ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF IMMVIRA BIOSCIENCE INC., CITIGROUP GLOBAL MARKETS ASIA LIMITED AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of Immvira Bioscience Inc. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-[•] to I-[•], which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 and for the five months ended 31 May 2026 (the "**Relevant Periods**"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025 and 31 May 2026 and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-[•] to I-[•] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated DATE (the "**Document**") in connection with the initial **[REDACTED]** of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* as 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 accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error.

In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, 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 accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 and 31 May 2026 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the five months ended 31 May 2025 and other explanatory information (the "**Interim Comparative Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative Financial Information in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. 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 Hong Kong 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 Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange 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-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

No historical financial statements for the Company

As at the date of this report, no statutory financial statements have been prepared for the Company since its date of incorporation.

[[•] Signature]
Certified Public Accountants
Hong Kong
[DATE]

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Notes	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
REVENUE	*5*	6,772	3,200	1,308	1,305	—
Cost of sales		(23,512)	(12,437)	(2,827)	(1,515)	(830)
Gross loss		(16,740)	(9,237)	(1,519)	(210)	(830)
Other income and gains	*5*	23,612	17,771	8,133	4,423	2,365
Research and development expenses		(136,201)	(111,542)	(112,017)	(26,448)	(31,003)
Administrative expenses		(36,060)	(46,843)	(84,695)	(25,343)	(29,879)
Other expenses		(1,749)	(3,018)	(2,181)	(1,514)	(1,736)
Fair value changes of convertible redeemable preferred shares and warrant liability	*25*	(313,871)	(369,839)	(325,993)	(178,288)	(75,828)
Finance costs	*7*	(744)	(1,047)	(509)	(188)	(413)
LOSS BEFORE TAX	*6*	(481,753)	(523,755)	(518,781)	(227,568)	(137,324)
Income tax expense	*10*	—	—	(80)	(80)	—
LOSS FOR THE YEAR/PERIOD		(481,753)	(523,755)	(518,861)	(227,648)	(137,324)
Attributable to:						
Owners of the parent		(481,753)	(523,755)	(518,861)	(227,648)	(137,324)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted *(RMB)*	*12*	(7.13)	(7.73)	(7.38)	(3.36)	(1.84)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
LOSS FOR THE YEAR/PERIOD		(481,753)	(523,755)	(518,861)	(227,648)	(137,324)
OTHER COMPREHENSIVE (LOSS)/INCOME						
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:						
Exchange differences:						
Exchange differences on translation of foreign operations		(17,297)	(14,959)	26,715	268	36,587
Reclassification adjustments for a foreign operation disposed of during the year/period		—	—	(344)	—	—
		(17,297)	(14,959)	26,371	268	36,587
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:						
Exchange differences:						
Exchange differences on translation of the Company		(2,335)	(8,979)	21,228	(730)	32,597
Fair value change of convertible redeemable preferred shares due to own credit risk	*25*	16,702	(3,903)	(42,629)	(30,729)	(31,884)
		14,367	(12,882)	(21,401)	(31,459)	713
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD, NET OF TAX		(2,930)	(27,841)	4,970	(31,191)	37,300
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(484,683)	(551,596)	(513,891)	(258,839)	(100,024)
Attributable to:						
Owners of the parent		(484,683)	(551,596)	(513,891)	(258,839)	(100,024)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December			As at 31 May
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property and equipment	*13*	23,659	48,473	26,675	17,859
Right-of-use assets	*14*	8,836	7,972	3,935	2,296
Intangible assets	*15*	3,865	6,973	6,083	5,339
Prepayment, other receivables and other assets	*17*	5,258	11,610	16,819	16,645
Total non-current assets		41,618	75,028	53,512	42,139
CURRENT ASSETS					
Inventories	*16*	11,751	12,991	9,145	6,525
Trade receivables		—	—	4	—
Prepayments, other receivables and other assets	*17*	16,120	6,181	9,232	12,326
Amounts due from the directors	*18*	1,002	1,002	—	—
Restricted cash	*19*	—	1,500	1,882	341
Time deposits with original maturity of over three months		—	35,726	—	—
Cash and cash equivalents	*19*	232,498	112,388	45,247	17,036
Total current assets		261,371	169,788	65,510	36,228
CURRENT LIABILITIES					
Trade payables	*20*	28,434	45,380	57,734	55,603
Other payables	*21*	6,779	20,635	17,899	22,727
Interest-bearing bank borrowings	*22*	—	—	2,000	12,096
Contract liabilities	*23*	3,200	4,261	11,709	11,709
Lease liabilities	*14*	4,775	4,010	4,186	4,268
Warrant liability	*25*	5,542	5,622	5,774	5,671
Convertible redeemable preferred shares	*25*	1,510,348	1,956,078	2,275,992	2,314,788
Total current liabilities		1,559,078	2,035,986	2,375,294	2,426,862
NET CURRENT LIABILITIES		(1,297,707)	(1,866,198)	(2,309,784)	(2,390,634)
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,256,089)	(1,791,170)	(2,256,272)	(2,348,495)

	Notes	As at 31 December 2023	2024	2025	As at 31 May 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT LIABILITIES					
Interest-bearing bank borrowings	*22*	—	—	18,000	17,000
Deferred income	*24*	538	1,506	2,000	590
Contract liabilities	*23*	12,177	7,916	—	—
Lease liabilities	*14*	5,312	4,186	—	—
Total non-current liabilities		18,027	13,608	20,000	17,590
Net liabilities		(1,274,116)	(1,804,778)	(2,276,272)	(2,366,085)
EQUITY					
Equity attributable to owners of the parent					
Share capital	*27*	56	56	56	56
Treasury shares	*27*	(10)	(9)	(7)	(5)
Deficits	*29*	(1,274,162)	(1,804,825)	(2,276,321)	(2,366,136)
Total deficits		(1,274,116)	(1,804,778)	(2,276,272)	(2,366,085)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Note	Attributable to owners of the parent							
		Share capital	Treasury shares	Share premium	Share-based payment reserve	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits
		RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*
At 1 January 2023		56	(10)	72,566	13,224	112,732	(5,289)	(991,285)	(798,006)
Loss for the year		—	—	—	—	—	—	(481,753)	(481,753)
Other comprehensive loss for the year:									
Exchange differences		—	—	—	—	—	(19,632)	—	(19,632)
Fair value change of convertible redeemable preferred shares due to own credit risk		—	—	—	—	16,702	—	—	16,702
Total comprehensive loss for the year		—	—	—	—	16,702	(19,632)	(481,753)	(484,683)
Equity-settled share-based payment	*28*	—	—	—	8,573	—	—	—	8,573
Vesting of restricted shares		—	—*	892	(892)	—	—	—	—
At 31 December 2023		56	(10)	73,458**	20,905**	129,434**	(24,921)**	(1,473,038)**	(1,274,116)

* Amount less than RMB1,000.

