycin C within 6 weeks prior to the first dose of MHB036C; b) medication of oral fluoropyrimidines or small molecule targeted agents within 5 half-lives of such drug before first dose of investigational product; c) medication of traditional Chinese medicine with anti-tumor indications within 2 weeks prior to the first dose of investigational product; and (iv) medication of other disapproved investigational products or therapies within 4 weeks prior to the first dose of investigational product.

The primary endpoints of the Phase I trial were to evaluate safety and tolerability, including the incidence of adverse events and serious adverse events, the occurrence of DLTs, and the determination of the MTD. The trial followed a standard dose escalation design. The secondary endpoints were to evaluate PK parameters for total antibodies, ADCs, and free toxin, proportion of participants developing anti-MHB036C antibodies (ADAs), and ORR, duration of response (DoR), DCR, PFS and OS.

Status. We initiated the Phase I trial in May 2023 and completed in November 2023. All eleven enrolled patients completed one 21-day treatment cycle in November 2023, and all patients were safety-evaluable.

The IND approval obtained in March 2023 was an umbrella IND approval covering both the Phase I and Phase II clinical trial. Specifically, we submitted a single clinical trial protocol comprising two parts, namely (i) Part 1: a Phase I dose escalation study and (ii) Part 2: a Phase II cohort expansion study. The NMPA reviewed and approved the overall Phase I/II clinical trial design under a single IND, without requiring separate IND applications for each part of the study.

The Phase I part of MHB036C-CP001CN (a Phase I/II clinical trial) is regarded by the NMPA as a standalone Phase I clinical trial equivalent to a conventional Phase I study. In terms of design and objectives, the Phase I part follows a standard dose-escalation design to identify DLT, determine MTD, and evaluate preliminary safety, PK profiles of the investigational product, consistent with the purpose and methodology of a conventional Phase I clinical trial. The Phase I portion constitutes an independent, complete clinical study stage under the NMPA's review framework and meets the regulatory definition of a Phase I clinical trial.

The Phase I part of MHB036C-CP001CN was considered completed in November 2023 based on the completion of all dose-escalation activities and final evaluation of safety data within the DLT observation period. During Phase I dose escalation, two DLTs were reported at the 2.25 mg/kg dose level. Following a joint review by SRC and investigators, a written decision was made to conclude further dose-escalation and advance to the dose-expansion stage at the lower dose level of 1.5 mg/kg.

Pursuant to the NMPA-approved clinical trial protocol, initiation of the Phase II dose-expansion part is conditional upon completion of the Phase I dose-escalation stage and review of Phase I safety data. Based on the completed Phase I data and the above joint decision, we have obtained no objection from the NMPA to commence the next phase (i.e. Phase II) of clinical development for MHB036C.

Safety Data. In the 2.25 mg/kg cohort (n=3), 33 AEs were reported during the 21-day DLT observation period, including 25 TRAEs. Grade 3 TRAEs, including oral mucositis and cytopenia, were manageable and resolved with supportive care. Additional TRAEs were Grade 1-2, primarily mild gastrointestinal symptoms and laboratory abnormalities. Three SAEs occurred: two Grade 3 oral mucositis events considered related to the investigational drug, and one Grade 3 productive cough attributed to the underlying disease. Three AESIs, all oral mucositis, were assessed as treatment related. DLTs (non-hematologic, CTCAE≥3) occurred in two subjects in this cohort, and dose escalation was therefore halted.

Phase II trial: Dose Expansion Study of MHB036C Monotherapy in Participants with Some Types of Advanced Solid Tumor

Trial Design. In the Phase II trial, up to 200 participants with advanced or metastatic malignant solid tumors are designed to receive MHB036C treatment at 1.3 mg/kg Q3W or 1.5 mg/kg Q3W. This study is designed to assess the preliminary efficacy and safety of MHB036C monotherapy in participants with advanced or metastatic solid tumors, to determine the RP2D and to assess the immunogenicity and pharmacokinetic profiles of MHB036C. The primary objectives are to determine the RP2D of MHB036C in participants with selected types of advanced or metastatic solid tumor based on safety and efficacy results from all participants. The secondary objectives are to evaluate the efficacy and safety of MHB036C in participants with selected types of advanced or metastatic solid tumor, the PK profiles of total antibodies, ADC, and free toxin, and the immunogenicity of MHB036C. The primary endpoints are to determine the RP2D. The secondary endpoints are to evaluate ORR, DoR, DCR, PFS, OS, disease progression-free rate at 6 and 12 months, survival rate at 12 months per RECIST v1.1, AEs and SAEs, PK parameters for total antibodies, ADCs, and free toxin, and proportion of participants developing ADAs.

Key inclusion criteria include: (i) aged 18 years or older (inclusive), without gender limitation; (ii) ECOG performance score of 0-1; and (iii) expected survival time of more than 3 months. Key exclusion criteria are the same with that in Phase I part of the trial.

Status. We initiated the Phase II trial in November 2023. We have completed patient enrollment for the trial, and a total of 127 patients have been enrolled. The trial is expected to be completed in December 2026 once all enrolled patients have completed follow-up per protocol. After the completion, the core development strategy of MHB036C is expected to focus on combination therapy with MHB036C and MHB039A.

Efficacy Data. MHB036C has demonstrated notable antitumor activity across multiple solid tumor types, particularly in NSCLC, BC and TNBC. In 2L+ EGFR-mutant NSCLC, the 1.5 mg/kg cohort achieved an ORR of 37.5% (6/16), a DCR of 93.8% (15/16), and a mPFS of 9.1 months; the 1.3 mg/kg cohort showed an ORR of 36.4% (4/11), a DCR of 90.0% (10/11), and a mPFS of 7.2 months. In 2L+ NSCLC without AGA, the 1.5 mg/kg cohort achieved an ORR of 57.1% (4/7), a DCR of 85.7% (6/7), and a mPFS of 7.2 months; in the 1.3 mg/kg cohort, the single evaluable patient had stable disease.In 2L+ HR+/HER2− BC, the 1.5 mg/kg cohort achieved an ORR of 40.0% (10/25), a DCR of 84% (21/25), and a mPFS of 9.0 months. In the 1.3 mg/kg cohort, 3 patients were evaluable with an ORR of 0% (0/3), a DCR of 100%, and a mPFS of 4.2 months. In 2L+ TNBC, both the 1.5 mg/kg and 1.3 mg/kg cohorts demonstrated robust efficacy. At 1.5 mg/kg, the ORR was 43.3% (13/30), DCR was 83.3% (25/30), and mPFS was 6.9 months. At 1.3 mg/kg, the ORR was 35.0% (7/20), DCR was 85% (17/20), and mPFS was 4.5 months.

Safety Data. Safety set results showed an overall favorable safety profile with MHB036C. 138 patients (including 11 enrolled in the Phase I trial and 127 enrolled in the Phase II trial) were included in the safety set analysis. TRAEs leading to permanent discontinuation occurred in 2.9%. There were no treatment-related deaths. There was no major hematological side effect. Only one case of Grade 2 ILD (0.7%) reported. Treatment-related SAEs were 19.6%.

Safety Profile

	0.25~1.0 mg/kg N=5 (%)	1.3 mg/kg N=38 (%)	1.5 mg/kg N=92 (%)	2.25 mg/kg N=3 (%)	Total N=138 (%)
Any TEAEs	5 (100)	38 (100)	92 (100)	3 (100)	138 (100)
Grade ≥3 TEAEs	1 (20.0)	15 (39.5)	48 (52.2)	3 (100)	67 (48.6)
TEAEs leading to dose reduction or interruption	1 (20.0)	13 (34.2)	47 (51.1)	3 (100)	64 (46.4)
TEAEs leading to treatment discontinuation	0	1 (2.6)	5 (5.4)	0	6 (4.3)
TEAEs leading to death	0	0	1 (2.6)	2 (2.2)	3 (2.2)
Any TRAEs	5 (100)	38 (100)	92 (100)	3 (100)	138 (100)
Grade ≥3 TRAEs	1 (20.0)	11 (28.9)	44 (47.8)	3 (100)	59 (42.8)
TRAEs leading to dose reduction or interruption	0	12 (31.6)	47 (51.1)	3 (100)	62 (44.9)
TRAEs leading to treatment discontinuation	0	0	4 (4.3)	0	4 (2.9)
TRAEs leading to death	0	0	0	0	0
SAEs	1 (20.0)	10 (26.3)	28 (30.4)	2 (66.7)	41 (29.7)
Treatment-related SAEs	0	5 (13.2)	21 (22.8)	1 (33.3)	27 (19.6)
Infusion reaction rate	0	2 (5.3)	11 (12.0)	0	13 (9.4)

MHB036C-A-201: An Open-label Phase I/II Clinical Study of MHB036C for Injection Combined With MHB039A for Injection in Patients With Advanced Lung Cancer

Overview. This is an open-label, multicenter Phase I/II study of MHB036C combined with MHB039A in patients with advanced lung cancer. The study is designed to evaluate the safety, tolerability, PK, and efficacy of MHB036C and MHB039A combination therapy. The study consists of two stages: dose escalation stage and dose expansion stage. In the dose escalation stage, the purpose is to characterize safety and determine the RP2D, while assessing preliminary efficacy, pharmacokinetics of MHB036C, and MHB039A, as well as immunogenicity and efficacy across TROP-2 and PD-L1 expression subgroups. The dose expansion stage further evaluation the preliminary efficacy of combination regimens in defined lung cancer populations, along with secondary assessments of response durability, PFS, OS, safety, pharmacokinetics, immunogenicity, and biomarker correlations. We sponsor the study.

Trial Design. We expect to enroll 300 patients with advanced lung cancer in the study. Dosing regimens are 1.3 or 1.5 mg/kg Q3W for MHB036C and 20 mg/kg Q3W for MHB039A intravenous injection. The primary endpoints are safety and tolerability. The key secondary endpoints include efficacy and PK.

Status. We initiated the Phase I/II clinical trial in May 2025.

MHB036C-E-202: An Open-label Phase II Clinical Study of MHB036C for Injection Combined With MHB039A for Injection in Patients With Advanced Breast Cancer or Other Advanced Malignant Solid Tumors

Overview. This is an open-label, multicenter Phase II study of MHB036C combined with MHB039A in patients with advanced BC or other advanced malignant solid tumors. The study is designed to evaluate the safety, tolerability, PK, and efficacy of MHB036C and MHB039A combination therapy. We sponsor the study.

Trial Design. This study comprises two parts: a safety run-in phase and an indication expansion phase. The safety run-in phase includes a dose escalation part and an optional PK expansion part. We estimate to enroll 210 patients with advanced BC and other malignant tumors. Dosing regimens are 1.3 or 1.5 mg/kg Q3W for MHB036C and 20 mg/kg Q3W for MHB039A intravenous injection. If other prior combination studies of MHB036C and MHB039A in patients with advanced solid tumors can demonstrate that the combination is safe and tolerable, this study

may proceed without dose escalation part during safety run-in phase and use the combined dose that does not exceed the previously established safe dose. The primary endpoints are safety and tolerability. The secondary endpoints include ORR, DCR, DOR, PFS, PK, and immunogenicity.

Status. We have initiated the Phase II clinical trial in September 2025.

Clinical Development Plan

We expect to develop and commercialize MHB036C through combination therapy to realize its potential against peer assets. We are conducting Phase II combination studies with MHB039A in both NSCLC and BC in China. This approach harnessed MHB036C's completed dose optimization and multi-tumor activity to pursue a chemo-free 1L+ treatment for major solid tumors.

We decided not to pursue further clinical development of MHB036C through monotherapy following completion of its Phase I/II trial, as in light of the current competitive landscape and the advanced development and potential front-line approvals of peer TROP2 ADCs, there would be limited clinical and commercial rationale for a late-line monotherapy.

The ongoing Phase I/II combination trials are single-arm studies. For subsequent Phase III registration trials intended to support BLA submissions, we will engage in comprehensive consultations with relevant regulatory authorities regarding control arm selection and corresponding study designs, in full compliance with all applicable regulatory requirements.

MHB039A has completed Phase I study, achieving clinical proof-of-concept and demonstrating a favorable safety profile. Should MHB039A fail to demonstrate meaningful efficacy or safety in subsequent trials, we recognize that this could have contingent implications for combination trials involving MHB036C. The development of MHB036C in combination with MHB039A could be delayed, modified, or deprioritized, depending on the nature and severity of any observed limitations.

To mitigate the risk, while there is no immediate substitute for MHB039A in the combination program, we plan to continue to evaluate other PD-1 or PD-1/VEGF-targeted agents or alternative immuno-oncology combinations to maintain the strategic objective of developing differentiated first-line therapies with MHB036C. Meanwhile, we remain strategically flexible. Decisions regarding continuation or modification of the combination trials would be informed by emerging clinical data, regulatory guidance, and overall risk-benefit considerations, ensuring patient safety and alignment with our development priorities.

Material Communications with Competent Authorities

The following table sets forth a summary of our material communications with regulatory authorities regarding MHB036C:

Trial	Milestone/Stage	Timeline
Phase I/II first-in-human, multicenter, open-label, dose-escalation and dose-expansion study for solid tumors	Submission of IND application to the NMPA in China	December 2022
	Umbrella IND approval from the NMPA in China for Phase I/II clinical trial of MHB036C monotherapy targeting solid tumors sponsored by us[(1)]	March 2023
Phase I/II combination therapy of MHB036C and MHB039A in advanced NSCLC	Submission of IND application to the NMPA in China	October 2024
	IND approval from the NMPA in China for Phase I/II clinical trial of combination therapy of MHB036C and MHB039A targeting advanced NSCLC sponsored by us[(2)]	December 2024

Trial	Milestone/Stage	Timeline
Phase II combination therapy of MHB036C and MHB039A in advanced solid tumors including breast cancer	Submission of IND application to the NMPA in China	December 2024
	IND approval from the NMPA in China for Phase II clinical trial of combination therapy of MHB036C and MHB039A targeting advanced solid tumors including breast cancer sponsored by us[3]	March 2025

Notes:

(1) Based on the approved clinical trial design protocol, the Phase II part of Phase I/II clinical trial for the monotherapy of MHB036C is equivalent to a conventional Phase II clinical trial. We and the principal investigator have both confirmed that the primary endpoints of the Phase I part of Phase I/II clinical trial has been reached.

(2) The scope of IND approval covers front-line treatment of NSCLC and breast cancers, which differs from the ongoing Phase I/II monotherapy that focuses on the late-line treatment.

(3) Pursuant to the Phase II protocol approved by the NMPA, the MHB036C-A-201 study which obtained an IND approval in December 2024, demonstrated that the combination dose is safe and tolerable in patients with advanced lung cancer. As a result, we are not required to conduct the dose-escalation part of the study.

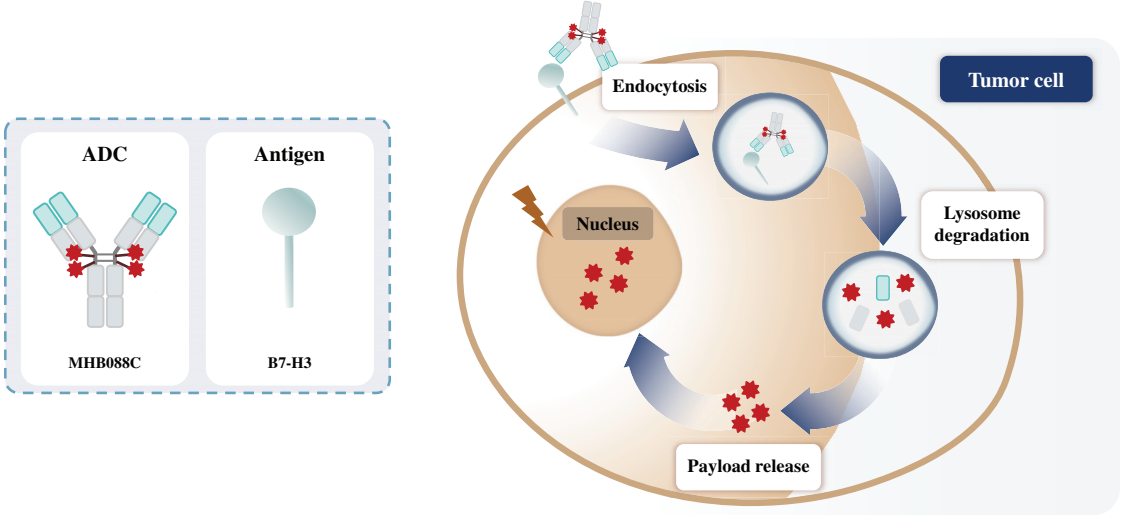
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB036C SUCCESSFULLY.

Key Product MHB088C: A Promising B7-H3 ADC Targeting Multiple Solid Tumors Including SCLC

Overview

MHB088C is the most advanced B7-H3 ADC evaluated in combination trials with PD-(L)1/VEGF bispecific antibodies globally, according to CIC. We hold the ex-Greater China rights for development, manufacturing and commercialization of MHB088C, while we granted Qilu an exclusive license to develop and commercialize MHB088C in Greater China.

Mechanism of Action



B7-H3 (CD276) is a type I transmembrane protein within the B7 family of immunomodulatory ligands, functioning in co-stimulatory and co-inhibitory pathways. The expression of B7-H3 is low in normal tissues but aberrantly elevated in many tumors and tumor-associated stroma.

MHB088C is a B7-H3-targeting ADC composed of our proprietary DNA topoisomerase I inhibitor payload conjugated to a humanized monoclonal antibody via a proprietary cleavable maleimide tetrapeptide linker. The antibody binds specifically to B7-H3 on tumor cell surfaces and mediates ADC internalization. The linker is designed to be stable in plasma yet selectively cleaved by lysosomal cathepsins that are highly expressed in tumor cells. Following enzymatic cleavage, the payload is released from MHB088C, binds to and stabilizes the topoisomerase I–DNA cleavage complex, and thereby induces DNA damage and apoptotic death of tumor cells.

Market Opportunity and Competition

Small-Cell Lung Cancer

The global SCLC drug market grew from US$3.1 billion in 2020 to US$5.8 billion in 2025, and is expected to reach US$12.1 billion in 2035, representing a CAGR of 7.6% from 2025. In China, the SCLC drug market increased from US$0.3 billion in 2020 to US$0.9 billion in 2025, and is projected to reach US$2.3 billion in 2035, representing a CAGR of 9.8% from 2025.

Metastatic Castration-Resistant Prostate Cancer

The global prostate cancer drug market grew from US$16.5 billion in 2020 to US$27.1 billion in 2025, at a CAGR of 10.5%, and is expected to reach US$46.9 billion in 2035, representing a CAGR of 5.6 % from 2025. As of the Latest Practicable Date, there are no B7-H3 ADC approved globally. Multiple candidates are in clinical development targeting SCLC, mCRPC and other advanced/metastatic solid tumors. Current combination studies focus on integrating B7-H3 ADCs into rational doublet or triplet regimens. As of the Latest Practicable Date, five B7-H3 ADC are under combination clinical trials for SCLC or CRPC. The monotherapy landscape is similarly active. As of the Latest Practicable Date, ten B7-H3 ADC are under monotherapy clinical trials for SCLC or CRPC. For details, see "Industry Overview — Global B7-H3 ADC Market."

Competitive Advantages

Molecular design. Our MHB088C is an engineered antibody that delivers 3-4 times greater cell-binding activity and 2-3 times higher internalization than competitor antibodies, enabling more efficient payload delivery. The antibody utilizes a SuperTopoi payload. The payload demonstrates 5-10 times higher potency than Dxd, with a favorable bystander effect, short toxin half-life and a plasma-stable proprietary linker that widens the therapeutic window at efficacious doses.

Addressing the efficacy and safety gap in current B7-H3 ADCs. Clinically, MHB088C has established a better safety profile and robust efficacy across more than 300 patients to date. Data show robust efficacy at multiple clinically relevant dose levels in a variety of cancer types. As of March 13, 2025, there were only three ILD cases (1.0%) reported among 300 patients, and nearly 10% of Grade ≥3 major hematologic AEs with favorable tolerability at 1.6 and 2.0 mg/kg Q2W. This clinical profile represents the lowest incidence of hematologic toxicity among all competitors based on published clinical data. We also address the medical needs where our current competitors face significant safety concerns. B7-H3 ADC category still lacks a clinically scalable option as the leading comparators exhibit development-limiting toxicities, such as ILD and severe hematological side effects. Comparatively, our MHB088C is polished to provide a cleaner-safety B7-H3 ADC with late-stage developability.

Versatile clinical profile. MHB088C's versatile clinical profile supports a clear and expansive development pathway for a dual-pronged strategy. The program has advanced rapidly, with SCLC, mCRPC and ESCC indications entering Phase III studies sponsored by Qilu. Beyond monotherapy, MHB088C is also being developed as a backbone for combination therapies in front-line settings, including 1L SCLC. This strategic flexibility positions MHB088C not just as a single-indication drug, but as a platform asset with the potential to become a foundational oncology therapy across multiple tumor types.

Summary of Clinical Trials

The following sets forth an overview of the key clinical studies of MHB088C.

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/ expected initiation date	Actual/ expected completion date
MHB088C-CP001CN . . .	I/II	Mono	First-in-human, multicenter, open-label	China	Patients with advanced solid tumors previously treated with standard therapy	Ongoing	n=300 (actual)	June 2023 (actual)	July 2027 (expected)
MHB088C-P-301	III	Mono	Multicenter, randomized, open-label	China	Patients with relapsed SCLC	Ongoing	n=450 (expected)	June 2025 (actual)	April 2028 (expected)
MHB088C-E-102	II	Combo	Multicenter, open-label	China	SCLC patients	Planned	n=80 (expected)	September 2025 (actual)	August 2031 (expected)

MHB088C-CP001CN: A Phase I/II Study of MHB088C Incorporating a Potent DNA Topoisomerase I Inhibitor in Recurrent or Metastatic Solid Tumors

Overview. This study is the first-in-human (FIH) trial of MHB088C monotherapy, which contains two parts: dose escalation (Phase I) and dose expansion (Phase II). The dose escalation part is an open-label, multi-center study in which the eligible participants with advanced or metastatic solid tumors will be enrolled to receive MHB088C monotherapy to assess the safety and tolerability of MHB088C in participants with advanced or metastatic solid tumors, to determine the maximum tolerated dose (MTD) of MHB088C, and to assess its pharmacokinetic profile and preliminary efficacy. The dose expansion part is a multi-cohort study designed to assess the preliminary efficacy, safety, immunogenicity and pharmacokinetic profiles, so as to determine the RP3D. We and Qilu sponsor the study.

In the Phase I trial, the primary objectives were to evaluate the safety and tolerability of incidence of MHB088C in participants with advanced malignant solid tumors. The secondary objectives were to evaluate the PK profiles and preliminary efficacy of MHB088C in participants with advanced or metastatic solid tumors.

In the Phase II trial, the primary objectives are to determine the recommended Phase III dose (RP2D) of MHB088C in participants with selected types of advanced or metastatic solid tumor based on safety and efficacy results from all participants. The secondary objectives are to evaluate the efficacy and safety of MHB088C in participants with selected types of advanced or metastatic solid tumor, the PK profiles and the immunogenicity of MHB088C.

Phase I Trial

Trial Design. In the dose escalation stage, eligible patients with advanced or metastatic solid tumors were administered at doses ranging from 0.8 to 4.0 mg/kg intravenously Q2W or Q3W.

The primary endpoints of the Phase I trial were to evaluate incidence of adverse events and SAEs, occurrence of DLTs, and MTD. The secondary endpoints were to evaluate PK parameters, ADAs, and ORR, DoR, DCR, PFS, and OS.

Key inclusion criteria included: (i) aged $\geq$ 18 years old when signing the informed consent form; (ii) the Eastern Cooperative Oncology Group's physical status scoring standard (ECOG) is 0~1; and (iii) the expected survival time is at least 3 months.

Key exclusion criteria included: (i) having more than 2 primary malignancies before signing of Informed Consent Form; (ii) having received anti-tumor treatment before the first dose of investigational product, medication of traditional Chinese medicine before the first dose of investigational drug; (iii) medication of other unmarketed investigational drugs or therapies before the first dose of investigational drug; and (iv) presence of unstable brain metastases and/or leptomeningeal carcinomatosis.

Phase II Trial

Trial Design. In the dose expansion stage, participants with same types of solid tumors will be enrolled in multiple dose groups and treated intravenously with the corresponding dose level. Each cohort can be expanded to up to 50 participants.

One or more of the following tumor types will be selected in the dose expansion part (including but not limited to): (1) NSCLC; (2) SCLC; (3) ESCC; (4) castration-resistant prostate cancer (CRPC); (5) melanoma (MEL); (6) colorectal cancer (CRC); (7) pancreatic ductal adenocarcinoma (PDAC); (8) head and neck squamous cell carcinoma (HNSCC); (9) hepatocellular carcinoma (HCC); (10) ovarian cancer (OC); (11) endometrial cancer (EC); (12) thyroid cancer (TC); (13) sarcoma (SARC).

The primary endpoints are to determine the RP2D. The secondary endpoints were to evaluate ORR, DoR, DCR, PFS, OS, disease progression-free rate at 6 and 12 months, survival rate at 12 months per RECIST v1.1, AEs and SAEs, PK parameters for total antibodies, ADCs, and free toxin, and proportion of participants developing ADAs.

The inclusion criteria and exclusion criteria are the same with Phase I part of this trial.

Status. We initiated the Phase I clinical trial in June 2023 and completed it in January 2024. The primary endpoints of the Phase I trial were met, and the safety review committee confirmed the safety profile in accordance with the approved clinical trial protocol. Following the committee's review, dose-expansion cohorts were initiated at 1.6 mg/kg Q2W, 2.0 mg/kg Q2W, and 2.4 mg/kg Q3W.

As of March 13, 2025, 300 patients have been enrolled in the study. SCLC has been selected as the primary indication, with the RP2D determined. Other indications, including mCRPC and ESCC, are under evaluation. The study is expected to be completed in July 2027.

Efficacy Data.

Efficacy Profile for SCLC

As of June 13, 2025, 103 SCLC patients had received at least one tumor assessment. The confirmed ORR were 21.4%, 42.2% and 43.3% across 1.6mg/kg Q2W group, 2.0mg/kg Q2W group and 2.4mg/kg Q3W group. MHB088C showed prolonged survival in previously treated patients with ES-SCLC. MHB088C 2.0 mg/kg Q2W is being evaluated in an ongoing Phase III study.



Anti-tumor Activity for SCLC

Anti-tumor activity in the efficacy set	1.6 mg/kg Q2W N=28	2.0 mg/kg Q2W N=45	2.4 mg/kg Q3W N=30	Total N=103
Confirmed ORR (95% CI)	21.4 (8.3-41.0)	42.2 (27.7-57.8)	43.3 (25.5-62.6)	36.9 (27.6-47.0)
DCR (95% CI)	89.3 (71.8-97.7)	84.4 (70.5-93.5)	100 (88.4-100)	90.3 (82.9-95.2)
Median DoR (95% CI), months	4.22 (3.75-NE)	4.47 (3.91-9.46)	7.00 (4.14-NE)	5.82 (4.21-7.36)

Survival Outcomes for SCLC

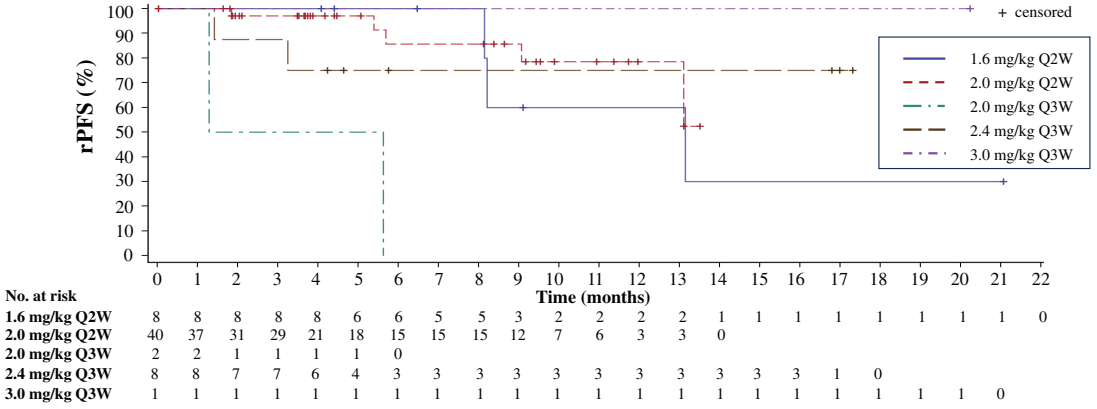
Survival outcomes in the efficacy set	1.6 mg/kg Q2W N=28	2.0 mg/kg Q2W N=45	2.4 mg/kg Q3W N=30	Total N=103
Median PFS (95% CI), months	5.55 (3.65-6.31)	5.95 (4.63-8.15)	5.52 (3.81-7.06)	5.72 (4.63-6.21)
Median OS (95% CI), months	11.50 (7.00-13.34)	11.73 (8.77-NE)	11.50 (7.59-NE)	11.50 (9.40-13.34)

Efficacy Profile for mCRPC

As of November 30, 2025, a total of 59 patients with metastatic castration-resistant prostate cancer (mCRPC) were enrolled and received at least one dose of MHB088C. The median age was 68 years (range: 51-83), and all patients had an ECOG performance status of ≤1. The patient population was heavily pretreated, with 83.1% having received ARPIs and taxanes.

The median rPFS was not reached, and 12-month rPFS rate was 71.7%. In 40 patients at 2.0 mg/kg Q2W dose level, the median rPFS was not reached, and 12-month rPFS rate was 78.6%. In 32 patients at 2.0 mg/kg Q2W dose level who had received prior second-generation ARPIs and taxane, the median rPFS was 13.1 months. In 31 patients with target lesion at baseline, confirmed ORR and DCR was 22.6% and 96.8%, respectively. The confirmed PSA_{50} response rate was 22.8%.

Kaplan-Meier curve for rPFS for mCRPC



Anti-tumor Activity for mCRPC

Anti-tumor activity in the efficacy set	1.6 mg/kg Q2W N=8	2.0 mg/kg Q2W N=40	2.0 mg/kg Q3W N=2	2.4 mg/kg Q3W N=8	3.0 mg/kg Q3W N=1	Total N=59
ORR (95% CI)*	40.0 (5.3, 85.3)	30.0 (11.9, 54.3)	0 (NE, NE)	20.0 (0.5, 71.6)	NE	29.0 (14.2, 48.0)
Confirmed ORR (95% CI)*	40.0 (5.3, 85.3)	20.0 (5.7, 43.7)	0 (NE, NE)	20.0 (0.5, 71.6)	NE	22.6 (9.6, 41.1)
DCR (95% CI)*	100 (47.8, 100)	100 (83.2, 100)	100 (2.5, 100)	80.0 (28.4, 99.5)	NE	96.8 (83.3, 99.9)
Confirmed PSA_{50} response rate	25.0	23.7	0	25.0	0	22.8

* ORR and DCR were calculated in patients with baseline target lesions (1.6 mg/kg Q2W: n = 5; 2.0 mg/kg Q2W: n = 20; 2.0 mg/kg Q3W: n = 1; 2.4 mg/kg Q3W: n = 5; 3.0 mg/kg Q3W: n = 0; total: n = 31).

Survival Outcomes for mCRPC

Survival outcomes in the efficacy set	1.6 mg/kg Q2W N=8	2.0 mg/kg Q2W N=40	2.0 mg/kg Q3W N=2	2.4 mg/kg Q3W N=8	3.0 mg/kg Q3W N=1	Total N=59
Median, rPFS, mo	13.1	NR	3.5	NR	NR	NR
(95% CI)	(8.2, NE)	(13.1, NE)	(1.3, NE)	(1.4, NE)	(NE, NE)	(13.1, NE)
12-mo PFS rate	60.0	78.6	0.0	75.0	100	71.7
(95% CI)	(12.6, 88.2)	(50.7, 91.8)	(NE, NE)	(31.5, 93.1)	(100, 100)	(52.6, 84.3)

Efficacy Profile for ESCC

In 2L+ ESCC, among 23 evaluable patients, the ORR was 35%, and the DCR was 65%. Among patients who had received one prior systemic therapy (n=6), the ORR was 67% and the DCR was 83%. These results are preliminary and subject to further validation as the study continues.

Safety Data. MHB088C was well-tolerated and demonstrated a favorable safety profile.

Safety Profile for SCLC

	1.6 mg/kg Q2W N=30 n (%)	2.0 mg/kg Q2W N=46 n (%)	2.4 mg/kg Q3W N=30 n (%)	Total (N=106)
Any TEAEs	30 (100)	46 (100)	30 (100)	106 (100)
Grade ≥3 TEAEs	20 (66.7)	21 (45.7)	13 (43.3)	54 (50.9)
TEAEs leading to dose reduction or interruption	13 (43.3)	14 (30.4)	7 (23.3)	34 (32.1)
TEAEs leading to treatment discontinuation	1 (3.3)	3 (6.5)	0	4 (3.8)
TEAEs leading to death	2 (6.7)	1 (2.2)	0	3 (2.8)
Any TRAEs	30 (100)	45 (97.8)	30 (100)	105 (99.1)
Grade ≥3 TRAEs	15 (50.0)	16 (34.8)	13 (43.3)	44 (41.5)
TRAEs leading to dose reduction or interruption	9 (30.0)	12 (26.1)	5 (16.7)	26 (24.5)
TRAEs leading to treatment discontinuation	0	2 (4.3)	0	2 (1.9)
TRAEs leading to death	1 (3.3)	0	0	1 (0.9)
SAEs	14 (46.7)	10 (21.7)	4 (13.3)	28 (26.4)
Treatment-related SAEs	10 (33.3)	5 (10.9)	3 (10.0)	18 (17.0)
Infusion reaction rate	7 (23.3)	13 (28.3)	10 (33.3)	30 (28.3)

Safety Profile for mCPRC

	1.6 mg/kg Q2W N=8 (%)	2.0 mg/kg Q2W N=40 (%)	2.0 mg/kg Q3W N=2 (%)	2.4 mg/kg Q3W N=8 (%)	3.0 mg/kg Q3W N=1 (%)	Total N=59 (%)
Any TEAEs	8 (100)	40 (100)	2 (100)	8 (100)	1 (100)	59 (100)
TEAEs Grade ≥3 .	6 (75.0)	21 (52.5)	0	5 (62.5)	1 (100)	33 (55.9)
TEAEs leading to dose reduction or interruption	0	5 (12.5)	0	1 (12.5)	0	6 (10.2)
TEAE leading to dose discontinuation. .	1 (12.5)	0	0	0	0	1 (1.7)
TEAEs leading to death	2 (25.0)	0	0	0	0	2 (3.4)

MHB088C-E-102: An Open-label Phase I/II Clinical Study of MHB088C for Injection Combined With MHB039A for Injection in Patients With Advanced Malignant Solid Tumors

Overview. This is a first-in-human, open-label, multicenter Phase I/II study of MHB088C combined with MHB039A in patients with advanced malignant solid tumors. The study is designed to evaluate the safety, tolerability, PK, and preliminary efficacy of MHB088C and MHB039A combination therapy. We sponsor the study.

Trial Design. The clinical trial comprises two parts: a dose escalation phase and indication expansion phase. In dose-escalation stage, the primary endpoint is the dose-limiting toxicity (DLT) and MTD. The key secondary endpoints include PK parameters of total antibody, ADC and free toxin, and anti-tumor activities including ORR, DCR, PFS and OS. In dose-expansion stage, the primary endpoint is the objective tumor response. The key secondary endpoints include incidence and severity of AEs, pharmacokinetic parameters of total antibody, ADC, and free toxin, DoR, DCR, PFS and OS.

Status. We initiated the trial in September 2025 and expect to complete the trial in August 2031.

Clinical Development Plan

MHB088C is currently in a Phase III trial for 2L SCLC, 2L mCRPC and 2L ESCC as monotherapy in China. We have secured an FDA IND clearance for a Phase II study in advanced or metastatic solid tumors in the U.S. in July 2024.

We initiated a Phase I/II trial for 1L+ SCLC through combination study with MHB039A (PD-1/VEGF bsAb) in September 2025. In addition to SCLC in both front-line and 2L settings, we are pursuing additional solid tumors including mCRPC to broaden MHB088C's clinical impacts and lay the groundwork for future combination strategies.

We have no current plan to conduct head-to-head comparative studies for MHB088C. However, should such studies be requested by competent regulatory authorities, we would consider the request in the context of its overall clinical development strategy.

Material Communications with Competent Authorities

The following table sets forth a summary of our material communications with regulatory authorities regarding MHB088C:

Trial	Milestone/Stage	Timeline
Phase I/II first-in-human, multicenter, open-label, dose-escalation and dose-expansion study for solid tumors	Submission of IND application to the NMPA in China	December 2022
	Umbrella IND approval from the NMPA in China for Phase I/II clinical trial of MHB088C monotherapy targeting solid tumors sponsored by us	March 2023
	Submission of IND application to the FDA in the U.S.	June 2024
	IND approval from the FDA in the U.S. for Phase II clinical trial of MHB088C monotherapy targeting solid tumors sponsored by us[(1)]	July 2024
Phase I/II combination therapy of MHB088C and MHB039A in advanced solid tumors	Submission of IND application to the NMPA in China	May 2025
	Umbrella IND approval from the NMPA in China for Phase I/II clinical trial of combination therapy of MHB088C and MHB039A targeting solid tumors sponsored by us	July 2025
Phase III, Multicenter, Randomized, Open-label Study of MHB088C for Injection Versus Treatment of Physician's Choice in Comparing the Efficacy and Safety in Subjects With Relapsed Small Cell Lung Cancer	Submission of request for EOP2 meeting with the NMPA for Phase III trial for SCLC in China	August 2024
	IND approval from the NMPA to initiate Phase III trial in SCLC in China sponsored by Qilu	April 2025

Note:

(1) The submission of safety and efficacy data from a total of 138 patients enrolled in the ongoing MHB088C-CP001CN Phase I/II study in China were accepted by the FDA as the core supporting rationale for waiving separate U.S. Phase I trial. The U.S. Phase II clinical protocol incorporates a safety run-in phase prior to the randomized portion. This enables adequate evaluation of the safety and tolerability of MHB088C in Caucasian subjects and serves as a supplementary regulatory basis to support the Phase I trial exemption.

Collaboration Arrangement

We have entered into an exclusive license agreement with Qilu on March 31, 2025 to develop and commercialize MHB088C in Greater China. We will retain global rights to MHB088C outside Greater China and continue advancing our development in these regions. See "— Collaboration and Licensing Agreement" for further details.

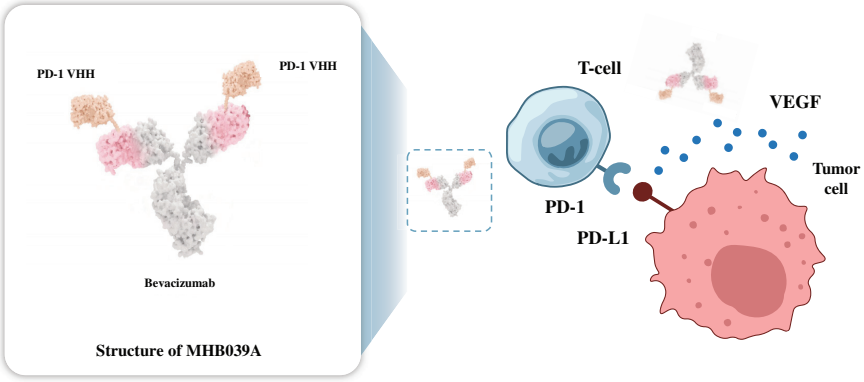
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB088C SUCCESSFULLY.

Key Product MHB039A: An Innovative PD-1/VEGF bsAb Serving as an Advanced Immunotherapy Backbone

Overview

MHB039A is engineered by fusing a humanized anti-PD-1 VHH to the N-terminus of bevacizumab, a validated VEGF antibody. Its optimized molecular design delivers robust druggability and enables full blockade of both PD-1 and VEGF, overcoming the loss of PD-1 activity seen in certain other PD-1/VEGF bispecific antibodies with PD-1 arm in the C-terminus. MHB039A delivers significantly lower rates of systemic toxicities commonly seen with VEGF blockade. We hold the exclusive global rights for development, manufacturing and commercialization and has full control over of MHB039A.

Mechanism of Action



A PD-1/VEGF bsAb simultaneously targets PD-1 and VEGF, blocking PD-1 engagement with PD-L1 and PD-L2 while concurrently inhibiting VEGF binding to VEGF receptors to deliver synergistic antitumor effects.

Market Opportunity and Competition

The global PD-(L)1/VEGF bsAb market is projected to reach US$36.9 billion in 2030 and to expand further to US$193.5 billion in 2035, representing a CAGR of 39.3% from 2030 to 2035. China is expected to be a key growth driver, with market size estimated at US$9.6 billion in 2030 and US$32.4 billion in 2035, corresponding to a CAGR of 27.6% over the same period.

As of the Latest Practicable Date, one PD-1/VEGF bsAb has obtained regulatory approvals with two approved indications, and serves as the initial clinical benchmark for the class. As of the Latest Practicable Date, sixteen PD-(L)1/VEGF candidates are in active clinical development across China, the United States and global multicenter programs, spanning Phase I to Phase III and covering NSCLC, BC, renal cell carcinoma and other solid tumors. For details, see "Industry Overview — Global PD-(L)1/VEGF bsAb Market."

Competitive Advantages

MHB039A's optimized molecular design delivers robust druggability and enables full blockade of both PD-1 and VEGF, overcoming the loss of PD-1 activity seen in certain other PD-1/VEGF bispecific antibodies with PD-1 arm in the C-terminus. This unique profile positions MHB039A as a differentiated candidate.