Year ended 31 December 2024

		Attributable to owners of the parent							
	Note	Share capital	Treasury shares	Share premium	Share-based payment reserve	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits
		RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*
At 1 January 2024		56	(10)	73,458	20,905	129,434	(24,921)	(1,473,038)	(1,274,116)
Loss for the year		—	—	—	—	—	—	(523,755)	(523,755)
Other comprehensive loss for the year:									
Exchange differences		—	—	—	—	—	(23,938)	—	(23,938)
Fair value change of convertible redeemable preferred shares due to own credit risk		—	—	—	—	(3,903)	—	—	(3,903)
Total comprehensive loss for the year		—	—	—	—	(3,903)	(23,938)	(523,755)	(551,596)
Equity-settled share-based payment	*28*	—	—	—	20,934	—	—	—	20,934
Vesting of restricted shares		—	1	11,978	(11,979)	—	—	—	—
At 31 December 2024		56	(9)	85,436**	29,860**	125,531**	(48,859)**	(1,996,793)**	(1,804,778)

Year ended 31 December 2025

		Attributable to owners of the parent							
	Note	Share capital	Treasury shares	Share premium	Share-based payment reserve	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits
		RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*
At 1 January 2025		56	(9)	85,436	29,860	125,531	(48,859)	(1,996,793)	(1,804,778)
Loss for the year		—	—	—	—	—	—	(518,861)	(518,861)
Other comprehensive loss for the year:									
Exchange differences		—	—	—	—	—	47,599	—	47,599
Fair value change of convertible redeemable preferred shares due to own credit risk		—	—	—	—	(42,629)	—	—	(42,629)
Total comprehensive loss for the year		—	—	—	—	(42,629)	47,599	(518,861)	(513,891)
Equity-settled share-based payment	*28*	—	—	—	42,397	—	—	—	42,397
Vesting of restricted shares		—	2	26,063	(26,065)	—	—	—	—
At 31 December 2025		56	(7)	111,499**	46,192**	82,902**	(1,260)**	(2,515,654)**	(2,276,272)

Five months ended 31 May 2025 (unaudited)

		Attributable to owners of the parent							
	Note	Share capital	Treasury shares	Share premium	Share-based payment reserve	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits
		RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*
At 1 January 2025		56	(9)	85,436	29,860	125,531	(48,859)	(1,996,793)	(1,804,778)
Loss for the period (unaudited)		—	—	—	—	—	—	(227,648)	(227,648)
Other comprehensive loss for the period(unaudited):									
Exchange differences (unaudited)		—	—	—	—	—	(462)	—	(462)
Fair value change of convertible redeemable preferred shares due to own credit risk (unaudited)		—	—	—	—	(30,729)	—	—	(30,729)
Total comprehensive loss for the period (unaudited)		—	—	—	—	(30,729)	(462)	(227,648)	(258,839)
Equity-settled share-based payment (unaudited)	*28*	—	—	—	4,808	—	—	—	4,808
At 31 May 2025 (unaudited)		56	(9)	85,436	34,668	94,802	(49,321)	(2,224,441)	(2,058,809)

Five months ended 31 May 2026

		Attributable to owners of the parent							
	Note	Share capital	Treasury shares	Share premium	Share-based payment reserve	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits
		RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*
At 1 January 2026		56	(7)	111,499	46,192	82,902	(1,260)	(2,515,654)	(2,276,272)
Loss for the period		—	—	—	—	—	—	(137,324)	(137,324)
Other comprehensive loss for the period:									
Exchange differences		—	—	—	—	—	69,184	—	69,184
Fair value change of convertible redeemable preferred shares due to own credit risk		—	—	—	—	(31,884)	—	—	(31,884)
Total comprehensive loss for the period		—	—	—	—	(31,884)	69,184	(137,324)	(100,024)
Equity-settled share-based payment	*28*	—	—	—	10,211	—	—	—	10,211
Vesting of restricted shares		—	2	14,982	(14,984)	—	—	—	—
At 31 May 2026		56	(5)	126,481**	41,419**	51,018**	67,924**	(2,652,978)**	(2,366,085)

** These reserve accounts comprise the consolidated deficits of RMB1,274,162,000, RMB1,804,825,000 and RMB2,276,321,000 and RMB2,366,136,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025, and 31 May 2026, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Loss before tax:		(481,753)	(523,755)	(518,781)	(227,568)	(137,324)
Adjustments for:						
Finance costs	7	744	1,047	509	188	413
Interest income	5	(6,685)	(6,329)	(1,938)	(1,254)	(115)
(Reversal of impairment)/impairment losses on financial assets, net	6	(6)	1	303	—	197
Gain on early termination of lease	5	(8)	(1,029)	—	—	—
(Gain)/loss on disposal of items of property and equipment		(44)	(4)	9	9	—
Fair value changes of convertible redeemable preferred shares	6	313,852	369,841	325,712	178,169	75,756
Fair value changes of warrant liability	6	19	(2)	281	119	72
Equity-settled share-based payment expenses	6	8,573	20,934	42,397	4,808	10,211
Investment income from financial assets at fair value through profit or loss	5	(529)	(890)	—	—	—
Depreciation of property and equipment	13	13,901	15,663	23,604	9,634	9,287
Depreciation of right-of-use assets	14	4,636	7,765	4,037	1,741	1,639
Amortisation of intangible assets	15	803	1,089	1,617	619	744
Write-down of inventories to net realisable value	6	1,685	617	1,249	880	1,539
		(144,812)	(115,052)	(121,001)	(32,655)	(37,581)