Summary of Clinical Trials

The following sets forth an overview of the key clinical studies of MHB039A.

Study number	Phase	Treatment	Study design	Sites	Subjects	Status	Patient enrollment	Actual/expected initiation date	Actual/expected completion date
MHB039A-A-101	I/II	Mono	Multicenter, open-label, dose-escalation and dose-expansion	China	Patients with advanced solid tumor	Ongoing	n=20 (actual)	April 2024 (actual)	December 2026 (expected)
MHB036C-A-201	I/II	Combo	Multicenter, open-label	China	Patients with advanced lung cancer	Ongoing	n=300 (expected)	May 2025 (actual)	May 2030 (expected)
MHB036C-E-202	II	Combo	Open-label, multicenter, safety run-in, indication expansion	China	Patients with advanced BC and other malignant tumor	Ongoing	n=210 (expected)	September 2025 (actual)	August 2031 (expected)
MHB088C-E-102	I/II	Combo	Multicenter, open-label	China	SCLC patients	Ongoing	n=116 (expected)	September 2025 (actual)	August 2031 (expected)

MHB039A-A-101: A Phase I/II clinical study evaluating MHB039A in patients with advanced malignant solid tumors, assessing the safety and preliminary antitumor activity of MHB039A monotherapy across multiple dose levels

Overview. This is a first-in-human Phase I/II study evaluating the safety, tolerability, PK, immunogenicity, PD and anti-tumor activity of MHB039A monotherapy in patients with advanced solid tumor. The study consists of two stages, the dose escalation stage and the dose expansion stage. The dose escalation is to determine MTD. The dose expansion is to determine RP2D according to safety and efficacy in specific tumor types. We sponsor the study.

Trial Design. We have enrolled 20 patients in the study. In the dose-escalation phase, 20 patients with advanced solid tumors previously treated with standard therapy were enrolled: 3 in the 5 mg/kg Q3W cohort, 5 in the 10 mg/kg Q3W cohort, 6 in the 20 mg/kg Q3W cohort, and 6 in the 30 mg/kg Q3W cohort. The patients received intravenous injections at the corresponding dose levels. The primary endpoint is safety including incidence of participants with AE and the number of participants with DLT. The key secondary endpoints include PK, ADA and ORR.

Status. We initiated the Phase I/II trial in April 2024.

Efficacy Data. MHB039A demonstrated saturated PD-1 receptor occupancy and VEGF biomarker response at 10 mg/kg Q3W and above. Encouraging preliminary anti-tumor activity was observed in patients previously treated with agents targeting the same pathways, including PD-1/PD-L1 inhibitors, VEGFR tyrosine kinase inhibitors, or anti-VEGF monoclonal antibodies, with durable reductions in tumor volume.

Safety Data. As of February 20, 2025, 20 patients received study treatment and were included in the safety analysis. The overall safety profile was acceptable, consistent with findings from previously reported clinical studies on the PD-1/VEGF bsAb.

Safety Profile

	5 mg/kg N=3 (%)	10 mg/kg N=5 (%)	20 mg/kg N=6 (%)	30 mg/kg N=6 (%)	Overall N=20 (%)
Any TEAEs	2 (66.7)	5 (100)	6 (100)	4 (66.7)	17 (85.0)
TEAEs Grade ≥3	2 (66.7)	0	2 (33.3)	1 (16.7)	5 (25.0)
TEAEs leading to dose reduction or interruption	1 (33.3)	0	1 (16.7)	0	2 (10.0)
TEAE leading to dose discontinuation	0	0	0	0	0
TEAEs leading to death	0	0	0	0	0
Any TRAEs	2 (66.7)	4 (80)	6 (100)	4 (66.7)	16 (80.0)
TRAEs Grade ≥3	1 (33.3)	0	1 (16.7)	0	2 (10.0)
TRAEs leading to dose reduction or interruption	1 (33.3)	0	1 (16.7)	0	2 (10.0)
TRAE leading to dose discontinuation	0	0	0	0	0
TRAEs leading to death	0	0	0	0	0
SAEs	1 (33.3)	0	1 (16.7)	1 (16.7)	3 (15.0)
Treatment-related SAEs	0	0	1 (16.7)	0	1 (5.0)

Clinical Development Plan

We position MHB039A as an advanced immunotherapy backbone designed be paired with our ADC candidates to enable chemo-free front-line treatment and unlock opportunities in multiple solid tumors. We will explore more combination potential PD-1/VEGF bsAb to pair with our diversified ADC portfolio.

We have no current plan to conduct head-to-head comparative studies for MHB039A. However, should such studies be requested by competent regulatory authorities, we would consider the request in the context of its overall clinical development strategy.

Material Communications with Competent Authorities

The following table sets forth a summary of our material communications with regulatory authorities regarding MHB039A:

Trial	Milestone/Stage	Timeline
Phase I/II first-in-human, multicenter, open-label, dose-escalation and dose-expansion study for solid tumors	Submission of IND application to the NMPA	November 2023
	Umbrella IND approval from the NMPA for Phase I/II clinical trial of MHB039A monotherapy targeting solid tumors sponsored by us	January 2024

Trial	Milestone/Stage	Timeline
	Submission of IND application to the FDA[(1)]	November 2024
Phase II combination therapy of MHB036C and MHB039A in advanced solid tumors including breast cancer	Submission of IND application to the NMPA	December 2024
	IND approval from the NMPA for Phase II clinical trial of combination therapy of MHB036C and MHB039A targeting advanced solid tumors including breast cancer sponsored by us	March 2025
Phase II combination therapy of MHB088C and MHB039A in advanced solid tumors	Submission of IND application to the NMPA	May 2025
	IND approval from the NMPA for Phase II clinical trial of combination therapy of MHB036C and MHB039A targeting advanced NSCLC sponsored by us	July 2025

Note:

(1) The IND application for MHB039A to the FDA was being placed on hold as we have not yet provided an investigator during the IND review. The clinical hold will be lifted once such investigator is onboarded. We have no plan to independently develop MHB039A in the U.S. market and we are seeking a global collaboration partner for its subsequent development in the overseas markets.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB039A SUCCESSFULLY.

Product MHB009C: A Novel B7-H4 ADC Targeting Multiple Solid Tumors

MHB009C is a novel ADC targeting B7-H4, an immune checkpoint protein overexpressed in multiple solid tumors, including breast, ovarian, endometrial cancers and cholangiocarcinoma, and associated with tumor progression and poor outcomes. It aims to deliver a highly potent cytotoxic payload directly to cancer tissue while sparing normal cells.

MHB009C consists of a human IgG1 antibody against B7-H4 conjugated to SuperTopoi™ payload. Preclinical studies demonstrated strong B7-H4 binding, efficient internalization in SK-BR-3 cells, potent *in vitro* cytotoxicity in B7-H4–positive breast cancer cell lines, and robust tumor growth inhibition in an MX-1 xenograft model. In GLP toxicology studies in monkeys, MHB009C showed a safety profile with no observed off-target toxicities. The highest non-severely toxic dose was determined to be 30 mg/kg Q3W, the maximum dose tested.

We submitted an IND application to the NMPA for advanced malignant solid tumor in October 2024 and received approval in January 2025. We initiated the Phase I study in March 2026.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB009C SUCCESSFULLY.

Product MHB042C: An Advanced c-Met ADC Conjugating VHH-Fc Fusion Protein Targeting Multiple Solid Tumors

MHB042C is an ADC targeting c-Met, a receptor tyrosine kinase widely expressed in multiple solid tumors and implicated in tumor growth, invasion and metastasis. By leveraging a humanized VHH-Fc fusion format, MHB042C is designed to enhance tumor tissue penetration and expand the therapeutic benefit of c-Met–directed therapy beyond patients with high c-Met expression.

Unlike conventional monoclonal antibody-based ADCs, MHB042C uses a smaller humanized VHH specific for c-Met fused to a human IgG1 Fc to deliver the cytotoxic payload. This architecture, conjugated to SuperTopoi™ payload, allows a streamlined conjugation process and uniform drug-to-antibody ratio. In preclinical studies, MHB042C demonstrated stronger cellular binding than competitor antibodies, rapid internalization (approximately 60% in Hs746t cells within one hour), potent cytotoxicity across c-Met–positive cancer cell lines and marked antitumor activity in an EBC-1 squamous NSCLC xenograft model. GLP toxicology studies in monkeys showed a favorable safety profile with no off-target toxicities. The highest non-severely toxic dose was determined to be 15 mg/kg Q3W, the maximum dose tested.

We submitted an IND application to the NMPA for advanced solid tumor in May 2025 and received approval in August 2025. We initiated the Phase I study in November 2025.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB042C SUCCESSFULLY.

Product MHB048C: A Novel PSMA ADC Targeting Prostate Cancer

MHB048C is an ADC targeting prostate-specific membrane antigen (PSMA), a type II transmembrane glycoprotein that is highly and selectively expressed in prostate cancer while showing limited expression in normal tissues. The clinical validation of PSMA as a therapeutic target, exemplified by the approval of PSMA-directed radioligand therapies for mCRPC, supports further development of PSMA-targeting modalities such as MHB048C.

MHB048C comprises a human IgG1 antibody against PSMA conjugated to SuperTopoi™ payload. The antibody preferentially binds PSMA dimers, which present the native epitope conformation. In preclinical studies, MHB048C showed strong binding in protein-based and cell-based assays, achieved efficient internalization in LNCaP cells (around 70% within one hour), demonstrated potent cytotoxicity across PSMA-positive prostate cancer cell lines with varying PSMA expression, and produced significant antitumor activity in an LNCaP FGC xenograft model. In GLP toxicology studies in monkeys, MHB048C exhibited a favorable safety profile with no off-target toxicities. The highest non-severely toxic dose was determined to be 45 mg/kg Q3W, the maximum dose tested.

We submitted an IND application to the NMPA for advanced solid tumor in June 2025 and received approval in September 2025. We initiated the Phase I study in January 2026.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MHB048C SUCCESSFULLY.

OUR TECHNOLOGY PLATFORM

The SuperTopoi Platform integrates novel payload, proprietary linkers, and well-designed antibodies, enabling flexible development of differentiated ADCs across multiple tumor types.

Our novel payload is an in-house developed proprietary topoisomerase I inhibitor. Its core novelty lies in stronger potency compared to Dxd. The payload is protected by patents covering its chemical structure and application in ADC conjugation. The same payload and proprietary linker

have been applied in MHB036C, MHB088C, and MHB118C. Except for the B7-H3 antibody, all payloads, linkers, and antibodies utilized within the SuperTopoi Platform are developed in-house. We retain full development and commercialization rights of all the product candidates.

Our SuperTopoi Platform was originally conceived and developed internally by us, beginning with early discovery and proof-of-concept research. Subsequent development included systematic optimization, pre-clinical validation, and translational studies supporting its application in multiple therapeutic programs. Our SuperTopoi Platform has since been continuously refined and expanded, forming the basis for our current ADC pipeline. Our core research and development team was responsible for the conception and optimization of the SuperTopoi Platform. The team remains fully employed for ongoing advancement of the SuperTopoi Platform. All key personnel involved in the R&D of the SuperTopoi Platform continue to support its further innovation and application across multiple programs.

Our SuperTopoi Platform demonstrated anti-tumor potency in pre-clinical *in vitro* and *in vivo* assays and clinical trials. We conducted a head-to-head preclinical study to evaluate the pharmacological profile of our proprietary SuperTopoi payload compared to a Dxd-based benchmark. To ensure a direct comparison of payload potency, we conjugated the same antibody with SuperTopoi and Dxd to generate ADC1 and ADC2, respectively. In *in vitro* anti-proliferation assays conducted on human cancer cell lines, the SuperTopoi-conjugated ADC1 demonstrated better cytotoxicity compared to the Dxd-conjugated ADC2. Specifically, ADC1 exhibited at least five-fold and ten-fold greater potency in two different human cancer cell lines, as evidenced by significantly lower half-maximal inhibitory concentration (IC_{50}) values shown in the below figures.

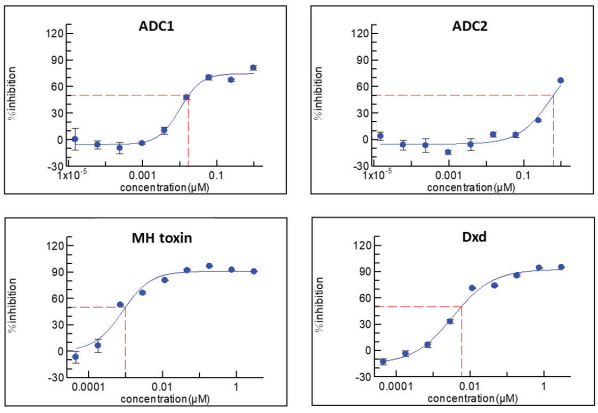
- *In vitro* anti-proliferation assay

	Max inhibition% @ 1μM	IC50 (nM)
ADC1	83.29	17.4
ADC2	67.47	626.1

	Max inhibition% @ 1μM	IC50 (nM)
MH Toxin	96.82	1.0
Dxd	94.70	5.9

- ADC1: GGFG-MH toxin
- ADC2: GGFG-Dxd

Target^{Positive} human cancer cell line-1



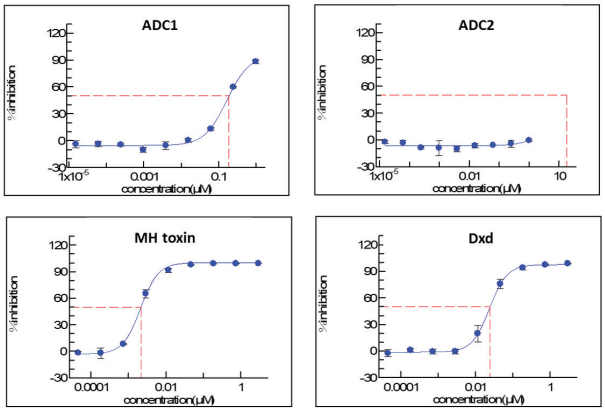
- *In vitro* anti-proliferation assay

	Max inhibition% @ 1μM	IC50 (nM)
ADC1	90.36	191.3
ADC2	0.05	>>1000

	Max inhibition% @ 1μM	IC50 (nM)
MH Toxin	99.22	2.2
Dxd	98.96	25.0

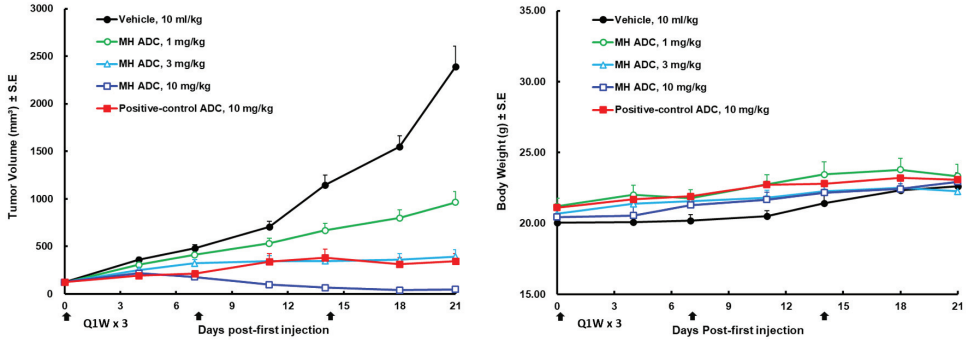
- ADC1: GGFG-MH toxin
- ADC2: GGFG-Dxd

Target^{Positive} human cancer cell line-2



We further evaluated the *in vivo* anti-tumor efficacy of a SuperTopoi-based ADC (MH ADC) against a Dxd-based positive control in a lung cancer xenograft model. MH ADC achieved tumor growth inhibition at a dose of 3 mg/kg that was comparable to that observed with the positive-control ADC at 10 mg/kg. At a dose of 10 mg/kg, MH ADC induced tumor regression, with no observable body weight loss.

- *In vivo* anti-tumor efficacy in a target^{Positive} Human lung cancer cell line-2 xenograft model



This anti-tumor potency was also shown in the clinical setting. The efficacy data from clinical trials reflect potent and durable tumor responses at relatively low dosing levels. Across programs, the RP2D of SuperTopoi-based ADCs are materially lower than those of DXd-based ADCs targeting the same antigens. For example, the RP2D of our TROP2 ADC, MHB036C, is 1.5 mg/kg Q3W, compared with 6.0 mg/kg Q3W for the DXd-based ADC (datopotamab deruxtecan). Despite the substantially lower clinical dose, MHB036C demonstrated comparable or improved antitumor activity in early clinical studies.

2L+ TNBC	MHB036C (DAR ~4)		SG[1] (DAR ~8)	Dato[2] (DAR ~4)	SKB264[3] (DAR ~8)
	1.3 mg/kg, Q3W	1.5 mg/kg, Q3W	10 mg/kg, D1/8	6 mg/kg, Q3W	5mg/kg, Q2W
ORR	35%	43%	35%	32%	45%
mPFS	4.5 m	6.9 m	4.8 m	4.4 m	6.7 m

Notes:

1 Data from ASCENT; NCT02574455

2 Data from TROPION-PanTumor01

3 Data from Sacituzumab tirumotecan in previously treated metastatic TNBC: a randomized Phase III trial

2L+ HR+HER2- BC	MHB036C	SG[1]	Dato[2]	SKB264[3]
	1.5 mg/kg, Q3W	10 mg/kg, D1/8	6 mg/kg, Q3W	5 mg/kg, Q2W
ORR	40%	21%	36%	42%
mPFS	9.0 m	5.5 m	6.9 m	8.3 m

Notes:

1 Data from TROPiCS-02, The Lancet, Volume 402, Issue 10411p1423-1433 October 21, 2023

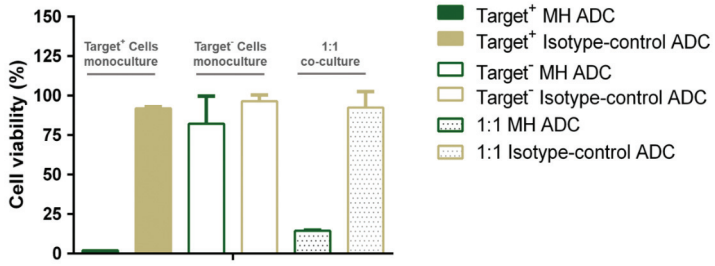
2 Data from TROPION-Breast01 trial

3 OptiTROP-Breast02 study ESMO2025

In addition, our SuperTopoi Platform possesses the following advantages.

Chemical stability. Our cleavable linker is designed to be stable in plasma at 37°C while maintaining release efficiency, thereby reducing the off-target toxicity.

Bystander effect. Our ADCs demonstrate potent bystander killing activities against target-negative tumor cells in the presence of target-positive tumor cells.



Favorable safety profile. Our SuperTopoi Platform has generated seven clinical-stage ADCs and multiple preclinical programs. As of the Latest Practicable Date, SuperTopoi is one of the few Topo I ADC platforms without significant hematological toxicity and ILD, according to CIC. SuperTopoi recorded a very low incidence of ILD in clinical studies. Across over 400 patients treated in ADC programs, the incidence of ILD remained 1-2%. Meanwhile, no major platform-related hematologic toxicities were recorded at clinically efficacious doses.

As of the Latest Practicable Date, our SuperTopoi Platform had produced 45 patent filings covering ADC-specific toxin molecules. All inventors of these patent filings are our current employees who have executed confidentiality and intellectual property assignment agreements in accordance with the Company policy. The ownership of all SuperTopoi Platform-related intellectual property resides with us.

COLLABORATION AND LICENSING AGREEMENT

Qilu Pharmaceutical ("Qilu") is a leading research-driven pharmaceutical company in China, dedicated to the development and manufacturing of innovative and generic medicines. With a broad portfolio spanning oncology, the central nervous system, and anti-infectives, Qilu leverages its extensive R&D capabilities and large-scale production infrastructure. Qilu is actively advancing its pipeline, including advanced therapies such as ADCs, to address critical patient needs in China and global markets. We have entered into an exclusive license agreement with Qilu Pharmaceutical Co., Ltd ("Qilu Collaboration Agreement") on March 31, 2025 to develop and commercialize MHB088C in Greater China. We will retain global rights to MHB088C outside Greater China and continue advancing our development in these regions. To the Company's knowledge and save for the Qilu Collaboration Agreement, Qilu is an Independent Third Party to us.

Prior to the execution date of the Qilu Collaboration Agreement, MHB088C was in the Phase I/II clinical study for solid tumors in China and received an IND approval from the FDA to conduct Phase I/II clinical trials for solid tumors in July 2024. Following the execution of the Qilu Collaboration Agreement, we received approval from NMPA to initiate Phase III trial in SCLC in China in April 2025.

Rights Out-licensed to Qilu. The Company granted Qilu an exclusive license during the term of the agreement and within the licensed territory[(1)] to use, produce, manufacture the licensed compound[(2)] and licensed products[(3)] for the treatment, prevention and diagnosis of all human diseases, and a non-exclusive license to synthesize the payload, linker, linker-payload, and B7-H3 antibody solely for the purpose of developing, producing, and commercializing the licensed compound[(2)] and licensed products[(3)]. Notwithstanding the foregoing licenses, we reserve all rights to develop, improve, clinically evaluate, use and commercialise combination therapies of the licensed compounds and/or licensed products with our own PD-1/VEGF bsAb, MHB039A, in the licensed territory and the whole rights of the licensed compounds and/or licensed products outside the licensed territory.

Targeted Indications and Monotherapy/Combination therapies. The Qilu Collaboration Agreement did not impose a limitation to the license granted to Qilu on the targeted indications of MHB088C or its form of therapy (monotherapy or combination therapy)

Joint Steering Committee ("JSC"). The Qilu Collaboration Agreement established a JSC comprising two representatives designated by each party, which shall be responsible for overseeing and coordinating the development, transfer, manufacturing and commercialization of the licensed compounds and products in the licensed territory. Decisions shall be made by consensus of the attending members. Qilu has the final decision-making authority in event of disputes or deadlock for matters within the licensed territory. We reserved the final decision-making authority over matters outside the licensed territory. and over all matters related to the MHB039A combination therapy, which fall outside the scope of JSC.

Intellectual Property. Pursuant to the Qilu Collaboration Agreement, we retained sole ownership of all patents, know-how and other intellectual property rights that are owned by us or any of our affiliates as of the effective date of such agreement or generated, invented or acquired by us or any of our affiliates during the term outside of such agreement. Each party shall solely own any improvement to the licensed technology unless such improvement is jointly developed.

Payments. Under the Qilu Collaboration Agreement, Qilu agreed to make various payments to us, including (i) a one-off, non-refundable, non-creditable upfront and near-term payment of RMB250.0 million and RMB30.0 million, respectively, (ii) remaining milestone payments in aggregate amount of up to RMB1,065.0 million for R&D, registration and sales activities, and (iii) tiered royalties at percentage rates between high single digits and mid-teen digits on the net annual sales in Greater China. Payments under items (ii) and (iii) above were non-refundable and non-creditable, subject to Qilu's breach claim rights under the agreement and its rights under applicable law.

Development and Regulatory Milestones: Dosing of first patient in the China Phase III clinical trial for second-line treatment of SCLC; NDA submission for second-line treatment of SCLC to the NMPA; NDA granted by the NMPA for second-line treatment of SCLC; NDA granted by the NMPA for first-line treatment of SCLC; NDA submission for the third indication accepted by the NMPA and NDA granted by the NMPA for the third indication. The aggregated payment shall not exceed RMB220.0 million. As of the Latest Practicable Date, we have received a near-term milestone payment of RMB30.0 million.

Sales Milestones: Net annual sales by Qilu in Greater China first exceeding each of the agreed tiered sales thresholds, respectively. The aggregated payment shall not exceed RMB875.0 million. As of the Latest Practicable Date, we have not received any sale milestone payment.

Product Liability. The party shall provide prompt written notice to the other party they become aware that the licensed product may be subject to recall, suspension of sale, market withdrawal or other corrective or regulatory action under applicable laws due to medical adverse events in its territory. We and Qilu shall be each responsible for remedial actions relating to product liability in our respective territories.

Dispute Resolution. The Qilu Collaboration Agreement shall be governed by, and construed in accordance with, the laws of the PRC. Any dispute shall be finally resolved by litigation in the People's Court where the plaintiff has the jurisdiction.

Termination. The Qilu Collaboration Agreement will remain in effect until expiration of the royalty term for MHB088C in a jurisdiction upon the latter of: (a) expiration of the patents covering MHB088C in the country and (b) the tenth anniversary of the first commercial sale of MHB088C in the jurisdiction, and may be earlier terminated by either party for the other party's uncured material breach or insolvency. Upon termination, all licenses and other rights granted to Qilu by the Company will immediately terminate, subject to special termination survival arrangements. The Qilu Collaboration Agreement provided no specific contingent liabilities that may arise upon termination.

Notes:

(1) Licensed territory means Greater China, including Chinese Mainland, Hong Kong, Macau and Taiwan.

(2) Licensed compound means the ADC compound targeting B7-H3 ADC developed by us, MHB088C, as well as any modifications, improvements or derivatives of such compound within the scope of the licensed compound patent protection filed by us and/or Qilu in the licensed territory.

(3) Licensed products mean any pharmaceutical product containing the licensed compound, in any form, formulation or route of administration.

RESEARCH AND DEVELOPMENT

R&D Team

Our in-house R&D team consisted of 107 employees as of the Latest Practicable Date, most of whom had obtained at least bachelor's degrees, and over 40.2% members of our R&D team had obtained post-graduate degrees. Our R&D team is led by a team of scientists with years of drug development experience. As of the Latest Practicable Date, 22, 72 and 13 employees were in the functions of (i) drug research and pre-clinical development, (ii) clinical development and (iii) manufacturing, quality control and assurance, respectively.

Our core R&D personnel consists of six members covering the fields of chemistry, biology, pharmacology and medicine, who have been working in the pharmaceutical industry for an average over 18 years and obtained advanced degrees. Among them, five and six core R&D personnel are involved in the development of our Core Product MHB018A and MHB036C, respectively. Since the period of early discovery and development of each of the Core Products and as of the Latest Practicable Date, all of the core R&D personnel remain employed by us. There has been no departure of R&D team members that led to a material negative impact on the R&D of the Core Product.

Dr. Cao Guoqing, Ph.D., our executive Director, chief executive officer and chief scientific officer. Dr. Cao has over 25 years of experience in the pharmaceutical industry with extensive expertise in biopharmaceutical R&D. He obtained his Ph.D. in biochemistry from The Ohio State University, followed by a postdoctoral fellowship under Nobel Laureates at the University of Texas Southwestern Medical Center.

Mr. Shi Junwei, our chief medical officer and senior vice president of R&D since October 2018. He has over 17 years of experience in R&D of drugs. He obtained his bachelor's degree in basic medicine from Fudan University. He obtained his master' degree in biomedicine and technology from Shanghai Institutes for Biological Sciences, Chinese Academy of Sciences.

Ms. Zhu Liyuan, our senior director of biology and CMC since September 2018. Before joining us, she has extensive working experience in biology and in vivo biology R&D, covering both scientific execution and departmental leadership. She pursued a combined master's and doctoral program in pharmacology at the Shanghai Institute of Materia Medica, Chinese Academy of Sciences.

Dr. Meng Xiang, Ph.D., our senior director of pre-clinical development and clinical pharmacology since June 2020. Before joining us, he accumulated 13 years of working experience in pharmacology and drug evaluation in both research institute and regulatory settings. He obtained his bachelor's degree in bioengineering from Anhui University of Technology and Science, his master's degree in food science from the University of Shanghai for Science and Technology, and his doctoral degree in pharmacology from Fudan University.

Dr. Chen Yile, Ph.D., our senior director of medicinal chemistry and CMC since June 2020. Before joining our company, Mr. Chen served as senior manager of medicinal chemistry in a biopharmaceutical company, following his postdoctoral research in Belgium. He obtained his doctoral degree in chemistry from Zhejiang University and subsequently completed a postdoctoral fellowship in organic and medicinal chemistry at Université catholique de Louvain.

Dr. Liu Bo, Ph.D., our senior director of antibody engineering and CMC since March 2021. Dr. Liu served as director and chief scientist leading biologics and antibody R&D in his prior roles. He obtained his bachelor's degree in bioscience and technology from Tsinghua University, his doctoral degree from the University of Cincinnati, and subsequently completed a postdoctoral fellowship in allergy and immunology at Cincinnati Children's Hospital Medical Center.

In 2024, 2025 and the five months ended May 31, 2025 and 2026, we recorded research and development expenses of RMB280.7 million, RMB230.3 million, RMB60.1 million and RMB120.0 million, respectively, representing 95.4%, 86.1%, 91.1% and 89.0% of our total operating expenses for the corresponding years/periods. In 2024, 2025 and the five months ended May 31, 2025 and 2026, we recorded research and development expenses of RMB49.0 million, RMB91.5 million, RMB22.8 million and RMB67.7 million attributable to our Core Products, respectively, representing 17.5%, 39.7%, 38.0% and 56.4% of our total R&D expenses, respectively. We anticipate continuing to make significant investments in our R&D efforts, since we expect to expand the indications and continue the clinical development of our drug candidates, advance more pipeline candidates along clinical trials and conduct additional preclinical studies.

Drug Research and Pre-clinical Development

Our drug research and pre-clinical development is led by Dr. Cao Guoqing, our founder, executive Director, chief executive officer and chief scientific officer. In early discovery and development, we leverage our R&D expertise alongside growing collaborative interest from leading research institutions to foster innovation and expand our immunotherapy and oncology portfolios. We maintain academic partnerships with leading academic institutions to integrate external scientific advances and innovations into our pipeline. These collaborations support efficient translation from discovery to preclinical and clinical development. Especially, they have enabled shared access to research resources, accelerated translation of scientific discoveries into therapeutic solutions, and more importantly, the priority evaluation rights for us to incorporate the early discovery projects into our proprietary R&D pipeline.

Clinical Development Team

Our clinical development team is led by Mr. Shi Junwei, our chief medical officer. As of the Latest Practicable Date, our clinical development team consisted of 76 members, including professionals with strong drug development experience, who participate in clinical development strategy development, clinical trial protocol design, clinical trial operation organization, drug safety monitoring, and clinical trial quality control. Many of our clinical development team members had extensive relevant work experience. Our clinical development team is generally responsible for the clinical development of our Core Products and other pipeline products.

Clinical Trial Design and Implementation

Our clinical development team manages all stages of clinical trials, from protocol design to overseeing the operations and conduct of clinical trials. For certain pipeline products that are out-licensed in specific jurisdictions, our team continues to monitor clinical development, participates in data analysis, and provides recommendations as appropriate.

Our clinical development team is also responsible for the selection of trial sites. Our site selection criteria include the site's prior experience in conducting similar trials, depth of therapeutic expertise, access to the target patient population, geographic distribution, regulatory compliance

and quality standards, availability of specialized services, proficiency of clinical staff, and infrastructure and technology capabilities. Additionally, we evaluate the sites ability to collaborate efficiently and support timely trial execution across multiple phases.

Our clinical development capabilities are exemplified by our global clinical development know-hows that combine advanced study design, operational efficiency and disciplined execution across regions. Regarding study design, for example, we proactively engaged with regulatory agencies to develop advanced global, multi-regional trials for MHB018A. These trials integrated cohorts from China, the United States, Europe and Japan seamlessly, ensuring compliance with regulatory standards. This strategy streamlined clinical operations and expedited our global development timeline. Regarding operational efficiency, we successfully demonstrate our execution capability by managing and completing multiple complex clinical programs over the course of a single year. For example, we completed patient enrollment for the pivotal Phase III trial of MH004, with 377 patients enrolled within the year. We have also conducted dose escalation and expansion studies for two ADC programs, MHB036C and MHB088C, enrolling over 300 patients combined in one year.

Manufacturing, Quality Control and Assurance Team

Our manufacturing, quality control and assurance team is led by Zhang Zhonglin, our executive director, and Li Hongmei, our senior director. The team is responsible for overseeing the end-to-end production and quality management of our drug candidates, with functions spanning drug substance manufacturing, ADC conjugation, and drug product formulation, as well as quality system management, process governance, and in-process and release testing to ensure product consistency, safety, and compliance with applicable GMP standards.

Relationship with CDMOs

In 2024 and 2025, we engaged 10 and 11 CDMOs to support investigator-initiated trials and clinical trials in China, respectively. We currently outsource the manufacture of ADC and bsAb product candidates to support relevant clinical trials in China to reputable CDMOs. We select our CDMOs by reviewing their qualifications, relevant expertise, production capacity, geographic proximity, reputation, track record, product quality, reliability in meeting delivery schedules, and the financial terms offered by them. We have adopted procedures to ensure that the production qualifications, facilities and processes of our CDMOs comply with the relevant regulatory requirements and our internal standards. For example, we review all relevant documents and records, especially the manufacturing batch records and quality control records, to ensure that operations of our CDMO partners are in compliance with relevant procedure requirements. All intellectual properties generated from the collaboration under the CDMO agreements shall be solely and exclusively owned by us. In 2024 and 2025, we incurred a total expense of RMB134.8 million and RMB89.6 million in the engagement of CDMOs, respectively. During the Track Record Period, we have no material reliance on any CDMOs.

We enter into long-term master service agreements with our CDMO partners. We then place specific orders as our R&D activities progress. Key terms of our agreements that we typically enter into with our CDMOs are set forth below.

Services. The CDMOs provide us with manufacturing services according to the types of deliverables, location, unit price, volume and requested delivery date specified by us.

Quality control and inspections. We are entitled to conduct on-site audits and regular inspections to ensure compliance of our CDMOs with the relevant current good manufacturing practice ("cGMP") and regulatory requirements.

Payments.We are required to make payments to the CDMOs in accordance with the payments schedule set forth in the agreement, which is typically linked to the stages of the manufacturing process and the deliverables we receive.

Intellectual property rights. All intellectual properties generated from the collaboration under the CDMO agreements shall be solely and exclusively owned by us.

Remedies for non-conforming products. We are entitled to remedies for products that fail to conform to our specifications. The CDMOs are required to replace the non-conforming products and compensate us for any direct losses due to the delay.

See "— Our Suppliers" for the details of our major CDMOs engaged during the Track Record Period.

Relationship with CROs

In 2024 and 2025, we engaged 23 and 17 CROs to manage, conduct and support our preclinical studies and clinical trials under our close supervision and overall management, respectively. We select CROs based on their experience in similar therapeutic areas, track record of successfully managing clinical trials, regulatory compliance, technical and operational capabilities, resource availability, cost-effectiveness and quality management systems. Our clinical development department closely supervises and monitors the performance of CROs to ensure they conduct clinical trials in accordance with our protocols and GCP requirement. For the years ended December 31, 2024 and 2025, we incurred a total expense of RMB38.9 million and RMB28.8 million in the engagement of CROs, respectively. During the Track Record Period, we have no material reliance on any CROs.

We enter into a general service agreement with a CRO for clinical trial management services. Below is a summary of the key terms of an agreement that we typically enter into with our CROs:

Services. The CRO provides us with services such as the implementation and management of non-clinical and clinical research project addressing questions raised by CDE and supplementing relevant trial content as required.

Term. The CRO is required to perform its services within the prescribed time limit set out in each work order and in accordance with the KPIs agreed by both parties.

Payments. We are required to make payments to the CRO in accordance with the payment schedule agreed by the parties.

Risk allocation. We are responsible for the risks related to technical difficulties, objective conditions or force majeure events that results in losses. The CRO is responsible for notifying us any unsupportive experimental data obtained, and taking appropriate measures to minimize losses for discrepancies between trial protocol and actual implementation.

Intellectual property. All intellectual property generated from the collaboration under the CRO agreement shall be solely and exclusively owned by us.

See "— Our Suppliers" for the details of our major CROs engaged during the Track Record Period.

Regulatory Affairs

Our regulatory affairs team is responsible for the regulatory process of our product candidates, including assembling application dossiers for IND and NDA, addressing inquiries from relevant authorities and monitoring our R&D projects to ensure their compliance with relevant regulations.

Our regulatory affairs team manages the regulatory submission process in China, the U.S. and other regions where we may conduct clinical development. The regulatory affairs team prepares and manages regulatory filings by coordinating filing dossiers drafting, addressing regulatory questions and conducting CMC and GMP readiness assessments for our product candidates. We consistently initiate early and constructive dialogues with regulatory authorities, which has significantly accelerated our pipeline progression. As of May 31, 2026, we obtained 24 IND approvals from multiple regulatory authorities worldwide. For MH004, our discussions with the FDA resulted in clearance for a single global Phase III trial based on results from prior clinical trials. For MHB018A, following Pre-IND and EOP2 meetings, the FDA agreed that we may proceed directly to a multi-regional Phase III trial without requiring a U.S. bridging study.

COMMERCIALIZATION, MARKETING AND BUSINESS DEVELOPMENT

We have been actively establishing our commercial-planning and business development capabilities. With respect to near-term commercialized pipeline products in our domestic market, we plan for next phase (i) to build up our in-house sales and marketing capability and infrastructure from product positioning, market planning, product pricing, potential NRDL inclusion and commercial insurance coverage, business policy formulation, marketing activities and compliance system, and (ii) to establish our sales channels and engage third-party cooperators such as distributors and promoters.

We expect overseas development to become a key growth driver alongside our Core Product MHB018A. In the United States, we have initiated the Phase III clinical trials for MHB018A with trial operations being outsourced to an experienced CRO. From 2027 onwards, subject to pipeline progress, we intend to establish dedicated overseas teams and R&D centers in key markets such as the United States and the European Union, focusing on clinical development, regulatory affairs and business development. In parallel, we will actively pursue regional and global licensing, co-development and co-commercialization partnerships with leading international pharmaceutical companies to accelerate development and fully realize global commercial value.

OUR SUPPLIERS

During the Track Record Period, our suppliers are mainly comprised of CROs and CDMOs for our R&D activities. Although we primarily use a limited number of suppliers, there are alternate suppliers available for our needs for services, equipment and consumables. During the Track Record Period, we did not experience any material disputes with our suppliers, difficulties in the procurement of raw materials or services, disruptions to our operations due to a shortage of or delay in supply of raw materials or services, or significant fluctuations in raw material and/or service prices.

In 2024, 2025 and the five months ended May 31, 2026, purchases from our five largest suppliers in aggregate accounted for 58.6%, 43.4% and 38.8% of our total purchases, respectively, for each year/period during the Track Record Period. Our purchases from our largest supplier for each year/period during the Track Record Period amounted to RMB58.6 million, RMB28.6 million and RMB14.2 million, representing 23.8%, 15.2% and 14.0% of our total purchases for the respective period.

All of our five largest suppliers during the Track Record Period are Independent Third Parties. None of our Directors or Shareholders who, to the knowledge of our Directors, owns more than 5% of our issued share capital immediately following completion of the [**REDACTED**] nor any of their respective close associates had any interest in any of our five largest suppliers during the Track Record Period.

The following table summarizes information about our five largest suppliers for the periods indicated:

Rank	Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousand)	
For the year ended December 31, 2024							
1	Supplier A	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, GMP production and regulatory submission	CDMO	10 working days	2020	58,634	23.8%
2	Supplier B	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, CDMO services and regulatory submission	CDMO	10 to 30 working days	2019	44,864	18.2%
3	Supplier C	A leading China-based company with global presence, primarily engaged in nonclinical studies and clinical trial services	CRO	20 working days	2021	20,269	8.2%
4	Supplier D	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D and manufacturing services	CDMO	15 to 20 working days	2022	14,892	6.0%
5	Supplier E	A leading China-based company, primarily engaged in clinical research site management services	CRO	30 days	2023	5,974	2.4%
	Total					**144,633**	**58.6%**

Rank	Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousand)	
For the year ended December 31, 2025							
1	Supplier B	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, GMP production and regulatory submission	CDMO	10 to 30 working days	2019	28,627	15.2%

Rank	Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousand)	
2	Supplier F	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, manufacturing, analytical and testing, and ADC production	CDMO	30 days	2023	27,043	14.4%
3	Supplier G	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, manufacturing, analytical and testing, and regulatory submission	CDMO	15 working days	2021	9,424	5.0%
4	Supplier D	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D and manufacturing services	CDMO	15 to 20 working days	2022	8,299	4.4%
5	Supplier H	A leading China-based company, primarily engaged in clinical research site management services	SMO	30 days	2021	8,287	4.4%
	Total					**81,680**	**43.4%**

Rank	Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousand)	
For the five months ended May 31, 2026							
1	Supplier I	A leading China-based company with global presence that engages in the research and development of biologic medicines with a focus on oncology, autoimmune diseases, and ophthalmic diseases	CDMO	30 working days	2025	14,204	14.0%
2	Supplier A	A leading China-based company with global presence, primarily engaged in pharmaceutical R&D, GMP production and regulatory submission	CDMO	10 working days	2020	12,046	11.8%

Rank	Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousand)	
3 . .	Supplier C	A leading China-based company with global presence, primarily engaged in nonclinical studies and clinical trial services	CRO	20 working days	2021	5,472	5.4%
4 . .	Supplier H	A leading China-based company, primarily engaged in clinical research site management services	SMO	30 days	2021	4,907	4.8%
5 . .	Supplier J	A leading China-based hospital specialized in cancer treatment	Clinical trial services	30 days	2025	2,867	2.8%
	Total					**39,496**	**38.8%**

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we held 36 issued patents and 138 patent applications (including seven PCT applications), of which ten issued patents and 35 patent applications (including three in China, four in the U.S., and 28 in other jurisdictions) are related to our Core Products. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that makes us to believe that any of the pending patent applications will be rejected. The following table sets forth the patents and patent applications relating to our Core Products and key products, as of the Latest Practicable Date:

Product	Patent Name[(1)]	Subject Matter	Jurisdiction	Status	Application Date	Expiration Date[(2)]	Applicant[(3)]	Grant Date
MHB036C & MHB088C . .	Toxin molecule suitable for antibody-drug conjugate – Payload of ADC	SuperTopoi Platform (Payload)	Australia, China, Eurasia, Hong Kong, South Africa	Granted	2022-01-28	2042-01-28	The Company	2025-02-27 2026-01-02 2025-06-09 2026-02-27 2024-05-30
			Brazil, Canada, China, EPO, Israel, India, Japan, South Korea, Mexico, New Zealand, Singapore, United States	Pending	2022-01-28	N/A	The Company	N/A
MHB036C & MHB088C . .	Antitumor compound and use thereof – Linker-payload of ADC, TROP2 ADC molecule	Linker and payload platform; ADC molecule of MHB036C	Australia, South Africa, Eurasia, Taiwan	Granted	2022-06-16	2042-06-16	The Company	2026-01-22 2025-04-30 2026-06-04 2026-06-11

Product	Patent Name[1]	Subject Matter	Jurisdiction	Status	Application Date	Expiration Date[2]	Applicant[3]	Grant Date
			Brazil, Canada, China, EPO, Hong Kong, Israel, India, Japan, South Korea, Mexico, New Zealand, Singapore, United States	Pending	2022-06-16	N/A	The Company	N/A
MHB088C	Anti-B7-H3 antibody and preparation therefor and use thereof – anti-B7H3 antibody of ADC	B7H3 antibody sequences of MHB088C	Australia, Canada, China, Japan	Granted	2021-06-02	2041-06-02	The Company	2025-08-21 2025-10-07 2026-02-06 2024-10-16
			EPO, United States	Pending	2021-06-02	N/A	The Company	N/A
MHB088C	Antibody-drug conjugate and use thereof – ADC molecule	ADC molecule of MHB088C	Australia, Canada, China, EPO, Hong Kong, Japan, South Korea, United States	Pending	2023-07-26	N/A	The Company	N/A
MH004	Prodrug compound, preparation method therefor and use thereof	Chemical structure	Australia, Eurasia, Japan, South Africa, China, Hong Kong, South Korea	Granted	2022-02-09	2042-02-09	The Company	2025-10-30 2025-12-16 2025-10-15 2026-02-09 2026-04-07 2026-05-29 2026-05-07
			Brazil, Canada, EPO, Israel, India, Macau, Mexico, New Zealand, Singapore, United States	Pending	2022-02-09	N/A	The Company	N/A
MH004	Method for Preparing a JAK Inhibitor Compound, Crystal Form Thereof, and Intermediates Thereof (一種JAK抑制劑化合的制備方法、晶型及其中間體)	Crystal form	China	Pending	2025-01-14	N/A	The Company	N/A
			PCT	Pending	2026-01-14	N/A	The Company	N/A
			Taiwan	Pending	2026-01-16	N/A	The Company	N/A
MHB018A	Antigen-binding protein and use thereof	IGF-1R antibody sequences	Japan	Granted	2023-01-28	2043-01-28	The Company	2026-05-14
			Australia, Canada, China, EPO, Hong Kong, South Korea, United States	Pending	2023-01-28	N/A	The Company	N/A

Product	Patent Name[1]	Subject Matter	Jurisdiction	Status	Application Date	Expiration Date[2]	Applicant[3]	Grant Date
MHB039A . . .	Antigen-binding protein and use thereof	PD-1 antibody sequences	Australia, Japan	Granted	2022-01-28	2042-01-28	The Company	2025-11-27 2025-06-18
			Canada, China, EPO, Hong Kong, United States	Pending	2022-01-28	N/A	The Company	N/A
MHB039A . . .	Multispecific antibody and use thereof	PD-1/VEGF bispecific antibody sequences	Australia, Canada, China, EPO, Hong Kong, Japan, South Korea, United States	Pending	2023-07-19	N/A	The Company	N/A

Abbreviations: PCT = Patent Cooperation Treaty, EPO = European Patent Office

Notes:

(1) Unless otherwise indicated, the patent for applications within the same family is the same and is therefore disclosed once.

(2) The patent expiration date is estimated based on current filing status, without taking into account any possible patent term adjustments or extensions and assuming payment of all appropriate maintenance, renewal, annuity and other government fees.

(3) All the above patent families have inventors who are our employees, except for one patent family relating to MHB088C, where two of the inventors were employees of our Company's collaborator, Sanyou Biopharmaceuticals Co., Ltd. Both inventors and their employer (i.e. the collaborator) have assigned their entire rights, title and interest in and to the invention and the patent family to our Company. Accordingly, despite the external inventors, our Company has the sole ownership of the invention and the patent family.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any dispute with any other parties in respect of our intellectual property rights which have had a material effect on our business, and we were not involved in any material proceedings in respect of intellectual property right infringement claims against us or initiated by us.

For details of comprehensive list of the material patents out-licensed to Qilu pursuant to the Qilu Collaboration Agreement, see "Appendix IV — B. Further Information about Our Business — 2. Intellectual Property Rights — (c) Patents" to this document.

We may rely, in some circumstances, on trade secret and/or confidential information to protect aspects of our product candidates. We seek to protect our proprietary product candidates and processes, in part, by entering into confidentiality agreements with consultants, scientific advisors and contractors, and invention assignment agreements with our employees. We have entered into confidentiality agreements with our senior management and key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we used to employ each of our employees, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee's work. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems.

We conduct our business under the brand name of "Minghui Pharmaceutical" and "明慧醫藥". As of the Latest Practicable Date, we held four registered trademarks in Chinese Mainland and one registered trademark in Hong Kong. We are also the owner of one domain name.

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any proceedings in respect of any intellectual property rights that may be threatened and that may have a material adverse influence on the research and development for any of our product candidates in which we may be a claimant or a respondent.

In November 2025, we engaged JunHe LLP to conduct certain freedom-to-operate searches and analyses ("FTO Analysis") in China and the U.S. in relation to our Core Products, namely MHB018A and MHB036C, and our key products, namely MH004, MHB088C and MHB039A. With the support of the FTO Analysis, our Directors were not aware of any instances of confirmed infringement of third parties' granted patents in China or United States in relation to the amino acid sequences, chemical structures or indications currently under development of our Core Products and key products during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

While we believe our pipeline of clinical and preclinical stage proprietary assets, leading R&D capability, technology platforms and seasoned management team provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions, and public and private research institutions. Any product candidates we develop and commercialize will compete with existing drugs and new drugs that may become available in the future.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. Our principal insurance policies cover employee benefits liability and adverse events in clinical trials. We currently do not maintain insurance for environmental liability. During the Track Record Period, we had not made or been the subject of any material insurance claims.

EMPLOYEES

As of the Latest Practicable Date, we had 127 employees in total, which included (i) 107 in research and development, (ii) 16 in general and administrative, and (iii) six in business strategy and corporate development, accounting for 84.3%, 12.6% and 3.1% of all our employees, respectively.

We enter into individual employment contracts with our employees covering salaries, bonuses, employee benefits, workplace safety, confidentiality and non-competition, work product assignment clause and grounds for termination. To maintain our workforce's quality, knowledge, and skill levels, we provide continuing education and training programs, including internal training, to improve their technical, professional or management skills. We also provide training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects. Furthermore, we provide various incentives and benefits to our employees, including competitive salaries, bonuses and share-based payment, particularly our key employees.

Our employees' remuneration comprises salaries, bonuses, provident funds, social security contributions, and other welfare payments. We have made contributions to our employees' social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds pursuant to applicable laws and regulations. We have complied with relevant statutory social security insurance fund and housing fund obligations applicable to us under the laws and regulations in China in all material aspects during the Track Record Period and as of the Latest Practicable Date. As of the Latest Practicable Date, we have not identified any instances of non-compliance on social insurance

and housing provident fund. Please refer to the section headed "Risk Factors — Risks Relating to Our Operations — Failure to comply with social insurance and housing provident fund regulations could subject us to penalties and adversely affect our business." in this document.

Workplace Safety

We have adopted and maintained a series of rules, standard operating procedures, and measures to maintain our employees' healthy and safe environment. We implement safety guidelines to set out information about potential safety hazards and procedures. We require employees to participate in safety training to familiarize themselves with the relevant safety rules and procedures. Also, we have policies in place and have adopted relevant measures to ensure the hygiene of our work environment and the health of our employees. Our PRC Legal Adviser has confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalty in relation to health, work safety, social and environmental protection.

PROPERTIES

We lease an aggregate gross floor area of 2,197.9 sq.m. in Hangzhou, China and 1,180.5 sq.m. in Shanghai, China, with the respective lease terms expiring in February 2029 and February 2031. These leased properties are used for administrative, research and development, industrial and clinical activities.

As of the Latest Practicable Date, we had not registered the lease agreements for certain of our leased properties, with an aggregate gross floor area of 3,378.4 sq.m., with the relevant competent authorities in accordance with applicable PRC regulations. We have taken proactive steps to complete the registration of such lease agreements. However, as the registration of a lease agreement requires the cooperation of both the lessor and the lessee, and lessors are typically unwilling to undertake the related administrative burden, we were unable to complete the registration. Pursuant to applicable PRC laws and regulations, lease agreements in respect of leased properties are required to be registered with the relevant real estate administration authorities in the PRC. As advised by our PRC Legal Adviser, the lack of registration does not affect the validity and enforceability of the lease agreements, but we may be subject to fines from RMB1,000 to RMB10,000 for each such lease agreement for failure to register. Our PRC Legal Adviser advises that, if the lease registration can be completed in accordance with relevant laws and regulations within a reasonable time from the date of application or the prescribed time limit ordered by the competent governmental authorities, the risk of governmental authorities imposing a material penalty on us with respect to these leased properties is remote. As of the Latest Practicable Date, we had not been subject to any material administrative penalties by the relevant competent authorities.

We believe that our existing facilities will be sufficient for our needs for the foreseeable future. In the event that any lease is terminated due to non-renewal or non-compliance arising from an unregistered lease, we believe that relocation to alternative facilities would be feasible with limited capital investment and would have no material adverse effect on our operations or financial position.

As of May 31, 2026, no single property interest that formed part of non-property activities had a carrying amount of 15% of our total assets, and no single property interest formed part of property activities. Therefore, according to Chapter 5 of the Listing Rules and [**REDACTED**] 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 our Group's interests in land or buildings.

PERMITS, LICENSES AND OTHER APPROVALS

As of the Latest Practicable Date, we had obtained the principal requisite licenses, approvals and permits from relevant authorities that are material to our operations in the PRC and such licenses, permits and certifications all remain in full effect. We had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates during the Track Record Period and up to the Latest Practicable Date, and we currently do not expect to have any material difficulty in renewing them when they expire, if applicable. There is no material legal impediment in renewing such licenses, permits, approvals and certificates as they expire in the future as long as we are in compliance with applicable laws, regulations and rules. During the Track Record Period and up to the Latest Practicable Date, we had not been materially penalized by any government authorities for any non-compliance relating to maintenance and renewal of our material licenses, permits, approvals and certificates.

The following table sets forth the details of our material licenses, permits and approvals as of the Latest Practicable Date:

Permit	Issuing Authority	Holder	Grant Date	Expiration Date
Drug Manufacturing License (藥品生產許可證)	Zhejiang Provincial Drug Administration (浙江省藥品監督管理局)	Ming Hui Pharmaceutical (Hangzhou) Co., Ltd.	2025/5/23	2030/5/22
Certificate of Work Safety Standardization Level 3 Enterprise (安全生產標準化三級企業)	Hangzhou Emergency Management Bureau (杭州市應急管理局)	Ming Hui Pharmaceutical (Hangzhou) Co., Ltd.	2025/3/18	2028/3/1
Business Registration Certificate	Hangzhou Qianjiang District Market Supervision Administration	Ming Hui Pharmaceutical (Hangzhou) Co., Ltd.	2025/11/12	2049/7/28
Business Registration Certificate	Shanghai Pilot Free Trade Zone Market Supervision Administration	Ming Hui Pharmaceutical (Shanghai) Co., Ltd.	2026/3/20	2068/4/26

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are subject to various health, work safety, and environmental laws and regulations, and our operations are regularly inspected by government authorities. During the Track Record Period and up to the Latest Practicable Date, we were in compliance with these applicable laws and regulations in all material respects. We had not been subject to any material claims, fines, or other penalties due to non-compliance that would materially and adversely affect our business, financial condition, or results of operations.

Governance on ESG Matters

We have built a series of policies and procedures to contribute to social, health, work safety and environmental matters. Going forward, we aim to continue identifying and assessing potential environmental, social and governance ("ESG") risks that may affect our business, strategy, and financial performance, and to consider ESG issues in our business, strategic, and financial planning, in line with the recommendations made by the Environmental, Social and Governance Reporting Guide in Appendix C2 to the Listing Rules.

We seek to strengthen ESG oversight by integrating environmental, social, and governance considerations into business operations and complying with relevant environmental protection laws and regulations. Recognizing the risks and opportunities associated with ESG, we monitor these factors through environmental impact assessments and other measures. We are exploring approaches to mitigate ESG-related risks while balancing cost-effectiveness with sustainable development. As our business grows, we expect a significant increase in resource consumption and emissions, and our initiatives focus on optimizing resource use and minimizing environmental impact where feasible. We plan to set up a timeline for achieving our ESG goals through a phased approach that ensures feasibility and traceability. Furthermore, we are committed to fostering a culture of compliance, with a goal to ensure that all employees are well-informed of and adhere to relevant ESG regulations and requirements through cross-departmental collaboration.

Our Board oversees ESG compliance and matters. Our management provides updates on ESG topics as appropriate, and the Board monitors implementation of related policies.

Environmental Protection

We conduct environmental impact assessments to monitor emission levels. We monitor climate-related aspects such as continuity of operations, energy and water use, waste disposal and supply chain stability. Furthermore, we have set objectives to reduce our environmental footprint and are pursuing measures to help meet these targets.

Waste

We have established waste management procedures to ensure compliance with relevant waste disposal regulations and to minimize environmental impact. The waste is categorized into hazardous waste (such as chemical waste and liquid waste) and non-hazardous waste (such as waste from general office operations). The wastewater and solid waste generated during our in-house research and development process are collected and handled by qualified third-party medical waste treatment companies.

To manage the use and disposal of biologic materials and hazardous substances during clinical trials, we have implemented a comprehensive hazardous waste management system. This includes classifying and labelling different types of hazardous waste (such as biological materials, chemical reagents and laboratory wastewater), maintaining a detailed hazardous waste ledger, preparing and executing transfer documentation in accordance with regulatory requirements, and periodically reviewing supporting records. We engage only qualified third-party institutions with appropriate licenses to collect, transport and dispose of hazardous waste, and we verify their credentials on a regular basis.

During the Track Record Period, the total amount of waste generated by us is:

	For the year ended December 31,		For the five months ended May 31,
	2024	2025	2026
General waste (tons)	0.79	0.34	–

Greenhouse Gas Emission

Our greenhouse gas emissions consist of Scope 2 emissions. Scope 2 emissions mainly arise from purchased electricity for offices in Hangzhou and Shanghai. In response to the national carbon neutrality target, we are committed to optimizing energy use and reducing emissions where feasible, while recognizing that emissions may increase in line with business growth.

Energy indirect emissions (Scope 2)[(1)]

	For the year ended December 31,		For the five months ended May 31,
	2024	2025	2026
CO_2e Amount (ton)	141.7	140.1	33.3

Note:

(1) The Scope 2 emission is calculated using the nationwide grid average emission factor of 0.5306 kg CO_2e/kWh from the PRC Ministry of Ecology and Environment's 2022 power emission factor.

To assess our greenhouse gas emissions, we benchmarked against three comparable listed peers and analyzed operational carbon intensity, with comparative results summarized in the table below.

	Scope 1	Scope 2	Total emissions	Carbon emission intensity based on revenue	Operational carbon intensity based on number of employees
	(tonnes CO_2e)	*(tonnes CO_2e)*	*(tonnes CO_2e)*	*(tonnes CO_2e/ million RMB)*	*(tonnes CO_2e/ person)*
Company A	4,022.9	9,798.6	13,821.5	21.6	32.9
Company B	6,366.6	14,740.1	21,106.7	10.9	11.4
Company C	Not disclosed	350.4	350.4	0.18	2.0
Our Company	0.00	141.7	141.7	/	1.5

We will continue to focus on managing carbon emission intensity over the next three to five years and gradually refine our internal energy and emissions management arrangements to support coordinated business growth and low-carbon operations, on the assumption that our core R&D and office-based operating model and current emissions boundary remain broadly unchanged during the target period.

Other Protection Matters

The following table sets forth the indicators related to our water and power consumption during the Track Record Period.

Water consumption:

	For the year ended December 31,		For the five months ended May 31,
	2024	2025	2026
Amount (ton)	521.6	156.3	99.1

Power consumption:

	For the year ended December 31,		For the five months ended May 31,
	2024	2025	2026
Amount (kilowatt-hour)	267,098.0	264,124.4	62,698.2

As our business grows and our candidates move closer to commercialization, we anticipate an increase in resource consumption and emissions. Nonetheless, we are dedicated to implementing a variety of measures to optimize resource use and reduce emissions. Simultaneously, we strive to cultivate a corporate culture that prioritizes environmental protection and work closely with our business partners to establish an eco-friendly ecosystem. Our commitment includes enhancing the environmental performance across our entire value chain, which encompasses office operations, supplier selection, laboratory activities, and waste management.

Patient Data Protection and Prevention of Data Manipulation

We are committed to the protection of trial participant information in compliance with the applicable laws, regulations and industry standards. We generally require CROs to keep all documents, data, records, and information provided by us or generated during the contract strictly confidential. The CROs are also required to ensure that their employees, consultants, and other professionals who access this confidential information are bound by the same confidentiality obligations. Without our prior written consent, CROs are generally prohibited from disclosing, revealing, or disseminating any confidential information to third parties in any form. Additionally, to the extent possible, we require CROs to implement protective measures that are at least equivalent to those they use for their own confidential information, to prevent unauthorized use, disclosure, or leakage of the information provided by us or generated during the trial. Furthermore, our contracts with R&D employees contain confidentiality clauses, adding an extra layer of security for the confidential information. Through these measures, we maintain a high standard of confidentiality and data protection throughout the clinical trial process.

We have established comprehensive internal policies to protect data integrity and prevent data manipulation, specifically outlined in our internal compliance and data protection policies regarding detection and response to data breaches, tampering, and data loss. These policies establish clear guidelines for data handling and set forth consequences for policy violations. Together, they form a robust framework to safeguard the authenticity and reliability of our research and clinical data.

Management of Third-Party Relationships

We maintain strict compliance standards in our third-party engagements. Our supplier and third-party engagement policies include anti-bribery and anti-corruption requirements and specify obligations for professional conduct. For healthcare professionals, we follow detailed guidelines that govern all professional engagements.

Work Safety

To provide a safe and healthy working environment for our employees, we have established internal safety management systems that set out safe operating procedures, emergency response processes and routine safety measures. In our day-to-day management, we conduct workplace safety inspections and monitoring activities covering environmental conditions, facilities and safety management at our R&D and office premises, with a particular focus on the use, storage and disposal of biological materials, chemical reagents and other hazardous substances in laboratory settings. We provide job-specific training, clear operating instructions, appropriate personal protective equipment and emergency drills, and introduce targeted inspections or remedial actions where necessary. As of the Latest Practicable Date, we did not experience any major workplace accidents resulting in employee casualties, claims for personal or property damages or compensation paid to employees.

Recruitment

We comply with the PRC Labor Law, the PRC Labor Contract Law and the Provisions on the Prohibition of Using Child Labor in our recruitment, onboarding and employment management processes. Our recruitment practices are strictly merit-based, ensuring that all employees are provided with equal opportunities based solely on professional qualifications and experience. We enter into individual employment contracts with our employees. The conventional terms cover

remuneration, bonuses, employee benefits, workplace safety, confidentiality and non-competition undertakings. During the Track Record Period and as of the Latest Practicable Date, we have complied in all material respects with the labor and employment laws and regulations applicable to us. We actively identify and manage related risks through internal measures including recruitment and onboarding controls, verification of employee identity information, execution of employment contracts and employee training.

Workplace Diversity

We are dedicated to fostering an inclusive and open workplace that values equality. As of December 31, 2025, 62.83% of our total employees were female. We are committed to maintaining a fair and transparent employee management system and continuously strive to enhance the gender and age diversity of our workforce.

Training

We formulate annual training plans based on our business strategy and departmental needs, providing technical, professional and managerial training, and ad hoc compliance sessions. We track participation and outcomes to refine development plans, with 100% employee training coverage during the Track Record Period.

Preventive Measures

We established a preventive framework on business ethics and compliance, covering anti-fraud, anti-bribery and conflict-of-interest risks. We have adopted an Anti-Fraud and Whistleblowing Policy under which the Board oversees our anti-fraud system, including approval of key policies and major case handling, and we maintain confidential whistleblowing channels (email and telephone) that prohibit retaliation. We also maintain an Anti-Bribery and Anti-Corruption framework that bans bribery, kickbacks and improper payments in our business activities and regulates gifts, hospitality and other benefits through internal policies and approval processes, supported by financial controls over abnormal payments and expense reimbursements. In addition, our Conflict-of-Interest Policy sets out procedures for identifying, declaring, managing and resolving conflicts involving directors, senior management and employees, and we reinforce these arrangements through ongoing internal communication and training.

Employee Welfare

We offer remuneration, bonuses and other incentives based on job responsibilities, individual performance and our operating results, and may grant additional incentives (including share-based payments) to key employees. Employee compensation typically comprises salary, bonuses, housing provident fund, PRC social insurance contributions and other benefits.

Animal Welfare

We typically engage CROs which have obtained certification from the Association for Assessment and Accreditation of Laboratory Animal Care to conduct animal studies. This certification promotes compliance with key regulations regarding animal welfare, including the humane treatment of all animals, the promotion of psychological well-being, access to adequate veterinary care, ethical reviews of research protocols, proper training for personnel involved in animal care, and ongoing compliance monitoring to uphold high standards of animal welfare throughout the research process.

Research Ethics and Compliance

We regard product quality, safety and regulatory compliance as core to our operations and conduct our R&D and clinical trials in accordance with applicable PRC laws, including the Drug Administration Law and the Good Clinical Practice for Pharmaceutical Products, as well as relevant industry standards. We adopt a prudent approach to identifying, assessing and managing potential ethical and compliance risks and refine our internal processes as our business and regulatory requirements evolve.

Patient Safety

We place emphasis on the protection of trial participants' rights and safety. We manage rigorous procedures for protocol design, site selection, informed consent, safety monitoring and adverse event reporting, implemented together with hospitals and qualified CROs to safeguard participant welfare throughout the study lifecycle.

ESG Goals

Our short-term ESG targets are as follows:

Material topic	Indicator	2024 performance	Unit	2028 target
Climate change and resource management	Operational carbon intensity per employee (Scope 2)	1.52	tonnes of CO2e per person	Decrease by approximately 3%-5%
Talent development and training	Employee training coverage rate	100	%	Maintain 100%
Work safety and occupational health	Number of major workplace safety incidents resulting in employee injury	0	times	Maintain zero occurrence
Data privacy and information security	Number of major data breaches or customer confidential information leaks with material adverse impact on business, financial position or operating results	0	times	Maintain zero occurrence
Business Ethics and Compliance Management	Coverage rate of anti-fraud and business ethics training (key positions)	100	%	Maintain 100%

By using our 2024 data as the baseline and 2028 as the target year, we will continuously track and evaluate selected core ESG indicators. Our key priorities for 2026 include: (i) environmental management, by optimizing electricity and water use and improving emissions and resource data systems; (ii) employee development and safety, by implementing annual and safety training plans and strengthening site safety oversight; (iii) data privacy and information security, by reinforcing data classification, access control and training for clinical and business data; and (iv) business ethics and compliance, by deepening anti-fraud, whistleblowing and conflict-of-interest training and process controls.

LEGAL PROCEEDINGS AND NON-COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we were not a party to any actual or threatened legal or administrative proceedings that have a material adverse effect on our business operation.

Legal Compliance

According to our PRC Legal Adviser, 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 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 or results of operation. Our Directors confirmed that we had complied with all material applicable laws and regulations for our operations in the PRC and the United States and we were not involved in any material or systemic non-compliance incidents in the PRC and the United States.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. For more details, see "Risk Factors — Risks Relating to Our Operations" in this document. To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [**REDACTED**], we have adopted or will continue to adopt, among other things, the following risk management measures: establish an Audit Committee to review and supervise our financial reporting process and internal control system; adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure; provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations; attend training sessions by our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies [**REDACTED**] in Hong Kong.

Internal Control

In preparation for the [**REDACTED**], we have engaged an independent third party consultant (the "Internal Control Consultant") to perform a review over selected areas of our internal controls over financial reporting in October 2025 (the "Internal Control Review"). The scope of the Internal Control Review performed by the Internal Control Consultant was agreed between us, the Joint Sponsors and the Internal Control Consultant. The selected areas of our internal controls over financial reporting that were reviewed by the Internal Control Consultant included entity-level controls and business level controls, including research and development, purchase and payables, fixed asset and intangible asset management, financial reporting and disclosure, treasury, insurance, payroll, taxes, legal management, intellectual property management, and information system general controls.

The Internal Control Consultant performed the follow-up review in November 2025 to review the status of the management actions taken by our Company to address the findings of the Internal Control Review (the "Follow-up Review"). The Internal Control Consultant did not have any further recommendation in the Follow-up Review. The Internal Control Review and the Follow-up Review were conducted base on information provided by our Company and no assurance or opinion on internal controls was expressed by the Internal Control Consultant.

We have also appointed external legal counsel to advise us on compliance matters, such as compliance with the regulatory requirements on clinical R&D, which is also monitored by our legal compliance team. Under our whistle blowing policy, we make our internal reporting channel open and available for our employees to report, on an anonymous basis, any non-compliance incidents and acts, including bribery and corruption. Reported incidents and persons will be investigated and appropriate measures will be taken in response to the findings.

We have also established anti-bribery guidelines and compliance requirements. After considering the remedial actions we have taken, our Directors are of the view that our internal control system is adequate and effective for our current operations.

We plan to provide our Directors, senior management, and relevant employees with continuous training programs and updates regarding the relevant laws and regulations regularly to proactively identify any concerns and issues relating to any potential non-compliance.

Anti-bribery

We maintain a strict code of conduct and anti-corruption policies among our employees and distributors. We strictly prohibit bribery or other improper payments in our business operations. This prohibition applies to all business activities, anywhere globally, whether involving government officials or healthcare professionals. Requests for false invoices or payment of unusual, excessive or inadequately described expenses should be rejected and promptly reported. Misleading, incomplete or false entries in our books and records are never acceptable. We will also ensure that future commercialization team personnel comply with applicable promotion and advertising requirements, including restrictions on promoting drugs for unapproved uses or patient populations and limitations on industry-sponsored scientific and educational activities.

We have adopted comprehensive internal control measures for anti-corruption and anti-bribery by (i) providing regular anti-corruption and anti-bribery compliance training for senior management and employees, including daily compliance team meeting, annual compliance training and other ad hoc compliance training sessions, to enhance their knowledge and compliance with applicable law and regulations; (ii) monitoring books, records and accounts with respect to supplier management, tendering and bidding process management and financial payment management to identify any false, misleading or undisclosed entries; (iii) establishing whistle-blowing mechanisms and encouraging all employees, suppliers, customers and other third parties to report suspicious activities and violations of the policies.

Conflict of Interest and Non-Competition

Our code of conduct clearly defines the scope of conflicts of interest, including supplier and customer relationships, hospitality and gifts, financial interests and personnel matters. Our employees, including our Directors and R&D team members, may not have or be suspected of having a personal interest in business dealings with our suppliers, customers, competitors or distributors; accept monetary, financial or other benefits from our suppliers, customers, competitors or distributors; have close relatives who work for our suppliers, customers, competitors or distributors; serve as a consultant or director in an association or company in the same market or industry. At the same time, employees shall keep confidential information strictly confidential and agree on the definition of confidential information, the content covered, the use of intellectual properties, including any transfer of know-how, acquisition of technologies, and potential breach liabilities. Our employee agreements have included non-competition clauses, which prohibit employees from engaging in or directly or indirectly assisting any third party to engage in the same, similar and competitive business activities as ours for a period of two years from the date of termination of employment. Any of our employees shall not, without our prior written approval, own, manage, operate or control any other entity that competes us.

Data Privacy Protection

We have established procedures to protect the confidentiality of patients' data. We implement strict internal policies to govern the collection, handling, storage, retrieval of, and access to our patients' personal data and medical records and protect the security and confidentiality of personal information to ensure compliance with all applicable national or international rules and regulations on data protection and privacy. We usually require our personnel to collect and safeguard personal information in their possession. Our information technology network is configured with multiple

layers of protection to secure our databases and servers. We have also implemented a variety of protocols and procedures to safeguard our data assets and prevent unauthorized access to our network. Access to clinical trial data has been strictly limited to authorized personnel. In order to strengthen the management of our database, ensure the normal and effective operation of the database, and ensure the security of the database, we have designated database administrator to carry out the responsibilities of daily maintenance, authority control, security protection and other management of the database. Additionally, we require external parties and internal employees involved in clinical trials to comply with confidentiality requirements. Data are to be used only for the intended use, as agreed by the patients and consistent with the informed consent form.

Furthermore, we enter into confidentiality agreements with our employees who have access to any aforementioned privacy information. The confidentiality agreements provide that, among other things, these employees are legally obligated not to misuse the confidential information while in office, to surrender all confidential information in possession while resigning, and to retain their confidential obligations after they leave office. We also implement a series of measures to ensure our employees' compliance with our data security measures. For instance, we provide training to our employees on relevant data security policies.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any breach of confidential client information or any other client information-related incidents which could cause a material adverse effect on our business, financial condition or results of operations. Our PRC Legal Adviser has confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalty in relation to data privacy, and had been in compliance with the relevant PRC laws and regulations in all material aspects in this regard.

AWARDS AND RECOGNITIONS

The following table sets out a summary of the major awards and recognitions we have received.

Year	Award/Recognition	Issuing Authority
2025	Hangzhou City Soon-to-be Unicorn Enterprise (準獨角獸企業)	Hangzhou Venture Capital & Entrepreneurship Association
2025	Zhejiang Provincial Foreign-Invested R&D Center	Zhejiang Government
2024	Zhejiang Technology-based SMEs (科技型中小企業)	Zhejiang Government

You should read the following discussion and analysis in conjunction with our consolidated financial information including the notes thereto, included in the Accountant's Report set out in Appendix I to this document, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS, which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical events, 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, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this document, including 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.

BASIS OF PRESENTATION AND PREPARATION

Our historical financial information has been prepared in accordance with all applicable International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Our historical financial information has been prepared under the historical cost convention, except for financial assets and financial liabilities measured at fair value through profit or loss. Our historical financial information has been prepared on a going concern basis. For details on the basis of preparation, see Note 2.1 of the Accountant's Report set out in Appendix I to this document.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The growth and future success of our business are influenced by a range of factors. We believe the following represent the most significant factors that may materially affect our financial condition and results of operations.

Successful Development, Regulatory Approval and Commercialization of Our Drug Candidates

Our business and results of operations depend on our ability to successfully develop, obtain regulatory approval for and ultimately commercialize our drug candidates. All of our drug candidates are currently in the development stage. As of the Latest Practicable Date, we had established a diverse pipeline comprised of 11 product candidates, including 10 at clinical stage. For more information on the development status of our Core Products, key products and other pipeline candidates, see "Business — Our Product Pipeline." Our business and results of operations depend on our pipeline candidates demonstrating favorable safety and efficacy profiles in clinical trials as well as our ability to obtain the requisite regulatory approvals for and market acceptance of our drug candidates. Our drug candidates may require significant development and marketing efforts before we generate any revenue from product sales. If they fail to achieve a sufficient degree of market acceptance, we may not be able to generate revenue as expected.

We are pursuing a multi-regional development strategy to expedite global filings and potential launches. Once our drug candidates are approved, our operating results will be influenced by market acceptance, pricing and reimbursement outcomes, competitive dynamics and our ability to ensure reliable supply through internal capabilities and qualified CDMO partners. To achieve successful launches, we plan to continue advancing multi-regional clinical trials and registrations, leverage the sales networks of our collaboration partners, build our own commercialization and distribution infrastructure and potentially develop our manufacturing capabilities.

Our Collaboration and Licensing Arrangements

Our collaboration and licensing arrangements are an important part of our strategy to advance the development and maximize the value of our pipeline assets. During the Track Record Period, we entered into an exclusive license agreement with Qilu ("Qilu") to develop and commercialize MHB088C in Greater China. Pursuant to the agreement, we have received an upfront payment of RMB250.0 million in the first half of 2025 and a near-term milestone payment of RMB30.0 million in July 2025, and are eligible to receive additional milestone payments upon the completion of specified milestone events in the Phase III clinical trial, as well as royalties on net sales of the licensed products, subject to the terms of the agreement. See "Business — Collaboration and Licensing Agreement" for details. These arrangements have contributed to our revenue during the Track Record Period and are expected to provide an important source of funding to support our internal research and development efforts. In particular, the timing and amounts of milestone payments and royalties may differ by agreement and depend on the achievement of various development, regulatory and commercial milestones. As such, they may result in fluctuations in our revenue, profit and results of operations from period to period.

Looking ahead, we may seek to enter into additional licensing or collaboration agreements with strategic partners in key markets to support the clinical development and global commercialization of our pipeline candidates. These future partnerships may provide us with access to complementary capabilities, broaden the reach of our programs, and offer financial support in the form of upfront fees, milestone payments, cost-sharing arrangements and royalties. Our ability to establish and maintain such partnerships, as well as the performance of our partners in fulfilling their obligations under these agreements, will continue to impact our financial results and overall growth trajectory.

Our Cost and Expense Structure

Our results of operations are significantly affected by our cost and expense structure, which primarily consists of research and development expenses and administrative expenses. During the Track Record Period, research and development expenses were the largest component of our operating expenses, reflecting our strategic focus on advancing the development of our drug candidates. We believe that continued investment in research and development is critical to our long-term competitiveness and value creation. Developing and validating novel drug candidates, particularly those intended for use in complex therapeutic areas, requires substantial and sustained capital investment. As such, we have allocated significant financial resources to support clinical trials and preclinical studies. Our research and development expenses amounted to RMB280.7 million, RMB230.3 million, RMB60.1 million and RMB120.0 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. For further details, see "— Description of Selected Items of Our Consolidated Statements of Comprehensive Loss — Research and Development Expenses."

Our administrative expenses, which primarily consisted of employee benefit expenses, professional services expenses, depreciation, office and travelling expenses and [**REDACTED**], amounted to RMB13.5 million, RMB37.1 million, RMB5.9 million and RMB14.8 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. See "— Description of Selected Items of Our Consolidated Statements of Comprehensive Loss — Administrative Expenses" for detailed information.

We expect our research and development expenses to continue to represent a significant portion of our total operating expenses in the near term as we advance our pipeline and pursue regulatory approvals. Over time, we anticipate that our cost and expense structure will evolve as we enter new stages of development and potential commercialization. In particular, we expect to incur additional costs and expenses relating to regulatory affairs, quality control and potentially sales and marketing activities as our drug candidates progress. In addition, we expect to incur increasing legal, compliance, accounting, insurance and investor relations expenses associated with being a [**REDACTED**] company in Hong Kong.

Funding for Our Operations

During the Track Record Period, we funded our operations through both operational sources of cash (e.g., revenue from out-licensing) and non-operational sources of financing from investors (e.g., convertible preferred shares). Going forward, in the event of the successful commercialization of one or more of our pipeline products, we expect to primarily fund our operations with revenue generated from sales of the commercialized products. However, with the continuing expansion of our business, we may require further funding through public or private offerings, debt financing, collaboration and licensing arrangements or other sources. Any fluctuation in the funding for our operations will impact our cash flow and our results of operations.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The preparation of our historical financial information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires our management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information are disclosed in Note 4 of the Accountant's Report set out in Appendix I to this document.

DESCRIPTION OF SELECTED ITEMS OF OUR CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

The following table sets forth a summary of our consolidated statements of comprehensive loss for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue	–	264,410	264,151	–
Cost of revenue	–	(743)	(349)	–
Gross profit	**–**	**263,667**	**263,802**	**–**
Research and development expenses	(280,689)	(230,322)	(60,060)	(120,001)
Administrative expenses	(13,541)	(37,053)	(5,903)	(14,831)
Other income	23,974	2,976	769	53
Other gains/(losses), net	1,595	702	24	(857)
Operating (loss)/profit	**(268,661)**	**(30)**	**198,632**	**(135,636)**
Finance income	158	8,606	74	5,394
Finance costs	(117)	(76)	(23)	(90)
Fair value change of financial liabilities at FVTPL	(14,011)	(927,808)	(249,527)	(79,891)

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss before income tax	**(282,631)**	**(919,308)**	**(50,844)**	**(210,223)**
Income tax expense	–	–	–	–
Loss for the year/period attributable to the owners of the Company	**(282,631)**	**(919,308)**	**(50,844)**	**(210,223)**

Revenue

During the Track Record Period, we had not commercialized our drug candidates, but generated revenue primarily from our license agreement with Qilu in 2025. See "Business — Collaboration and Licensing Agreement" for details. The following table sets forth a breakdown of our revenue by nature for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue from the license agreement	–	264,410	264,151	–
Total	**–**	**264,410**	**264,151**	**–**

Cost of Revenue

We incurred cost of revenue of RMB349 thousand and RMB743 thousand in the five months ended May 31, 2025 and in 2025, respectively, which mainly represented staff costs.

Gross Profit and Gross Profit Margin

As a result of the foregoing, in 2024, 2025 and the five months ended May 31, 2025 and 2026, our gross profit was nil, RMB263.7 million, RMB263.8 million and nil, respectively. Our gross profit margin was 99.9% for the five months ended May 31, 2025 and 99.7% for 2025.

Research and Development Expenses

The following table sets forth a breakdown of research and development expenses by nature, in absolute amount and for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Outsourced pre-clinical and clinical expenses	243,701	185,767	42,699	99,703
Employee benefit expenses	30,270	34,655	13,553	15,665
Direct materials and supplies	1,157	2,230	719	1,773
Office and traveling expenses	2,964	2,755	1,211	1,199
Depreciation	1,160	1,045	457	834
Patent application fee	1,374	3,539	1,288	66
Others	63	331	133	761
Total	**280,689**	**230,322**	**60,060**	**120,001**

The table below sets forth a breakdown of our research and development expenses attributable to our Core Products and other product candidates, in absolute amount and for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Core Products				
MHB036C	34,912	41,432	6,349	37,184
MHB018A	14,105	50,073	16,463	30,473
Subtotal	**49,017**	**91,505**	**22,812**	**67,657**
Other Product Candidates				
MHB088C	61,245	31,807	11,560	12,673
MH004	52,050	33,528	10,086	4,218
MHB039A	18,629	32,234	1,505	1,901
MHB046C	23,312	5,845	586	10,775
MHB042C	24,863	3,696	316	3,779
MHB048C	7,562	5,632	4,887	2,772
MHB009C	8,562	2,970	584	1,687
MHB118C	6,277	3,476	2,765	464
MH048	1,032	217	12	38
Others[(1)]	28,140	19,412	4,965	14,037
Total	**280,689**	**230,322**	**60,060**	**120,001**

Note:

(1) Others primarily includes early-stage R&D expenses not attributable to specific pipeline products, patent application fees, testing fees, ESOP expenses not attributable to specific pipeline products, and expenses relating to other product candidates.

In 2024, 2025 and the five months ended May 31, 2025 and 2026, we recorded research and development expenses attributable to our Core Products of RMB49.0 million, RMB91.5 million, RMB22.8 million and RMB67.7 million, respectively, representing 17.5%, 39.7%, 38.0% and 56.4% of our total research and development expenses for the corresponding years/periods.

Administrative Expenses

The following table sets forth a breakdown of administrative expenses by nature, in absolute amount and for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Employee benefit expenses	5,297	8,979	3,127	3,969
Professional services expenses	2,530	4,887	825	2,506
Office and traveling expenses	2,396	1,517	540	924
Depreciation	1,945	1,883	789	700
Others	1,373	2,308	622	47
Total	**13,541**	**37,053**	**5,903**	**14,831**

Other Income

During the Track Record Period, our other income mainly included government grants, which represent subsidies received from government authorities as incentives to support our research and development activities. The following table sets forth a breakdown of our other income for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Government grants	23,974	2,787	580	21
Others	–	189	189	32
Total	**23,974**	**2,976**	**769**	**53**

Other Gains/(Losses), Net

The following table sets forth a breakdown of our other gains/(losses), net for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net foreign exchange gains/(losses)	1,158	202	–	(892)
Realized and unrealized gains on financial assets at FVTPL	305	193	24	42
Others	132	307	–	(7)
Total	**1,595**	**702**	**24**	**(857)**

Finance Income

Our finance income primarily represented interest income from cash and cash equivalents, which amounted to RMB158 thousand, RMB8.6 million, RMB74 thousand and RMB5.4 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively.

Finance Costs

Our finance costs primarily represented interest expenses on lease liabilities, which amounted to RMB117 thousand, RMB76 thousand, RMB23 thousand and RMB90 thousand in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively.

Fair Value Change of Financial Liabilities at FVTPL

Our financial liabilities at FVTPL primarily represented our convertible preferred shares issued in our previous equity financings. Changes in the fair value of these financial liabilities are recognized as profit or loss, except for those attributable to changes in our own credit risk, which are recognized in other comprehensive loss. During the Track Record Period, we recorded fair value loss in our financial liabilities at FVTPL of RMB14.0 million, RMB927.8 million, RMB249.5 million and RMB79.9 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. These changes primarily reflect adjustments in our valuation.