	Notes	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
(Decrease)/increase in deferred income		(154)	968	494	2,244	(1,410)
(Increase)/decrease in restricted cash		—	(1,500)	(382)	(2,250)	1,541
(Increase)/decrease in trade receivables		—	—	(4)	(222)	4
Increase in long-term prepayments, deposits and other receivables		(3,926)	(6,352)	(6,335)	(14,311)	(29)
Decrease/(increase) in prepayments, other receivables and other assets		31,398	10,770	3,096	(8,027)	(863)
Decrease/(increase) in inventories		278	(1,857)	2,597	(4,669)	1,081
Increase/(decrease) in trade payables		20,832	16,946	12,354	9,275	(2,131)
Decrease in contract liabilities		(6,772)	(3,200)	(468)	(468)	—
Increase in other payables		2,203	4,244	3,336	8,976	5,494
Cash used in operations		(100,953)	(95,033)	(106,313)	(42,107)	(33,894)
Interest received		6,685	6,157	1,721	1,254	115
Income tax paid		—	—	(80)	(80)	—
Net cash flows used in operating activities		(94,268)	(88,876)	(104,672)	(40,933)	(33,779)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received		—	—	390	—	—
Purchases of items of property and equipment	*13*	(3,764)	(31,968)	(8,613)	(6,415)	(1,133)
Proceeds from disposal of items of property and equipment		758	413	—	—	—
Purchases of items of intangible assets		(1,986)	(4,163)	(761)	(496)	—
Purchase of financial assets at fair value through profit or loss		(105,831)	(74,463)	—	—	—
Proceeds from disposal of financial assets at fair value through profit or loss		106,360	75,353	—	—	—
(Increase)/decrease in time deposit		—	(35,726)	35,726	35,726	—
Net cash flows (used in)/ generated from investing activities		(4,463)	(70,554)	26,742	28,815	(1,133)

	Notes	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank loans		—	—	20,000	—	10,000
Repayment of bank loans		—	—	—	—	(1,000)
Payment for **[REDACTED]**		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Principal and interest elements of lease Payments	*14(b)*	(5,599)	(8,810)	(4,388)	(1,876)	—
Proceeds from issue of convertible redeemable preferred shares		—	46,004	—	—	—
Interest paid		—	—	(131)	—	(235)
Refund of lease deposits		—	—	57	57	—
Proceed received from directors		—	—	1,002	—	—
Net cash flows (used in)/ generated from financing activities		(5,599)	37,194	11,746	(3,179)	6,534
NET DECREASE IN CASH AND CASH EQUIVALENTS		(104,330)	(122,236)	(66,184)	(15,297)	(28,378)
Cash and cash equivalents at beginning of year/period		335,442	232,498	112,388	112,388	45,247
Effect of foreign exchange rate changes, net		1,386	2,126	(957)	(339)	167
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	*19*	232,498	112,388	45,247	96,752	17,036
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances as stated in the statements of financial position	*19*	232,498	149,614	47,129	100,502	17,377
Less:						
Restricted cash		—	(1,500)	(1,882)	(3,750)	(341)
Non-pledged time deposits with maturity over three months		—	(35,726)	—	—	—
Cash and cash equivalents as stated in the statements of cash flows		232,498	112,388	45,247	96,752	17,036

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December			As at 31 May
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Investment in subsidiaries	*1*	1,025,507	1,154,629	1,228,484	1,215,488
Total non-current assets		1,025,507	1,154,629	1,228,484	1,215,488
CURRENT ASSETS					
Prepayments, other receivables and other assets	*17*	—	174	6,320	8,281
Time deposits with original maturity of over three months	*19*	—	35,726	—	—
Cash and bank balances	*19*	146,573	67,572	25,405	9,118
Total current assets		146,573	103,472	31,725	17,399
CURRENT LIABILITIES					
Other payables	*21*	6,396	6,577	12,510	17,806
Convertible redeemable preferred shares	*25*	1,510,348	1,956,078	2,275,992	2,314,788
Warrant liability	*25*	5,542	5,622	5,774	5,671
Total current liabilities		1,522,286	1,968,277	2,294,276	2,338,265
NET CURRENT LIABILITIES		(1,375,713)	(1,864,805)	(2,262,551)	(2,320,866)
TOTAL ASSETS LESS CURRENT LIABILITIES		(350,206)	(710,176)	(1,034,067)	(1,105,378)
Net liabilities		(350,206)	(710,176)	(1,034,067)	(1,105,378)
EQUITY					
Issued capital	*27*	56	56	56	56
Treasury shares	*27*	(10)	(9)	(7)	(5)
Deficits	*29*	(350,252)	(710,223)	(1,034,116)	(1,105,429)
Total deficits		(350,206)	(710,176)	(1,034,067)	(1,105,378)

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 17 May 2018 as an exempted company with limited liability under the Cayman Companies Act Chapter 22 of the Cayman Islands. The registered address of the office of the Company is Ascentium (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. During the Relevant Periods, the Company's subsidiaries are principally engaged in the discovery, research, and development of novel oncolytic immunotherapies and engineered exosome therapies.

The Company and its subsidiaries now comprising the Group underwent the Reorganization as set out in the paragraph headed "Reorganization" in the section headed "History, Reorganization and Corporate Structure" in the Document. Apart from the Reorganization, the Company has not commenced any business or operation since its incorporation.

As at the end of the Relevant Periods and the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of the Company's principal subsidiaries are set out below:

Name	Date and place of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal business activities
			Direct	Indirect	
ImmVira Co., Limited ("**Immvira Shenzhen**")* *(note (a))* (深圳市亦諾微醫藥科技有限公司)	28 May 2015 PRC/ Chinese mainland	RMB622,767,100	—	100	Research and development of biological products (mainly oncolytic immunotherapy)
ImmVira Biopharmaceuticals Co., Limited ("**Immvira Suzhou**")* *(note (b))* (蘇州亦諾微醫藥科技有限公司) .	27 August 2021 PRC/ Chinese mainland	US$27,000,000	—	100	Research and development of biological products
EonVeLab Co., Limited ("**EonVeLab**")* *(note (c))* (亦及之洲生物科技(蘇州)有限公司)	16 July 2024 PRC/ Chinese mainland	RMB18,000,000	—	100	Research, development and sales of biological products (mainly exosome products)

(a) The entity is a limited liability enterprise established under the PRC law. The statutory financial statements for the year ended 31 December 2023, 2024 and 2025 prepared under the China Accounting Standards for Business Enterprises ("**CAS**") were audited by Shenzhen Donghai Certified Public Accountants (Special General Partnership) (深圳東海會計師事務所(特殊普通合夥)), certified public accountants registered in the PRC.

(b) The entity is a limited liability enterprise established on 27 August 2021 under the PRC law. The statutory financial statements for the year ended 31 December 2023, 2024 and 2025 prepared under the CAS were audited by Jiangsu Welsen Certified Public Accountants Co., Ltd. (江蘇華星會計師事務所有限公司), certified public accountants registered in the PRC.

(c) The entity is a limited liability enterprise established on 16 July 2024 under the PRC law. The statutory financial statements for the year ended 31 December 2024 and 2025 prepared under the CAS were audited by Jiangsu Welsen Certified Public Accountants Co., Ltd. (江蘇華星會計師事務所有限公司), certified public accountants registered in the PRC.

* The English names of these subsidiaries registered in Chinese mainland represent the best effort made by the directors of the Company to translate the Chinese names as these companies have not been registered with any official English names.

The carrying amounts of the Company's investments in subsidiaries is as below:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investments*	933,316	1,039,903	1,074,579	1,056,149
Share based payment	92,191	114,726	153,905	159,339
Total	1,025,507	1,154,629	1,228,484	1,215,488

* The investments include long-term loans to a subsidiary that form part of the net investments.

2.1 BASIS OF PRESENTATION

Pursuant to the Reorganisation, as more fully explained in the paragraph headed "Reorganisation" in the section headed "History, reorganization and corporate structure" in the Document, the Company became the holding company of the companies now comprising the Group on 30 January 2019.

As the Reorganisation mainly involved inserting new holding companies at the top of an existing company, Immvira Shenzhen, and has not resulted in any change of economic substance, for the purpose of this report, the Historical Financial Information for the Relevant Periods and in the period covered by the Interim Comparative Financial Information has been presented as a continuation of Immvira Shenzhen and its subsidiaries using the pooling of interest method as if the Company had been the holding company of Immvira Shenzhen and its subsidiaries at the beginning of each of the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

Accordingly, the consolidated statements of profit or loss, the statements of comprehensive income, the consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the Relevant Periods and in the period covered by the Interim Comparative Financial Information include the consolidated results and cash flows of all companies now comprising the Group from the earliest date presented or since the date of incorporation of the subsidiaries, where there is a shorter period. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganisation.

All intra-group transactions and balances have been eliminated on consolidation.

2.2 BASIS OF PREPARATION

The Historical Financial Information of the Company and its subsidiaries have been prepared in accordance with IFRS Accounting Standards, which comprised all standards and interpretations approved by the International Accounting Standards Board. All IFRS Accounting Standards effective for the accounting period commencing on or before 1 January 2026, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information and the Interim Comparative Financial Information.

The Historical Financial Information has been prepared on a historical cost convention, except for financial assets and financial liabilities which have been measured at fair value.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, as at 31 May 2026, the Group recorded net liabilities of RMB2,366,085,000 and net current liabilities of RMB2,390,634,000. The net current liabilities primarily arose from the convertible redeemable preferred shares (the "**Preferred Shares**") included in financial liabilities at fair value through profit or loss amounting to RMB2,314,788,000 as at 31 May 2026. As disclosed in note 25 to the Historical Financial Information, since the redemption rights of the Preferred Shares were conditionally suspended upon the first submission of the **[REDACTED]** to

The Stock Exchange on 25 June 2025, the directors of the Company do not expect the Preferred Shares to be redeemed within twelve months since the date of approval of the Historical Financial Information. In addition, the directors of the Company have reviewed the Group's cash flow projection prepared by management, which covered a period of not less than twelve months from 31 May 2026. In the opinion of the directors of the Company, taking into account (i) the Group's financial resources on hand, including aggregate bank facilities of RMB230,000,000 and other loan facilities of RMB80,000,000, (ii) the directors of the Company are of the opinion that no payment is expected for the settlement of the liabilities arising from financial instruments issued to investors as the related redemption rights would be terminated and such financial instruments would converted into equity upon the **[REDACTED]** of the Company's shares on the Stock Exchange, (iii) the cash and cash equivalents, the directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial liabilities and obligations as and when they fall due for the next twelve months from 31 May 2026. Accordingly, the Historical Financial Information has been prepared on a going concern basis.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[2]
lFRS 18	*Presentation and Disclosure in Financial Statements*[1]
lFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[1]
Amendments to lAS 21	*Translation to a Hyperinflationary Presentation Currency*[1]
Amendments to IAS 28	*Fair Value Option for Investments in Associates and Joint Ventures*[1]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[3]

[1] Effective for reporting periods beginning on or after 1 January 2027
[2] No mandatory effective date yet determined but available for adoption
[3] Effective for the annual periods beginning on or after 1 January 2029

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statements of profit or loss and other comprehensive income and consolidated statements of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.4 MATERIAL ACCOUNTING POLICIES

Basis of consolidation

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee). When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a. the contractual arrangement with the other vote holders of the investee;

b. rights arising from other contractual arrangements; and

c. the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same Relevant Periods as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. The results of subsidiaries are included in the Company's profit or loss to the extent of dividend received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Fair value measurement

The Group measures its investment properties, derivative financial instruments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	—	based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	—	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
Level 3	—	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an

individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant Periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior periods. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

  (iii) the entity and the Group are joint ventures of the same third party;

  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

  (vi) the entity is controlled or jointly controlled by a person identified in (a);

  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property and equipment and depreciation

Property and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Laboratory equipment	20% to 33%
Electronic equipment	20% to 33%
Office equipment	20%
Leasehold improvement	Over the shorter of the lease terms and 20%

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant asset.

Construction in progress represents equipment under installation, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of property and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at least at each financial year end.

Computer software

Acquired computer software is stated at historical cost less any impairment losses and amortisation. The Company amortizes intangible assets using the straight-line method over an estimated useful life of 5 years, which depends on the authorised period by the software manufacturer or management estimation.

Research and development costs

All research and development costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets.

Buildings	3 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets (elected on a lease-by-lease basis).

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(a) Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

(b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(a) General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the end of the Relevant Periods with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1	—	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
Stage 2	—	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
Stage 3	—	Financial assets that are credit-impaired at the end of each of the Relevant Periods (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

(b) Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each of the Relevant Periods. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, convertible redeemable preferred shares, warrant liability and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Convertible redeemable preferred shares

The convertible redeemable preferred shares with embedded derivatives whose economic risks and characteristics are not closely related to those of the host contract (the liability component) as a whole are designated as financial liabilities at fair value through profit or loss on initial recognition.

The Group designated convertible redeemable preferred shares as financial liabilities at fair value through profit or loss. They are initially recognised at fair value. Any directly attributable transaction costs are recognised as finance costs in the statement of profit or loss. Subsequent to initial recognition, the convertible redeemable preferred shares are carried at fair value with changes in fair value recognised in the statement of profit or loss. Fair value change of the convertible redeemable preferred shares that is attributable to changes in its own credit risk are subsequently recognised in the other comprehensive income.