Income Tax Expense

During the Track Record Period, we recorded no income tax expense. No deferred tax asset has been recognized in respect of the tax losses and deductible temporary difference due to the unpredictability of future profit streams. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where we operate and generate taxable income. For details, see Note 10 of the Accountant's Report set out in Appendix I to this document.

Loss for the Year

As a result of the foregoing, we recorded losses of RMB282.6 million, RMB919.3 million, RMB50.8 million and RMB210.2 million in 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. We expect our net loss for 2026 to increase significantly as compared to 2025, primarily due to higher R&D expenditure as we continue to progress our pipeline, including the advancement of MHB018A into Phase III clinical trials for both active and chronic TED in China, together with non-cash fair value losses on financial liabilities at FVTPL reflecting our financing activities and valuation adjustments.

RESULTS OF OPERATIONS

Five Months Ended May 31, 2026 Compared to Five Months Ended May 31, 2025

Revenue

We recorded revenue of RMB264.2 million in the five months ended May 31, 2025, primarily attributable to the upfront and milestone payments we recognized from our licensing agreement with Qilu. See "Business — Collaboration and Licensing Agreement" for details. We did not have any revenue in the five months ended May 31, 2026.

Cost of Revenue

We recorded cost of revenue of RMB349 thousand in the five months ended May 31, 2025, which mainly represented staff costs.

Gross Profit and Gross Profit Margin

As a result of the foregoing, we recorded a gross profit of RMB263.8 million for the five months ended May 31, 2025, and a gross profit margin of 99.9% for the same period.

Research and Development Expenses

Our research and development expenses increased significantly from RMB60.1 million in the five months ended May 31, 2025 to RMB120.0 million in the five months ended May 31, 2026, primarily due to the advancement of MHB018A into Phase III clinical trials in China for both active and chronic TED, as well as the initiation and progression of the Phase I/II and Phase II clinical trials evaluating MHB036C in combination with MHB039A.

Administrative Expenses

Our administrative expenses increased significantly from RMB5.9 million in the five months ended May 31, 2025 to RMB14.8 million in the five months ended May 31, 2026, primarily due to [**REDACTED**] incurred and the increase in professional services expenses.

Other Income

Our other income decreased significantly from RMB769 thousand in the five months ended May 31, 2025 to RMB53 thousand in the five months ended May 31, 2026, primarily due to fluctuations in the recognition of government grants and subsidies under the relevant settlement arrangements.

Other Gains/(Losses), Net

We recorded other gains, net of RMB24 thousand in the five months ended May 31, 2025 and other losses, net of RMB857 thousand in the five months ended May 31, 2026, primarily due to net foreign exchange losses.

Finance Income

Our finance income increased significantly from RMB74 thousand in the five months ended May 31, 2025 to RMB5.4 million in the five months ended May 31, 2026, primarily reflecting higher interest income from cash in bank.

Finance Costs

Our finance costs increased significantly from RMB23 thousand in the five months ended May 31, 2025 to RMB90 thousand in the five months ended May 31, 2026, primarily due to an increase in interest expenses on lease liabilities.

Fair Value Change of Financial Liabilities at FVTPL

We recorded fair value loss in our financial liabilities at FVTPL of RMB249.5 million and RMB79.9 million in the five months ended May 31, 2025 and 2026, respectively, primarily due to adjustments in our valuation.

Loss for the Year

For the reasons discussed above, we recorded losses of RMB50.8 million and RMB210.2 million in the five months ended May 31, 2025 and 2026, respectively.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

We recorded revenue of RMB264.4 million in 2025, primarily attributable to the upfront and milestone payments we recognized from our licensing agreement with Qilu. See "Business — Collaboration and Licensing Agreement" for details. We did not have any revenue in 2024.

Cost of Revenue

We recorded cost of revenue of RMB743 thousand in 2025, which mainly represented staff costs.

Gross Profit and Gross Profit Margin

As a result of the foregoing, we recorded a gross profit of RMB263.7 million for 2025, and a gross profit margin of 99.7% for the same year.

Research and Development Expenses

Our research and development expenses decreased by 17.9% from RMB280.7 million in 2024 to RMB230.3 million in 2025, primarily due to the decrease in outsourced pre-clinical and clinical expenses as we substantially completed a Phase III trial for our key product MH004 in 2024, while our clinical expenses in 2025 were in line with the development progress of our other product candidates.

Administrative Expenses

Our administrative expenses increased significantly from RMB13.5 million in 2024 to RMB37.1 million in 2025, primarily due to [**REDACTED**] incurred in 2025.

Other Income

Our other income decreased significantly from RMB24.0 million in 2024 to RMB3.0 million in 2025, primarily reflecting fluctuations of recognition of government grants and subsidies under the relevant settlement arrangements.

Other Gains, Net

Our other gains, net, decreased by 56.0% from RMB1,595 thousand in 2024 to RMB702 thousand in 2025, primarily due to a decrease in net foreign exchange gain.

Finance Income

Our finance income increased significantly from RMB158 thousand in 2024 to RMB8.6 million in 2025, primarily reflecting higher interest income from increased average cash balances during the year, supported by cash received from licensing arrangement and financing activities.

Finance Costs

Our finance costs decreased by 35.0% from RMB117 thousand in 2024 to RMB76 thousand in 2025, primarily attributable to a decrease in interest expenses on lease liabilities, mainly reflecting a decrease in the current portion of our lease liabilities during the year.

Fair Value Change of Financial Liabilities at FVTPL

We recorded fair value loss in our financial liabilities at FVTPL of RMB14.0 million and RMB927.8 million in 2024 and 2025, respectively. This change in fair value of financial liabilities was primarily due to adjustments in our valuation.

Loss for the Year

For the reasons discussed above, we recorded losses of RMB282.6 million and RMB919.3 million in 2024 and 2025, respectively.

DISCUSSION OF SELECTED ITEMS FROM OUR CONSOLIDATED BALANCE SHEETS

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	39,694	45,255	53,390
Total current assets	46,549	841,104	657,169
Total assets	**86,243**	**886,359**	**710,559**
Total non-current liabilities	–	4,393	5,917
Total current liabilities	1,211,700	2,886,231	2,853,368
Total liabilities	**1,211,700**	**2,890,624**	**2,859,285**
Net current liabilities	**1,165,151**	**2,045,127**	**2,196,199**
Net liabilities	**1,125,457**	**2,004,265**	**2,148,726**
Share capital	14	14	14
Other reserves	(53,801)	(13,301)	52,461
Accumulated losses	(1,071,670)	(1,990,978)	(2,201,201)
Total deficits	(1,125,457)	(2,004,265)	(2,148,726)
Total deficits and liabilities	**86,243**	**886,359**	**710,559**

Current Assets and Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current assets			
Cash and cash equivalents	29,712	800,749	604,896
Financial assets at FVTPL	13,786	13,248	6,741
Prepayments, deposits and other receivables	3,051	27,107	45,532
Total current assets	**46,549**	**841,104**	**657,169**
Current liabilities			
Financial liabilities at FVTPL	968,655	2,815,384	2,809,591
Trade payables	236,787	47,277	24,069
Other payables	4,523	22,866	18,181
Lease liabilities	1,735	704	1,527
Total current liabilities	**1,211,700**	**2,886,231**	**2,853,368**
Net current liabilities	**1,165,151**	**2,045,127**	**2,196,199**

Our net current liabilities increased from RMB2,045.1 million as of December 31, 2025 to RMB2,196.2 million as of May 31, 2026. This increase mainly reflected a decrease of RMB195.9 million in cash and cash equivalents, partially offset by an increase of RMB18.4 million in prepayments, deposits and other receivables and a decrease of RMB23.2 million in trade payables.

Our net current liabilities increased from RMB1,165.2 million as of December 31, 2024 to RMB2,045.1 million as of December 31, 2025, primarily due to an increase of RMB1,846.7 million in financial liabilities at FVTPL, relating to an upward adjustment in our valuation. This increase was partially offset by an increase of RMB771.0 million in cash and cash equivalents, a decrease of RMB189.5 million in trade payables and an increase of RMB24.1 million in prepayments, deposits and other receivables.

Assets

Property, Plant and Equipment

The following table sets forth the breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Laboratory equipment	3,159	2,939	2,793
Leasehold improvements	2,913	2,363	2,134
Electronic equipment	288	327	369
Others	304	224	280
Total	**6,664**	**5,853**	**5,576**

Our property, plant and equipment decreased from RMB6.7 million as of December 31, 2024 to RMB5.9 million as of December 31, 2025 and further to RMB5.6 million as of May 31, 2026, primarily due to depreciation of leasehold improvements and laboratory equipment.

Right-of-use Assets

During the Track Record Period, our right-of-use assets primarily represented leases of office and laboratory spaces in Shanghai and Hangzhou. Our right-of-use assets increased from RMB1.8 million as of December 31, 2024 to RMB5.4 million as of December 31, 2025, primarily due to the addition of new leased office, and further increased to RMB7.5 million as of May 31, 2026, primarily due to lease renewals.

Other Non-current Assets

During the Track Record Period, our other non-current assets represented value-added tax recoverable. Our other non-current assets increased from RMB30.9 million as of December 31, 2024 to RMB34.0 million as of December 31, 2025 and further to RMB39.7 million as of May 31, 2026, primarily due to the accumulation of input VAT invoices.

Cash and Cash Equivalents

During the Track Record Period, our cash and cash equivalents primarily consisted of cash in bank and on hand and short-term deposits, denominated in USD and RMB. The following table sets forth the details of our cash and cash equivalents as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents are denominated in:			
USD	15,071	774,665	554,218
RMB	14,641	26,084	50,678
Total	**29,712**	**800,749**	**604,896**

Our cash and cash equivalents increased from RMB29.7 million as of December 31, 2024 to RMB800.7 million as of December 31, 2025, primarily due to cash received under our license agreement with Qilu and cash inflows from financing activities. Our cash and cash equivalents decreased to RMB604.9 million as of May 31, 2026, primarily due to net cash used in operating activities.

Prepayments, Deposits and Other Receivables

The following table sets forth a breakdown of our prepayments, deposits and other receivables as of the dates indicated. Prepayments to suppliers primarily represented advance payments made to CROs, CDMOs and clinical trial sites in connection with our R&D activities.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current			
Prepayments to suppliers	2,704	22,455	39,889
Deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Deposits	246	508	–
Others	101	164	136
Non-current			
Deposits	262	–	617
Total	**3,313**	**27,107**	**46,149**

Our prepayments, deposits and other receivables increased from RMB3.3 million as of December 31, 2024 to RMB27.1 million as of December 31, 2025, primarily due to an increase of RMB19.8 million in prepayments to suppliers, mainly reflecting a prepayment made for material costs in connection with CDMO services. Our prepayments, deposits and other receivables further increased to RMB46.1 million as of May 31, 2026, primarily due to increased prepayments to suppliers.

Financial Assets at FVTPL

Our financial assets at FVTPL primarily represented investment in a wealth management product issued by a reputable commercial bank in the PRC. The wealth management product is not principal protected, and the return is variable. It is denominated in RMB and redeemable on demand. As of December 31, 2024 and 2025 and May 31, 2026, we recorded financial assets at FVTPL at RMB13.8 million, RMB13.2 million and RMB6.7 million, respectively.

We adopt a conservative investment policy based on a dual-balance framework when allocating surplus funds to wealth management products. From a liquidity perspective, we align the tenor of each investment with our rolling 12-month cash flow forecast to ensure that sufficient funds remain available to meet our operational and development needs. From a risk perspective, we limit our investments to low-risk wealth management products with a focus on capital preservation, issued by reputable commercial banks in the PRC. All investments in wealth management products

are subject to approval by senior management, and where the investment amount or risk profile exceeds specified thresholds, prior approval of the Board is required. Following the [**REDACTED**], our investments in wealth management products will be subject to compliance with Chapter 14 of the Listing Rules.

Liabilities

Trade Payables

Our trade payables primarily represent accounts payables for services acquired in the ordinary course of business from hospitals, pre-clinical and clinical trial providers. Our trade payables decreased from RMB236.8 million as of December 31, 2024 to RMB47.3 million as of December 31, 2025 and further to RMB24.1 million as of May 31, 2026, primarily due to increased settlement of outstanding balances as our cash position improved. The following table sets forth an aging analysis of our trade payables based on the invoice date as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Within 6 months	87,584	24,562	15,007
Over 6 months and within 1 year	67,962	6,601	7,263
Over 1 year	81,241	16,114	1,799
Total	**236,787**	**47,277**	**24,069**

Our trade payables turnover days remained relatively stable at 228 days and 225 days in 2024 and 2025, respectively, and decreased to 45 days for the five months ended May 31, 2026. Trade payables turnover days are calculated by dividing the average of the beginning and ending balances of trade payables for the relevant year/period by R&D expenses for the same year/period and multiplying by the number of days in the relevant year/period.

Other Payables

The following table sets forth a breakdown of our other payables as of the dates indicated:

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
[**REDACTED**] payables	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Staff salaries and welfare payables	3,853	7,689	3,684
Other taxes payable	173	181	165
Others	497	1,057	749
Total	**4,523**	**22,866**	**18,181**

Our other payables increased from RMB4.5 million as of December 31, 2024 to RMB22.9 million as of December 31, 2025, primarily attributable to [**REDACTED**] payables of RMB[**REDACTED**] and a RMB3.8 million increase in staff salaries and welfare payables. Our other payables decreased to RMB18.2 million as of May 31, 2026, primarily due to lower staff salaries and welfare payables as compared to the year-end balance.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash during the Track Record Period were to fund our research and development of our drug candidates. During the Track Record Period, we had financed our operations mainly from series of financing and licensing revenue. We recorded net cash outflow to operating activities of RMB145.6 million, RMB182.6 million and RMB180.7 million in 2024, 2025 and the five months ended May 31, 2026, respectively.

Consolidated Statements of Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the years/periods indicated:

	Year Ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net cash (outflow to)/inflow from operating activities	(145,606)	(182,604)	154,087	(180,725)
Net cash inflow from investing activities	7,753	287	2,286	6,243
Net cash inflow from/(outflow to) financing activities	35,076	966,756	14,202	(2,347)
Net (decrease)/increase in cash and cash equivalents	**(102,777)**	**784,439**	**170,575**	**(176,829)**
Cash and cash equivalents at the beginning of year/period	131,208	29,712	29,712	800,749
Effect of foreign exchange rate changes on cash and cash equivalents	1,281	(13,402)	(9)	(19,024)
Cash and cash equivalents at end of year/period	**29,712**	**800,749**	**200,278**	**604,896**

Net Cash Outflow to Operating Activities

In the five months ended May 31, 2026, our net cash outflow to operating activities was RMB180.7 million, which was primarily attributable to our loss before tax of RMB210.2 million, adjusted for non-cash items and changes in working capital. Positive adjustments mainly included the increase of RMB79.9 million in fair value of financial liabilities at FVTPL; negative adjustments mainly included the decrease of RMB23.2 million in trade payables and the increase of RMB17.5 million in prepayments, deposit and other receivables.

In 2025, our net cash outflow to operating activities was RMB182.6 million, which was primarily attributable to our loss before tax of RMB919.3 million, adjusted for non-cash items and changes in working capital. Positive adjustments mainly included the increase of RMB927.8 million in fair value of financial liabilities at FVTPL; negative adjustments mainly included the decrease of RMB189.5 million in trade payables and the increase of RMB22.5 million in prepayments, deposit and other receivables.

In 2024, our net cash outflow to operating activities was RMB145.6 million, which was primarily attributable to our loss before tax of RMB282.6 million, adjusted for non-cash items and changes in working capital. Positive adjustments mainly included the increase of RMB122.8 million in trade payables and the increase of RMB14.0 million in fair value of financial liabilities at FVTPL; negative adjustments mainly included the increase of RMB7.9 million in other non-current assets.

We recorded net operating cash outflows during the Track Record Period, primarily due to our continued investment in R&D activities. Going forward, we may improve our operating cash flow position by generating additional operating cash inflows and managing operating cash outflows. For example, subject to obtaining regulatory approval, commercialization of our product candidates, including MH004 which is currently under NMPA review for AD, may generate product sales revenue and operating cash inflows. In addition, we intend to continue to explore broader commercial collaboration opportunities, such as potential co-development, licensing and other strategic collaboration arrangements with business partners, which may generate upfront payments, milestone payments, service fees or other collaboration income. On the cash outflow side, while continuing to advance our pipeline products, we intend to enhance operating efficiency, monitor administrative and management expenses and manage payment schedules with CROs, CDMOs and other suppliers where commercially practicable. However, these measures may not result in an improvement in our operating cash flow position in the near term.

Net Cash Inflow from Investing Activities

In the five months ended May 31, 2026, our net cash inflow from investing activities was RMB6.2 million, which was primarily attributable to RMB6.5 million proceeds from sale of financial assets, offset by purchase of property, plant and equipment of RMB0.3 million.

In 2025, our net cash inflow from investing activities was RMB0.3 million, which was primarily attributable to RMB39.2 million proceeds from sale of financial assets, offset by payments for financial assets at FVTPL of RMB38.5 million.

In 2024, our net cash inflow from investing activities was RMB7.8 million, which was primarily attributable to RMB30.0 million proceeds from sale of financial assets, offset by payments for financial assets at FVTPL of RMB22.0 million.

Net Cash Inflow from Financing Activities

In the five months ended May 31, 2026, we recorded net cash outflow of RMB2.3 million to financing activities, including payments of RMB[**REDACTED**] for [**REDACTED**] and RMB0.8 million for the principal and interest elements of lease liabilities.

In 2025, we had net cash inflow of RMB966.8 million from financing activities, which was primarily attributable to the proceeds from issuance of convertible preferred shares of RMB970.1 million, partially offset by the payment of RMB2.0 million for the principal and interest elements of lease liabilities.

In 2024, we had net cash inflow of RMB35.1 million from financing activities, which was primarily attributable to the proceeds from issuance of convertible preferred shares of RMB37.0 million, partially offset by the payment of RMB1.9 million for the principal and interest elements of lease liabilities.

CASH OPERATING COSTS

The following table sets forth information on our cash operating costs for the periods indicated:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Costs relating to research and development of our Core Products				
Clinical costs	38,603	102,702	27,396	75,397
Nonclinical costs	–	–	–	–
Subtotal	**38,603**	**102,702**	**27,396**	**75,397**
Costs relating to research and development of our other drug candidates				
Clinical costs	83,263	310,344	51,616	62,358
Nonclinical costs	5,551	19,257	1,009	11,633
Subtotal	**88,814**	**329,601**	**52,625**	**73,991**
Labor cost for research and development staff	29,754	28,743	11,625	18,386
Total cash operating costs for research and development	**157,171**	**461,046**	**91,646**	**167,774**
Labor cost for non-research and development staff	4,235	6,065	2,206	4,389
Other cash operating costs	8,332	12,336	2,915	13,977
Total cash operating costs	**169,738**	**479,447**	**96,767**	**186,140**

WORKING CAPITAL SUFFICIENCY

Our Directors are of the view that, taking into account the financial resources available to our Group, including cash and cash equivalents, cash flows from operating and financing activities, and the estimated net [**REDACTED**] from the [**REDACTED**], we have sufficient working capital to meet our present requirements and to cover at least 125% of our costs, including research and development expenses and administrative expenses, for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment and lease payments, without taking into account the potential cash inflow from existing licensing and collaboration agreement. We estimate that we will receive net [**REDACTED**] of approximately RMB[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] stated in this document. Assuming an average cash burn rate going forward of 1.1 times the level in 2025, we estimate that (i) our cash and cash equivalents as of May 31, 2026 at RMB604.9 million, will be able to maintain our financial viability for [**REDACTED**] months, (ii) if we take into account [**REDACTED**]% of the estimated net [**REDACTED**] from the [**REDACTED**] (namely, the portion allocated for our working capital and other general corporate purposes), [**REDACTED**] months, or, (iii) if we take into account all estimated net [**REDACTED**] from the [**REDACTED**], [**REDACTED**] months. Directors and our management team will continue to monitor our working capital, cash flows, and our business development progress.

INDEBTEDNESS

During the Track Record Period, our indebtedness included lease liabilities and financial liabilities at FVTPL. The following table sets forth a breakdown of our financial indebtedness as of the dates indicated.

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current			
Financial liabilities at FVTPL	968,655	2,815,384	2,809,591
Lease liabilities	1,735	704	1,527
Non-current			
Lease liabilities	–	4,393	5,917
Total	**970,390**	**2,820,481**	**2,817,035**

Financial Liabilities at FVTPL

Our financial liabilities at FVTPL primarily represented the convertible preferred shares we issued in our previous equity financings. As of December 31, 2024 and 2025 and May 31, 2026, we recorded financial liabilities at FVTPL of RMB968.7 million, RMB2,815.4 million and RMB2,809.6 million, respectively. For further details, please refer to Note 21 to the Accountant's Report included in Appendix I to this document.

Lease Liabilities

Our lease liabilities arise from leased offices and laboratory to operate our business. The following table sets forth our lease liabilities as of the dates indicated:

	As of December 31,		As of May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current	1,735	704	1,527
Non-current	–	4,393	5,917
Total	**1,735**	**5,097**	**7,444**

Our lease liabilities increased from RMB1.7 million as of December 31, 2024 to RMB5.1 million as of December 31, 2025, primarily due to the addition of new leased office, and further increased to RMB7.4 million as of May 31, 2026, mainly due to lease renewals.

As of the Latest Practicable Date, we did not have any committed but unutilized banking facilities. Except for our indebtedness as disclosed above, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease 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 contingent liabilities as of May 31, 2026, being our indebtedness statement date.

As of the Latest Practicable Date, there was no material restrictive covenant in our indebtedness which could significantly limit our ability to obtain future financing, nor was there any material default on our indebtedness or breach of covenant during the Track Record Period. Our Directors further confirm that we 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.

CAPITAL EXPENDITURES

During the Track Record Period, we incurred capital expenditures primarily in connection with the purchase of property, plant and equipment. The following table sets forth our capital expenditures for the years/periods indicated.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Purchase of property, plant and equipment	279	445	43	316

Historically, we funded our capital expenditures primarily through capital contributions by financing activities. We will continue to make capital expenditures to meet the expected growth of our business. We plan to fund our future capital expenditures with a combination of financial resources, including our existing cash balance, cash generated from our operating activities, net [**REDACTED**] from the [**REDACTED**] and potential future equity or debt financing. See "Future Plans and Use of [**REDACTED**] — Use of [**REDACTED**]" for more details. We may adjust our capital expenditure plans based on our ongoing business needs.

CAPITAL COMMITMENTS

As of December 31, 2024 and 2025 and May 31, 2026, we had no capital expenditure contracted for but not yet incurred.

CONTINGENT LIABILITIES

As of December 31, 2024 and 2025 and May 31, 2026, we did not have any contingent liabilities. We confirm that there had been no material changes to our contingent liabilities as of the Latest Practicable Date.

RELATED PARTY TRANSACTIONS

During the Track Record Period, we entered into certain transactions with our related parties. For details on these transactions, see Note 27 to the Accountant's Report set out in Appendix I to this document. Our Directors confirm that each of the significant related party transactions during the Track Record Period was conducted on an arm's length basis, and would not distort our results of operations over the Track Record Period or make our historical results not reflective of our future performance.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

KEY FINANCIAL RATIOS

Our current ratio increased from 0.04 as of December 31, 2024 to 0.29 as of December 31, 2025, mainly due to an increase in cash and cash equivalents, partially offset by the increase in the financial liabilities at FVTPL. Our current ratio decreased to 0.23 as of May 31, 2026, primarily due to a decrease in cash and cash equivalents, partially offset by the increase in prepayments, deposits and other receivables and the decrease in trade payables. Current ratio is calculated as total current assets divided by total current liabilities as of the dates indicated.

MARKET RISK DISCLOSURE

We are exposed to a variety of financial risks, including foreign exchange risk, interest rate risk, credit risk and liquidity risk. For further details, see Note 3 to the Accountant's Report set out in Appendix I to this document.

IMPACT OF COVID-19 PANDEMIC

During the Track Record Period, the COVID-19 pandemic did not have any material adverse impact on our operations or financial performance. To protect the health and safety of our employees and ensure business continuity, we implemented various precautionary measures such as remote working, social distancing and enhanced workplace hygiene protocols. While certain on-site meetings and technical support were temporarily delayed or cancelled during the early stages of the pandemic, such disruptions did not result in any material impact on our research and development activities, clinical development, daily operations, supply chain management or regulatory affairs. We did not receive any COVID-19-specific government subsidies or other forms of financial assistance during the Track Record Period. Our financial performance remained stable and was not materially affected by the COVID-19 pandemic. Given that the pandemic has largely subsided and that our business model is not dependent on extensive on-site operations, our Directors are of the view that the COVID-19 pandemic is unlikely to have any material adverse impact on our business operations or financial performance going forward.

DIVIDEND

We have not declared or paid any dividends during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. Our board of directors has complete discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law. As advised by our Cayman counsel, under the Cayman Companies Act, a Cayman Islands company may pay a dividend out of either profits or share premium account, and the financial position of accumulated losses does not necessarily prohibit a Cayman Islands company from declaring and paying dividends, as dividends may be declared and paid out of the share premium account notwithstanding the company's profitability, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Our Board has complete discretion as to whether to distribute dividends out of profit or share premium account, subject to the laws of the Cayman Islands and the Articles of Association. There is no assurance that dividends of any amount will be declared to be distributed in any year.

Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on our future results of operations and cash flow, our capital requirements and surplus, the amount of distribution, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Our Shareholders in a general meeting may approve any declaration of dividends recommended by our Board. Currently, we do not have any dividend policy or intention to declare or pay any dividends in the near future. [**REDACTED**] should not [**REDACTED**] our Shares with the expectation of receiving cash dividends.

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] (including [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), which represent [**REDACTED**]% of the gross [**REDACTED**] from the [**REDACTED**], assuming no Shares are [**REDACTED**] pursuant to the [**REDACTED**]. The above [**REDACTED**] are comprised of (i) [**REDACTED**] expenses of HK$[**REDACTED**], and (ii) [**REDACTED**] expenses of HK$[**REDACTED**], including (a) fees and expenses of our legal advisors and reporting accountants of HK$[**REDACTED**], and (b) other fees and expenses of HK$[**REDACTED**]. During the Track Record Period, we incurred [**REDACTED**] of approximately HK$[**REDACTED**]. We expect to incur [**REDACTED**] of approximately HK$[**REDACTED**] after the Track Record Period, approximately HK$[**REDACTED**] of which is expected to be charged to our consolidated statements of comprehensive loss, and approximately HK$[**REDACTED**] of which is attributable to the [**REDACTED**] of Shares and will be deducted from equity upon [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE ASSETS

Please refer to "Appendix II — Unaudited [**REDACTED**] Financial Information" for details of our unaudited [**REDACTED**] statement of adjusted net tangible assets.

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 date of this document, there has been no material adverse change in our financial or trading position, level of indebtedness, mortgages, contingent liabilities, guarantees or prospects since May 31, 2026, being the end of the period reported on in the Accountant's Report set out in Appendix I to this document. Our Directors further confirm that no event has occurred since May 31, 2026, which would materially affect the information contained in the Accountant's Report.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this document, as of the Latest Practicable Date, there were no circumstances that would give rise to disclosure required under Rules 13.13 to 13.19 of the Listing Rules.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Dr. Cao (the chairperson of our Board, our executive Director, chief executive officer and chief scientific officer) was able to exercise approximately 36.27% voting rights in our Company, through (i) 168,397,700 Shares held by Ming De Holdings (a company wholly owned by Dr. Cao), and (ii) 42,095,000 Shares held by Radiance C LLC. Radiance C LLC is wholly owned by Trident Trust Company (South Dakota) Inc., an independent professional trustee appointed to administer the trust established by Ms. Geng (the spouse of Dr. Cao and an employee of our Group) as the settlor for her personal estate planning purpose, with Dr. Cao and their children and descendants as beneficiaries. Dr. Cao, as the protector and investment adviser of the trust and the manager of Radiance C LLC, has the power to make investment decisions in respect of the assets of the Trust and to manage the affairs of Radiance C LLC, including the exercise of voting rights attached to the Shares held by Radiance C LLC. Therefore, Dr. Cao, Ms. Geng, Ming De Holdings and Radiance C LLC comprise our single largest group of Shareholders before the completion of the [**REDACTED**]. For background and biographical details of Dr. Cao, see "Directors and Senior Management" in this document. For details relating to Ming De Holdings and Radiance C LLC, see "History, Development and Corporate Structure" in this document.

Immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), our Single Largest Group of Shareholders will be entitled to exercise approximately [**REDACTED**]% voting rights in our Company and will remain as our single largest group of Shareholders. There will be no controlling shareholder of our Company under the Listing Rules upon [**REDACTED**].

As of the Latest Practicable Date, save for the interest in our Group, our Single Largest Group of Shareholders did not have any interest in a business which competes or is likely to compete, directly or indirectly, with the business of our Group, and which requires disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently of our Single Largest Group of Shareholders and their close associates after the [**REDACTED**], taking into consideration the factors below.

Management Independence

Our Board comprises eight Directors, including three executive Directors, two non-executive Directors and three independent non-executive Directors. We believe that our Board as a whole, together with our senior management, is able to perform the managerial role in our Group independently from our Single Largest Group of Shareholders for the following considerations:

(a) each of our Directors is aware of his/her fiduciary duties as a Director which require, among others, that he/she acts for the benefit of 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 interests;

(b) our daily management and operation decisions are primarily made by all our executive Directors and senior management, all of who have substantial experience in the industry in which we are engaged and will be able to make business decisions that are in the best interest of our Group. For details of the industry experience of our senior management, see "Directors and Senior Management" in this document;

(c) we have appointed three independent non-executive Directors with a view to bringing independent judgment to the decision-making process of our Board;

(d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting; and

(e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders, which would support our independent management. For further details, see "— Corporate Governance Measures" in this section.

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 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

We have an independent financial system. We make financial decisions according to our own business needs, and neither our Single Largest Group of Shareholders nor their close associates intervene with our use of funds. We have established an independent finance department with a team of finance staff and an independent audit, accounting and financial management system.

In addition, we are capable of obtaining equity and debt financings from third parties without relying on any guarantee or security provided by our Single Largest Group of Shareholders or their close associates. As of the Latest Practicable Date, there was no loan, advance or guarantee provided by our Single Largest Group of Shareholders or their close associates.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on, our Single Largest Group of Shareholders and their close associates after the [**REDACTED**].

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflicts of interests between our Group and our Single Largest Group of Shareholders:

(a) under the Articles of Association, where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their respective associates is interested, our Single Largest Group of Shareholders and their associates will not vote on the relevant resolutions and shall not be counted in the quorum for the voting;

(b) our Company has established internal control mechanisms to identify connected transactions. Upon [**REDACTED**], if our Company enters into connected transactions with our Single Largest Group of Shareholders or any of their associates, our Company will comply with the applicable Listing Rules;

(c) our Board consists of a balanced composition of our executive Directors, non-executive Directors and independent non-executive Directors, with independent non-executive Directors representing not less than one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Single Largest Group of Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;

(d) where our Directors reasonably request the advice of independent professionals, such as financial advisers, for our Company, the appointment of such independent professionals will be made at our Company's expenses; and

(e) we have appointed Rainbow Capital (HK) Limited as our compliance adviser to provide advice and guidance to us in respect of compliance with the applicable laws in Hong Kong and the Listing Rules, including various requirements relating to corporate governance. Based on the above, our Directors believe that sufficient corporate governance measures have been put in place to manage conflicts of interests that may arise between our Group and our Single Largest Group of Shareholders and to protect our Shareholders' interests as a whole after the [**REDACTED**].

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid prior to and immediately following completion of the [**REDACTED**]:

Authorized Share Capital

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US$)
Ordinary shares with a par value of US$0.00001 each (assuming all Preferred Shares have been converted into Shares on a one-to-one basis)	5,000,000,000	50,000

Issued Share Capital

Assuming the* [REDACTED] *is not exercised

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US$)
Shares in issue as of the date of this document	580,348,057	5,803.48057
Shares to be [**REDACTED**] under the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	[**REDACTED**]

Assuming the* [REDACTED] *is fully exercised

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US$)
Shares in issue as of the date of this document	580,348,057	5,803.48057
Shares to be [**REDACTED**] under the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	[**REDACTED**]

The above tables assume that the [**REDACTED**] becomes unconditional and Shares are [**REDACTED**] pursuant to the [**REDACTED**], and do not take into account any Shares which may be issued or repurchased by our Company pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described below.

RANKING

The [**REDACTED**] are Shares in the share capital of our Company and rank equally with all Shares currently in issue or to be [**REDACTED**] (including the Shares to be converted from the Preferred Shares upon completion of the [**REDACTED**]) and, in particular, will rank equally for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this document.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the Cayman Companies Act and the terms of the Articles of Association, our Company may from time to time by ordinary resolution of Shareholders: (i) increase its share capital; (ii) consolidate and divide its share capital into shares of larger amount; (iii) subdivide its shares into shares of smaller amount; and (iv) cancel any Shares which have not been taken or agreed to be taken. In addition, our Company may, subject to the provisions of the Cayman Companies Act, reduce its share capital or capital redemption reserve by its Shareholders passing a special resolution. For further details, see Appendix III to this document.

PRE-[REDACTED] EQUITY INCENTIVE PLAN

Our Company adopted the Pre-[**REDACTED**] Equity Incentive Plan. For further details, see "Statutory and General Information — D. Pre-[**REDACTED**] Equity Incentive Plan" in Appendix IV to this document.

GENERAL MANDATE TO ISSUE SHARES AND SELL AND/OR TRANSFER TREASURY SHARES AND REPURCHASE SHARES

Subject to the [**REDACTED**] becoming unconditional, our Directors have been granted general unconditional mandates to (i) allot, issue and deal with any Shares or securities convertible into Shares, (ii) sell and/or transfer Shares out of treasury that are held as treasury shares and (iii) repurchase our Shares. For further details of the general mandates, see "Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Our Shareholders" and "Statutory and General Information — A. Further Information about Our Group — 5. Repurchase of Our Own Securities" in Appendix IV to this document.

So far as our Directors are aware, immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), the following persons will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company and the [**REDACTED**] under the provisions of [**REDACTED**] 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 rights to vote in all circumstances at general meetings of our Company or any other member of our Group:

		As of the Latest Practicable Date[1]		Immediately following completion of the [REDACTED][2]	
Name of Shareholder	Capacity/ Nature of interest	Number of Shares held	Approximate percentage of shareholding in the total issued share capital of our Company	Number of Shares held	Approximate percentage of shareholding in the total issued share capital of our Company
Ming De Holdings[3]	Beneficial owner	168,397,700	29.02%	168,397,700	[**REDACTED**]%
Dr. Cao[3]	Interests in controlled corporations; Interest of spouse	210,492,700	36.27%	210,492,700	[**REDACTED**]%
Radiance C LLC[3]	Beneficial owner	42,095,000	7.25%	42,095,000	[**REDACTED**]%
Trident Trust Company (South Dakota) Inc.[3]	Trustee	42,095,000	7.25%	42,095,000	[**REDACTED**]%
Ms. Geng[3]	Interests in controlled corporations; Interest of spouse	210,492,700	36.27%	210,492,700	[**REDACTED**]%
Hangzhou Hua'an Enterprise Management Co., Ltd. (杭州華安企業管理有限公司)[4]	Interests in controlled corporations	58,281,565	10.04%	58,281,565	[**REDACTED**]%
YU Hong (于虹)[4]	Interests in controlled corporations	58,281,565	10.04%	58,281,565	[**REDACTED**]%
OrbiMed Advisors LLC[5]	Interests in controlled corporations	42,151,402	7.26%	42,151,402	[**REDACTED**]%
Carl L. Gordon[5]	Interests in controlled corporations	42,151,402	7.26%	42,151,402	[**REDACTED**]%
Sven H. Borho[5]	Interests in controlled corporations	42,151,402	7.26%	42,151,402	[**REDACTED**]%
W. Carter Neild[5]	Interests in controlled corporations	42,151,402	7.26%	42,151,402	[**REDACTED**]%
FEI Jianjiang (費建江)[6]	Interests in controlled corporations	37,500,000	6.46%	37,500,000	[**REDACTED**]%

Notes:

(1) Assuming that all Preferred Shares have been converted into Shares on a one-to-one basis.

(2) The calculation is based on the total number of [**REDACTED**] Shares in issue immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

(3) Ming De Holdings is wholly owned by Dr. Cao. Radiance C LLC is wholly owned by Trident Trust Company (South Dakota) Inc., an independent professional trustee appointed to administer the trust established by Ms. Geng (the spouse of Dr. Cao) as the settlor for her personal estate planning purpose, with Dr. Cao and their children and descendants as beneficiaries. Dr. Cao, as the protector and investment adviser of the trust and the manager of Radiance C LLC, has the power to make investment decisions in respect of the assets of the Trust and to manage the affairs of Radiance C LLC, including the exercise of voting rights attached to the Shares held by Radiance C LLC. As such, under the SFO, each of Dr. Cao and Ms. Geng is deemed to be interested in the Shares held by Ming De Holdings and Radiance C LLC, and Trident Trust Company (South Dakota) Inc. is deemed to be interested in the Shares held by Radiance C LLC.

(4) Hangzhou Hua'an Enterprise Management Co., Ltd. (杭州華安企業管理有限公司) ("**Hua'an Enterprise**") is the general partner of (i) Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership) (杭州華安朴初投資合夥企業(有限合夥)), (ii) the sole shareholder of Hua an hui quan Investments Co., Limited, (iii) Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership) (杭州華安近水投資合夥企業(有限合夥)), (iv) the sole shareholder of Hua an mu rong Investments Co., Limited and (v) the sole shareholder of Hua an shen ge Investments Co., Limited. Hua'an Enterprise was held as to 70% by YU Hong (于虹) as of the Latest Practicable Date. As such, under the SFO, each of Hua'an Enterprise and YU Hong is deemed to be interested in the Shares held by Hangzhou Hua An Pu Chu Investments Limited Partnership (Limited Partnership), Hua an hui quan Investments Co., Limited, Hangzhou Huaan Jinshui Investments Limited Partnership (Limited Partnership), Hua an mu rong Investments Co., Limited and Hua an shen ge Investments Co., Limited.

(5) OrbiMed Private Investments IX, LP ("**OPI IX**") is a Delaware limited partnership. OrbiMed Capital GP IX LLC ("**GP IX**") is the general partner of OPI IX. OrbiMed Advisors LLC ("**OrbiMed Advisors**") is the managing member of GP IX. OrbiMed Asia Partners V, L.P. ("**OAP V**") and OrbiMed Genesis Master Fund, L.P. ("**Genesis**") are Cayman Islands exempted limited partnerships. OrbiMed Asia GP V, L.P. ("**Asia GP**") is the general partner of OAP V and OrbiMed Advisors V Limited ("**Advisors V**") is the general partner of Asia GP. OrbiMed Advisors is the advisory company to OAP V. OrbiMed Genesis GP LLC ("**Genesis GP**") is the general partner of Genesis. OrbiMed Advisors is the managing member of Genesis GP. By virtue of such relationships, OrbiMed Advisors may be deemed to have voting and investment power over the securities held by OPI IX, OAP V, and Genesis. OrbiMed Advisors exercises voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and W. Carter Neild, each of whom disclaims beneficial ownership of the shares held by OPI IX, OAP V and Genesis. As such, under the SFO, each of OrbiMed Advisors, Carl L. Gordon, Sven H. Borho, and W. Carter Neild is deemed to be interested in the Shares held by OPI IX, OAP V and Genesis.

(6) The executive partner of the respective general partners of Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) (蘇州工業園區元禾原點三號醫療健康產業投資合夥企業(有限合夥)) and Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership (蘇州工業園區原點正則貳號創業投資企業(有限合夥)) is FEI Jianjiang (費建江). As such, under the SFO, FEI Jianjiang is deemed to be interested in the Shares held by Suzhou Industrial Park Oriza Seed HC Venture Capital Three (LP) and Suzhou Industrial Park Yuan Dian Zheng Ze Series Two Venture Capital Limited Partnership.

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), without taking into account the [**REDACTED**] that may be taken up under the [**REDACTED**], have any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to our Company and the [**REDACTED**] under the provisions of [**REDACTED**] 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 rights to vote in all circumstances at general meetings of our Company or any other member of our Group.

BOARD OF DIRECTORS

Upon [**REDACTED**], our Board will consist of eight Directors, comprising three executive Directors, two non-executive Directors and three independent non-executive Directors. Our Board serves a term of three years, which is renewable upon re-election and re-appointment and is responsible for, and has general powers for, the management and conduct of our business.

The following table sets forth general information regarding our Directors:

Name	Age	Position(s)	Date of appointment as Director	Date of founding/ joining our Group	Role and responsibilities	Relationship with other Directors and senior management
Dr. CAO Guoqing (曹國慶). .	61	Chairperson of our Board, executive Director, chief executive officer and chief scientific officer	March 8, 2018	March 8, 2018	Primarily responsible for overseeing overall management, business, strategies and R&D activities of our Group	None
Mr. SHI Junwei (施俊巍) . . .	44	Executive Director, chief medical officer and senior vice president of R&D	November 18, 2025	October 16, 2018	Primarily responsible for overseeing R&D of our innovative drugs	None
Mr. ZHONG Zhongren (鍾仲人). .	39	Executive Director and chief financial officer	November 18, 2025	July 21, 2025	Primarily responsible for overseeing strategic financial planning and financial management of our Group	None
Dr. David Guowei WANG (王國瑋) . . .	64	Non-executive Director	July 31, 2025	July 31, 2025	Primarily responsible for providing professional opinion and judgment to our Board	None
Dr. CHEN Kan (陳侃) . . .	44	Non-executive Director	July 31, 2025	July 31, 2025	Primarily responsible for providing professional opinion and judgment to our Board	None
Ms. CHEN Weiwei (陳維維). .	60	Independent non-executive Director	November 18, 2025 (effective from the [**REDACTED**])	[**REDACTED**]	Primarily responsible for providing independent advice and judgement to our Board	None
Dr. SHEN Zhenhai (沈振海). .	61	Independent non-executive Director	November 18, 2025 (effective from the [**REDACTED**])	[**REDACTED**]	Primarily responsible for providing independent advice and judgement to our Board	None
Dr. JIANG Xuejun (姜學軍) . . .	56	Independent non-executive Director	May 29, 2026 (effective from the [**REDACTED**])	[**REDACTED**]	Primarily responsible for providing independent advice and judgement to our Board	None

The following sets forth the biographies of our Directors:

Executive Directors

Dr. CAO Guoqing (曹國慶), aged 61, has served as the chairperson of our Board, our Director, chief executive officer and chief scientific officer since he founded our Group in March 2018. He was re-designated as an executive Director on November 18, 2025. He is primarily responsible for overseeing overall management, business, strategies and R&D activities of our Group. Further, Dr. Cao is currently a director of our certain subsidiaries.