Warrant liability

The Group issued warrant which entitled the investor to purchase certain number of the convertible redeemable preferred shares issued by the Company at an agreed exercise price. The warrant is a derivative financial instrument which is initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value.

(b) Financial liabilities at amortised cost, trade and other payables, interest-bearing bank borrowings.

After initial recognition, trade and other payables and interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the Relevant Periods and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised 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.

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 revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

License and collaboration revenue

The Group enters into a license and collaboration agreement (the "**Agreement**") for research, development, manufacturing and commercialisation services with one customer in 2020. Pursuant to the Agreement, the Group will grant an exclusive license to the customer to research, develop, manufacture and commercialize the licensed product, provide research and development services, participate in the Joint Steering Committee ("**JSC**") and provide technical support services in PRC. The Group is entitled to a non-refundable upfront fee upon the delivery of the initial technology documents of RMB20 million, milestones payments for the registration of patent authorisation of RMB30 million, specified development milestones and specified regulatory milestones and sales-based royalties including milestone payments based on the level of net sales of the Agreement. Milestone payment is a form of variable consideration which is included in the transaction price to the extent that it is highly probable that a significant reversal of accumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The contracts generally do not include a significant financing component.

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. In assessing whether a license is distinct from the other promises, the Group considers factors such as the research, development, manufacturing and commercialisation capabilities of the collaboration partner and the availability of the associated expertise in the general marketplace. In addition, the Group considers whether the counterparty can benefit from a license for its intended purpose without the receipt of the remaining promises by considering whether the value of the license is dependent on the unsatisfied promises, whether there are other vendors that could provide the remaining promises, and whether it is separately identifiable from the remaining promises. The Group determined that the promises in the Agreement represent one combined performance obligation, because these promises are mutually dependent and the customer is unable to derive significant benefits from its access to each promise for the intended purpose without receipt of the remaining promises, which are highly specialised and cannot be performed by others.

The Group uses judgement to determine whether milestones or other variable consideration, except for royalties, should be included in the transaction price. Upon contract inception, the Group has estimated that the total transaction price is constrained to RMB50 million which included upfront fee upon the delivery of the initial technology documents of RMB20 million and payments for the registration of patent authorisation of RMB30 million.

Sales-based royalty including milestone payments will be recognised until the later of the subsequent sales occur or the performance obligation is satisfied (or partially satisfied).

At the inception of each arrangement that includes milestone payments, the Group evaluates whether the milestones are considered probable of being achieved and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant reversal of cumulative revenue would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within the control of the Group, such as regulatory approvals, are not considered probable of being achieved until those approvals are received. The Group evaluates factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve the particular milestone in making this assessment. There is considerable judgement involved in determining whether it is probable that a significant reversal of cumulative revenue would not occur. At the end of each subsequent Relevant Periods, the Group re-evaluates the probability of achievement of all milestones subject to constraint and, if necessary, adjusts its estimate of the overall transaction price.

The Group recognises revenue only when it satisfies a performance obligation by transferring control of the promised goods or services. The transfer of control can occur over time or at a point in time. A performance obligation is satisfied over time if it meets one of the following criteria.

- The counterparty simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

- The Group's performance creates or enhances an asset that the counterparty controls as the asset is created or enhanced.

- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group determines that revenue from the single combined performance obligation is recognised over time, using an input method to measure progress towards complete satisfaction of the service. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the services.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates an equity-settled share-based payment scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 28 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of **[REDACTED]**.

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in Chinese mainland are required to participate in a central pension scheme operated by the local government. The subsidiary operating in Chinese mainland is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund — Chinese mainland

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

The Historical Financial Information are presented in RMB. Each entity in the Group determines its own functional currency and items included in the Historical Financial Information of each entity are measured using that functional currency. The functional currency of the Company is US Dollars. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the Relevant Periods. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each of the Relevant Periods and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Events after the Relevant Periods

If the Group receives information after the Relevant Periods, but prior to the date of authorisation for issue, about conditions that existed at the end of each of the Relevant Periods, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its Historical Financial Information to reflect any adjusting events after the Relevant Periods and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the Relevant Periods, the Group will not change the amounts recognised in its Historical Financial Information, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(a) Determining the performance obligations of the contract

A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer; and (b) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

The Group identified the following four promises under the Agreement with the customer: (i) an exclusive license to research, develop, manufacture and commercialize the licensed product, (ii) research and development services, (iii) participation in the Joint Steering Committee ("**JSC**") and (iv) technical support services.

The Group evaluated that the license of intellectual property is not distinct from the research and development services as the customer cannot fully exploit the value of the license without receipt of such research and development services. The Group's research and development services involve specialized expertise, particularly as it relates to oncolytic herpes simplex virus ("**oHSV**") technology that is not available in the marketplace.

The Group concluded that the preparation and participation in the JSC is not distinct from the research and development services as the JSC's responsibility is to discuss, determine and adjust the scheme of the research and development activities, and the trial results of research and development activities significantly affect the next-step decision of the JSC.

The Group considered that the technical support services which are provided throughout the entire period of research and development to assist the customer to understand the technology of the drug, to make decisions during the JSC and to manufacture the products, are not distinct from the research and development services because they represent an input to the research and development to achieve the commercialisation of the product.

Therefore, the Group determined that the above four promises should be combined into a single performance obligation which is satisfied over time.

(b) Determining the method to estimate variable consideration

Certain contract includes milestone payment that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the most likely amount method is the appropriate method to use in estimating the variable consideration for the milestone payments as this method better predicts the amount of variable consideration to which the Group will be entitled.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group evaluates factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve the particular milestone in making this assessment.

Research and development expenses

All research costs are charged to profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the amounts to be capitalised or expensed requires management to make assumptions and judgements. In the opinion of management, during the Relevant Periods, the criteria for capitalization of development costs were not met and development expenditure were expensed.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimation of process towards completion of performance obligations

The Group measures the progress of completion for the research and development services based on the percentage of actual incurred costs to the total expected research and development costs to satisfy the performance obligation. Total expected costs that would incur for the research and development services require estimations from management based on understanding of the performance of the contract and the Group's historical experience. The Group reviews and revises the estimates during the entire life of license and collaboration agreement as the research and development service progress. Where the actual contract revenue is less than expected or actual contract costs are more than expected, a provision for onerous contract may arise.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each of the Relevant Periods. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Due to the inability to estimate whether the Group will be profitable in the foreseeable future, the deferred tax assets relating to recognised tax losses were not recognised. Further details are contained in note 10 to the Historical Financial Information.

Useful lives and residual values of property and equipment

In determining the useful life and residual value of an item of Office equipment, Electronic equipment and Laboratory equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. The depreciation amount will be adjusted if the estimated useful life and/or the residual value of an item of office equipment, electronic equipment and laboratory equipment are different from the previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances.

Fair value of convertible redeemable preferred shares

The convertible redeemable preferred shares issued by the Company are not traded in an active market and the respective fair value is determined by using valuation techniques. The Group applied the discounted cash flow method to determine the underlying equity value of the Company and adopted the option-pricing method and equity allocation model to determine the fair value of the convertible redeemable preferred shares. Such valuation is based on certain assumptions about discounts for lack of marketability and volatility, which are subject to uncertainty and might materially differ from the actual results. Further details are included in note 25 to the Historical Financial Information.

Fair value of warrant liabilities

The warrant liabilities entitled the holder to purchase the then most senior preferred shares issued by the Company in the next round financing at an exercise price equal to the ninety percent of the then issued price for an aggregate exercise price of up to US$7,650,000. The gain of the warrant is capped at US$850,000 and this value is discounted back using risk free rate to derive its fair value. Such valuation is based on certain assumptions which are subject to uncertainty and might materially differ from the actual results. Further details are included in note 25 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the discovery, research, and development of novel oncolytic immunotherapies and engineered exosome therapies.

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance, does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Chinese mainland	6,772	3,200	468	468	—
United States of America	—	—	840*	837	—
Total revenue	6,772	3,200	1,308	1,305	—

* For the year ended 31 December 2025, the revenue of the Group is primarily derived from an unexclusive license for research and development, manufacturing and commercialisation of Exosome in United States of America. The upfront payment of the technologic license is recognised in revenue when the license of the Exosome is completed.

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Chinese mainland	41,618	75,028	53,512	42,139

The non-current assets information above is based on the locations of the assets.

Information about major customers

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Customer A	6,772	3,200	468	468	—
Customer B	—	—	840	837	—

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Five months ended 31 May	
Segments	**2023**	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Type of goods or services					
License and collaboration revenue	6,772	3,200	1,308	1,305	—
Total revenue from contracts with customers	6,772	3,200	1,308	1,305	—
Geographical markets					
Chinese mainland	6,772	3,200	468	468	—
United States of America	—	—	840	837	—
Total revenue from contracts with customers	6,772	3,200	1,308	1,305	—
Timing of revenue recognition					
Transferred over time	6,772	3,200	468	468	—
Transferred at the point in time	—	—	840	837	—
Total revenue from contracts with customers	6,772	3,200	1,308	1,305	—

The following table shows the amounts of revenue recognised in the Relevant Periods and the five months ended 31 May 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods:

	Year ended 31 December			Five months ended 31 May	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of each of the Relevant Periods:					
License and collaboration revenue	6,772	3,200	468	468	—

(b) Performance obligations

License and collaboration revenue

The combined performance obligation that includes licenses of intellectual property, research and development services, participation in the JSC services and technical support services related to the commercialisation of T3011-IT that is satisfied over time. The Group measures proportional performance using an input method based on the costs incurred relative to the total estimated costs. At contract inception, the transaction price of the combined performance obligation was determined as RMB50 million, of which RMB20 million and RMB30 million were received on 21 October 2020 and 21 February 2021, respectively.

Certain research and development services were delayed or suspended, as further efforts are required before determining appropriate indications for clinical development. The Group assessed the progress towards completion for the research and development services based on its best estimation and the revenue recognition will not occur until the uncertainty associated with the services is resolved or revenue will be recognised when it is highly probable that a significant revenue reversal would not occur.

The performance obligation of an out-licensing agreement that includes an un-exclusive license for research and development, manufacturing and commercialisation of Exosome is satisfied at the point of time when the non-refundable upfront payment is received and the licence is completed.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2023, 2024 and 2025 and 31 May 2026 are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts expected to be recognised as revenue:				
Within one year	3,200	4,261	11,709	11,709
After one year	12,177	7,916	—	—
Total	15,377	12,177	11,709	11,709

The amounts disclosed above do not include variable consideration which is constrained.

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Other income					
Bank interest income	6,685	6,329	1,938	1,254	115
Foreign exchange differences, net	—	—	448	399	9
Government grants*	16,113	8,159	4,412	1,499	2,187
Investment income from financial assets at fair value through profit or loss	529	890	—	—	—
Others	233	1,360	1,335	1,271	54
Total other income	23,560	16,738	8,133	4,423	2,365
Gains					
Gain on early termination of lease	8	1,029	—	—	—
Gain on disposal of items of property and equipment	44	4	—	—	—
Total gains	52	1,033	—	—	—
Total other income and gains	23,612	17,771	8,133	4,423	2,365

* Various government grants have been received from local government authorities in the PRC. There are no unfulfilled conditions and other contingencies relating to these grants.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December			Five months ended 31 May	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cost of services provided		23,512	12,437	2,827	1,515	830
Research and development expense		136,201	111,542	112,017	26,448	31,003
Write-down of inventories to net realisable value**		1,685	617	1,249	880	1,539
Depreciation of property, plant and equipment	*13*	13,901	15,663	23,604	9,634	9,287
Amortisation of intangible assets	*15*	803	1,089	1,617	619	744
Depreciation of right-of-use assets	*14*	4,636	7,765	4,037	1,741	1,639
(Reversal of impairment)/ impairment losses on financial assets, net*		(6)	1	303	—	197
Lease payments not included in the measurement of lease liabilities	*14*	317	339	294	156	69
Government grants	*5*	(16,113)	(8,159)	(4,412)	(1,499)	(2,187)
Equity-settled share-based payment***	*29*	8,573	20,934	42,397	4,808	10,211
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Fair value losses/(gains), net:						
Convertible redeemable preferred shares	*25*	313,852	369,841	325,712	178,169	75,756
Warrant liability	*25*	19	(2)	281	119	72
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8)):						
Wages and salaries		47,881	43,903	32,493	12,547	11,241
Pension scheme contributions (defined contribution schemes)		1,752	1,726	1,822	748	944
Equity-settled share-based payment		2,128	14,415	31,056	2,093	5,374
Foreign currency exchange loss/(gain), net		12	1,243	(448)	(399)	(9)

* (Reversal of impairment)/impairment of other receivables and trade receivable is included in "Other expenses" in the consolidated statement of profit or loss.