Dr. Cao has over 31 years of experience in R&D of innovative drugs and management. From April 1995 to June 1999, he was a postdoctoral fellow at The University of Texas Southwestern Medical Center, a public academic health science center, where he was primarily responsible for research on innovative drugs. From June 1999 to early August 2005, and from late September 2005 to January 2012, he was a senior biologist and a research adviser at Eli Lilly and Company, a pharmaceutical company listed on the New York Stock Exchange (stock symbol: LLY), where he was primarily responsible for R&D of innovative drugs. From January 2012 to December 2017, he was a group vice president at Jiangsu Hengrui Pharmaceuticals Co., Ltd. (江蘇恒瑞醫藥股份有限公司), a pharmaceutical company listed on the Shanghai Stock Exchange (stock code: 600276) and the Hong Kong Stock Exchange (stock code: 1276), where he was primarily responsible for discovery of early-stage antibody biologics and small-molecule drugs, preclinical development, regulatory filings, R&D strategies and full-cycle project management.

Dr. Cao obtained his bachelor's degree in biochemistry from Fudan University (復旦大學) in Shanghai in July 1987. He obtained his doctor's degree in biochemistry from The Ohio State University in the United States in March 1995.

Mr. SHI Junwei (施俊巍), aged 44, joined our Group in October 2018, and has served as our chief medical officer and senior vice president of R&D since then. He was appointed as our executive Director on November 18, 2025. He is primarily responsible for overseeing R&D of our innovative drugs.

He has over 18 years of experience in R&D of drugs. From June 2008 to October 2012, he was a senior researcher specializing in drug metabolism and pharmacokinetics at Shanghai Ruizhi Chemical Research Co., Ltd. (上海睿智化學研究有限公司) (currently known as Shanghai Ruizhi Pharmaceutical Research Group Co., Ltd. (上海睿智醫藥研究集團有限公司)), a company principally engaged in R&D of drugs, where he was primarily responsible for R&D of drugs. From November 2012 to March 2018, he was an R&D director at Suzhou Tongli Biological Medicine Co., Ltd. (蘇州同力生物醫藥有限公司), a clinical-stage biopharmaceutical company focusing on medical products against infectious diseases and other major diseases, where he was primarily responsible for R&D of innovative drugs.

He obtained his bachelor's degree in basic medicine from Fudan University (復旦大學) in Shanghai in July 2005. He obtained his master's degree in biomedicine and technology from Shanghai Institutes for Biological Sciences, Chinese Academy of Sciences (中國科學院上海生命科學研究院) in Shanghai in July 2008.

Mr. ZHONG Zhongren (鍾仲人), aged 39, joined our Group in July 2025, and has served as our chief financial officer since then. He was appointed as our executive Director on November 18, 2025. He is primarily responsible for overseeing strategic financial planning and financial management of our Group.

He has over 16 years of experience in audits and financial management. From October 2009 to December 2017, he was an audit manager at Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) (德勤華永會計師事務所(特殊普通合夥)), an accounting firm, where he was primarily responsible for audit matters. From December 2017 to May 2020, he was a finance director at China Literature Limited (閱文集團), a company listed on the Hong Kong Stock Exchange (stock code: 772) and principally engaged in operation of online literature platforms and related services, where he was primarily responsible for financial management. From May 2021 to June 2023, Mr. Zhong was the chief financial officer at Shanghai Buqieryu Medical Technology Co., Ltd. (上海不齊而遇醫療科技有限公司), a medical technology company, where he was primarily responsible for overseeing capital markets operation and financial management. From June 2023 to July 2025, he was a deputy general manager and finance director at Xinjiang Sailing Information Technology Co., Ltd. (新疆煦菱信息技術股份有限公司), a software developer listed on the Shenzhen Stock Exchange (stock code: 300588), where he was primarily responsible for overseeing capital markets operation and financial management. Since June 2026, he has been an independent non-executive director of Zixun Technology (Fujian) Co., Ltd. (紫訊技術(福建)股份有限公司), a leading e-commerce software provider.

He obtained his bachelor's degree in world economy (international economics and trade) from Fudan University (復旦大學) in Shanghai in July 2009.

Non-Executive Directors

Dr. David Guowei WANG (王國瑋), aged 64, joined our Group in July 2025, and has been our Director since then. He was re-designated as a non-executive Director on November 18, 2025. He is primarily responsible for providing professional opinion and judgment to our Board.

Dr. Wang has over 20 years of experience in the medical industry. From April 2006 to July 2011, Dr. Wang was a managing director at WI Harper Group, a venture capital firm, where he was primarily responsible for healthcare investments in China. Since August 2011, he has been a partner and senior managing director of Asia at OrbiMed Advisors LLC, an investment fund with a focus on the healthcare industry, where he has been primarily responsible for healthcare investments. Since April 2022, Dr. Wang has been a director at OrbiMed Advisors V Limited, the general partner of OrbiMed Asia Partners V, L.P, a private equity fund, where he has been primarily responsible for healthcare investments.

Besides, Dr. Wang held or has held directorships at various listed companies, including (i) as a non-executive director of AK Medical Holdings Limited (愛康醫療控股有限公司) (a company listed on the Hong Kong Stock Exchange (stock code: 1789)) since April 2016, (ii) as a director of Sichuan Biokin Pharmaceutical Co., Ltd (四川百利天恒藥業股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688506)) since September 2017, (iii) as a non-executive director of Gaush Meditech Ltd. (高視醫療科技有限公司) (a company listed on the Hong Kong Stock Exchange (stock code: 2407)) since December 2017, (iv) as a director of Gracell Biotechnologies Inc. (a company previously listed on the Nasdaq Stock Exchange (stock symbol: GRCL)) from March 2020 to February 2024, (v) as a non-executive director of Star Sports Medicine Co., Ltd. (北京天星博邁迪醫療器械有限公司) (a company listed on the Hong Kong Stock Exchange (stock code: 1609)) since December 2021, (vi) as a non-executive director of Laekna, Inc. (來凱醫藥有限公司) (a company listed on the Hong Kong Stock Exchange (stock code: 2105)) since May 2022, (vii) as a director of Sinovac Biotech Ltd. (科興控股生物技術有限公司) (a company listed on the Nasdaq Stock Exchange (stock symbol: SVA)) from January 2025 to June 2025, (viii) as a non-executive director of Edding Genor Group Holdings Limited (a company listed on the Hong Kong Stock Exchange (stock code: 6998)) since December 2025, and (ix) as a non-executive director of Kindstar Globalgene Technology, Inc. (a company listed on the Hong Kong Stock Exchange (stock code: 9960)) since March 2026. Further, he has been a director of (i) Frontera Therapeutics since September 2019, (ii) Good Doctor Cloud Healthcare & Technology Group Co., Ltd. (四川好醫生雲醫療科技集團有限公司) since June 2020, (iii) Sirius Therapeutics since June 2021, (iv) Pulnovo Medical Limited since August 2021, and (v) Jinxin Eldercare Industry Group Limited since May 2023.

Dr. Wang obtained his bachelor's degree in medicine from Beijing Medical University (北京醫科大學) (currently known as Peking University Health Science Center (北京大學醫學部)) in Beijing in July 1986. He obtained his doctor's degree in developmental biology from California Institute of Technology in the United States in June 1995.

Dr. CHEN Kan (陳侃), aged 44, joined our Group in July 2025, and has been our Director since then. He was re-designated as a non-executive Director on November 18, 2025. He is primarily responsible for providing professional opinion and judgment to our Board.

Dr. Chen has over 16 years of experience in R&D of innovative drugs and investments. From September 2009 to November 2012, he was a postdoctoral fellow in pathology at Brigham and Women's Hospital, an affiliate of Harvard Medical School, in the United States. From November 2012 to September 2014, he was an R&D leader at Shanghai Hengrui Pharmaceutical Co., Ltd. (上海恒瑞醫藥有限公司), a company principally engaged in R&D, manufacturing and sales of drugs, where he was primarily responsible for R&D of innovative drugs. From September 2014 to January 2016, Dr. Chen was a senior scientist at Johnson & Johnson (China) Co., Ltd. (強生(中國)有限公司), a company principally engaged in R&D, manufacturing and sales of pharmaceuticals, medical devices and healthcare products, where he was primarily responsible for R&D of innovative drugs. Since February 2016, he has been a partner at Qiming Weichuang Capital Management (Shanghai) Co., Ltd. (啟明維創創業投資管理(上海)有限公司), a venture capital firm focusing on technology and healthcare industries, where he has been primarily responsible for investments.

Besides, Dr. Chen held or has held directorships at various listed companies, including (i) as a non-executive director of Connect Biopharma Holdings Limited (a company listed on the Nasdaq Stock Exchange (stock symbol: CNTB)) since December 2020, (ii) as a director of Jiangsu Yahong Pharmaceutical Technology Co., Ltd. (江蘇亞虹醫藥科技股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688176)) from December 2020 to December 2023, (iii) as a non-executive director of CANbridge Pharmaceuticals Inc. (a company listed on the Hong Kong Stock Exchange (stock code: 1228)) from December 2020 to September 2024, and (iv) as a non-executive director of Antengene Corporation Limited (a company listed on the Hong Kong Stock Exchange (stock code: 6996)) from March 2021 to June 2024.

Dr. Chen obtained his bachelor's degree in biological sciences from Fudan University (復旦大學) in Shanghai in June 2004. He obtained his doctor's degree in cell biology from Case Western Reserve University in the United States in January 2009.

Independent Non-Executive Directors

Ms. CHEN Weiwei (陳維維), aged 60, was appointed as our independent non-executive Director in November 2025, with effect from the [**REDACTED**]. She is primarily responsible for providing independent advice and judgement to our Board.

Ms. Chen has over 22 years of experience in accounting and finance. From February 2004 to June 2012, she worked and last served as the chief financial officer of Asia at Sanofi S.A., a biopharmaceutical company listed on Euronext Paris (stock symbol: SAN) and the Nasdaq Stock Exchange (stock symbol: SNY), where she was primarily responsible for financial management. From July 2012 to May 2015, Ms. Chen was the chief financial officer of the China division at Yum! Brands, Inc., a company listed on the New York Stock Exchange (stock symbol: YUM) and principally engaged in operation of quick-service restaurant systems, where she was primarily responsible for financial management. From June 2015 to December 2020, she was a vice president and the chief financial officer at Starbucks (China) Company Limited, a catering company, where she was primarily responsible for financial management.

Besides, Ms. Chen held or has held directorships at various listed companies, including (i) as a director of HBM Holdings Limited (a company listed on the Hong Kong Stock Exchange (stock code: 2142)) since December 2020, (ii) as an independent director of DFI Retail Group Holdings Limited (currently known as Dairy Farm International Holdings Limited) (a company listed on the London Stock Exchange (stock symbol: DFIB), the Singapore Exchange (stock symbol: D01) and the Bermuda Stock Exchange (stock symbol: DFIBD.BH)) since November 2021, and (iii) as an independent director of Lianbio (a company previously listed on the Nasdaq Stock Exchange (stock symbol: LIAN)) from April 2022 to August 2024.

Ms. Chen obtained her bachelor's degree in accountancy from the University of Illinois in the United States in June 1993. She obtained her master's degree in business administration from Rutgers University in the United States in June 2002. Besides, she has been certified as a certified public accountant by the Board Trustees of the University of Illinois since February 1994, and by the Education Department of the University of the State of New York since February 1996.

Dr. SHEN Zhenhai (沈振海), aged 61, was appointed as our independent non-executive Director in November 2025, with effect from the [**REDACTED**]. He is primarily responsible for providing independent advice and judgement to our Board.

Dr. Shen has over 21 years of experience in pharmaceutical R&D, finance and strategic planning. From November 2004 to July 2017, Dr. Shen was a director of Roche Genentech, a biopharmaceutical company, where he was primarily responsible for providing professional opinion and judgment to the board of directors of the company. Since September 2019, he has been the chief executive officer of Ningbo Xinwan Pharmaceutical Technology Co., Ltd. (寧波新灣醫藥科技有限公司), an oncology-focused biopharmaceutical company, where he has been primarily responsible for strategic planning, daily operation and management of the company.

Dr. Shen obtained his bachelor's degree from Shanghai Medical College of Fudan University (復旦大學上海醫學院) in Shanghai in July 1988. He obtained his master's degree in business administration from the Ross School of Business at University of Michigan in the United States in May 1999. He further obtained his doctor's degree in biomedical sciences from Mount Sinai School of Medicine in the United States in January 1995.

Dr. JIANG Xuejun (姜學軍), aged 56, was appointed as our independent non-executive Director in May 2026, with effect from the [**REDACTED**]. He is primarily responsible for providing independent advice and judgment to our Board.

Dr. Jiang has over 22 years of experience in research on cell biology, with a focus on cancer biology. Since September 2003, Dr. Jiang has worked and is currently a professor at Joan and Sanford I. Weill Medical College of Cornell University, where he has focused on cell and developmental biology. Since September 2003, he has also worked at and is currently a member and Virginia & Daniel K. Ludwig endowed chair professor at Memorial Sloan Kettering Cancer Center, where he has participated in its cell biology program. Since September 2006, he has worked and is currently a professor at Gerstner Sloan Kettering Graduate School, where he has focused on cancer biology.

Dr. Jiang obtained his bachelor's degree in science and master's degree in science, both from Fudan University (復旦大學) in Shanghai, in July 1990 and July 1993, respectively. He further obtained his doctor's degree in pharmacology from the University of Texas Southwestern Medical Center in the United States in August 1999.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management and operation of our business. The table below sets forth certain information in respect of the senior management of our Company:

Name	Age	Position(s)	Date of appointment as senior management	Date of founding/ joining our Group	Role and responsibilities	Relationship with Directors and other senior management
Dr. CAO Guoqing (曹國慶)	61	Chairperson of our Board, executive Director, chief executive officer and chief scientific officer	March 8, 2018	March 8, 2018	Primarily responsible for overseeing overall management, business, strategies and R&D activities of our Group	None

Name	Age	Position(s)	Date of appointment as senior management	Date of founding/ joining our Group	Role and responsibilities	Relationship with Directors and other senior management
Mr. SHI Junwei (施俊巍)	44	Executive Director, chief medical officer and senior vice president of R&D	October 16, 2018	October 16, 2018	Primarily responsible for overseeing R&D of our innovative drugs	None
Mr. ZHONG Zhongren (鍾仲人)	39	Executive Director and chief financial officer	July 21, 2025	July 21, 2025	Primarily responsible for overseeing strategic financial planning and financial management of our Group	None

For biographies of our senior management, see "— Board of Directors — Executive Directors" in this section.

GENERAL

Save as otherwise disclosed in this document, none of our Directors or senior management members of our Company holds and has held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date and as of the Latest Practicable Date.

None of our Directors or senior management members of our Company has any relationship with any Directors, senior management members or substantial shareholders of our Company.

Save as disclosed in this section, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules as of the Latest Practicable Date.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he/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/she (i) obtained the legal advice referred to under Rule 3.09D of the Listing Rules in November 2025 or March 2026, and (ii) understands his/her obligations as a director of a [**REDACTED**] issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of our proposed independent non-executive Directors has confirmed (i) his/her independence after taking into account each of the factors referred to in Rules 3.13(1) to 3.13(8) of the Listing Rules, (ii) that he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of our Company, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment.

JOINT COMPANY SECRETARIES

Dr. ZHOU Shiyu (周詩雨) was appointed as one of our joint company secretaries on November 19, 2025. Dr. Zhou is currently the assistant to the chairperson of our Board. Dr. Zhou joined our Group in October 2021 as a business development manager of Minghui Shanghai, and has been a senior business development director of Minghui Shanghai since August 2025.

Dr. Zhou has over nine years of experience in the life sciences and related industries. From April 2017 to May 2018, Dr. Zhou was a scientific consultant at Cisbio Bioassays, a company principally engaged in drug discovery and R&D of bioassay solutions, where he was primarily responsible for the development and technical support of bioassay solutions. From June 2018 to February 2020, he was a technical sales specialist at Thermo Fisher Scientific Inc., a life sciences company listed on the New York Stock Exchange (stock symbol: TMO), where he was primarily responsible for pre-sales technical support of reagents and instruments. From February 2020 to March 2021, he was a sales manager at Leica Microsystems GmbH, a company principally engaged in development and manufacturing of microscopes and scientific instruments. From March 2021 to October 2021, Dr. Zhou was a business development manager at Shanghai OPM Biosciences Co., Ltd., a biotechnology company listed on the Shanghai Stock Exchange (stock code: 688293), where he was primarily responsible for business development, client relationship management, and collaboration advancement for CDMO services.

Dr. Zhou obtained his bachelor's degree in biotechnology from Sichuan University (四川大學) in Sichuan in July 2010. He further obtained his doctor's degree in biochemistry and molecular biology from the Chinese Academy of Sciences (中國科學院) in Beijing in January 2016.

Mr. POON Ping Yeung (潘秉揚) was appointed as one of our joint company secretaries on November 19, 2025. Mr. Poon is the senior manager of the listed & fiduciary corporate services of Trident Corporate Services (Asia) Limited, a global professional services firm. He has over ten years of professional experience in company secretarial field. He is currently a joint company secretary of each of Boyaa Interactive International Limited (a company listed on the Stock Exchange (stock code: 434)), Zhejiang Taimei Medical Technology Co., Ltd. (a company listed on the Stock Exchange (stock code: 2576)) and Shanghai REFIRE Group Limited (a company listed on the Stock Exchange (stock code: 2570)).

Mr. Poon obtained his bachelor's degree in arts (major in social policy and administration) from The Hong Kong Polytechnic University in Hong Kong in October 2012. He obtained his master's degree in corporate governance from Hong Kong Metropolitan University (formerly known as The Open University of Hong Kong) in Hong Kong in October 2019.

Mr. Poon is an associate member (a holder of practitioner's endorsement) of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom.

COMPLIANCE ADVISER

We have appointed Rainbow Capital (HK) Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules, with a term commencing on the [**REDACTED**] and ending on the date on which we distribute our annual report of our financial results for the first full financial year commencing after the [**REDACTED**]. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us on the following circumstances: (a) before the publication of any announcements, circulars or financial reports; (b) where a transaction, which might be a notifiable or connected transaction under Chapters 14 and 14A of the Listing Rules is contemplated, including share issues, sales or transfers of treasury shares and share repurchases; (c) 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 (d) where the [**REDACTED**] makes an inquiry of us regarding unusual [**REDACTED**] and [**REDACTED**] or other issues under Rule 13.10 of the Listing Rules. Further, pursuant to Rule 3A.24 of the Listing Rules, Rainbow Capital (HK) Limited will, in a timely manner, inform us of any amendment or supplement to the Listing Rules and new or amended laws and regulations in Hong Kong applicable to us.

BOARD COMMITTEES

We have established the following committees on our Board with effect from the [**REDACTED**]: an audit committee, a remuneration committee and a nomination committee. The committees operate in accordance with the terms of reference established by our Board.

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"). The Audit Committee consists of Ms. CHEN Weiwei (陳維維), Dr. SHEN Zhenhai (沈振海) and Dr. David Guowei WANG (王國瑋), with Ms. CHEN Weiwei being the chairperson of the committee. Ms. CHEN Weiwei (陳維維) holds the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee are to assist our Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management systems, overseeing the audit process, and performing other duties and responsibilities as assigned by our Board, which include but are not limited to: (a) proposing to our Board the appointment and replacement of external audit firms; (b) supervising the implementation of our internal audit system; (c) liaising between our internal audit department and external auditors; and (d) reviewing our financial information and related disclosures.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of part 2 of the Corporate Governance Code. The Remuneration Committee consists of Dr. SHEN Zhenhai (沈振海), Dr. JIANG Xuejun (姜學軍) and Dr. CHEN Kan (陳侃), with Dr. SHEN Zhenhai being the chairperson of the committee.

The primary duties of the Remuneration Committee are to develop remuneration and appraisal policies of our Directors, evaluate the performance, make recommendations on the remuneration packages of our Directors and senior management and evaluate and make recommendations on employee benefits, which include but are not limited to: (a) establishing, reviewing and making recommendations to our Board on our policy and structure concerning remuneration and appraisal of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration and appraisal; (b) determining the terms of the specific remuneration package of each Director and members of senior management; and (c) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of part 2 of the Corporate Governance Code. The Nomination Committee consists of Dr. CAO Guoqing (曹國慶), Dr. SHEN Zhenhai (沈振海) and Ms. CHEN Weiwei (陳維維), with Dr. CAO Guoqing being the chairperson of the committee.

The primary duties of the Nomination Committee are to make recommendations to our Board in relation to the appointment and removal of our Directors which include but are not limited to: (a) reviewing the structure, size and composition of our Board on a regular basis, assisting our Board in maintaining a board skills matrix, and making recommendations to our Board regarding any proposed changes; (b) identifying, selecting or making recommendations to our Board on the selection of individuals nominated for directorships; (c) assessing the independence of independent non-executive Directors; and (d) supporting our Company's regular evaluation of our Board's performance.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders.

Corporate Governance Code

Our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve effective accountability.

Under paragraph C.2.1 of part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Cao is the chairperson of our Board and our chief executive officer. With considerable experience in R&D of innovative drugs and management, and having served in our Group since its inception, Dr. Cao has been in charge of the overall corporate and business strategies of our Group. Despite the fact that the roles of the chairperson of our Board and our chief executive officer are both performed by Dr. Cao, which constitutes a deviation from paragraph C.2.1 of part 2 of the Corporate Governance Code, our Board considers that vesting the roles of the chairperson of our Board and our chief executive officer both in Dr. Cao is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of our Board and our senior management, which comprises experienced individuals. Upon [**REDACTED**], our Board will comprise three executive Directors, two non-executive Directors and three independent non-executive Directors, and therefore, will have a strong independence element in its composition.

Save as disclosed above, our Company intends to comply with all applicable code provisions under the Corporate Governance Code after the [**REDACTED**].

Board Diversity

We seek to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. We [have adopted] a board diversity policy (the "**Board Diversity Policy**") to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a range of diversity perspectives with reference to our Company's business model and specific needs, including but not limited to gender, age, language, cultural and educational background, professional qualifications, skills, knowledge, industry, regional experience and length of service. Furthermore, the Nomination Committee is responsible for reviewing the diversity of our Board, reviewing the Board Diversity Policy from time to time, developing and reviewing measurable objectives for implementing the Board Diversity Policy, and monitoring the progress on achieving these measurable objectives in order to ensure that the Board Diversity Policy remains effective.

Our Directors have a balanced mixed of knowledge and skills, including, among others, R&D of innovative drugs, cell biology, corporate management, financial management and investments. They obtained degrees in various majors including, among others, biochemistry, molecular biology

and business administration. Furthermore, our Board has a relatively wide range of ages, ranging from 39 years old to 64 years old, and consists of seven male members and one female member. 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 the Directors in various aspects and fields can enable our Company to maintain a high standard of operation.

Our Company will, among others, (i) disclose the biographical details of each Director and (ii) report on the implementation of the Board Diversity Policy (including whether we have achieved board diversity) in its annual corporate governance report. In particular, our Company will take opportunities to increase the proportion of female members of our Board when selecting and recommending suitable candidates for Board appointments to help enhance gender diversity in accordance with stakeholder expectations and recommended best practices. Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level so that our Company will have a pipeline of female senior management and potential successors to our Board. We believe that such merit-based selection process with reference to the Board Diversity Policy and the nature of our business will be in the best interests of our Group and our Shareholders as a whole.

KEY TERMS OF EMPLOYMENT AGREEMENTS

We normally enter into an employment agreements, as well as a confidentiality, intellectual property and non-competition agreement, with our senior management members and other key personnel (other than Directors), which contains provisions relating to confidentiality, intellectual property protection, non-competition and non-solicitation. Below sets forth the key terms of such agreements we enter into with our senior management and other key personnel.

Confidentiality

- ***Confidentiality obligations.*** The employee shall, during the course of employment with our Company and thereafter, keep in confidence all proprietary information, trade secrets, technical materials or proprietary technology of our Group. Without our Group's written consent, the employee shall not disclose, inform, announce, issue, publish, teach, transfer or otherwise make available to any third party (including employees who are not privy to such confidential information) any such information in any manner and shall not use such information apart from discharging his/her duties as an employee of our Group.

Ownership of intellectual work products

- ***Acknowledgment.*** The employee acknowledges and agrees that our Group shall own all intellectual property rights relating to any inventions, discoveries, ideas, designs, original works, computer software, proprietary technology, trademarks, trade secrets and any other information or materials that contain or may contain any intellectual property rights, including those produced (i) during the course of discharging his/her duties as an employee of our Group; or (ii) mainly using the resources, technology, information or data of our Group during the course of his/her employment. The employee further agrees that any inventions or works created within one year after the termination of employment as a result of tasks assigned by our Group shall also be treated as service inventions or works belonging to our Group.

Non-competition

- ***Non-competition obligations during employment term.*** During the term of his/her employment with our Group, except with our Group's consent, the employee shall not hold any positions (including but not limited to partner, director, supervisor, manager, employee, agent and consultant) in any entity that manufactures products or provides services similar to our Group's products or services, or is engaged in business operation with our Group. The employee shall not, whether directly or indirectly, as a principal or agent, engage in any business that competes with our Group's business.

- ***Non-competition obligations following termination of employment relationship.*** Within two years after termination of the employment relationship between the employee and our Group, the employee shall not provide services to any other entity or individual that manufactures products or provides services similar to our Group's products or services, and shall not engage in any business similar to our Group. Within the non-competition period, in the event that the employee commences employment with any new employer, the employee shall, within five days thereof, notify our Group the name of such employer and the contact details of such employer's human resources department. At the same time, the employee shall inform such employer that he/she is subject to non-competition obligations.

Non-solicitation

- The employee agrees that during his/her employment and after the termination of employment, he/she shall not directly or indirectly solicit, induce or encourage any employee, customer or business partner of our Group to leave, terminate or otherwise alter his/her/its relationship with our Group.

Compensation for breach of covenants

- If any employee breaches any of his/her non-competition obligations, our Group shall be entitled to recover from the employee liquidated damages in the amount of RMB5,000,000 and all losses incurred by our Group as a result of such breach.

- If any employee breaches any of his/her obligations under any other terms in the agreements and causes losses to our Group, the employee shall compensate our Group for all direct and indirect losses.

COMPENSATION OF DIRECTORS AND MANAGEMENT

For information on remuneration of Directors and the five highest paid individuals of our Group during the Track Record Period, see notes 7 and 28 to the Accountant's Report.

It is estimated that the aggregate amount of remuneration (including fees, salaries, discretionary bonuses, share-based compensation, social security costs and other benefits) payable to our Directors for the financial year ending December 31, 2026 would be approximately RMB6.54 million under arrangements in force as of the date of this document.

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group, (ii) no compensation was paid to, or receivable by, our Directors, past Directors or the five highest paid individuals for the loss of office as a director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group, and (iii) none of our Directors waived or agreed to waive any emoluments. Except as disclosed in notes 7 and 28 to the Accountant's Report, no other payment has been paid, or is payable, by our Group to our Directors or the five highest paid individuals of our Group during the Track Record Period.

FUTURE PLANS

See "Business — Our Strategies" for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**], after deducting [**REDACTED**], fees and other estimated expenses in connection with the [**REDACTED**] to be paid and payable by us, assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per share.

In line with our strategies, we intend to use the net [**REDACTED**] for the following purposes, of which approximately [51.0]%, or HK$[**REDACTED**] will be used in the research and development of our Core Products:

(a) ***Core Product MHB036C R&D.*** Our Core Product MHB036C, a TROP-2 ADC targeting multiple solid tumors, is currently undergoing Phase II clinical trials in China in combination therapy with our key product MHB039A, a PD-1/VEGF bsAb, for both NSCLC and BC. We plan to enter the Phase III trials following completion of the Phase II trials. Approximately [26.0]%, or HK$[**REDACTED**], will be used for the ongoing and planned clinical development of MHB036C for solid tumors, of which:

(i) Approximately [13.0]%, or HK$[**REDACTED**], will be used for the ongoing Phase II and planned Phase III clinical trials in China of MHB036C and MHB039A combination therapy for 1L+ NSCLC, including approximately [5.2]%, or HK$[**REDACTED**], for clinical trial operations and approximately [7.8]%, or HK$[**REDACTED**], for outsourced research and CMC services.

(ii) Approximately [13.0]%, or HK$[**REDACTED**], will be used for the ongoing Phase II and planned Phase III clinical trials in China of MHB036C and MHB039A combination therapy for 1L+ BC, including approximately [4.2]%, or HK$[**REDACTED**], for clinical trial operations and approximately [8.8]%, or HK$[**REDACTED**], for outsourced research and CMC services.

For details of our clinical development plan for MHB036C and its combination therapies, see "Business — Our Product Pipeline — Core Product MHB036C: A Promising TROP-2 ADC Targeting Multiple Solid Tumors — Clinical Development Plan."

(b) ***Core Product MHB018A R&D.*** Our Core Product MHB018A, a Sub-Q IGF-1R antibody for the treatment of both active and chronic TED, is advancing through the Phase III trials in China. In the United States, we received IND clearance from the FDA in December 2025 for Phase III trials in both active and chronic TED and plan to enroll the first patient in December 2026. Approximately [25.0]%, or HK$[**REDACTED**], will be used to advance the ongoing and planned clinical development of MHB018A for TED, of which:

(i) Approximately [10.0]%, or HK$[**REDACTED**], will be used to advance the Phase III clinical trial of MHB018A for active TED in the United States, Europe and Japan.

(ii) Approximately [10.0]%, or HK$[**REDACTED**], will be used to advance the Phase III clinical trial of MHB018A for chronic TED in the United States, Europe and Japan.

(iii) Approximately [5.0]%, or HK$[**REDACTED**], will be used for the ongoing Phase III clinical trials of MHB018A for active and chronic TED in China, including approximately [3.0]%, or HK$[**REDACTED**], for clinical trial operations and approximately [2.0]%, or HK$[**REDACTED**], for outsourced research and CMC services.

For details of our clinical development plan for MHB018A, see "Business — Our Product Pipeline — Core Product MHB018A: Novel Sub-Q IGF-1R Antibody and the Promising IGF-1R Program — Clinical Development Plan."

(c) ***Key Product MHB088C R&D.*** Our key product MHB088C, a B7-H3 ADC targeting multiple solid tumors, is advancing through a Phase I/II clinical trial in China in combination with our key product MHB039A, a PD-1/VEGF bsAb, for 1L+ SCLC. Approximately [7.0]%, or HK$[**REDACTED**], will be used for our ongoing and planned clinical development of this combination therapy for 1L+ SCLC and other solid tumors, including approximately [2.8]%, or HK$[**REDACTED**], for clinical trial operations and approximately [4.2]%, or HK$[**REDACTED**], for outsourced research and CMC services.

For details of our clinical development plan for MHB088C, see "Business — Our Product Pipeline — Key Product MHB088C: A Promising B7-H3 ADC Targeting Multiple Solid Tumors Including SCLC — Clinical Development Plan."

(d) ***Key Product MH004 R&D and Commercialization.*** Our key product MH004, a topical JAK inhibitor, targets AD and vitiligo. It is currently under NMPA review for AD, with approval anticipated in the first half of 2027, and completed the Phase II trial for vitiligo in China in May 2026. Approximately [12.0]%, or HK$[**REDACTED**], will be used to advance the ongoing and planned development and commercialization of MH004, of which:

(i) Approximately [7.0]%, or HK$[**REDACTED**], will be used for the planned Phase III trial of MH004 for vitiligo in China, including approximately [2.5]%, or HK$[**REDACTED**], for clinical trial operations and approximately [4.5]%, or HK$[**REDACTED**], for outsourced research and CMC services.

(ii) Approximately [5.0]%, or HK$[**REDACTED**], will be used for the commercialization and regulatory matters of MH004 for AD in China.

For details of our clinical development plan for MH004, see "Business — Our Product Pipeline — Key Product MH004: Novel Topical Prodrug of Tofacitinib Targeting Atopic Dermatitis and Vitiligo — Clinical Development Plan.

(e) ***Other Pipeline Products and Combination Therapies.*** Approximately [10.0]%, or HK$[**REDACTED**], will be used to advance and expand our therapeutic pipeline including combination therapies. These funds will support our preclinical evaluation and clinical development of programs targeting BTK/pan-Src/RIPK3 inhibitor, B7-H4, c-Met and PSMA, among others of which:

(i) Approximately [2.0]%, or HK$[**REDACTED**], will be used to support clinical trial operations for the ongoing Phase I trial of MHB046C for solid tumors in China, with completion anticipated in 2026, and to evaluate proof of concept in selected indications such as NSCLC and CRC.

(ii) Approximately [2.0]%, or HK$[**REDACTED**], will be used to support clinical trial operations for the ongoing Phase I trial of MHB009C in China, with completion anticipated in 2027, and to evaluate proof of concept in selected indications such as OC and EC.

(iii) Approximately [2.0]%, or HK$[**REDACTED**], will be used to support clinical trial operations for the ongoing Phase I clinical trial of MHB042C in China, with completion anticipated in 2027, and to evaluate proof of concept in selected indications such as NSCLC and GC.

(iv) Approximately [2.0]%, or HK$[**REDACTED**], will be used to support clinical trial operations for the ongoing Phase I trial of MHB048C for prostate cancer in China, with completion anticipated in 2027, and to evaluate proof of concept in this indication.

(v) Approximately [1.0]%, or HK$[**REDACTED**], will be used to support clinical trial operations for the ongoing Phase I trial of MHB118C for solid tumors in China, with completion anticipated in 2026.

(vi) Approximately [1.0]%, or HK$[**REDACTED**], will be used to evaluate proof of concept for MH048 in selected immunological indications, with IND filing in China anticipated in the second half of 2026 and one to two clinical trials expected to be initiated in 2027.

(f) ***Commercialization, Quality Control and Manufacturing Capacity Expansion.*** Approximately [10.0]%, or HK$[**REDACTED**], will be used to strengthen our commercialization capacities and manufacturing and quality management functions to support the global development and commercialization of our pipeline assets, including: (i) expanding our commercial team across sales, medical, marketing and channel management in line with our commercialization progress and expected sales, (ii) enhancing our commercial infrastructure, including sales management and data analytics systems, (iii) supporting pre-launch market development activities for our autoimmune and oncology pipelines, (iv) identifying and engaging overseas commercialization partners, (v) strengthening our production and quality management systems, including GMP QA/QC systems, validation, supplier qualification and CDMO oversight, and (vi) expanding our manufacturing and quality personnel. In the near term, we do not plan to establish in-house manufacturing capacity and intend to support the development and commercialization of our pipeline assets primarily through enhanced CDMO management and a multi-supplier strategy.

(g) ***Working Capital, Business Development and General Corporate Purpose.*** Approximately [10.0]%, or HK$[**REDACTED**], will be used for working capital, business development and general corporate purposes, providing financial flexibility to support day-to-day operations and advance our pipeline. These funds will enable us to forge strategic partnerships that accelerate development, expand market reach and mitigate risk.

The above allocation of the net [**REDACTED**] from the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the mid-point of the indicative [**REDACTED**] stated in this document. If the [**REDACTED**] is fixed at the high-end or low-end of the [**REDACTED**], the net [**REDACTED**] will increase or decrease by approximately HK$[**REDACTED**]. We intend to apply the additional or reduced net [**REDACTED**] to the above uses on a pro rata basis. If the [**REDACTED**] is fully exercised, we will receive additional net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] and [**REDACTED**] of [**REDACTED**] Shares, based on an [**REDACTED**] of HK$[**REDACTED**] per Share (the mid-point of the indicative [**REDACTED**]) and after deducting the [**REDACTED**] payable by our Company. We intend to apply such additional net [**REDACTED**] to the uses described above on a pro rata basis.

To the extent that the net [**REDACTED**] from the [**REDACTED**] are not immediately required for the above purposes and to the extent permitted by the relevant law and regulations, we will only place the net [**REDACTED**] from the [**REDACTED**] in short-term interest-bearing accounts at 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. We will make an appropriate announcement if there is any change to the above proposed use of [**REDACTED**].

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[**REDACTED**]

[**REDACTED**]

The following is the text of a report set out on pages I-[1] to I-[2], received from the Company's reporting accountant, [PricewaterhouseCoopers], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of 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.

[Letterhead of PricewaterhouseCoopers] ***[Draft]***

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF MING YU PHARMACEUTICAL LIMITED, MORGAN STANLEY ASIA LIMITED, MERRILL LYNCH (ASIA PACIFIC) LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Ming Yu Pharmaceutical Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-[3] to I-[40], which comprises the consolidated and the company balance sheets as at December 31, 2024 and 2025 and May 31, 2026, and the consolidated statements of comprehensive loss, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended December 31, 2024 and 2025 and for the five months ended May 31, 2026 (the "Track Record Period") 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-[40] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [Document date] (the "Document") in connection with the initial [**REDACTED**] of shares of the Company on the [**REDACTED**].

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's 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 ("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 accountant's 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 accountant considers internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 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.

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 purposes of the accountant's report, a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at December 31, 2024 and 2025 and May 31, 2026 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of comprehensive loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the five months ended May 31, 2025 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the International Auditing and Assurance Standards Board ("IAASB"). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.1 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 24 to the Historical Financial Information which states that no dividends have been paid by Ming Yu Pharmaceutical Limited in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its date of incorporation.