** Write-down of inventories to net realisable value is included in "Other expenses" in the consolidated statements of profit or loss.

*** Equity-settled share-based payment expenses are recorded in "Research and development expenses" and "Administrative expenses" in the consolidated statements of profit or loss.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest expenses on:					
Interest on bank loans	—	—	131	—	331
Lease liabilities *(note 14)*	744	1,047	378	188	82
Total	744	1,047	509	188	413

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the Relevant Periods and the five months ended 31 May 2025 is as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Other emoluments:					
Salaries, allowances and benefits in kind	2,266	2,649	2,151	900	880
Equity-settled share-based payment expense	6,445	6,519	11,341	2,715	4,837
Pension scheme contributions	43	27	—	—	—
Total	8,754	9,195	13,492	3,615	5,717

During the Relevant Periods and the five months ended 31 May 2025, certain directors were granted with restricted shares, in respect of their services to the Group, under the share incentive scheme of the Group, further details of which are set out in note 28 to the Historical Financial Information.

The fair value of restricted shares, which has been recognised in the consolidated statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the Relevant Periods and the five months ended 31 May 2025 is included in the above directors' and chief executive's remuneration disclosures.

(a) Independent non-executive directors

There were no fees and other emoluments paid or payable to independent non-executive directors during the Relevant Periods and the five months ended 31 May 2025.

(b) Executive directors and non-executive directors

Year ended 31 December 2023	Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:				
Dr. Grace Guoying Zhou *(Note (i))*	2,266	3,772	43	6,081
Non-executive directors:				
Mr. Dongyao Ni *(Note (ii))*	—	2,673	—	2,673
Dr. Tang Dajie *(Note (iii))*	—	—	—	—
Mr. Wen Chen *(Note (iv))*	—	—	—	—
Mr. Zhu Jingyang *(Note (v))*	—	—	—	—
Mr. Lv Dong *(Note (vi))*	—	—	—	—
Mr. Wang Dawei *(Note (vii))*	—	—	—	—
Total	2,266	6,445	43	8,754

Year ended 31 December 2024	Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:				
Dr. Grace Guoying Zhou *(Note (i))*	2,649	3,815	27	6,491
Non-executive directors:				
Mr. Dongyao Ni *(Note (ii))*	—	2,704	—	2,704
Dr. Tang Dajie *(Note (iii))*	—	—	—	—
Mr. Wen Chen *(Note (iv))*	—	—	—	—
Mr. Zhu Jingyang *(Note (v))*	—	—	—	—
Mr. Lv Dong *(Note (vi))*	—	—	—	—
Mr. Wang Dawei *(Note (vii))*	—	—	—	—
Total	2,649	6,519	27	9,195

Year ended 31 December 2025	Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:				
Dr. Grace Guoying Zhou *(Note (i))*	2,151	8,633	—	10,784
Non-executive directors:				
Mr. Dongyao Ni *(Note (ii))*	—	2,708	—	2,708
Dr. Tang Dajie *(Note (iii))*	—	—	—	—
Mr. Wen Chen *(Note (iv))*	—	—	—	—
Mr. Zhu Jingyang *(Note (v))*	—	—	—	—
Mr. Lv Dong *(Note (vi))*	—	—	—	—
Mr. Wang Dawei *(Note (vii))*	—	—	—	—
Total	2,151	11,341	—	13,492

Five months ended 31 May 2025 (unaudited)	Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:				
Dr. Grace Guoying Zhou *(Note (i))*	900	1,589	—	2,489
Non-executive directors:				
Mr. Dongyao Ni *(Note (ii))*	—	1,126	—	1,126
Dr. Tang Dajie *(Note (iii))*	—	—	—	—
Mr. Wen Chen *(Note (iv))*	—	—	—	—
Mr. Zhu Jingyang *(Note (v))*	—	—	—	—
Mr. Lv Dong *(Note (vi))*	—	—	—	—
Mr. Wang Dawei *(Note (vii))*	—	—	—	—
Total	900	2,715	—	3,615

Five months ended 31 May 2026	Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:				
Dr. Grace Guoying Zhou *(Note (i))*	880	4,837	—	5,717
Non-executive directors:				
Dr. Tang Dajie *(Note (iii))*	—	—	—	—
Mr. Wen Chen *(Note (iv))*	—	—	—	—
Mr. Zhu Jingyang *(Note (v))*	—	—	—	—
Mr. Lv Dong *(Note (vi))*	—	—	—	—
Mr. Wang Dawei *(Note (vii))*	—	—	—	—
Total	880	4,837	—	5,717

Notes:

(i) Dr. Grace Guoying Zhou was appointed as a director and the chief executive officer in May 2018.

(ii) Mr. Dongyao Ni was appointed as a director in May 2018 and resigned in June 2025.

(iii) Dr. Tang Dajie was appointed as a director in January 2019 and resigned in June 2025.

(iv) Mr. Wen Chen was appointed as a director in January 2019 and resigned in June 2025.

(v) Mr. Zhu Jingyang was appointed as a director in June 2020.

(vi) Mr. Lv Dong was appointed as a director in May 2021 and resigned in June 2025.

(vii) Mr. Wang Dawei was appointed as a director in October 2022 and resigned in June 2025.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the five months ended 31 May 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods and the five months ended 31 May 2025 include two, two, one, two and one directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining highest paid employee who is neither a director nor chief executive of the Company during the Relevant Periods and the five months ended 31 May 2025 are as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	6,466	6,981	6,989	2,566	2,825
Equity-settled share-based payment expense	—	9,520	15,615	654	3,685
Pension scheme contributions	132	144	164	69	69
Total	6,598	16,645	22,768	3,289	6,579

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
				(unaudited)	
Nil to HKD1,000,000	—	—	—	2	—
HKD1,000,001 to HKD1,500,000	—	—	—	—	1
HKD1,500,001 to HKD2,000,000	2	1	—	—	1
HKD2,000,001 to HKD2,500,000	—	—	—	1	2
HKD3,500,001 to HKD4,000,000	1	—	1	—	—
HKD5,000,001 to HKD5,500,000	—	—	1	—	—
HKD5,500,001 to HKD6,000,000	—	1	—	—	—
HKD6,000,001 to HKD6,500,000	—	—	1	—	—
HKD9,500,001 to HKD10,000,000	—	1	1	—	—
Total	3	3	4	3	4

During the Relevant Periods and the five months ended 31 May 2025, equity-settled share-based payment were granted to two non-directors and non-chief executive highest paid employees in respect of his services to the Group, further details of which are included in the disclosures in note 28 to the financial statements.