[PricewaterhouseCoopers]
Certified Public Accountants
Hong Kong
[Date]

I HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing ("ISAs") issued by the International Auditing and Assurance Standards Board ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all amounts are rounded to the nearest thousand (RMB'000) except when otherwise stated.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	Notes	Year ended December 31,		Five months ended May 31,	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue	*5*	–	264,410	264,151	–
Cost of revenue	*6*	–	(743)	(349)	–
Gross Profit		–	263,667	263,802	–
Research and development expenses	*6*	(280,689)	(230,322)	(60,060)	(120,001)
Administrative expenses	*6*	(13,541)	(37,053)	(5,903)	(14,831)
Other income	*8*	23,974	2,976	769	53
Other gains/(losses), net	*9*	1,595	702	24	(857)
Operating (loss)/profit		(268,661)	(30)	198,632	(135,636)
Finance income		158	8,606	74	5,394
Finance costs		(117)	(76)	(23)	(90)
Fair value change of financial liabilities at fair value through profit or loss	*21*	(14,011)	(927,808)	(249,527)	(79,891)
Loss before income tax		(282,631)	(919,308)	(50,844)	(210,223)
Income tax expense	*10*	–	–	–	–
Loss for the year/period attributable to the owners of the Company		(282,631)	(919,308)	(50,844)	(210,223)
Other comprehensive (loss)/income:					
Items that will not be reclassified to profit or loss					
Exchange differences on translation		(4,341)	20,888	(20)	33,974
Items that will be reclassified to profit or loss					
Exchange differences on translation		(9,161)	16,717	315	31,528
Other comprehensive (loss)/income for the year/period, net of tax		(13,502)	37,605	295	65,502
Total comprehensive loss for the year/period attributable to the owners of the Company		(296,133)	(881,703)	(50,549)	(144,721)
Loss per share for the loss attributable to owners of the Company					
– Basic and diluted loss per share (in RMB)	*11*	(1.28)	(4.18)	(0.23)	(0.96)

CONSOLIDATED BALANCE SHEETS

	Notes	As at December 31, 2024	As at December 31, 2025	As at May 31, 2026
		RMB'000	*RMB'000*	*RMB'000*
ASSETS				
Non-current assets				
Property, plant and equipment	*13*	6,664	5,853	5,576
Right-of-use assets	*14*	1,822	5,368	7,512
Deposits	*17*	262	–	617
Other non-current assets	*18*	30,946	34,034	39,685
Total non-current assets		39,694	45,255	53,390
Current assets				
Cash and cash equivalents	*15*	29,712	800,749	604,896
Financial assets at fair value through profit or loss	*16*	13,786	13,248	6,741
Prepayments, deposits and other receivables	*17*	3,051	27,107	45,532
Total current assets		46,549	841,104	657,169
Total assets		86,243	886,359	710,559
DEFICITS				
Share capital	*19*	14	14	14
Other reserves	*20*	(53,801)	(13,301)	52,461
Accumulated losses		(1,071,670)	(1,990,978)	(2,201,201)
Deficits attributable to the owners of the Company		(1,125,457)	(2,004,265)	(2,148,726)
Total deficits		(1,125,457)	(2,004,265)	(2,148,726)
LIABILITIES				
Non-current liabilities				
Lease liabilities		–	4,393	5,917
Total non-current liabilities		–	4,393	5,917
Current liabilities				
Financial liabilities at fair value through profit or loss	*21*	968,655	2,815,384	2,809,591
Trade payables	*22*	236,787	47,277	24,069
Other payables	*23*	4,523	22,866	18,181
Lease liabilities		1,735	704	1,527
Total current liabilities		1,211,700	2,886,231	2,853,368
Net current liabilities		1,165,151	2,045,127	2,196,199
Total liabilities		1,211,700	2,890,624	2,859,285
Total deficits and liabilities		86,243	886,359	710,559

THE COMPANY BALANCE SHEETS

	Notes	As at December 31, 2024	As at December 31, 2025	As at May 31, 2026
		RMB'000	*RMB'000*	*RMB'000*
ASSETS				
Non-current assets				
Investments in subsidiaries	*29*	640,941	937,530	1,098,639
Total non-current assets		640,941	937,530	1,098,639
Current assets				
Cash and cash equivalents	*15*	12,452	755,241	541,201
Prepayments	*17*	–	3,980	5,507
Amounts due from subsidiaries	*17, 27*	60,000	–	–
Total current assets		72,452	759,221	546,708
Total assets		713,393	1,696,751	1,645,347
EQUITY				
Share capital	*19*	14	14	14
Other reserves	*20*	(24,793)	(1,179)	34,199
Accumulated losses		(193,506)	(1,131,430)	(1,212,061)
Total deficits		(218,285)	(1,132,595)	(1,177,848)
LIABILITIES				
Current liabilities				
Financial liabilities at fair value through profit or loss	*21*	931,655	2,815,384	2,809,591
Other payables	*23*	23	13,962	13,604
Total current liabilities		931,678	2,829,346	2,823,195
Net current liabilities		859,226	2,070,125	2,276,487
Total liabilities		931,678	2,829,346	2,823,195
Total deficits and liabilities		713,393	1,696,751	1,645,347

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to the owners of the Company			
	Share capital	Other reserves	Accumulated losses	Total deficits
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balances at January 1, 2024	14	(41,628)	(789,039)	(830,653)
Comprehensive loss				
Loss for the year	–	–	(282,631)	(282,631)
Other comprehensive loss				
Items that will not be reclassified to profit or loss				
Exchange differences on translation	–	(4,341)	–	(4,341)
Items that will be reclassified to profit or loss				
Exchange differences on translation	–	(9,161)	–	(9,161)
Transactions with owners in their capacity as owner:				
Share-based compensation expense	–	1,329	–	1,329
Balance at December 31, 2024	14	(53,801)	(1,071,670)	(1,125,457)
Comprehensive loss				
Loss for the year	–	–	(919,308)	(919,308)
Other comprehensive loss				
Items that will not be reclassified to profit or loss				
Exchange differences on translation	–	20,888	–	20,888
Items that will be reclassified to profit or loss				
Exchange differences on translation	–	16,717	–	16,717
Transactions with owners in their capacity as owner:				
Share-based compensation expense	–	2,895	–	2,895
Balance at December 31, 2025	14	(13,301)	(1,990,978)	(2,004,265)

	Attributable to the owners of the Company			
	Share capital	Other reserves	Accumulated losses	Total deficits
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balances at January 1, 2026	14	(13,301)	(1,990,978)	(2,004,265)
Comprehensive loss				
Loss for the period	–	–	(210,223)	(210,223)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Exchange differences on translation	–	33,974	–	33,974
Items that will be reclassified to profit or loss				
Exchange differences on translation	–	31,528	–	31,528
Transactions with owners in their capacity as owner:				
Share-based compensation expense	–	260	–	260
Balance at May 31, 2026	14	52,461	(2,201,201)	(2,148,726)
(unaudited)				
Balances at January 1, 2025	14	(53,801)	(1,071,670)	(1,125,457)
Comprehensive loss				
Loss for the period	–	–	(50,844)	(50,844)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Exchange differences on translation	–	(20)	–	(20)
Items that will be reclassified to profit or loss				
Exchange differences on translation	–	315	–	315
Transactions with owners in their capacity as owner:				
Share-based compensation expense	–	1,119	–	1,119
Balance at May 31, 2025	14	(52,387)	(1,122,514)	(1,174,887)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	For the year ended December 31,		For the five months ended May 31,	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cash flows from operating activities					
Cash (used in)/generated from operating activities	*25*	(145,764)	(191,210)	154,013	(186,119)
Interest received		158	8,606	74	5,394
Net cash (outflow to)/inflow from operating activities		(145,606)	(182,604)	154,087	(180,725)
Cash flows from investing activities					
Purchase of property, plant and equipment		(279)	(445)	(43)	(316)
Proceeds from disposals of property, plant and equipment		3	1	–	10
Payments for financial assets at fair value through profit or loss		(22,000)	(38,500)	(10,000)	–
Proceeds from sale of financial assets through profit or loss		30,029	39,231	12,329	6,549
Net cash inflow from investing activities		7,753	287	2,286	6,243
Cash flows from financing activities					
Proceeds from issuance of convertible preferred shares	*21*	37,000	970,130	35,187	–
Return of domestic investmnent with warrants to purchase Preferred Shares for the purpose of their ODI approval		–	–	(20,000)	–
Principal element of lease payments		(1,807)	(1,965)	(959)	(748)
Payments for interest expense on lease liability	*14*	(117)	(76)	(26)	(90)
Payments for [**REDACTED**]		[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Net cash inflow from/ (outflow to) financing activities		35,076	966,756	14,202	(2,347)
Net (decrease)/increase in cash and cash equivalents		(102,777)	784,439	170,575	(176,829)
Cash and cash equivalents at the beginning of year/period		131,208	29,712	29,712	800,749
Effect of foreign exchange rate changes on cash and cash equivalents		1,281	(13,402)	(9)	(19,024)
Cash and cash equivalents at end of year/period		29,712	800,749	200,278	604,896

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION

Ming Yu Pharmaceutical Limited (the "Company") was incorporated on March 8, 2018 in the Cayman Islands with limited liabilities under the Companies Law Cap. 22 of the Cayman Islands. The address of the Company's registered office is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") is principally engaged in the development of innovative medicines for oncology and autoimmune diseases in the People's Republic of China (the "PRC").

2 BASIS OF PREPARATION AND NEW OR AMENDED STANDARDS OR INTERPRETATIONS

2.1 Basis of preparation

The Historical Financial Information have been prepared in accordance with all applicable International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The Historical Financial Information have been prepared under the historical cost convention, except for financial assets and financial liabilities measured at fair value through profit or loss.

The preparation of the Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4.

The accounting policies applied in the preparation of the Historical Financial Information have been consistently applied to the Track Record Period, unless otherwise stated.

Other than those material accounting policies information as disclosed in the notes to the relevant financial line items or transactions in this Historical Financial Information, a summary of the other accounting policies information has been set out in Note 31 to this Historical Financial Information.

The Historical Financial Information has been prepared on a going concern basis. The Group incurred operating loss of RMB268,661 thousand, RMB30 thousand and RMB135,636 thousand for the years ended December 31, 2024 and 2025 and for the five months ended May 31, 2026, respectively, and net cash used in operating activities was RMB145,606 thousand, RMB182,604 thousand and RMB180,725 thousand for the years ended December 31, 2024 and 2025 and for the five months ended May 31, 2026, respectively, attributable primarily to significant R&D expenditure. As at May 31, 2026, the Group had net current liabilities of RMB2,196,199 thousand and had net liabilities of RMB2,148,726 thousand, which is primarily due to that the convertible preference shares of RMB2,809,591 thousand are classified as current liabilities, in considering their conversion features that are convertible by the holders at any time, details of which are disclosed in Note 21. Upon successful [**REDACTED**] (the "[**REDACTED**]") of the Company, the convertible preference shares would be converted into ordinary shares and reclassified from the liability to the equity. In addition, the directors of the Company consider the redemption term in the shareholders agreement as summarized under Note 21(c)(iii) would not be triggered and the convertible redeemable preference shares will not have cash flow impact to the Group for at least the next twelve months from May 31, 2026. The Company's ability to continue as a going concern is primarily dependent on the ability to raise external financing to fund its continuous operations. The directors believe that the Group's cash and cash equivalents are sufficient to fund its operating expenses and capital expenditure requirements and meet its payment obligations for the next twelve months from May 31, 2026.

2.2 New or amended standards, amendments or interpretations

All effective standards, amendments to standards and interpretations, which are mandatorily effective for accounting periods beginning on January 1, 2026, are consistently applied to the Group for the Track Record Period.

New standards, amendments and interpretations not yet adopted

Standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group during the Track Record Period are as follows:

Standards	Key requirements	Effective for annual periods beginning on or after
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027
IFRS 19	Subsidiaries without public accountability: disclosures	January 1, 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	January 1, 2029

Standards	Key requirements	Effective for annual periods beginning on or after
Amendments to IFRS 10 and IAS 28 . . .	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, these standards and amendments are not expected to have a significant impact on the Group's financial performance and position, except IFRS 18 as described below.

IFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

As IFRS 18 only proposed new presentation and disclosures requirements, its application would not have any impact on the financial position and performance of the Group. It is expected to affect the presentation of the consolidated statement of profit or loss and consolidated statement of cash flows and disclosures in the notes to future financial statements. The Group will continue to assess the impact of IFRS 18 on presentation and disclosures of the consolidated financial statements of the Group.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the management of the Group.

3.1.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the Group entities' functional currency. The Company's functional currency is USD. The Company's primary subsidiaries were incorporated in the PRC and these subsidiaries considered RMB as their functional currency.

There are certain cash and bank balances denominated in a currency that is not the functional currency. The Group constantly reviews the economic situation and its foreign exchange risk profile, and will consider appropriate hedging measures, as may be necessary.

As at December 31, 2024, December 31, 2025 and May 31, 2026, management considered that any reasonable changes in foreign exchange rates of USD against RMB would not result in a significant change in the Group's results, as the net carrying amounts of financial assets and liabilities denominated in USD in the Group's primary subsidiaries are considered to be not significant. No sensitivity analysis is presented for foreign exchange risk.

(ii) Cash flow and fair value 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 exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing cash and cash equivalents. When cash and cash equivalents obtained at variable rates expose the Group to cash flow interest-rate risk. The Group has not hedged its cash flow or fair value interest-rate risk.

The Group has no significant interest-bearing assets except for cash and cash equivalents, details of which have been disclosed in Note 15.

3.1.2 Credit risk

Credit risk arises from cash and cash equivalents, financial assets at fair value through profit or loss, and other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

To manage this risk, cash and cash equivalents and financial assets at fair value through profit or loss are mainly deposited with state-owned or reputable financial institutions in the PRC and reputable international financial institutions outside of the PRC. There has been no recent history of default in relation to these financial institutions.

Other receivables mainly comprise receivables related to lease deposits and other receivables. Management considers other receivables have not had a significant increase in credit risk since initial recognition, and a 12-month expected credit loss approach that results from possible default event within 12 months of each reporting date is adopted. To measure the expected credit losses, other receivables have been grouped based on shared credit risk characteristics and the days past due. The Group does not expect any material losses from non-performance by the counterparties of other receivables and no loss allowance provision for other receivables was recognized as at December 31, 2024, December 31, 2025 and May 31, 2026.

3.1.3 Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents to meet its daily operating working capital.

The table below analyses the Group's non-derivative financial liabilities that will be settled into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

The following table presents the Group's contractual maturities of financial liabilities at May 31, 2026:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total	Carrying Amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	24,069	–	–	24,069	24,069
Other payables (excluding salaries and welfare payables and VAT and other taxes payables)	14,332	–	–	14,332	14,332
Lease liabilities	2,545	2,339	4,161	9,045	7,444
	40,946	2,339	4,161	47,446	45,845

The following table presents the Group's contractual maturities of financial liabilities at December 31, 2025:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Carrying Amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	47,277	–	–	–	47,277	47,277
Other payables (excluding salaries and welfare payables and VAT and other taxes payables)	14,996	–	–	–	14,996	14,996
Lease liabilities	858	1,073	3,545	113	5,589	5,097
	63,131	1,073	3,545	113	67,862	67,370

The following table presents the Group's contractual maturities of financial liabilities at December 31, 2024:

	Less than 1 year	Total	Carrying Amount
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	236,787	236,787	236,787
Other payables (excluding salaries and welfare payables and VAT and other taxes payables)	497	497	497
Lease liabilities	1,765	1,765	1,735
	239,049	239,049	239,019

The convertible preferred shares liabilities are managed on a fair value basis rather than by maturing dates (Note 21). They are classified as current liabilities as the holders have the right to convert them into the Company's ordinary shares at their discretion.

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital (including share capital and convertible preferred shares on an as-if-converted basis) by regularly reviewing the capital structure. As a part of this review, the Company considers the cost of capital and the risks associated with the issued share capital. In the opinion of the directors of the Company, the Group's capital risk is low.

Net cash is calculated as cash and cash equivalent less lease liabilities. As at December 31, 2024, December 31, 2025 and May 31, 2026, the Group was in a net cash position, hence it is not meaningful to present the gearing ratio.

3.3 Fair value estimation

Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the Group's assets and liabilities that were measured at fair value at May 31, 2026:

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss	–	–	6,741	6,741
Liabilities				
Financial liabilities at fair value through profit or loss	–	–	2,809,591	2,809,591

The following table presents the Group's assets and liabilities that were measured at fair value at December 31, 2025:

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss	–	–	13,248	13,248
Liabilities				
Financial liabilities at fair value through profit or loss	–	–	2,815,384	2,815,384

The following table presents the Group's assets and liabilities that were measured at fair value at December 31, 2024:

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss	–	–	13,786	13,786
Liabilities				
Financial liabilities at fair value through profit or loss	–	–	968,655	968,655

(i) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments mainly include binomial option-pricing model, back-solve method, the market approach - the multiple method which is price over research and development expenses method or discounted cash flow analysis.

There were no changes in valuation techniques during the Track Record Period.

(ii) Valuation processes

The Group's finance team manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the relevant instruments on a case by case basis. At least once a year, the team uses valuation techniques to determine the fair value of the Group's level 3 instruments. External valuers will be involved when necessary.

The summary of significant unobservable inputs to the valuation of level 3 financial instruments together with a quantitative sensitivity analysis was disclosed in Note 16 and Note 21, respectively.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Historical Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(i) Fair value of convertible preferred shares

The fair value of convertible preferred shares that are not traded in an active market is determined by using valuation techniques. The Group applied the back-solve method and the market approach — the multiple method which is price over research and development expenses to determine the underlying equity value of the Company, and adopted option-pricing method and equity allocation model to determine the fair value of the convertible preferred shares. Key assumptions such as P/RD ratio, risk-free interest, volatility and discount for lack of marketability ("DLOM") are disclosed in Note 21.

(ii) Share-based compensation

The Group has granted share options to the Group's employees. The Company has engaged an independent valuer to determine the fair value of the options granted to employees, which is expensed over the vesting periods. Unobservable inputs such as the risk-free interest rate, volatility and dividend yield, etc. are used in determining the fair value of the share-based compensations.

(iii) Accrual of research and development expenses

Research and development expenses include costs paid to third-party contract research organizations (CROs), contract development and manufacturing organizations (CDMOs) and hospitals. The estimate of accrual of research and development expenses is complex because billing terms under relevant contracts often do not coincide with the timing of when the work is performed, which in turn requires estimates of outstanding obligations as of period end. These estimates are based on a number of factors, including management's knowledge of the research and development ("R&D") programs and activities associated with timelines, invoicing date, and the provisions in the contracts.

(iv) Revenue recognition

(i) Identification of performance obligation

The Group has a licensing arrangement with a customer as described under note 5(b). The Group determined that the license-out arrangement contains only one performance obligation relating to license of intellectual properties of a new drug under development within the context of the contract, and no additional services performed by the licensor directly transfer a good or service to the customer.

(ii) Estimation of variable consideration

The consideration within the contract includes variable consideration such as milestone payments and sales-based royalties. The Group determines the amount of milestone payments by using either the expected value or the most likely amount based on which method better predicts the amount of consideration to which it will be entitled. The Group assesses whether the milestones are considered highly probable of being achieved and estimates the amount to be included in the transaction price using the most likely amount method as there are a few possible outcomes under which milestone can be achieved. In making these assessments, the Group considers various factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve a particular milestone. For sales-based royalties, the Group recognizes the revenue when the occurrence of the subsequent sales.

5 SEGMENT AND REVENUE INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Group.

(a) Description of segments and principal activities

The Group is principally engaged in the research and development of new drugs. The CODM reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions.

(b) License agreement with a customer

On March 31, 2025, the Group has entered into a license agreement with Qilu, under which the Group granted Qilu an exclusive license of intellectual properties of MHB088C, an ADC with blockbuster potential in small cell lung cancer and other cancers, to develop and commercialize in Greater China. Under the terms of the agreement, Qilu agreed to make various payments to the Group, including (i) a one-off and non-refundable upfront payment and (ii) milestone payments and tiered royalties at percentage rates between high single digits and middle double digits on the net annual sales in Greater China.

The rights to this key product in Greater China are currently being developed by Qilu in a Phase III clinical trial. The next milestone payment will be triggered upon the submission of the New Drug Application (NDA) for the ADC in small cell lung cancer in Mainland China.

The license agreement will remain in effect until expiration of the royalty term for MHB088C in a jurisdiction upon the latter of: (a) expiration of the patents covering MHB088C in the country and (b) the tenth anniversary of the first commercial sale of MHB088C in the jurisdiction.

(c) Disaggregated revenue information

	For the year ended December 31,		For the five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Type of revenue				
Revenue from the license agreement	–	264,410	264,151	–

	For the year ended December 31,		For the five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Timing of revenue recognition				
At a point in time	–	264,410	264,151	–

(d) Accounting policy of revenue recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

At contract inception, the Group assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct.

The Group considers the terms of the contracts to determine the transaction price. When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Licenses that meet all of the following criteria is to provide a right to access: (i) the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights; (ii) the rights granted by the license directly expose the customer to any positive or negative effects of the Group's activities; and (iii) those activities do not result in the transfer of a good or a service to the customer as those activities occur. If these are not met, it is a right to use a license and it is recognized when the license is granted to the customer.

Revenue in the form of a sales-based or usage-based royalty, in exchange for a license of intellectual property, is recognized only when the later of the following events occurs: (i) the subsequent sale or usage occurs; and (ii) the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated has been satisfied.

The Group's revenue is mainly generated from license of intellectual properties of a new drug (MHB088C) to Qilu. The terms of this arrangement typically include non-refundable upfront payments, milestone payments and royalties on net sales of licensed products. The contracts generally do not include a significant financing component as the amount or timing of the variable considerations varies on the basis of achieving a particular milestone and how much and when the subsequent sales occurred.

The Group concludes that it has a single performance obligation under the contract to issue the license. The Group has granted a 'right to use' license and revenue is recognized at the point in time that the license is granted to the customer. The intellectual properties licensed to the customer has significant stand-alone functionality (being the technology) and the Group does not perform any activities that affect that functionality.

The consideration for the license comprises a fixed payment (the upfront payment) and variable elements (the milestone payments and royalties). The Group uses judgment to determine whether milestones or other variable consideration should be included in the transaction price. At the inception of the arrangement, the Group assesses whether the milestones are considered highly probable of being achieved and estimates the amount to be included in the transaction price using the most likely amount method. In making these assessments, the Group considers various factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve a particular milestone. Milestone payments that are subject to regulatory approvals and commercialization stages are not considered highly probable of being achieved until those approvals are received or commercialization stages are achieved.

A contract asset represents the Group's right to consideration for goods or services that have been transferred to a customer, but for which the right to payment is still subject to the fulfilment of future performance obligations or other conditions. In the license-out arrangement with Qilu, as of May 31, 2025, control of the license is transferred to the customer upon grant of the license and a contract asset of RMB30 million has been recognized, as the Group's right to consideration is conditional upon the achievement of a specific milestone event in the ongoing Phase III clinical trial. The Group does not have an unconditional right to payment until this milestone is met.

6 EXPENSES BY NATURE

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Outsourced pre-clinical and clinical expenses	243,701	185,767	42,699	99,703
Employee benefit expenses *(Note 7)*	35,567	44,172	16,694	19,634
Office and traveling expenses	5,360	4,304	1,752	2,123
Depreciation	3,105	3,036	1,270	1,534
Professional services expenses	2,530	4,887	825	2,506
Patent application fee	1,374	3,539	1,288	66
Direct materials and supplies	1,157	2,234	719	1,773
[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Others	1,436	2,700	1,065	808
	294,230	268,118	66,312	134,832

7 EMPLOYEE BENEFIT EXPENSES

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Wages, salaries and bonus	26,800	33,522	12,568	15,195
Social insurance *(a)*	6,791	7,108	2,813	3,861
Share-based compensation expenses *(Note 12)*	1,329	2,895	1,119	260
Other welfare for employees	647	647	194	318
	35,567	44,172	16,694	19,634

(a) Social insurance

The employees of the Group's subsidiaries participate in various government-sponsored defined contribution pension plans and various government supervised housing funds, medical insurance and other employee social insurance plan under which these subsidiaries are required to make monthly contributions to these plans at certain percentages of the employee's monthly salaries and wages subject to certain ceilings. During the Track Record Period, the Group had no forfeited contributions under these plans which may be utilized by the Group to reduce its contributions for the current period.

The Group has no other material obligation for the payment of retirement benefit associated with these schemes beyond the annual contribution described above.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include only one director for the year ended December 31, 2024 and the five months ended May 31, 2025, include two directors for the year ended December 31, 2025, and include three directors for the five months ended May 31, 2026, respectively, whose emoluments are reflected in the analysis shown in Note 28. The emoluments payable to the remaining individuals during the period are as follows:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Wages, salaries and bonus	3,792	3,288	1,752	883
Social insurance	541	404	167	108
Share-based compensation expenses	453	899	358	87
Other welfare for employees	9	–	–	–
	4,795	4,591	2,277	1,078

The emoluments fell within the following bands:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
			(unaudited)	
Emolument bands				
HKD400,001 to HKD500,000	–	–	1	–
HKD500,001 to HKD1,000,000	1	1	3	2
HKD1,000,001 to HKD2,000,000	3	2	–	–
	4	3	4	2

8 OTHER INCOME

Accounting policy for government grant

Grants from the government are recognized at their fair value where there is a reasonable assurance that the subsidies will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognized in consolidated statements of comprehensive loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to consolidated statements of comprehensive loss over the estimated useful lives of the related assets using the straight-line method.

The Group's government grants was related to income and recognized in "Other income":

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Government grants	23,974	2,787	580	21
Others	–	189	189	32
	23,974	2,976	769	53

9 OTHER GAINS/(LOSSES), NET

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net foreign exchange gains/(losses)	1,158	202	–	(892)
Realized and unrealized gains on financial assets at fair value through profit or loss	305	193	24	42
Others	132	307	–	(7)
	1,595	702	24	(857)

10 INCOME TAX EXPENSE

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

The Group's principal applicable taxes and tax rates are as follows:

(a) Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

(b) Hong Kong

Ming Ren Pharmaceutical Limited is incorporated in Hong Kong, which is subject to Hong Kong profit tax on its taxable income generated from operations in Hong Kong at two-tiered profits tax rates, 8.25% for first HKD2 million of assessable profits and 16.5% for assessable profits above HKD2 million. Additionally, payments of dividends by the subsidiary incorporated in Hong Kong to the Company are not subject to any Hong Kong withholding tax. No provision for Hong Kong profits tax has been provided as Ming Ren Pharmaceutical Limited has no estimated assessable profit during the Track Record Period.

(c) Chinese Mainland

During the Track Record Period, Minghui Pharmaceutical (Hangzhou) Co., Ltd is subject to corporate income tax at a rate of 25%.

For the year ended 31 December 2024, Minghui Pharmaceutical (Shanghai) Co., Ltd is entitled to a preferential corporate income tax rate of 5% because it is qualified as a small-scale enterprise. For the year ended 31 December 2025 and the period ended May 31, 2026, it is subject to corporate income tax at a rate of 25%.

No provision for Chinese Mainland profits tax has been provided pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), as the Group has no estimated assessable profits during the Track Record Period.

(d) Withholding tax

According to applicable tax regulations prevailing in the PRC, distribution of profits earned by PRC companies is generally subject to a withholding tax of 10% upon the distribution of profits to overseas-incorporated immediate holding companies. Depending on the tax residency of a foreign shareholder, the withholding tax rate may be adjusted based on the relevant bilateral tax treaty. During the Track Record Period, all the PRC companies recorded operating losses. Consequently, there is no profit distribution plan. Accordingly, no deferred income tax liability on withholding tax was accrued during the Track Record Period.

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to loss of the consolidated entities as follows:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss before income tax	(282,631)	(919,308)	(50,844)	(210,223)
Tax at the statutory tax rate of 25%	(70,658)	(229,827)	(12,711)	(52,556)
Effects of different tax rates applicable to different subsidiaries of the Group	8,756	235,320	62,686	20,487
Additional deduction of research and development expense	(39,506)	(78,215)	(14,012)	(26,380)
Expenses not deductible for tax purposes	42	20	4	11
Deductible temporary differences for which no deferred tax asset was recognized	(51)	(94)	(53)	(143)
Utilization of previously unrecognized tax losses	–	–	(35,914)	–
Tax losses for which no deferred income tax asset was recognized	101,417	72,796	–	58,581
Income tax expense	–	–	–	–

No deferred tax asset has been recognized in respect of the tax losses and deductible temporary difference due to the unpredictability of future profit streams. The tax losses in Chinese Mainland will expire in one to five years for offsetting against future taxable profits of the Group in which the losses arose.

11 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss of the Group attributable to the equity holders of the Company by weighted average number of ordinary shares outstanding during the Track Record Period.

	For the year ended December 31,		For the five months ended May 31,	
	2024	2025	2025	2026
			(unaudited)	
Loss attributable to the owners of the Company (RMB'000)	(282,631)	(919,308)	(50,844)	(210,223)
Weighted average number of ordinary shares in issue (in thousands)	220,000	219,728	220,000	219,021
Basic loss per share (RMB)	(1.28)	(4.18)	(0.23)	(0.96)

(b) Diluted loss per share

Pursuant to the share option plan (Note 12), before November 18, 2025, certain number of ordinary shares of the Company held by the founder is to be used to provide incentives for the employees, officers, directors or consultants of the Group, the exercise of share options will not result in new shares issued by the Company, therefore such plan do not have dilutive impact on loss per share. On November 18, 2025, the Company established two employee incentive platforms for the abovementioned share option plan. The ordinary shares of the Company held by the two employee incentive platforms are presented as treasury shares in the consolidated financial statements prior to the satisfaction of vesting conditions. Accordingly, for the year ended December 31, 2025 and for the five months ended May 31, 2026, the outstanding share options issued under the Company's share option plan are dilutive potential ordinary shares. During the Track Record Period, the dilutive potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

During the Track Record Period, the Company had convertible preferred shares which are treated as potential ordinary shares for the purpose of diluted loss per share. Each series of convertible preferred shares was tested individually for dilution. Convertible preferred shares are excluded from the diluted loss per share calculation if their inclusion would be anti-dilutive. Accordingly, for the years ended December 31, 2024 and 2025 and for the five months ended May 31, 2025 and 2026, none of the series of convertible preferred shares were included in the diluted loss per share calculation because their inclusion would have been anti-dilutive.

12 SHARE-BASED COMPENSATION

Accounting policy for share-based compensation

The Group operates share options granted to employees, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of equity instruments (options) is recognized as an expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, the requirement for employees to serve);
- including the impact of any non-vesting conditions.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive loss, with a corresponding adjustment to equity.

The grant by the Company of its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognized over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

Employee share option of the Group

On April 14, 2021, the Group adopted a share option plan, pursuant to which, up to 18,000,000 ordinary shares of the Company held by Ming De Group Holdings Limited (wholly owned by the founder) is to be used to provide long-term incentives for the employees, officers, directors or consultants of the Group to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if service condition is met. Participation in the plan is at the board of directors' discretion. The expiry dates of the share options granted are the tenth anniversary of the grant dates.

On November 18, 2025, the Company established two employee incentive platforms (the "Trusts") for the purpose of the Pre-[**REDACTED**] Equity Incentive Plan. Pursuant to the plan, the Company allotted and issued 3,401,300 shares to the Trusts from Ming De Group Holdings Limited (wholly owned by the founder) for no consideration. All share options held by the Trusts have been granted to the eligible employees, and 2,306,000 shares have been vested but not exercised. The Trusts are structured as employee share trusts and are controlled by the Company as defined under IFRS 10 Consolidated Financial Statements, accordingly, the Trusts are consolidated into the Company's consolidated financial statements. Prior to the satisfaction of vesting conditions, the shares held in the Trusts remain classified as treasury shares, and the related treasury shares are reclassified and issued as outstanding ordinary shares when shares are vested with employees. As at December 31, 2025, 1,095,300 shares (including granted but not vested and forfeited shares) with a carrying amount of RMB77, were classified as treasury shares deducted from equity of share premium. As at May 31, 2026, 877,300 shares (including granted but not vested and forfeited shares) with a carrying amount of RMB60, were classified as treasury shares deducted from equity of share premium.

The chief executive officer of the Company may determine the number of options granted to the Participants each year. The options will vest after a required service period beginning on the date of the respective grant. The vested shares shall become exercisable upon the earliest of (i) the [**REDACTED**], or (ii) the occurrence of a change in control.

(i) Movements in share options

The following table summarizes the movements in the number of options granted and the exercise price during the Track Record Period.

	Year ended December 31, 2024		Year ended December 31, 2025		Five months ended May 31, 2025 (unaudited)		Five months ended May 31, 2026	
	Average exercise price	Number of options	Average exercise price	Number of options	Average exercise price	Number of options	Average exercise price	Number of options
	RMB		*RMB*		*RMB*		*RMB*	
At beginning of the year/period	1	1,530,000	1	2,196,000	1	2,196,000	1	3,383,900
Granted	1	666,000	1	1,205,300	1	1,022,000	1	–
Forfeited	1	–	1	(17,400)	1	–	1	(60,400)
At end of the year/period	1	2,196,000	1	3,383,900	1	3,218,000	1	3,323,500
Including: vested at end of the year/period	1	1,345,000	1	2,306,000	1	1,595,000	1	2,524,000

(ii) Fair value of share options granted

As a private company with no quoted market price of the Company's equity instruments, the Company needs to estimate the fair value of the Group's equity interests at the respective grant date.

The directors of the Company estimated the risk-free interest rate based on the yield of China Treasury Bond with a maturity life close to the option life of the share option. Expected volatility was estimated at grant date based on average of historical volatilities of the comparable companies with length commensurable to the time to maturity of the share option.

The fair value of the share options granted have been valued by an independent qualified valuer using the binomial valuation model as at the respective grant date. Key assumptions are set as below:

	Risk-free interest rate	Expected volatility	Dividend yield
Share options granted in the year ended December 31, 2024	2.56%	64.03%	0.00%
Share options granted in the year ended December 31, 2025	1.68%~1.86%	66.66%~67.96%	0.00%
Share options granted in the five months ended May 31, 2025 *(unaudited)*	1.83%	66.66%	0.00%
Share options granted in the five months ended May 31, 2026	N/A	N/A	N/A

(iii) Expenses arising from share-based payment transactions

Expenses for the share-based compensation have been charged to the consolidated statements of comprehensive loss as follows:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Research and development expenses	1,168	2,663	919	240
Administrative expenses	161	232	200	20
	1,329	2,895	1,119	260

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of vesting periods of the share options (the "Expected Retention Rate") in order to determine the amount of share-based compensation expenses charged to the consolidated statements of comprehensive loss. As at December 31, 2024 and 2025 and May 31, 2026, the Expected Retention Rate was assessed to be 95%.

13 PROPERTY, PLANT AND EQUIPMENT

Accounting policy for property, plant and equipment

(i) Recognition and subsequent measurement

Property, plant and equipment, comprising office equipment, electronic equipment, laboratory equipment, motor vehicles and leasehold improvements are stated at historical cost less depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

	Estimated useful lives
Office equipment	5 years
Electronic equipment	3 years
Laboratory equipment	10 years
Motor vehicles	10 years
Software	1 year
Leasehold improvements	the shorter of their useful lives and the lease terms

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statements of comprehensive loss.

(ii) Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGU). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

As at December 31, 2024, December 31, 2025 and May 31, 2026, all the property, plant and equipment were in good condition and normal use. The recoverable amounts of these assets exceed that of the carrying amounts.

Group

	Office equipment	Electronic equipment	Laboratory equipment	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2024						
Cost	84	682	4,709	717	5,677	11,869
Accumulated depreciation	(50)	(340)	(1,247)	(366)	(2,168)	(4,171)
Net book amount	34	342	3,462	351	3,509	7,698
Year ended December 31, 2024						
Opening net book amount	34	342	3,462	351	3,509	7,698
Additions	–	130	149	–	–	279
Disposals	–	(3)	–	–	–	(3)
Depreciation charge	(11)	(181)	(452)	(70)	(596)	(1,310)
Closing net book amount	23	288	3,159	281	2,913	6,664
At December 31, 2024						
Cost	84	800	4,858	717	5,677	12,136
Accumulated depreciation	(61)	(512)	(1,699)	(436)	(2,764)	(5,472)
Net book amount	23	288	3,159	281	2,913	6,664

	Office equipment	Electronic equipment	Laboratory equipment	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2025						
Cost	84	800	4,858	717	5,677	12,136
Accumulated depreciation	(61)	(512)	(1,699)	(436)	(2,764)	(5,472)
Net book amount	23	288	3,159	281	2,913	6,664
Year ended December 31, 2025						
Opening net book amount	23	288	3,159	281	2,913	6,664
Additions	–	197	248	–	–	445
Disposals	–	(1)	–	–	–	(1)
Depreciation charge	(10)	(157)	(468)	(70)	(550)	(1,255)
Closing net book amount	13	327	2,939	211	2,363	5,853
At December 31, 2025						
Cost	84	975	5,106	717	5,677	12,559
Accumulated depreciation	(71)	(648)	(2,167)	(506)	(3,314)	(6,706)
Net book amount	13	327	2,939	211	2,363	5,853

	Office equipment	Electronic equipment	Laboratory equipment	Motor vehicles	Software	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2026							
Cost	84	975	5,106	717	–	5,677	12,559
Accumulated depreciation	(71)	(648)	(2,167)	(506)	–	(3,314)	(6,706)
Net book amount	13	327	2,939	211	–	2,363	5,853
Five months ended May 31, 2026							
Opening net book amount	13	327	2,939	211	–	2,363	5,853
Additions	–	122	60	–	134	–	316
Disposals	(7)	(2)	(1)	–	–	–	(10)
Depreciation charge	(3)	(78)	(205)	(35)	(33)	(229)	(583)
Closing net book amount	3	369	2,793	176	101	2,134	5,576
At May 31, 2026							
Cost	31	1,095	5,164	717	134	5,677	12,818
Accumulated depreciation	(28)	(726)	(2,371)	(541)	(33)	(3,543)	(7,242)
Net book amount	3	369	2,793	176	101	2,134	5,576

	Office equipment	Electronic equipment	Laboratory equipment	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
(unaudited)						
At January 1, 2025						
Cost	84	800	4,858	717	5,677	12,136
Accumulated depreciation	(61)	(512)	(1,699)	(436)	(2,764)	(5,472)
Net book amount	23	288	3,159	281	2,913	6,664
Five months ended May 31, 2025						
Opening net book amount	23	288	3,159	281	2,913	6,664
Additions	–	14	29	–	–	43
Depreciation charge	(4)	(67)	(193)	(29)	(229)	(522)
Closing net book amount	19	235	2,995	252	2,684	6,185
At May 31, 2025						
Cost	84	814	4,887	717	5,677	12,179
Accumulated depreciation	(65)	(579)	(1,892)	(465)	(2,993)	(5,994)
Net book amount	19	235	2,995	252	2,684	6,185

Depreciation of the Group charged to consolidated statements of comprehensive loss is analyzed as follows:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Administrative expenses	150	102	41	82
Research and development expense	1,160	1,045	457	501
Cost of revenue	–	108	24	–
	1,310	1,255	522	583

14 RIGHT-OF-USE ASSETS

Group

The Group leases offices and laboratory for its own use. Information about leases for which the Group is a lessee is presented below:

	Offices and laboratory
	RMB'000
As at January 1, 2024	
Cost	5,962
Accumulated depreciation	(2,345)
Net book amount	3,617
For the year ended December 31, 2024	
Opening net book amount	3,617
Depreciation charge	(1,795)
Closing net book amount	1,822
As at December 31, 2024	
Cost	5,962
Accumulated depreciation	(4,140)
Net book amount	1,822

	Offices and laboratory
	RMB'000
As at January 1, 2025	
Cost	5,962
Accumulated depreciation	(4,140)
Net book amount	1,822
For the year ended December 31, 2025	
Opening net book amount	1,822
Additions	5,327
Depreciation charge	(1,781)
Closing net book amount	5,368
As at December 31, 2025	
Cost	11,289
Accumulated depreciation	(5,921)
Net book amount	5,368

	Offices and laboratory
	RMB'000
As at January 1, 2026	
Cost	11,289
Accumulated depreciation	(5,921)
Net book amount	5,368
For the five months ended May 31, 2026	
Opening net book amount	5,368
Additions	3,095
Depreciation charge	(951)
Closing net book amount	7,512
As at May 31, 2026	
Cost	14,384
Accumulated depreciation	(6,872)
Net book amount	7,512

	Offices and laboratory
	RMB'000
(unaudited)	
As at January 1, 2025	
Cost	5,962
Accumulated depreciation	(4,140)
Net book amount	1,822
For the five months ended May 31, 2025	
Opening net book amount	1,822
Additions	–
Depreciation charge	(748)
Closing net book amount	1,074
As at May 31, 2025	
Cost	5,962
Accumulated depreciation	(4,888)
Net book amount	1,074

As at December 31, 2024, December 31, 2025 and May 31, 2026, all the offices and laboratory were in good condition and normal use. The recoverable amounts of these assets exceed that of the carrying amounts.

(i) Amounts recognized in the consolidated statements of comprehensive loss

The consolidated statements of comprehensive loss contain the following amounts relating to leases:

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Depreciation charge of right-to-use assets				
Offices and laboratory	1,795	1,781	748	951
Interest expenses	117	76	23	90

The total cash outflow for leases in the years ended December 31, 2024 and 2025 and for the five months ended May 31, 2025 and 2026 were RMB1,924,000, RMB2,041,000, RMB985,000 and RMB838,000, respectively.

No expenses relating to short-term leases and variable lease payments.

15 CASH AND CASH EQUIVALENTS

Group

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank and on hand	29,712	692,295	498,678
Three-month term deposit	–	108,454	106,218
	29,712	800,749	604,896

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents are denominated in:			
USD	15,071	774,665	554,218
RMB	14,641	26,084	50,678
	29,712	800,749	604,896

Company

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank	12,452	646,787	434,983
Three-month term deposit	–	108,454	106,218
	12,452	755,241	541,201

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents are denominated in:			
USD	12,452	755,241	541,201

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Wealth management products	13,786	13,248	6,741

It represented investment in a wealth management product issued by a reputable commercial bank in the PRC. The wealth management product is not principal protected and the return is variable. It is denominated in RMB and redeemable on demand.

The unobservable inputs of wealth management products are expected return rates and discounted rates. The higher the expected return rate, the higher the fair value; the higher the discounted rate, the lower the fair value. The expected annual return rates of the investments in wealth management products with floating rate range from 1.42% to 2.32% for the year ended December 31, 2024, from 1.09% to 2.05% for the year ended December 31, 2025 and from 1.00% to 1.58% for the five months ended May 31, 2026. If the fair value of financial assets at fair value through profit or loss held by the Group had been 1% higher/lower, for the year ended December 31, 2024, the pre-tax loss would have been approximately decreased/increased RMB138,000, for the year ended December 31, 2025, the pre-tax loss would have been approximately decreased/increased by RMB132,000, and for the five months ended May 31, 2026, the pre-tax loss would have been approximately decreased/increased by RMB67,000.

17 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Accounting policy for prepayments and other receivables

Prepayments mainly represent upfront cash payments made to hospitals and testing companies. Prepayments to hospitals and testing companies will be subsequently recorded as research and development expenses in accordance with the applicable performance requirements.

Prepayments are generally expected to consume within one year or less and therefore are all classified as current assets.

Other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment.

Group

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Non-current			
Deposits	262	–	617
Current			
Prepayments to suppliers *(i)*	2,704	22,455	39,889
Deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Deposits	246	508	–
Others	101	164	136
	3,051	27,107	45,532

(i) It mainly represented prepayments to hospitals relating to advances for patient recruitment, trial administration, and other clinical study costs; and prepayments to testing companies relating to advances for dedicated materials and testing services that are essential for R&D activities.

Company

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current			
Deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Receivables of domestic investments with warrants to purchase Preferred Shares *(Note 27(a))*	60,000	–	–
	60,000	3,980	5,507

18 OTHER NON-CURRENT ASSETS

Group

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Value-added tax recoverable	30,946	34,034	39,685

There is no time limit for the utilization of value-added tax recoverable, and it is expected to be recovered by offsetting against the output VAT levied on future revenue.

19 SHARE CAPITAL

Group and Company

Authorized

	Number of Ordinary Shares	Number of Series A Preferred Shares	Number of Series B Preferred Shares	Number of Series B+ Preferred Shares	Number of Series Pre-C Preferred Shares	Number of Series C Preferred Shares	Equivalent Nominal Value
							USD'000
At December 31, 2024	4,781,407,374	80,000,000	52,500,000	70,328,251	15,764,375	–	50
At December 31, 2025 and May 31, 2026	4,624,651,943	80,000,000	52,500,000	70,328,251	34,473,967	138,045,839	50

Issued

	Number of Ordinary Shares	Equivalent Nominal Value of Ordinary Shares
		RMB'000
At December 31, 2024, December 31, 2025 and May 31, 2026	220,000,000	14

The Company was incorporated in the Cayman Islands as an exempted company registered under the laws of the Cayman Islands on March 8, 2018. Upon incorporation of the Company, 220,000,000 shares were issued at par value of USD0.00001 each.

20 OTHER RESERVES

Group

	Translation reserve	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2024	(47,367)	5,739	(41,628)
Exchange difference on translation	(13,502)	–	(13,502)
Share-based compensation	–	1,329	1,329
At December 31, 2024	(60,869)	7,068	(53,801)
Exchange difference on translation	37,605	–	37,605
Share-based compensation	–	2,895	2,895
At December 31, 2025	(23,264)	9,963	(13,301)
At January 1, 2026	(23,264)	9,963	(13,301)
Exchange difference on translation	65,502	–	65,502
Share-based compensation	–	260	260
At May 31, 2026	42,238	10,223	52,461
(unaudited)			
At January 1, 2025	(60,869)	7,068	(53,801)
Exchange difference on translation	295	–	295
Share-based compensation	–	1,119	1,119
At May 31, 2025	(60,574)	8,187	(52,387)

Company

	Translation reserve	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2024	(24,590)	2,447	(22,143)
Exchange difference on translation	(3,979)	–	(3,979)
Share-based compensation	–	1,329	1,329
At December 31, 2024	(28,569)	3,776	(24,793)
Exchange difference on translation	20,719	–	20,719
Share-based compensation	–	2,895	2,895
At December 31, 2025	(7,850)	6,671	(1,179)
At January 1, 2026	(7,850)	6,671	(1,179)
Exchange difference on translation	35,118	–	35,118
Share-based compensation	–	260	260
At May 31, 2026	27,268	6,931	34,199
(unaudited)			
At January 1, 2025	(28,569)	3,776	(24,793)
Exchange difference on translation	(24)	–	(24)
Share-based compensation	–	1,119	1,119
At May 31, 2026	(28,593)	4,895	(23,698)

21 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Accounting policy for convertible preferred shares

Convertible preferred shares issued by the Company are redeemable upon occurrence of certain future events. This instrument can be converted into ordinary shares of the Company at any time after the date of issuance of such preferred shares at the option of the holders, or automatically converted into ordinary shares upon the closing of an [**REDACTED**] of the Company.

The Group designated the convertible preferred shares as financial liabilities at fair value through profit or loss. They are initially recognized at fair value. Subsequent to initial recognition, the convertible preferred shares are carried at fair value with changes in fair value recognized in the consolidated statements of comprehensive loss. The convertible preferred shares are classified as current liabilities since the holders have the right to convert them into the Company's ordinary shares at their discretion.

If the Company's own credit risk results in fair value changes in financial liabilities designated as at fair value through profit or loss, they are recognized in other comprehensive loss. Amounts recorded in other comprehensive income/(loss) related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized.

Group

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Series A Preferred Shares	295,025	569,535	585,433
Series B Preferred Shares *(a)*	160,559	275,277	280,488
Series B+ Preferred Shares	356,008	530,443	535,311
Series Pre-C Preferred Shares *(b)*	157,063	269,894	269,217
Series C Preferred Shares	–	1,170,235	1,139,142
	968,655	2,815,384	2,809,591

(a) Domestic investment with warrants and offshore affiliate to purchase Series B Preferred Shares

In 2020, the Company issued 15,000,000 Series B Preferred Shares to an investor with both onshore and offshore affiliate at total cash consideration of RMB60,000,000 via the following arrangement.

In the Series B financing, an onshore affiliate of the investor entered into a domestic investment agreement with the Group in 2020 whereby the onshore affiliate agreed to provide domestic investments to the Minghui Pharmaceutical (Shanghai) Co., Ltd. or Minghui Pharmaceutical (Hangzhou) Co., Ltd. (the "WFOEs"), subsidiaries of the Company that incorporated in the PRC, and the Company agreed to issue Series B Preferred Share Purchase Warrants (the "Series B Warrants") to the onshore affiliate. Meanwhile, the Company issued Series B Preferred Shares to an offshore affiliate of the investor.

Prior to investing in the Company, the onshore affiliate of the investor shall obtain requisite overseas direct investment approvals ("ODI approval"). Once the ODI approval obtained, the WFOEs shall return the onshore affiliate the principal amount of the domestic investment, and such amount shall be paid by the onshore affiliate to the Company as part of purchase consideration for Series B Preferred Shares, and concurrently, the Series B Preferred Shares originally issued to the offshore affiliate shall be surrendered.

The instruments relating to the Series B Warrant, domestic investment in the WFOEs and Series B Preferred Shares issued by the Company were designated as financial liabilities at fair value through profit or loss as a whole, which are initially recognized at fair value. The amount of fair value changes relating to the Company's own credit risk is immaterial. Fair value changes relating to market risk are recognized in profit or loss.

(b) Domestic investment with warrants to purchase Series Pre-C Preferred Shares

Through October 2024 to April 2025, the Company issued 17,539,859 Series Pre-C Preferred Shares to certain onshore investors at a cash consideration of USD9,072,205 (RMB65,000,000), via the following arrangement.

Prior to investing in the Company, onshore investors shall obtain requisite ODI approval. In the Series Pre-C financing, prior to obtaining ODI approval, these onshore investors entered into domestic investment agreements with the Group in March 2025 whereby these onshore investors agreed to provide domestic investments to the WFOEs and the Company agreed to issue Series Pre-C Preferred Share Purchase Warrants (the "Series Pre-C Warrants", together with Series B Warrants, the "Warrants") to these onshore investors.

Once these onshore investors obtain ODI approval, the WFOEs shall return these onshore investors the principal amount of domestic investment, and such amount shall be paid by these onshore investors to the Company as part of purchase consideration for Series Pre-C Preferred Shares.

These abovementioned domestic investments and warrants were designated as financial liabilities at fair value through profit or loss, which are initially recognized at fair value. The amount of fair value changes relating to the Company's own credit risk is immaterial. Fair value changes relating to market risk are recognized in profit or loss.

(c) Convertible preferred shares of the Company

The rights, preferences and privileges of the above convertible preferred shares are as follows:

(i) Conversion feature

Each convertible preferred share may, at the option of the holder thereof, be converted at any time after the date of issuance of such convertible preferred shares into ordinary shares, or shall automatically be converted into ordinary shares upon the closing of an [**REDACTED**] of the Company.

The conversion ratio for the convertible preferred shares to the ordinary shares is 1:1 if no adjustments to conversion price have occurred. As at December 31, 2024, December 31, 2025 and May 31, 2026, each convertible preferred share is convertible into one ordinary share.

(ii) Liquidation preferences

Each holder of convertible preferred shares shall be entitled to receive for each series of convertible preferred shares held by such holder, on parity with each other and prior and in preference to any distribution of any of the assets or funds of the Company to the holders of any other class or series of shares by reason of their ownership of such shares, an amount per share equal to the greater of (a) the aggregate of (i) 100% of the respective applicable issue price, and any and all accrued or declared but unpaid dividends on such convertible preferred share per share, and (ii) plus an amount accruing thereon daily at a rate of 10% per annum of the respective applicable issue price commencing from the respective issue date; or (b) the amount such holder would be entitled to receive assuming that all the then issued and outstanding preferred shares had been converted to ordinary shares and the entire assets and funds of the Company legally available for distribution are distributed ratably among all holders of ordinary shares according to the relative number of ordinary shares held by such holder.

In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, all assets and funds of the Company legally available for distribution shall be distributed in the following order and manner: first to holders of Series C Preferred Shares, second/third to holders of Series Pre-C Preferred Shares, fourth to holders of Series B+ Preferred Shares, fifth to holders of Series B Preferred Shares and sixth to holders of Series A Preferred Shares. After distributing or paying in full the liquidation preference amount to all of the holders of convertible preferred shares, the remaining assets shall be distributed ratably on a pari passu, pro rata basis in accordance with the number of ordinary shares held among the holders of ordinary shares.

(iii) Redemption feature

The holders of the convertible preferred shares may give a written notice to the Company to redeem all or a portion of the issued and outstanding convertible preferred shares held by such holder under certain triggering events as provided in the article of association. These redemption triggering events include the following:

(a) any breach, misrepresentation or fraud by any of the Group, the founding shareholder and the founding shareholder Holdco (collectively, "the Warrantor") of any representations, warranties, covenants or obligations of the transaction documents, which have materially affected or prejudiced the preferred share holders' interest;

(b) any material breach or non-compliance with any applicable laws by any of the Warrantor, which, if curable, is not cured within 15 Business days after the receipt of written notice by the preferred share holders;

(c) any change of control or change of the management team, which have or would have material adverse effect on the Group or on the [**REDACTED**] of the Group;

(d) any violation or infringement of the rights of any person by any intellectual property owned or used by the Group, or any pending or threatened claim or litigation against any Group contesting the right to use its intellectual property, asserting the misuse thereof, or asserting the infringement or other violation of any intellectual property of any person, which have or would have material adverse effect on the Group or on the [**REDACTED**] of Group; or

(e) any activities conducted by the founding shareholder or the founding shareholder Holdco or their respective affiliates, directly or indirectly, in a business competing with the principal business of the Group, which have or would have material adverse effect on the [**REDACTED**] of the Group.

The redemption price payable on each of the abovementioned convertible preferred shares shall be 100% of the applicable issue price and any accrued or declared but unpaid dividends on such convertible preferred share, plus an amount accruing thereon daily at a rate of 12% per annum.

(iv) Dividend rights

Each holder of the issued and outstanding convertible preferred shares shall be entitled to receive dividends, at an amount such holder would be entitled to receive together with each holder of ordinary shares on a pari passu and as-converted basis, payable out of funds or assets when and as such funds or assets become legally available therefor on parity with each other, prior and in preference to, and satisfied before, any dividend on any ordinary shares, when, as, and if declared by the board of directors, provided that the holders of the convertible preferred shares shall be entitled to receive dividends at the rate no less than the rate for the holders of ordinary shares (calculated on an as-converted basis).

Except for a distribution pursuant to c(ii) described above, no dividend or distribution, whether in cash, in property, or in any other shares of the Company, shall be declared, paid, set aside or made with respect to the ordinary shares at any time unless a dividend or distribution is likewise declared, paid, set aside or made, respectively, at the same time with respect to each issued and outstanding preferred share.

The movement of financial liabilities at fair value through profit or loss is set out below:

	Total
	RMB'000
At January 1, 2024	904,019
Issuance of convertible preferred shares *(i)*	37,000
Changes in fair value — profit or loss	14,011
Currency translation difference	13,625
At December 31, 2024	968,655
Issuance of convertible preferred shares *(i) (ii)*	970,130
Changes in fair value — profit or loss	927,808
Currency translation difference	(51,209)
At December 31, 2025	2,815,384
Changes in fair value — profit or loss	79,891
Currency translation difference	(85,684)
At May 31, 2026	2,809,591
(unaudited)	
At January 1, 2025	968,655
Issuance of convertible preferred shares (i)	35,187
Changes in fair value – profit or loss	249,527
Currency translation difference	(304)
At May 31, 2025	1,253,065

(i) Through October 2024 to April 2025, the Company issued 18,709,592 Series Pre-C Preferred Shares to certain onshore investors at a cash consideration of USD10,072,205 (RMB72,187,000).

(ii) In August 2025, the Company issued 138,045,839 Series C Preferred Shares to investors at a cash consideration of USD130,999,925 (RMB934,943,685).

The directors of the Company estimated the risk-free interest rate for the valuation of the convertible preferred shares based on the yields of US Treasury Bond with maturities approximating the expected time to the liquidity events (such as an entire business sale, transfer of controlling interest or liquidation), as the convertible preferred shares were subscribed for in USD and the expected exit proceeds are USD-denominated.

Expected volatility was estimated as at the valuation date based on the historical volatilities of comparable listed biotechnology companies over look-back periods commensurable with the expected time to the liquidity events of the convertible preferred shares. Such volatility inputs reflect market participant assumptions and are considered appropriate given the characteristics of the convertible preferred shares and the prevailing market conditions of the biotechnology sector.

With the assistance from an external valuer appointed by the Group, the Group applied the back-solve method and the market approach — the multiple method which is price over research and development expenses ("P/RD") method to determine the underlying equity value of the Company and adopted option-pricing method and equity allocation model to determine the fair value of the financial instruments issued to investors. Key assumptions are set out as below:

Unobservable inputs	December 31, 2024	December 31, 2025	May 31, 2026	Relationship of unobservable inputs to fair value
P/RD ratio	8.57	21.68	16.36	The higher the P/RD ratio, the higher the fair value of financial instrument to investors.
Risk-free interest rate	4.28%	3.69%	4.10%	The higher the risk-free interest rate, the lower the fair value of financial instrument to investors.
Volatility	70.34%	70.61%	74.45%	Nonlinear relationships
DLOM	28.10%	12.00%	7.00%	The higher the DLOM, the lower the fair value of financial instrument to investors.

As of December 31, 2024, increasing/decreasing expected P/RD ratio by 5% would increase/decrease the fair value of financial instruments by RMB41,649,000 and RMB41,763,000, respectively. Increasing/decreasing risk-free interest rate by one percentage point would decrease/increase the fair value by RMB3,114,000 and RMB3,167,000, respectively. Increasing/decreasing DLOM by 5% would decrease/increase the fair value by RMB16,307,000 and RMB16,290,000, respectively.

As of December 31, 2025, increasing/decreasing expected P/RD ratio by 5% would increase/decrease the fair value of financial instruments by RMB135,957,000 and RMB136,044,000, respectively. Increasing/decreasing risk-free interest rate by one percentage point would decrease/increase the fair value by RMB4,308,000 and RMB4,435,000, respectively. Increasing/decreasing DLOM by 5% would decrease/increase the fair value by RMB18,546,000 and RMB18,544,000, respectively.

As of May 31, 2026, increasing/decreasing expected P/RD ratio by 5% would increase/decrease the fair value of financial instruments by RMB137,123,000 and RMB137,182,000, respectively. Increasing/decreasing risk-free interest rate by one percentage point would decrease/increase the fair value by RMB2,737,000 and RMB2,812,000, respectively. Increasing/decreasing DLOM by 5% would decrease/increase the fair value by RMB10,323,000 and RMB10,323,000, respectively.

Company

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Series A Preferred Shares	295,025	569,535	585,433
Series B Preferred Shares	160,559	275,277	280,488
Series B+ Preferred Shares	356,008	530,443	535,311
Series Pre-C Preferred Shares	120,063	269,894	269,217
Series C Preferred Shares	–	1,170,235	1,139,142
	931,655	2,815,384	2,809,591

	Total
	RMB'000
At January 1, 2024	904,019
Changes in fair value — profit or loss	14,011
Currency translation difference	13,625
At December 31, 2024	931,655
Issuance of convertible preferred shares	1,007,130
Changes in fair value — profit or loss	927,808
Currency translation difference	(51,209)
At December 31, 2025	2,815,384
Changes in fair value — profit or loss	79,891
Currency translation difference	(85,684)
At May 31, 2026	2,809,591
(unaudited)	
At January 1, 2025	931,655
Issuance of convertible preferred shares	17,187
Changes in fair value — profit or loss	249,527
Currency translation difference	(304)
At May 31, 2025	1,198,065

As described in note 21(b) above, 17,539,859 Series Pre-C Preferred Shares were issued to certain onshore investors at a cash consideration of USD9,072,205 (RMB65,000,000) under the arrangement of domestic investment with warrants. The Company recognized the fair value change of financial liabilities at fair value through profit or loss in relation with these warrants, and the corresponding financial liabilities in relation to the domestic investments were recorded in the WFOEs. Among which, domestic investments of RMB37,000,000 were made by certain onshore investors in 2024. Upon completion of the ODI of these investors in 2025, the Company issued the corresponding Series Pre-C Preferred Shares and the related financial liabilities were recognised at the Company level in 2025 accordingly.

For the five months ended May 31, 2025, a cash consideration of USD1,395,800 (RMB10,000,000) was returned to the onshore investor to be paid to the Company for the purchase consideration of Series Pre-C Preferred Shares.

22 TRADE PAYABLES

Accounting policy for trade payables

Trade and other payables mainly represent the obligations to pay for services that have been acquired in the ordinary course of business from hospitals and clinical trial companies. Trade and other payables are presented as current liabilities unless payment is not due within one year or less after the reporting period.

Trade and other payables are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Group

As at December 31, 2024, December 31, 2025 and May 31, 2026, the aging analysis of trade payables based on invoice date is as follows:

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Within 6 months	87,584	24,562	15,007
Over 6 months and within 1 year	67,962	6,601	7,263
Over 1 year	81,241	16,114	1,799
	236,787	47,277	24,069

23 OTHER PAYABLES

Group

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Staff salaries and welfare payables	3,853	7,689	3,684
Other taxes payable	173	181	165
[**REDACTED**] payables	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Others	497	1,057	749
	4,523	22,866	18,181

Company

	As at December 31,		As at May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
[**REDACTED**] payables	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Others	23	23	21
	23	13,962	13,604

24 DIVIDENDS

No dividend or distribution has been declared, made or paid by the Company or any of the companies comprising the Group during the Track Record Period.

25 CASH FLOW INFORMATION

(a) Reconciliation of loss for the year/period to net cash used in operations

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss before income tax	(282,631)	(919,308)	(50,844)	(210,223)
Adjustments for:				
– Depreciation of property, plant and equipment	1,310	1,255	522	583
– Share-based compensation expenses	1,329	2,895	1,119	260
– Depreciation of right-of-use assets	1,795	1,781	748	951
– Finance income, net	(41)	(8,530)	(51)	(5,304)
– Fair value gains on financial assets at fair value through profit or loss	(305)	(193)	(24)	(42)
– Fair value change of financial liabilities at fair value through profit or loss	14,011	927,808	249,527	79,891
– Exchange gains	(1,158)	(202)	–	(1,158)
Changes in working capital:				
– Trade payables	122,822	(189,510)	(24,392)	(23,208)
– Other payables	(563)	18,343	3,133	(4,685)
– Contract assets	–	–	(30,000)	–
– Prepayments, deposits and other receivables	5,592	(22,461)	(7,508)	(17,533)
– Other non-current assets	(7,925)	(3,088)	11,783	(5,651)
Cash (used in)/generated from operating activities	(145,764)	(191,210)	154,013	(186,119)

(b) Reconciliation of liabilities arising from financing activities

	Lease liabilities	Financial liabilities at fair value through profit or loss	Total
	RMB'000	*RMB'000*	*RMB'000*
Net debt as at January 1, 2024	3,542	904,019	907,561
Cash flows	(1,924)	37,000	35,076
Changes in fair value — profit or loss	–	14,011	14,011
Other changes	117	–	117
Foreign exchange adjustments	–	13,625	13,625
Net debt as at December 31, 2024	1,735	968,655	970,390
Cash flows	(2,041)	970,130	968,089
Changes in fair value — profit or loss	–	927,808	927,808
Other changes	5,403	–	5,403
Foreign exchange adjustments	–	(51,209)	(51,209)
Net debt as at December 31, 2025	5,097	2,815,384	2,820,481
Cash flows	(838)	–	(838)
Changes in fair value — profit or loss	–	79,891	79,891
Other changes	3,185	–	3,185
Foreign exchange adjustments	–	(85,684)	(85,684)
Net debt as at May 31, 2026	7,444	2,809,591	2,817,035
(unaudited)			
Net debt as at January 1, 2025	1,735	968,655	970,390
Cash flows	(985)	35,187	34,202
Changes in fair value — profit or loss	–	249,527	249,527
Other changes	23	–	23
Foreign exchange adjustments	–	(304)	(304)
Net debt as at May 31, 2025	773	1,253,065	1,253,838

26 COMMITMENTS

(a) Capital commitments

No capital expenditure contracted for by the Group at the balance sheet date but not yet incurred during the Track Record Period.

27 RELATED PARTY TRANSACTIONS

Parties are considered to be related in one party has the ability, directly or indirectly, to control the other part or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the Track Record Period.

(a) Outstanding balance with related parties

Company

	Year ended December 31,		Five months ended May 31,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current			
Amount due from subsidiaries	60,000	–	–

As described in note 21(a), 15,000,000 Series B Preferred Shares was issued to an offshore affiliate of an investor at cash consideration of RMB60,000,000. The consideration was paid by the investor's onshore affiliate to the WFOEs, which was recorded as amount from subsidiaries at the Company level. In 2025, the WFOEs returned consideration of RMB60,000,000 to the onshore affiliate for the purpose of the ODI approval.

(b) Key management compensation

Compensations for key management other than those for directors as disclosed in Note 28 is set out below.

	Year ended December 31,		Five months ended May 31,	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Wages, salaries and bonus	880	–	467	–
Share-based compensation expenses	351	–	51	–
Social insurance	145	–	60	–
Other welfare for employees	2	–	–	–
	1,378	–	578	–

Throughout the financial year ended December 31, 2025 and the period ended May 31, 2026, the Company's senior executive officers concurrently served as executive directors on the Board.

28 DIRECTORS' BENEFITS AND INTERESTS

(a) Directors' and senior management's emoluments

Directors and chief executives' emoluments for the Track Record Period are set out as follows:

	Fees	Salary	Discretionary bonus	Share-based compensation expenses	Social security costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2024							
Executive director							
Dr. CAO Guoqing *(i)*	–	2,294	–	–	29	354	2,677

	Fees	Salary	Discretionary bonus	Share-based compensation expenses	Social security costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2025							
Executive directors							
Dr. CAO Guoqing	–	2,233	700	–	–	343	3,276
Mr. SHI Junwei *(ii)*	–	880	247	153	146	–	1,426
Mr. ZHONG Zhongren *(iii)*	–	401	75	35	13	–	524
Non-executive directors							
Dr. David Guowei WANG *(iv)*	–	–	–	–	–	–	–
Dr. CHEN Kan *(v)*	–	–	–	–	–	–	–
	–	3,514	1,022	188	159	343	5,226

	Fees	Salary	Discretionary bonus	Share-based compensation expenses	Social security costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Five months ended May 31, 2026							
Executive directors							
Dr. CAO Guoqing	–	917	–	–	–	143	1,060
Mr. SHI Junwei	–	489	–	73	61	–	623
Mr. ZHONG Zhongren	–	370	–	33	61	–	464
Non-executive directors							
Dr. David Guowei WANG	–	–	–	–	–	–	–
Dr. CHEN Kan	–	–	–	–	–	–	–
	–	1,776	–	106	122	143	2,147

	Fees	Salary	Discretionary bonus	Share-based compensation expenses	Social security costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
(unaudited)							
Five months ended May 31, 2025							
Executive director							
Dr. CAO Guoqing	–	974	100	–	–	143	1,217

(i) Dr. CAO Guoqing, as the founder, was appointed as executive director on April 27, 2018.

(ii) Mr. SHI Junwei was appointed as executive director on November 18, 2025.

(iii) Mr. ZHONG Zhongren was appointed as executive director on November 18, 2025.

(iv) Dr. David Guowei WANG was appointed as non-executive director on July 31, 2025.

(v) Dr. CHEN Kan was appointed as non-executive director on July 31, 2025.

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the Track Record Period.

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the Track Record Period.

(d) Consideration provided to third parties for making available directors' services

During the Track Record Period, the Company did not pay consideration to any third parties for making available directors' services.

(e) Information about domestic investment, quasi-domestic investment and other dealings in favor of directors, bodies corporate controlled by or entities connected with directors

There were no domestic investment, quasi-domestic investment and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors during the Track Record Period.

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year/period or at any time during the Track Record Period.

29 SUBSIDIARIES

The details of the subsidiaries of the Group are set out below:

Name	Place and date of incorporation	Principal activities	Issued ordinary/registered share capital			Percentage of attributable equity interest to the Company			
			As at December 31,		As at May 31,	As at December 31,		As at May 31,	As at the date of this report
			2024	2025	2026	2024	2025	2026	
Minghui Pharmaceutical Pty, Ltd. *(a) (b)*.	Australia, 3 July 2019	Pharmaceuticals research, development and production	AUD100	N/A	N/A	100%	N/A	N/A	N/A
Minghui Pharmaceutical (USA), Inc. *(a)*.	United States, 8 July 2022	Pharmaceuticals research, development and production	USD1	USD1	USD1	100%	100%	100%	100%
Ming Yuan Group Holdings Limited *(a)* . .	British Virgin Islands, 15 March 2018	Investment holding	USD1	USD1	USD1	100%	100%	100%	100%
Ming Ren Pharmaceutical Limited *(c)* . .	Hong Kong, 23 March 2018	Investment holding	HKD1	HKD1	HKD1	100%	100%	100%	100%
Minghui Pharmaceutical (Shanghai) Co., Ltd. *(d)*	PRC, 27 April 2018	Pharmaceuticals research, development and production	RMB300,000,000	RMB300,000,000	RMB300,000,000	100%	100%	100%	100%
Minghui Pharmaceutical (Hangzhou) Co., Ltd. *(d)* . .	PRC, 29 July 2019	Pharmaceuticals research, development and production	USD100,000,000	USD150,000,000	USD150,000,000	100%	100%	100%	100%

Notes:

(a) No audited financial statements have been issued for these companies for the Track Record Period, as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdiction of incorporation.

(b) There were limited operating activities carried out in Minghui Pharmaceutical Pty, Ltd (the "MPPL") since its incorporation in 2019. Due to the constrained prospects for clinical operations in Australia, management decided to deregister the subsidiary. On June 4, 2025, the MPPL completed the deregistration procedures in accordance with the relevant laws and regulations of its place of registration and the Company no longer holds any equity interest in it. The MPPL was not involved in any material non-compliance incidence or litigation during the Track Record Period and up to its deregistration. The deregistration of the subsidiary did not have a material impact on the Group's consolidated financial statements for the Track Record Period.

(c) The statutory auditor of this subsidiary for the years ended December 31, 2024 and 2025 was Diligent Treasure CPA Limited, certified public accountants registered in Hong Kong.

(d) The statutory auditor of these subsidiaries for the years ended December 31, 2024 and 2025 was Beijing Dongshen Certified Public Accountants (LLP), certified public accountants registered in the PRC.

30 SUBSEQUENT EVENTS

There is no significant subsequent event after May 31, 2026.

31 SUMMARY OF OTHER ACCOUNTING POLICIES

31.1 Principles of consolidation and equity accounting

31.1.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

31.2 Foreign currency translation

31.2.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is USD; however the Historical Financial Information are presented in RMB. As the major operations of the Group are within the PRC, the Group determined to present the Historical Financial Information in RMB (unless otherwise stated).

31.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in consolidated statements of comprehensive loss in the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the year end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

All foreign exchange gains and losses are presented in the consolidated statements of comprehensive loss within "Other gains/losses, net".

31.2.3 Group companies

The results and balance sheet of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position are translated at the closing rate;
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rate; and
- All resulting currency translation differences are recognized in other comprehensive income and accumulated as "Other reserves" in equity.

31.3 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in bank and cash on hand.

31.4 Share capital

Ordinary shares are classified as equity. Convertible preferred shares issued to investors are classified as liabilities based on the respective contract terms (see Note 21).

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

31.5 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

31.6 Employee benefits

31.6.1 Pension obligations

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group's contributions to these plans are expensed as incurred.

31.6.2 Housing funds, medical insurances and other social insurances

The PRC employees of the Group are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period.

31.6.3 Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

31.6.4 Employee leave entitlement

Employee entitlement to annual leave are recognized when they have accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employees entitlement to sick leave and maternity leave are not recognized until the time of leave.

31.6.5 Bonus plan

The expected cost of bonus is recognized as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

31.7 Leases as lessee

The Group leases various properties. Rental contracts are typically made for fixed periods of 2-3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to consolidated statements of comprehensive loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable; and the lease payments are discounted using the interest rate implied in the lease, if that rate can be determined, or the respective incremental borrowing rate.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liabilities;

The payments associated with short-term leases are recognized on a straight-line basis as an expense in consolidated statements of comprehensive loss. Short-term leases are leases with a lease term of 12 months or less.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared for the Company or any of the companies comprising the Group in respect of any period subsequent to May 31, 2026 and up to the date of this report.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

SUMMARY OF THE CONSTITUTION OF THE COMPANY

1 Memorandum of Association

The Memorandum of Association of the Company was conditionally adopted on [●] and states, inter alia, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

The Memorandum of Association is on display on the websites of the Stock Exchange and the Company as specified in Appendix V in the section headed "Documents on display".

2 Articles of Association

The Articles of Association of the Company were conditionally adopted on [●] and include provisions to the following effect:

2.1 Directors

(a) Power to allot and issue Shares

Subject to the provisions in the Memorandum of Association (and to any direction that may be given by the Company in general meeting) and without prejudice to any rights attached to any existing shares, the Directors may allot, issue, grant options over or otherwise dispose of shares with or without preferred, deferred or other rights or restrictions, whether in regard to dividend or other distribution, voting, return of capital or otherwise and to such persons, at such times and on such other terms as the Directors think proper.

(b) Power to dispose of the assets of the Company or any subsidiary

Subject to the provisions of the Companies Act, the Memorandum and Articles of Association and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum and Articles of Association and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.

(c) Compensation or payment for loss of office

There are no provisions in the Articles of Association relating to compensation or payment for loss of office of a Director.

(d) Loans to Directors

There are no provisions in the Articles of Association relating to making of loans to Directors.

(e) Financial assistance to purchase Shares

There are no provisions in the Articles of Association relating to the giving of financial assistance by the Company to purchase shares in the Company or its subsidiaries.

(f) Disclosure of interest in contracts with the Company or any of its subsidiaries

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding office or of the fiduciary relationship thereby established, provided that the nature of the interest of any Director or any alternate Director in any such contract or transaction shall be disclosed by them at or prior to its consideration and any vote thereon.

A Director shall not be entitled to vote on (nor shall the Director be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his close associates has any material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

(i) the giving to such Director or any of his close associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:

(A) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or

(B) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or any of his close associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of their interest in shares or debentures or other securities of the Company.

(g) Remuneration

The remuneration to be paid to the Directors, if any, shall be such remuneration as the Directors shall determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors, or general meetings of the Company, or separate meetings of the holders of any class of shares or debentures of the Company, or otherwise in connection with the business of the Company or the discharge of their duties as a Director, or to receive a fixed allowance in respect thereof as may be determined by the Directors, or a combination partly of one such method and partly the other.

The Directors may approve additional remuneration to any Director for any services which in the opinion of the Directors go beyond that Director's ordinary routine work as a Director. Any fees paid to a Director who is also counsel, attorney or solicitor to the Company, or otherwise serves it in a professional capacity shall be in addition to their remuneration as a Director.

(h) Retirement, appointment and removal

The Company may by ordinary resolution appoint any person to be a Director, either to fill a vacancy or as an additional Director.

The Company may by ordinary resolution remove any Director (including a managing or other executive Director) before the expiration of such Director's term of office, notwithstanding anything in the Articles of Association or in any agreement between the Company and such Director, and may by ordinary resolution elect another person in their stead. Nothing shall be taken as depriving a Director so removed of compensation or damages payable to such Director in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director.

The Directors may appoint any person to be a Director, either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles of Association as the maximum number of Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after such Director's appointment and shall then be eligible for re-election at that meeting.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The office of a Director shall be vacated if:

(i) the Director gives notice in writing to the Company that he resigns the office of Director;

(ii) the Director is absent (for the avoidance of doubt, without being represented by proxy or an alternate Director appointed by him) for a continuous period of 12 months without special leave of absence from the Directors, and the Directors pass a resolution that he has by reason of such absence vacated office;

(iii) the Director dies, becomes bankrupt or makes any arrangement or composition with his creditors generally;

(iv) the Director is found to be or becomes of unsound mind; or

(v) the Director is removed from office by notice in writing served upon such Director signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors then in office (including such Director).

At every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election at such meeting. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

(i) Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

2.2 Alteration to constitutional documents

No alteration or amendment to the Memorandum or Articles of Association may be made except by special resolution.

2.3 Variation of rights of existing shares or classes of shares

If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class for the time being issued (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied only with the consent in writing of the holders of not less than three-fourths of the voting rights of the issued shares of that class, or with the approval of a resolution passed by not less than three-fourths of the votes cast at a separate meeting of the holders of the issued shares of that class. To any such meeting all the provisions of the Articles of Association relating to general meetings shall apply *mutatis mutandis*, except that the necessary quorum shall be one or more persons holding or representing by proxy or duly authorised representative at least one-third of the voting rights of the issued shares of that class.

The rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

2.4 Alteration of capital

The Company may by ordinary resolution:

(a) increase its share capital by such sum as the ordinary resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Company in general meeting may determine;

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchasers thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(c) by subdivision of its existing shares or any of them divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association or into shares without par value; and

(d) cancel any shares that at the date of the passing of the ordinary resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

The Company may by special resolution reduce its share capital or any capital redemption reserve fund, subject to the provisions of the Companies Act.

2.5 Special resolution — majority required

A "special resolution" is defined in the Articles of Association to have the same meaning as in the Companies Act, for which purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution approved in writing by all of the members of the Company entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of such members, and the effective date of the special resolution so adopted shall be the date on which the instrument or the last of such instruments (if more than one) is executed.

In contrast, an "ordinary resolution" is defined in the Articles of Association to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles of Association and includes an ordinary resolution approved in writing by all the members of the Company aforesaid.

2.6 Voting rights

Subject to any rights or restrictions attached to any shares, at any general meeting every member of the Company present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have (a) the right to speak; (b) one vote on a show of hands; and (c) one vote for every share of which he is the holder on a poll, except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

In the case of joint holders the vote of the senior holder who tenders a vote, whether in person or by proxy (or in the case of a corporation or other non-natural person, by its duly authorised representative or proxy) shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members of the Company.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by their committee, receiver, curator bonis, or other person on such member's behalf appointed by that court, and any such committee, receiver, curator bonis or other person may vote by proxy.

No person shall be counted in a quorum or be entitled to vote at any general meeting unless he is registered as a member on the record date for such meeting, nor unless all calls or other monies then payable by him in respect of shares have been paid.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairperson of the meeting may allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

Any corporation or other non-natural person which is a member of the Company may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members, and the person so authorised shall be entitled to exercise the same powers as the corporation could exercise if it were an individual member. Where a corporation or other non-natural person is so represented, it shall be treated as being present at any meeting in person. A corporation or other non-natural person may execute a form of proxy under the hand of a duly authorised officer.

If a recognised clearing house (or its nominee(s)) is a member of the Company it may authorise or appoint such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting of the Company or at any general meeting of any class of members of the Company, provided that, if more than one person is so authorised, the authorisation or form of proxy shall specify the number and class of shares in respect of which each such person is so authorised or appointed. A person authorised or appointed pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which that person represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company holding the number and class of shares specified in such authorisation or form of proxy, including the right to speak and, where a show of hands is allowed, the right to vote individually on a show of hands.

2.7 Annual general meetings and extraordinary general meetings

The Company shall hold a general meeting as its annual general meeting for each financial year within six months (or such other period as may be permitted by the Listing Rules or the Stock Exchange) after the end of such financial year. An annual general meeting shall be specified as such in the notices calling it.

The Directors may call general meetings, and they shall on a members' requisition forthwith proceed to convene an extraordinary general meeting of the Company. A members' requisition is a requisition of one or more members holding at the date of deposit of the requisition not less than 10% of the voting rights, on a one vote per share basis, of the issued shares which as at that date carry the right to vote at general meetings of the Company. The members' requisition must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionists and deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists. If there are no Directors as at the date of the deposit of the members' requisition or if the Directors do not within 21 days from the date of the deposit of the members' requisition duly proceed to convene a general meeting to be held within a further 21 days, the requisitionists, or any of them representing more than one-half of the total voting rights of all the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said 21 day period. A general meeting convened by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

2.8 Accounts and audit

The Directors shall cause proper books of account to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Company and the assets and liabilities of the Company. Such books of account must be retained for a minimum period of five years from the date on which they are prepared. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

The Directors shall determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members of the Company not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Act or authorised by the Directors or by the Company in general meeting.

The Directors shall cause to be prepared and to be laid before the Company at every annual general meeting a profit and loss account for the period since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up, a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditors' report on such accounts and such other reports and accounts as may be required by law.

2.9 Auditors

The Company shall at every annual general meeting by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The Company may by ordinary resolution remove an auditor before the expiration of his period of

office. No person may be appointed as an auditor of the Company unless such person is independent of the Company. The remuneration of the auditors shall be fixed by the Company at the annual general meeting at which they are appointed by ordinary resolution, or in the manner specified in such resolution.

2.10 Notice of meetings and business to be conducted thereat

An annual general meeting shall be called by not less than 21 days' notice and any extraordinary general meeting shall be called by not less than 14 days' notice, which shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Every notice shall specify the place, the day and the hour of the meeting, particulars of the resolutions and the general nature of the business to be conducted at the meeting. Notwithstanding the foregoing, a general meeting of the Company shall, whether or not the notice specified has been given and whether or not the provisions of the Articles of Association regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:

(a) in the case of an annual general meeting, by all members of the Company entitled to attend and vote at the meeting; and

(b) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting, together holding not less than 95% in par value of the shares giving that right.

If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, they may change or postpone the meeting to another date, time and place.

The Directors also have the power to provide in every notice calling a general meeting that in the event of a gale warning or a black rainstorm warning is in force at any time on the day of the general meeting (unless such warning is cancelled at least a minimum period of time prior to the general meeting as the Directors may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date.

Where a general meeting is postponed:

(a) the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company's website and published on the Stock Exchange's website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting due to a gale warning or black rainstorm warning being in force on the day of the general meeting;

(b) the Directors shall fix the date, time and place for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting; and such notice shall specify the date, time and place at which the postponed meeting will be reconvened and

the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and

(c) only the business set out in the notice of the original meeting shall be transacted at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be transacted at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be transacted at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with the Articles of Association.

2.11 Transfer of shares

Transfers of shares may be effected by an instrument of transfer, which shall be in writing and in any standard form of transfer as prescribed by the Stock Exchange or such other form as the Directors may approve. The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company.

The Directors may decline to register any transfer of any share which is not fully paid up or on which the Company has a lien. The Directors may also decline to register any transfer of any shares unless:

(a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon the registration of the transfer be cancelled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of shares;

(c) the instrument of transfer is properly stamped (in circumstances where stamping is required);

(d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;

(e) the shares concerned are free of any lien in favour of the Company; and

(f) a fee of such amount not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) is paid to the Company in respect thereof.

If the Directors refuse to register a transfer of any share they shall notify the transferor and the transferee within two months of such refusal.

The registration of transfers shall be suspended during such periods as the register of members of the Company is closed. The Directors may, on at least 10 business days' notice (or on at least 6 business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, close the register of members at such times and for such

periods as the Directors may from time to time determine, provided that the register of members shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine, provided that such period shall not be extended beyond 60 days in any year).

2.12 Power of the Company to purchase its own shares

Subject to the provisions of the Companies Act, the Company may purchase its own shares provided that (a) the manner of purchase has first been authorised by the members of the Company by ordinary resolution, and (b) any such purchase shall only be made in accordance with any relevant code, rules or regulations issued by the Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

2.13 Power of any subsidiary of the Company to own shares

There are no provisions in the Articles of Association relating to the ownership of shares by a subsidiary.

2.14 Dividends and other methods of distribution

Subject to the Companies Act and the Articles of Association, the Company may by ordinary resolution resolve to pay dividends and other distributions on shares in issue and authorise payment of the dividends or other distributions out of the funds of the Company lawfully available therefor, provided no dividends shall exceed the amount recommended by the Directors. No dividend or other distribution shall be paid except out of the realised or unreleased profits of the Company, out of the share premium account or as otherwise permitted by law.

The Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may in addition from time to time declare and pay special dividends on shares of such amounts and on such dates as they think fit.

Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the amounts paid up on the shares that a member holds during any portion or portions of the period in respect of which the dividend is paid. For this purpose no amount paid up on a share in advance of calls shall be treated as paid up on the share.

The Directors may deduct from any dividends or other distribution payable to any member of the Company all sums of money (if any) then payable by the member to the Company on account of calls or otherwise. The Directors may retain any dividends or other monies payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

No dividend shall carry interest against the Company. Except as otherwise provided by the rights attached to any shares, dividends and other distributions may be paid in any currency.

Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members of the Company entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think

fit on the basis that the shares so allotted are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other monies payable in cash in respect of shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the register of members of the Company or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, other distributions, bonuses, or other monies payable in respect of the shares held by them as joint holders.

Any dividend or other distribution which remains unclaimed after a period of six years from the date on which such dividend or distribution becomes payable shall be forfeited and shall revert to the Company.

The Directors, with the sanction of the members of the Company by ordinary resolution, may resolve that any dividend or other distribution be paid wholly or partly by the distribution of specific assets, and in particular (but without limitation) by the distribution of shares, debentures, or securities of any other company or in any one or more of such ways, and where any difficulty arises in regard to such distribution, the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members of the Company upon the basis of the value so fixed in order to adjust the rights of all members, and may vest any such specific assets in trustees as may seem expedient to the Directors.

2.15 Proxies

A member of the Company entitled to attend and vote at a general meeting of the Company shall be entitled to appoint another person who must be an individual as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting or at any one class meeting.

The instrument appointing a proxy shall be in writing and shall be executed under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation or other non-natural person, under the hand of its duly authorised representative.

The Directors shall, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the manner (including by electronic means) by which the instrument appointing a proxy shall be deposited and the place and the time (being not later than the time appointed for the commencement of the meeting or adjourned meeting to which the proxy relates) at which the instrument appointing a proxy shall be deposited.

The instrument appointing a proxy may be in any usual or common form (or such other form as the Directors may approve) and may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked.

2.16 Calls on shares and forfeiture of shares

Subject to the terms of the allotment and issue of any shares, the Directors may make calls upon the members of the Company in respect of any monies unpaid on their shares (whether in respect of par value or premium), and each member of the Company shall (subject to receiving at least 14 clear days' notice specifying the times or times of payment) pay to the Company at the time or times so specified the amount called on his shares. A call may be revoked or postponed, in whole or in part, as the Directors may determine. A call may be required to be paid by instalments. A person upon whom a call is made shall remain liable for calls made upon him, notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share.

If a call remains unpaid after it has become due and payable, the person from whom it is due shall pay interest on the amount unpaid from the day it became due and payable until it is paid at such rate as the Directors may determine (and in addition all expenses that have been incurred by the Company by reason of such non-payment), but the Directors may waive payment of the interest or expenses wholly or in part.

If any call or instalment of a call remains unpaid after it has become due and payable, the Directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment. The notice shall specify where payment is to be made and shall state if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

If such notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors. Such forfeiture shall include all dividends, other distributions or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

A forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors think fit.

A person any of whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited and shall remain liable to pay to the Company all monies which at the date of forfeiture were payable by him to the Company in respect of the shares, together with interest at such rate as the Directors may determine, but that person's liability shall cease if and when the Company shall have received payment in full of all monies due and payable by them in respect of those shares.

2.17 Inspection of register of members

The Company shall maintain or cause to be maintained the register of members of the Company in accordance with the Companies Act. The Directors may, on giving 10 business days' notice (or 6 business days' notice in the case of a rights issue) by advertisement published on the Stock Exchange's website or, subject to the Listing Rules, in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, close the register of members at such times and for such periods as the Directors may determine, either generally or in respect of any class of shares,

provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine, provided that such period shall not be extended beyond 60 days in any year).

Except when the register is closed, the register of members shall during business hours be kept open for inspection by any member of the Company without charge.

2.18 Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present. Two members of the Company present in person or by proxy, or if a corporation or other non-natural person by its duly authorised representative or proxy, shall be a quorum unless the Company has only one member entitled to vote at such general meeting in which case the quorum shall be that one member present in person or by proxy, or in the case of a corporation or other non-natural person by its duly authorised representative or proxy.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in paragraph 2.3 above.

2.19 Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.20 Procedure on liquidation

Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

Subject to the rights attaching to any shares, in a winding up:

(a) if the assets available for distribution amongst the members of the Company shall be insufficient to repay the whole of the Company's paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the capital paid up, or which ought to have been paid up, on the shares held by them at the commencement of the winding up;

(b) if the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the Company's paid up capital at the commencement of the winding up, the surplus shall be distributed amongst the members of the Company in proportion to the capital paid up on the shares held by them at the commencement of the winding up.

If the Company shall be wound up, the liquidator may with the approval of a special resolution of the Company and any other approval required by the Companies Act, divide amongst the members of the Company in kind the whole or any part of the assets of the Company (whether such assets shall consist of property of the same kind or not) and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like approval, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like approval, shall think fit, but so that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

2.21 Untraceable members

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if: (a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (b) the Company has not during that time or before the expiry of the three month period referred to in (d) below received any indication of the whereabouts or existence of the member; (c) during the 12-year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and (d) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

SUMMARY OF CAYMAN ISLANDS COMPANY LAW AND TAXATION

1 Introduction

The Companies Act is derived, to a large extent, from the older Companies Acts of England, although there are significant differences between the Companies Act and the current Companies Act of England. Set out below is a summary of certain provisions of the Companies Act, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2 Incorporation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on March 8, 2018 under the Companies Act. As such, its operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the size of its authorised share capital.

3 Share Capital

The Companies Act permits a company to issue ordinary shares, preference shares, redeemable shares or any combination thereof.

The Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premia on those shares shall be transferred to an account called the "share premium account". At the option of a company, these provisions may not apply to premia on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Companies Act provides that the share premium account may be applied by a company, subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) in the redemption and repurchase of shares (subject to the provisions of section 37 of the Companies Act);

(d) writing-off the preliminary expenses of the company;

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and

(f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid the company will be able to pay its debts as they fall due in the ordinary course of business.

The Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

Subject to the detailed provisions of the Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. The manner of such a purchase must be authorised either by the articles of association or by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and to act in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

4 Dividends and Distributions

With the exception of section 34 of the Companies Act, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands in this area, dividends may be paid only out of profits. In addition, section 34 of the Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see paragraph 3 above for details).

5 Shareholders' Suits

The Cayman Islands courts can be expected to follow English case law precedents. The rule in *Foss v. Harbottle* (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act which is *ultra vires* the company or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

6 Protection of Minorities

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

7 Disposal of Assets

The Companies Act contains no specific restrictions on the powers of directors to dispose of assets of a company. As a matter of general law, in the exercise of those powers, the directors must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the company.

8 Accounting and Auditing Requirements

The Companies Act requires that a company shall cause to be kept proper books of account with respect to:

(a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the company; and

(c) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

9 Register of Members

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as its directors may from time to time think fit. There is no requirement under the Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

10 Inspection of Books and Records

Members of a company will have no general right under the Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

11 Special Resolutions

The Companies Act provides that a resolution is a special resolution when it has been passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, except that a company may in its articles of association specify that the required majority shall be a number greater than two-thirds, and may additionally so provide that such majority (being not less than two-thirds) may differ as between matters required to be approved by a special resolution. Written resolutions signed by all the members entitled to vote for the time being of the company may take effect as special resolutions if this is authorised by the articles of association of the company.

12 Subsidiary Owning Shares in Parent

The Companies Act does not prohibit a Cayman Islands company acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

13 Mergers and Consolidations

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorised by (a) a special resolution of each constituent company and (b) such other authorisation, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares

(which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

14 Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by (a) 75% in value of shareholders, or (b) a majority in number representing 75% in value of creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

15 Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

16 Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

17 Restructuring

A company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company:

(a) is or is likely to become unable to pay its debts; and

(b) intends to present a compromise or arrangement to its creditors (or classes thereof) either pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring.

The Grand Court may, among other things, make an order appointing a restructuring officer upon hearing of such petition, with such powers and to carry out such functions as the court may order. At any time (i) after the presentation of a petition for the appointment of a restructuring officer but before an order for the appointment of a restructuring officer has been made, and (ii) when an order for the appointment of a restructuring officer is made, until such order has been discharged, no suit, action or other proceedings (other than criminal proceedings) shall be

proceeded with or commenced against the company, no resolution to wind up the company shall be passed, and no winding up petition may be presented against the company, except with the leave of the court. However, notwithstanding the presentation of a petition for the appointment of a restructuring officer or the appointment of a restructuring officer, a creditor who has security over the whole or part of the assets of the company is entitled to enforce the security without the leave of the court and without reference to the restructuring officer appointed.

18 Liquidation

A company may be placed in liquidation compulsorily by an order of the court, or voluntarily (a) by a special resolution of its members if the company is solvent, or (b) by an ordinary resolution of its members if the company is insolvent. The liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, rateably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

19 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

20 Taxation

Pursuant to section 6 of the Tax Concessions Act (As Revised) of the Cayman Islands, the Company may obtain an undertaking from the Financial Secretary of the Cayman Islands:

(a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

  (i) on or in respect of the shares, debentures or other obligations of the Company; or

  (ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (As Revised).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

21 Exchange Control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

22 General

Maples and Calder (Hong Kong) LLP, the Company's legal advisers on Cayman Islands law, have sent to the Company a letter of advice summarising aspects of Cayman Islands company law. This letter, together with a copy of the Companies Act, is on display on the websites as referred to in the section headed "Documents on display" in Appendix V. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he/she is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on March 8, 2018. Our registered office address is at [PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands]. As our Company is incorporated in the Cayman Islands, our operation is subject to the relevant laws and regulations of the Cayman Islands, the Articles and the Memorandum. A summary of the relevant laws and regulations of the Cayman Islands and of our constitution is set out in Appendix III to this document.

Our Company was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on November 20, 2025. Our principal place of business in Hong Kong is at 19/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong. Mr. POON Ping Yeung (潘秉揚) has been appointed as our authorized representative for the acceptance of service of process and notices in Hong Kong. The address of service of process is 19/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong.

As of the date of this document, our Company's headquarters are located at Room 1002, 10/F, Building 1, No. 333 Shengrong Road, China (Shanghai) Pilot Free Trade Zone, PRC and Room 4-401, Hexiang Technology Center, Qiantang New District, Hangzhou, Zhejiang, PRC.

2. Changes in the Share Capital of Our Company

As of the date of incorporation of our Company, our authorized share capital was US$50,000 divided into 50,000 ordinary shares with a par value of US$1.00 each.

The following sets out the changes in the share capital of our Company within the two years immediately preceding the date of this document:

On March 12, 2025, 8,106,057 Series Pre-C Preferred Shares were allotted and issued.

On July 31, 2025, 138,045,839 Series C Preferred Shares were allotted and issued.

On November 11, 2025, 2,446,970 Series Pre-C Preferred Shares were allotted and issued.

On November 17, 2025, 15,000,000 Series B Preferred Shares were cancelled, and 15,000,000 Series B Preferred Shares and 8,156,565 Series Pre-C Preferred Shares were allotted and issued.

On November 18, 2025, our Company (i) repurchased 220,000,000 Shares, (ii) cancelled 15,000,000 Series B Preferred Shares, and (iii) allotted and issued 220,000,000 Shares.

Save as disclosed above, there has been no alternation in our share capital within the two years immediately preceding the date of this document.

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries is set out in note 12 to the Accountant's Report as set out in Appendix I to this document.

The following sets out the changes in the share capital of our subsidiaries within the two years immediately preceding the date of this document:

On November 12, 2025 the registered capital of Minghui Hangzhou increased from US$100 million to US$150 million.

Save as disclosed above, there has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this document.

4. Resolutions of Our Shareholders

Written resolutions of our Shareholders were passed on [●] pursuant to which, among others:

(a) subject to the conditions of the [**REDACTED**] stated in the paragraph headed "[**REDACTED**]" in this document being fulfilled or waived by the [**REDACTED**] (for themselves and on behalf of the [**REDACTED**]):

(i) the [**REDACTED**] (including the [**REDACTED**]) be approved, and the proposed [**REDACTED**] of the Shares under the [**REDACTED**] were approved, and our Directors were authorized to determine the [**REDACTED**] for, and to [**REDACTED**] the Shares under the [**REDACTED**];

(ii) a general unconditional mandate be given to our Directors to exercise all powers of our Company to (i) allot, issue and deal with Shares or securities convertible into Shares and to make or grant offers, agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares), and (ii) sell and/or transfer Shares out of treasury that are held as treasury shares, which might require Shares to be allotted, issued, dealt with, sold and/or transferred out of treasury, otherwise than by way of the [**REDACTED**], rights issue, pursuant to the exercise of any subscription rights attaching to any warrants which may be allotted and issued by our Company from time to time, or allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Memorandum and the Articles of Association on a specific authority granted by our Shareholders at general meetings, provided that such number of Shares shall not exceed 20% of the aggregate nominal value of the Shares in issue immediately following completion of the [**REDACTED**] (excluding any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any treasury shares);

(iii) a general unconditional mandate (the "**Repurchase Mandate**") be given to our Directors to exercise all powers of our Company to repurchase Shares on the [**REDACTED**] or on any other [**REDACTED**] on which the Shares may be [**REDACTED**] and which is recognized by the SFC and the Stock Exchange for this purpose, provided that such number of Shares shall not exceed 10% of the aggregate nominal value of the Shares in issue immediately following completion of the [**REDACTED**] (excluding any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any treasury shares);

(iv) the general unconditional mandate as mentioned in paragraph (ii) above be extended by the addition to the aggregate nominal value of the Shares which may be allotted, issued, dealt with, sold and/or transferred out of treasury or agreed to be allotted, issued, dealt with, sold and/or transferred out of treasury by our Directors pursuant to such general unconditional mandate of an amount representing the aggregate nominal value of the Shares repurchased by our Company pursuant to the Repurchase Mandate up to 10% of the aggregate nominal value of the Shares in issue immediately following completion of the [**REDACTED**] (excluding any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any treasury shares); and

(v) the conversion of all of the authorized issued and unissued Preferred Shares into Shares on [a one-to-one basis] by re-designation and re-classification, each having the rights and restrictions as set out in the Memorandum and Articles, be approved with effect upon completion of the [**REDACTED**]; and

(b) the Memorandum and the Articles be conditionally approved and adopted with effect from the [**REDACTED**].

Each of the general mandates referred to in paragraphs (a)(ii), (a)(iii) and (a)(iv) above will remain in effect until whichever is the earliest of:

- the conclusion of the next annual general meeting of our Company (unless otherwise renewed by an ordinary resolution of our Shareholders at a general meeting, either unconditionally or subject to conditions);

- the expiration of the period within which the next annual general meeting of our Company is required to be held by any applicable law or the Articles; or

- the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting.

5. Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this document concerning the repurchase of our own securities.

(a) Provision of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(i) Shareholders' Approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders at a general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our Shareholders on [●], the Repurchase Mandate was given to our Directors authorizing them to exercise all powers of our Company to repurchase Shares on the [**REDACTED**] or on any other [**REDACTED**] on which the securities of our Company may be [**REDACTED**] and which is recognized by the SFC and the Stock Exchange for this purpose, with a total nominal value up to 10% of the aggregate nominal value of our Shares in issue immediately following completion of the [**REDACTED**] (excluding any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any treasury shares), with such mandate to expire at the earliest of (i) the conclusion of the next annual general meeting of our Company (unless otherwise renewed by an ordinary resolution of our Shareholders at a general meeting, either unconditionally or subject to conditions), (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or any other applicable laws to be held, and (iii) the date when it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting.

(ii) Source of Funds

Repurchases must be funded out of funds legally available for such purpose in accordance with the Memorandum and the Articles and the applicable laws and regulations of Hong Kong and the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. As a matter of Cayman Islands laws, any repurchases by our Company may be made out of profits or out of the proceeds of a new issue of shares made for the purpose of the repurchase or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act. Any premium payable on the repurchase over the par value of the shares to be purchased must have been provided for out of profits or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act.

(iii) Trading Restrictions

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(iv) Status of Repurchased Shares

The listing of all purchased securities (whether on the Stock Exchange or otherwise) is automatically canceled and the relevant certificates must be canceled and destroyed. Under the laws of the Cayman Islands, unless our Directors resolve to hold the shares purchased by our Company as treasury shares prior to the purchase, shares purchased by our Company shall be treated as canceled and the amount of our Company's issued share capital shall be diminished by the nominal value of those shares. However, the purchase of shares will not be taken as reducing the amount of the authorized share capital under the laws of the Cayman Islands.

(v) Interim Measures

For any treasury shares of the Company deposited with [**REDACTED**] pending resale on the [**REDACTED**], the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

(i) procuring its broker not to give any instructions to [**REDACTED**] to vote at general meetings for the treasury shares deposited with [**REDACTED**];

(ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from [**REDACTED**], and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; or

(iii) taking any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

(vi) Suspension of Repurchase

A listed company may not make any repurchase of securities after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (b) the deadline for a listed company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, the listed company may not repurchase its shares on the Stock Exchange, other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vii) Reporting Requirements

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day on which a listed company makes a purchase of its shares. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including the number of securities purchased each month (whether on the Stock Exchange or otherwise), the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid.

(viii) Core Connected Persons

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a "core connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them and a core connected person shall not knowingly sell its securities to the company.

(b) Reasons for Repurchases

Our Directors believe that it is in the best interests of our Company and Shareholders for our Directors to have a general authority from the Shareholders to enable our Company to repurchase Shares in the [**REDACTED**]. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share, and will only be made where our Directors believe that such repurchases will benefit our Company and Shareholders.

(c) Funding of Repurchases

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Memorandum and the Articles of Association and the applicable laws and regulations of Hong Kong and the Cayman Islands. Our Directors may not repurchase the Shares on the [**REDACTED**] for a consideration other than cash or for settlement otherwise than in accordance with the [**REDACTED**]. Subject to the foregoing, our Directors may make repurchases with profits of our Company or out of the proceeds of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Cayman

Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of our Company or from sums standing to the credit of the share premium account of our Company or, if authorized by the Articles of Association and subject to Cayman Companies Act, out of capital.

In the event that the Repurchase Mandate is exercised in full, there might be a material adverse impact on the working capital or gearing position of our Company, as compared with the position as of May 31, 2026 as disclosed in the Accountant's Report. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of our Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company.

(d) General

Our Company did not hold any treasury shares as of the Latest Practicable Date and will not hold any treasury shares immediately upon [**REDACTED**]. To the best knowledge of our Directors, neither the explanatory statement contained in this section nor the Repurchase Mandate has any unusual features.

A full exercise of the Repurchase Mandate, on the basis of [**REDACTED**] Shares in issue immediately following completion of the [**REDACTED**] (without taking into account any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] and any treasury shares), could accordingly result in up to [**REDACTED**] Shares being repurchased by our Company.

None of our Directors and, to the best of their knowledge having made all reasonable enquiries, their respective close associates currently intends to sell any Shares to our Company.

Our Directors will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws in the Cayman Islands.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Codes. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes. Immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Dr. Cao and Ms. Geng will collectively be able to exercise approximately [**REDACTED**]% voting rights in our Company. In the event that our Directors exercise the Repurchase Mandate in full and on the assumption that Dr. Cao and Ms. Geng do not receive, acquire or dispose of any additional Shares, the voting rights in our Company which Dr. Cao and Ms. Geng are collectively entitled to exercise would increase to approximately [**REDACTED**]%, and such increase may give rise to an obligation for Dr. Cao and Ms. Geng to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequence which would arise under the Takeovers Codes as a consequence of any repurchase pursuant to the Repurchase Mandate.

Any repurchase of Shares that results in the number of Shares held by the [**REDACTED**] being reduced to less than such minimum percentage as prescribed by the [**REDACTED**] could only be implemented if the [**REDACTED**] agrees to waive the requirements under the [**REDACTED**] regarding the [**REDACTED**] as referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No core connected person of our Company has notified our Company that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contract

The following contract (not being a contract entered into in the ordinary course of business) was entered into by members of our Group within the two years immediately preceding the date of this document which is or may be material:

(a) the [**REDACTED**].

2. Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material to our business:

No.	Trademark	Registered Owner	Place of Registration	Registration No.	Class	Expiry Date
1 . .		Ming Ren Pharmaceutical Limited	Hong Kong	307071381	5	October 27, 2035
2 . .	Misuljanz	Minghui Hangzhou	PRC	83385109	5	July 27, 2035
3 . .	SUPERTOPOI	Minghui Hangzhou and Minghui Shanghai	PRC	72285165	42	December 13, 2033
4 . .	SUPERTOPOI	Minghui Hangzhou and Minghui Shanghai	PRC	72274452	5	December 13, 2033
5 . .		Minghui Hangzhou	PRC	43798321	5	November 6, 2030

(b) Domain Name

As of the Latest Practicable Date, we had registered the following domain name which we consider to be material to our business:

No.	Domain Name	Registered Owner	Registration Date	Expiry Date
1 . .	minghuipharma.com	Minghui Shanghai	June 1, 2018	June 1, 2035

(c) Patents

For a discussion of the details of the material patents and patent applications in connection with our products and product candidates, see "Business — Intellectual Property" in this document.

Further, the following table sets out the patents and patent applications out-licensed to Qilu Pharmaceutical Co., Ltd pursuant to the Qilu Collaboration Agreement (as defined in the paragraph headed "Business — Collaboration and Licensing Agreement" in this document).

Patent Name	Jurisdiction	Application publication number	Status
Antibody-drug conjugates and their applications	Chinese Mainland	CN119546344A	Substantive Examination
Toxin molecule suitable for antibody-drug conjugate	Chinese Mainland	CN116848124A	Granted
	Hong Kong	HK40096015A	Granted
Antitumor compound and use thereof	Chinese Mainland	CN119604509A	Substantive Examination
	Hong Kong	HK40111372A	Publication
	Taiwan	TW202313125A	Substantive Examination
Anti-B7-H3 antibodies and their preparation and applications	Chinese Mainland	CN115768797A	Granted

Save as aforesaid, as of the Latest Practicable Date, there was no other trade or service mark, patent, intellectual or industrial property right which was material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of our Directors and chief executive in the share capital of our Company and its associated corporations following completion of the [**REDACTED**]

Save as disclosed below, immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), so far as our Directors are aware, none of our Directors and chief executive has any interest or short positions in our Shares, underlying Shares or 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 [**REDACTED**] pursuant to [**REDACTED**] of the SFO (including interests and/or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to [**REDACTED**] 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 [**REDACTED**] pursuant to the [**REDACTED**].

Name	Position	Capacity/ Nature of Interest	Number of Shares held	Approximate percentage of shareholding in the total issued share capital of our Company[1]
Dr. Cao[2]	Chairperson of our Board, executive Director, chief executive officer and chief scientific officer	Interests in controlled corporations; Interest of spouse	210,492,700	[**REDACTED**]%
Mr. SHI Junwei (施俊巍)[3]	Executive Director, chief medical officer and senior vice president of R&D	Beneficial owner	900,000	[**REDACTED**]%
Mr. ZHONG Zhongren (鍾仲人)[4]	Executive Director and chief financial officer	Beneficial owner	100,000	[**REDACTED**]%

Notes:

(1) Assuming the [**REDACTED**] is not exercised.

(2) Ming De Holdings is wholly owned by Dr. Cao. Radiance C LLC is wholly owned by Trident Trust Company (South Dakota) Inc., an independent professional trustee appointed to administer the trust established by Ms. Geng (the spouse of Dr. Cao) as the settlor for her personal estate planning purpose, with Dr. Cao and their children and descendants as beneficiaries. Dr. Cao, as the protector and investment adviser of the trust and the manager of Radiance C LLC, has the power to make investment decisions in respect of the assets of the Trust and to manage the affairs of Radiance C LLC, including the exercise of voting rights attached to the Shares held by Radiance C LLC. As such, under the SFO, Dr. Cao is deemed to be interested in the Shares held by Ming De Holdings and Radiance C LLC.

(3) These Shares represent the maximum number of Shares which Mr. SHI Junwei (施俊巍) is entitled to receive pursuant to the exercise of options granted to him under the Pre-[**REDACTED**] Equity Incentive Plan, subject to the terms and conditions of these options.

(4) These Shares represent the maximum number of Shares which Mr. ZHONG Zhongren (鍾仲人) is entitled to receive pursuant to the exercise of options granted to him under the Pre-[**REDACTED**] Equity Incentive Plan, subject to the terms and conditions of these options.

(b) Interests and short positions discloseable under Divisions 2 and 3 of Part XV of the SFO

For the information on the persons who will, immediately following the completion of the [**REDACTED**], have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the [**REDACTED**] under the provisions of [**REDACTED**] of the SFO, see "Substantial Shareholders" in this document.

Further, as of the Latest Practicable Date, our Directors were not aware of any other persons who would, immediately following the completion of the [**REDACTED**], be directly or indirectly interested in 10% or more of the issued voting shares of any member of our Group (other than our Company).

2. Particulars of Directors' Service Contracts and Appointment Letters

(a) Executive Directors and Non-executive Directors

Each of our executive Directors and non-executive Directors [has entered] into a service contract with us for an initial term of three years commencing from the [**REDACTED**] until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other party not less than one month's prior notice in writing.

(b) Independent Non-executive Directors

Each of our independent non-executive Directors [has entered] into an appointment letter with us for an initial term of three years from the [**REDACTED**] until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other party not less than one month's prior notice in writing.

3. Remuneration of Directors

Save as disclosed in note 28 to the Accountant's Report as set out in Appendix I to this document, for the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026, none of our Directors received other remunerations of benefits in kind from us.

4. Disclaimers

Save as disclosed in this document:

(i) there is no existing or proposed service contract (excluding any contract expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between our Directors and any member of our Group;

(ii) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole;

(iii) taking no account of any Shares which may be [**REDACTED**] under the [**REDACTED**], so far as is known to any Director or chief executive of our Company, no other person (other than a Director or chief executive of our Company) will, immediately following completion of the [**REDACTED**], have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to our Company and the [**REDACTED**] under the provisions of [**REDACTED**] of the SFO or be interested, directly or indirectly, 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 member of our Group; and

(iv) none of our Directors and the chief executive of our Company has any interests or short positions in the Shares, underlying Shares or 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 [**REDACTED**] pursuant to [**REDACTED**] of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to [**REDACTED**] of the SFO, to be entered into the register referred to therein, or will be required, pursuant to [**REDACTED**].

D. PRE-[REDACTED] EQUITY INCENTIVE PLAN

In recognition of the contributions of our employees, and to incentivize them to further promote our development, our Company adopted and approved the Pre-[**REDACTED**] Equity Incentive Plan on April 14, 2021, which was amended on November 18, 2025. The Pre-[**REDACTED**] Equity Incentive Plan is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of options to subscribe for Shares or other types of awards by our Company after the [**REDACTED**].

The following is a summary of the principal terms of the Pre-[**REDACTED**] Equity Incentive Plan.

(a) Purpose

The purpose of the Pre-[**REDACTED**] Equity Incentive Plan is to enable our Company to attract and retain highly qualified personnel who will contribute to our success and to provide incentives to Participants (as defined below) that are linked directly to increases in shareholder value and will therefore, inure to the benefit of all Shareholders.

(b) Duration

The Pre-[**REDACTED**] Equity Incentive Plan shall be effective as of April 14, 2021. No Award shall be granted pursuant to the Pre-[**REDACTED**] Equity Incentive Plan on or after the tenth anniversary of the Effective Date, but Awards theretofore granted may remain outstanding in accordance with their applicable terms and conditions and the Pre-[**REDACTED**] Equity Incentive Plan.

(c) Administration

The Pre-[**REDACTED**] Equity Incentive Plan shall be administered by our Board (or such other person approved and appointed by our Board or such delegates) (the "**Administrator**"), who has the powers and authority to, among others, determine eligibility of participants to receive grants of awards under the Pre-[**REDACTED**] Equity Incentive Plan ("**Participants**").

(d) Eligibility

Awards shall be granted under Pre-[**REDACTED**] Equity Incentive Plan only to (i) employees, officers or directors of our Company or any of its subsidiaries, (ii) individual consultants or advisers who render or have rendered *bona fide* services (other than services in connection with the offering or sale of securities of our Company or any of its subsidiaries, as applicable, in a capital raising transaction or as a market maker or promoter of that entity's securities), and (iii) other persons determined by the Administrator.

(e) Grants of Options

Options may be granted alone or in addition to any other awards granted under the Pre-[**REDACTED**] Equity Incentive Plan. Any option granted under the Pre-[**REDACTED**] Equity Incentive Plan shall be in such form as the Administrator may from time to time approve, and the provisions of each option need not be the same with respect to each Participant. Participants who are granted options shall enter into an option agreement with our Company, in such form as the Administrator shall determine, which shall set forth, among other things, the exercise price of option(s), the term of option(s), and provisions regarding exercisability of option(s) and other matters granted thereunder.

(f) Maximum Number of Shares Underlying Options

The maximum aggregate number of underlying Shares which may be issued upon exercise of all options granted under the Pre-[**REDACTED**] Equity Incentive Plan shall be 18,000,000 Shares.

(g) Vesting

Unless otherwise determined by the Administrator or otherwise provided for under the Pre-[**REDACTED**] Equity Incentive Plan or the relevant option agreement, upon the expiry of the vesting period as specified in the relevant option agreement, all Shares underlying the options granted to the Participants shall vest in whole.

In the event that a Participant's employment by or service as an employee, director, consultant or adviser to our Company or any of its subsidiaries terminates within the vesting period: (i) for any reason (including without limitation, voluntary resignation by the Participant or by reason of the Participant's misconduct), the option of such Participant shall be terminated immediately; (ii) as a result of the Participant's death or disability, the Shares granted to such Participant under the option shall vest immediately; and (iii) for any reason fairly determined by the Administrator subject to the special condition of the Participant, the Participant (or his/her legal representative) will have, until the later of (a) two months after the Participant's severance date and (b) immediately after an [**REDACTED**] of our Company, to exercise the option (or any portion thereof) to the extent that the option had vested on the severance date.

In the event where a Participant takes any of the following actions: (i) engaging in unfair competition with, or otherwise acted in a manner injurious or caused any harm to the reputation, business, assets or any interests of, our Company or any of its subsidiaries; (ii) improperly inducing a vendor or customer to break or terminate any contract with our Company or any of its subsidiaries or inducing a principal for whom our Company or any of its subsidiaries acts as agent to terminate such agency relationship; or (iii) directly or indirectly engaging in any business activities in competition with the business conducted by our Company or any of its subsidiaries, whether such engagement is as a partner, investors (other than as a holder of less than 1% of the outstanding capital stock of a publicly traded company), consultant, adviser, agent, employee or otherwise, or beaches any non-competition, non-disclosure or confidential commitment to our Company or any of its subsidiaries, any option that has not been exercised (whether granted, vested or unvested) shall be fully terminated and forfeited, whether such Participant's employment by or service to our Company or any of its subsidiaries is terminated or not.

(h) Exercise of Options

Unless otherwise determined by the Administrator and subject to applicable laws and regulations and the conditions set forth in the Pre-[**REDACTED**] Equity Incentive Plan, options, to the extent vested, shall become exercisable upon the earlier of (i) an [**REDACTED**] of our Company, or (ii) subject to the relevant approval by our Board, the occurrence of the closing of our Company's sale of all or substantially all of its assets or the acquisition of our Company by another entity by means of merger, consolidation or other transaction or series of related transactions resulting in the exchange of the outstanding shares of our Company's authorized capital such that the members of our Company prior to such transaction own, directly or indirectly, less than 50% of the voting power of the surviving entity (the "**Change in Control**").

Options may be exercised in whole or in part at any time after they become exercisable by giving written notice of exercise to our Company in a form and in such manner as may be required by the Administrator, which shall specify the number of Shares to be purchased and be accompanied by payment in full of the aggregate exercise price in cash, or in the form as determined by the Administrator at its sole discretion.

Subject to any other provisions under the Pre-[**REDACTED**] Equity Incentive Plan, the unexercised portion of the options can be immediately forfeited by our Company under one of the following conditions: (i) expiry of the applicable option terms, (ii) termination of options pursuant to the Pre-[**REDACTED**] Equity Incentive Plan, and (iii) if a Participant expressly waives his/her option by submitting a written declaration to the Administrator.

The term of each option shall be determined by the Administrator, but no option shall be exercisable after ten years following the date of execution of the relevant option agreement.

(i) Exercise Price

The exercise price of an option to purchase Share(s) underlying the option shall be specified in an option agreement entered into by the Participants and our Company, as determined by the Administrator. Unless otherwise agreed by our Board, the exercise price in respect of each Share underlying the option(s) granted shall not be less than the par value of the Shares.

(j) Adjustments

In the event of any merger, reorganization, consolidation, reclassification, recapitalization, share split, stock dividend, split-up, spin-off or other change in corporate structure affecting the Shares, an equitable substitution or proportionate adjustment shall be made in (i) the aggregate number of Shares subject to the Pre-[**REDACTED**] Equity Incentive Plan, (ii) the kind, number and option price of Shares subject to outstanding options granted under the Pre-[**REDACTED**] Equity Incentive Plan, in each case as may be determined by the Administrator at its sole discretion. Such other substitutions or adjustments shall be determined by the Administrator at its sole discretion. In connection with any aforementioned event, the Administrator may provide, at its sole discretion, for the cancellation of any outstanding awards and payment in cash or other property therefor.

(k) Non-transferability of Options

Except under the laws of descent or otherwise permitted by the Administrator at its sole discretion, Participants shall not sell, transfer, pledge or assign any option, and all options shall be exercisable only by the Participants during their lifetime.

(l) Change in Control

Except as may otherwise be provided in the relevant option agreement or any other written agreement entered into by and between our Company and a Participant, if the Administrator anticipates the occurrence, or upon the occurrence, of a Change in Control, the Administrator may, at its sole discretion, provide for one or more of the following: (i) any and all awards outstanding under the Pre-[**REDACTED**] Equity Incentive Plan to terminate at a specific time in the future and shall give each Participant the right to exercise the vested portion of such awards during a period of time as the Administrator shall determine, (ii) the termination of any award in exchange for an amount of cash equal to the amount that could have been attained upon the exercise of such award (and, for the avoidance of doubt, if as of such date the Administrator determines in good faith that no amount would have been attained upon the exercise of such award, then such award may be terminated by our Company without payment), (iii) the replacement of such award with other rights or property selected by the Administrator at its sole discretion or the assumption of or substitution of such award by the successor or surviving corporation, or a parent company or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices, and/or (iv) payment of award in cash based on the price determined by our Board in good faith in accordance with the fair market value of Shares on the date of the Change in Control.

(m) Amendments and Termination of the Pre-[REDACTED] Equity Incentive Plan

Our Board may amend, alter or discontinue the Pre-[**REDACTED**] Equity Incentive Plan, but no amendment, alteration or discontinuation which would materially impair the rights of a Participant under any award theretofore granted without such Participant's consent shall be made.

(n) Outstanding Options

As of the Latest Practicable Date, options to subscribe for an aggregate of 3,401,300 Shares (representing approximately [**REDACTED**]% of the total issued share capital of our Company immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised) have been conditionally granted to 115 eligible participants under the Pre-[**REDACTED**] Equity Incentive Plan. No options to subscribe for Shares or other types of awards by our Company under the Pre-[**REDACTED**] Equity Incentive Plan will be further granted after the [**REDACTED**]. As of the Latest Practicable Date, 2,624,000 Shares under the outstanding options had vested, and all of the outstanding options had not been exercised.

The table below sets out the details of the outstanding options granted to our Directors, senior management members and connected persons of our Company as of the Latest Practicable Date.

Name	Positions held within our Group	Address	Dates of grants[1]	Number of Shares under outstanding options	Vesting date(s)	Exercise period	Exercise price	Approximate percentage of the total issued share capital of our Company immediately upon completion of the [REDACTED][2]
Directors (who are also senior management members of our Company)								
Mr. SHI Junwei (施俊巍) .	Executive Director, chief medical officer and senior vice president of R&D	Room 202, No. 12, Lane 709, Sanlin Road, Pudong New Area, Shanghai, PRC	April 8, 2021; April 15, 2022; February 15, 2023; February 15, 2024; February 15, 2025	900,000	October 15, 2023 (with respect to 750,000 options); October 15, 2027 (with respect to 150,000 options)	Note (3)	RMB1.00 per Share	[REDACTED]%
Mr. ZHONG Zhongren (鍾仲人) .	Executive Director and chief financial officer	Room 3301, Building 6, No. 168 Hongqiao Road, Shanghai, PRC	July 21, 2025	100,000	October 20, 2025	Note (3)	RMB1.00 per Share	[REDACTED]%

Notes:

(1) No consideration is payable upon the grants of options.

(2) Without taking into account any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**].

(3) Unless otherwise determined by the Administrator, options, to the extent vested, shall become exercisable upon the earlier of (i) an [**REDACTED**] of our Company, or (ii) subject to the relevant approval by our Board, the occurrence of the closing of the Change in Control. In any event, no option shall be exercisable after ten years following the date of execution of the relevant option agreement.

The table below sets out the details of the outstanding options granted to the remaining 113 grantees, all of whom are existing employees of our Group and are not Directors, senior management members or connected persons of our Company, as of the Latest Practicable Date.

No.	Range of Shares under the outstanding options	Total number of grantees	Dates of grants[1]	Total number of Shares under the outstanding options	Vesting dates	Exercise period	Exercise price	Approximate percentage of the total issued share capital of our Company immediately upon completion of the [REDACTED][2]
1. . .	1 to 100,000	105	Between April 15, 2022 and July 1, 2026	796,300	Between May 5, 2025 and October 31, 2030	Note (3)	RMB1.00 per Share	[REDACTED]%
2. . .	100,001 to 200,000	5	Between April 8, 2021 and February 15, 2025	855,000	Between September 30, 2024 and March 21, 2026	Note (3)	RMB1.00 per Share	[REDACTED]%
3. . .	200,001 to 300,000	3	Between April 8, 2021 and September 30, 2025	750,000	Between September 9, 2023 and January 27, 2029	Note (3)	RMB1.00 per Share	[REDACTED]%

Notes:

(1) No consideration is payable upon the grants of options.

(2) Without taking into account any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**].

(3) Unless otherwise determined by the Administrator, options, to the extent vested, shall become exercisable upon the earlier of (i) an [**REDACTED**] of our Company, or (ii) subject to the relevant approval by our Board, the occurrence of the closing of the Change in Control. In any event, no option shall be exercisable after ten years following the date of execution of the relevant option agreement.

(o) Dilution Effect and Impact on Loss per Share

Assuming a full exercise of the options outstanding under the Pre-[**REDACTED**] Equity Incentive Plan, the shareholding of our Shareholders immediately following completion of the [**REDACTED**] will not be diluted and there is no consequential impact on the loss per Share for the five months ended May 31, 2026, as all Shares underlying the options have already been issued.

E. OTHER INFORMATION

1. Litigation

As of the Latest Practicable Date, we were not involved in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened against any member of our Group, which would have a material adverse effect on our Group's results of operations or financial condition, taken as a whole.

2. Preliminary Expenses

As of the Latest Practicable Date, we have not incurred any material preliminary expense.

3. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

4. Promoters

Our Company has no promoter for the purpose of the Listing Rules. Within the two years immediately preceding the date of this document, no cash securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the [**REDACTED**] and the related transactions described in this document.

5. Joint Sponsors

The Joint Sponsors have made an application on our behalf to the [**REDACTED**] for the [**REDACTED**] of, and permission to [**REDACTED**], (i) the Shares in issue (including the Shares to be converted from the Preferred Shares upon completion of the [**REDACTED**]), and (ii) the Shares to be [**REDACTED**] pursuant to the [**REDACTED**] (including any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**]).

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. Each of the Joint Sponsors will receive a fee of US$500,000 for acting as sponsors to our Company in connection with the [**REDACTED**].

6. Qualification of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given opinions and/or advice in this document are as follows:

Name	Qualification
Morgan Stanley Asia Limited	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities as defined under the SFO
Merrill Lynch (Asia Pacific) Limited	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
CITIC Securities (Hong Kong) Limited	Licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Jingtian & Gongcheng	Legal adviser to our Company as to PRC laws
Maples and Calder (Hong Kong) LLP	Legal adviser to our Company as to Cayman Islands laws
PricewaterhouseCoopers	Certified Public Accountants under the Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
China Insights Industry Consultancy Limited	Industry consultant

7. Consents

Each of the experts as referred to in the paragraph headed "— E. Other Information — 6. Qualification of Experts" in this appendix has given and has not withdrawn its respective written consents to the issue of this document with the inclusion of certificates, letters, opinions or reports and the references to its name included herein in the form and context in which they are respectively included.

8. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since May 31, 2026 (being the date to which the latest financial statements of our Group were made up).

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 [**REDACTED**] of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Miscellaneous

Save as otherwise disclosed in this document:

(i) none of our Directors or experts referred to in the paragraph headed "— E. Other Information — 6. Qualification of Experts" in this appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(ii) none of the experts referred to in the paragraph headed "— E. Other Information — 6. Qualification of Experts" in this appendix has any shareholding interest in our Company or any of our subsidiaries 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;

(iii) within the two years immediately preceding the date of this document, no share or loan capital or debenture of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be issued as fully or partly paid either for cash or for a consideration other than cash;

(iv) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(v) no commission, discount, brokerage or other special term has been granted or agreed to be granted within the two years immediately preceding the date of this document in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;

(vi) within the two years preceding the date of this document, no commission has been paid or is payable (except commissions to [**REDACTED**]) for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any Shares;

(vii) there is no founder, management or deferred share in our Company or any of our subsidiaries;

(viii) our Company has no outstanding convertible debt securities or debentures;

(ix) there is no arrangement under which future dividends are waived or agreed to be waived;

(x) no member of our Group is presently listed on any stock exchange or traded on any trading system, and no listing or permission to deal is being or proposed to be sought; and

(xi) there is no restriction affecting the remittance of profits or repatriation of capital of our Company into Hong Kong from outside Hong Kong.

11. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided under [**REDACTED**] of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

APPENDIX V DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were:

(i) a copy of the material contract referred to in the paragraph headed "Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract" in Appendix IV to this document; and

(ii) the written consents referred to in the paragraph headed "Statutory and General Information — E. Other Information — 7. Consents" in Appendix IV to this document.

DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.minghuipharma.com** during a period of 14 days from the date of this document:

(a) the Memorandum of Association and the Articles of Association;

(b) the Accountant's Report from PricewaterhouseCoopers, the text of which is set out in Appendix I to this document;

(c) the audited consolidated financial statements of our Group for the two financial years ended December 31, 2024 and 2025 and the five months ended May 31, 2026;

(d) the report from PricewaterhouseCoopers on the unaudited [**REDACTED**] financial information of our Group, the text of which is set out in Appendix II to this document;

(e) the PRC legal opinion issued by Jingtian & Gongcheng, our PRC Legal Adviser, in respect of certain general corporate matters and property interests of our Group under PRC laws;

(f) the letter of advice prepared by Maples and Calder (Hong Kong) LLP, our legal adviser as to Cayman Islands laws, summarizing certain aspects of the Cayman Islands company law referred to in Appendix III to this document;

(g) the industry report prepared by China Insights Industry Consultancy Limited;

(h) the material contract referred to in the paragraph headed "Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract" in Appendix IV to this document;

(i) the service contracts and the appointment letters referred to in the paragraph headed "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of Directors' Service Contracts and Appointment Letters" in Appendix IV this document;

(j) the written consents referred to in the paragraph headed "Statutory and General Information — E. Other Information — 7. Consents" in Appendix IV to this document;

(k) the Pre-[**REDACTED**] Equity Incentive Plan; and

(l) the Cayman Companies Act.

APPENDIX V DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

DOCUMENT AVAILABLE FOR INSPECTION

A list of grantees under the Pre-[**REDACTED**] Equity Incentive Plan, containing all details as required under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be available for inspection at the office of Davis Polk & Wardwell at 10/F, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this document.