The fair value of equity-settled share-based payment, which has been recognised in the consolidated statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the Relevant Periods and the five months ended 31 May 2025 is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

During the Relevant Periods and the five months ended 31 May 2025, no emoluments were paid by the Group to the five highest paid employees as an inducement to join or upon joining the Group. None of the five highest paid employees have waived any remuneration during the Relevant Periods and the five months ended 31 May 2025.

10. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Cayman Islands

Pursuant to the rules and regulations of Cayman, the Group is not subject to any income tax in Cayman.

Chinese mainland

Pursuant to the PRC Corporate Income Tax Law (the "**PRC Tax Law**") effective on 1 January 2008, the PRC corporate income tax rate of Immvira Shenzhen during the Relevant Periods and the five months ended 31 May 2025 was 25% of their taxable profits. Immvira Shenzhen was accredited as small and medium-sized technology-based enterprise during the Relevant Periods and in the period covered by the Interim Comparative Financial Information. For enterprises that have the qualifications of small and medium-sized high-tech enterprises in the current year, their unrecovered losses in the 10 years before the qualification year are allowed to be carried forward to make up for the following years.

Pursuant to the PRC Tax Law effective on 1 January 2008, the PRC corporate income tax rate of Immvira Suzhou during the Relevant Periods and the five months ended 31 May 2025 was 25% of their taxable profits.

For the year ended 31 December 2024, EonVeLab is qualified as a small and micro enterprise and if its annual taxable income is less than RMB1 million, the applicable enterprise income tax rate determined by the relevant authority is 5%. Since 1 January 2025, EonVeLab did not meet the requirement of small and micro enterprises, the applicable income tax rate is 25%.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the Relevant Periods. No provision for Hong Kong profits tax has been made as the Group has no assessable profits derived from or earned in Hong Kong during the Relevant Periods and the five months ended 31 May 2025.

Australia

The subsidiary incorporated in the Australia is subject to Australia income tax. Australia corporate income tax has been provided at the rate of 25% on the estimated assessable profits arising in Australia. No provision for Australia profits tax has been made as the Group has no assessable profits derived from or earned in Australia before the deregistration of its Australian subsidiary in August 2025.

The income tax expense of the Group is analysed as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Current income tax	—	—	80	80	—
Deferred income tax *(note 26)*	—	—	—	—	—
Total	—	—	80	80	—

A reconciliation of the tax expense applicable to loss before tax at the statutory rate of Chinese mainland (i.e., 25%) where the main operating entity is domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	Year ended 31 December						Five months ended 31 May			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Loss before tax	(481,753)		(523,755)		(518,781)		(227,568)		(137,324)	
Tax at the statutory tax rate	(120,438)	25	(130,939)	25	(129,695)	25	(56,892)	25	(34,331)	25
Effect of different applicable tax rates for specific jurisdictions or enacted by local authority	81,553	(17)	104,402	(20)	82,304	(16)	46,514	(20)	20,321	(15)
Income not subject to tax	(995)	—	(284)	—	(44)	—	(44)	—	—	—
Super deduction for research and development expenses	(18,886)	4	(13,681)	3	(20,342)	4	(5,382)	2	(6,281)	5
Expenses not deductible for tax	2,289	—	5,315	(1)	10,715	(2)	1,220	(1)	2,550	(2)
Unrecognised deductible temporary differences and tax losses	56,477	(12)	35,187	(7)	57,142	(11)	14,664	(6)	17,741	(13)
Tax charge at the Group's effective rate	—	—	—	—	80	—	80	—	—	—

The Group has tax losses in Chinese mainland of RMB883,778,000, RMB1,000,862,000, RMB1,203,674,000 and RMB1,264,834,000 as at 31 December 2023, 2024 and 2025 and 31 May 2026, respectively, which will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses in the Hong Kong of RMB52,086,000, RMB69,978,000, RMB91,506,000 and RMB94,209,000 in aggregate as at 31 December 2023, 2024 and 2025 and 31 May 2026, respectively, which will be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for the past several years and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

Pursuant to the PRC Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Chinese mainland and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10% and may be reduced to 5% if certain criteria could be met under the Double Taxation Arrangement (Hong Kong). The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Chinese mainland in respect of earnings generated from 1 January 2008.

As at 31 December 2023, 2024 and 2025 and 31 May 2026 the subsidiaries in Chinese mainland had no distributable retained earnings.

11. DIVIDENDS

No dividends had been paid or declared by the Company since its incorporation.

12. LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the Relevant Periods attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the Relevant Periods and the five months ended 31 May 2025 excluding ordinary shares held for share schemes as these shares are not considered outstanding for earnings per share calculation purposes, respectively.

The calculation of the diluted loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares outstanding used in the calculation is the number of ordinary shares in issue during the Relevant Periods and the five months ended 31 May 2025, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

No adjustment was made to the basic loss per share amounts presented for the Relevant Periods and the five months ended 31 May 2025 in respect of a dilution as the impact of the warrant, the convertible redeemable preferred shares and share based payment had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share are based on:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Losses					
Loss attributable to ordinary equity holders of the parent, used in the basic losses per share calculation	(481,753)	(523,755)	(518,861)	(227,648)	(137,324)
	Number of shares				
	2023	**2024**	**2025**	**2025**	**2026**
				(unaudited)	
Shares					
Weighted average number of ordinary shares in issue during the year/period used in the basic earnings per share calculation	67,569,561	67,749,769	70,318,877	67,749,769	74,819,994

13. PROPERTY AND EQUIPMENT

	Office equipment	Leasehold improvement	Electronic equipment	Laboratory equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023						
At 1 January 2023:						
Cost	1,380	18,004	1,742	39,378	735	61,239
Accumulated depreciation	(508)	(10,121)	(966)	(15,134)	—	(26,729)
Net carrying amount	872	7,883	776	24,244	735	34,510
At 1 January 2023, net of accumulated depreciation	872	7,883	776	24,244	735	34,510
Additions	9	4	41	2,880	830	3,764
Disposals	—	—	(5)	(709)	—	(714)
Depreciation provided during the year *(note 6)*	(268)	(5,132)	(505)	(7,996)	—	(13,901)
Transfers from construction in progress	3	—	1,260	—	(1,263)	—
At 31 December 2023, net of accumulated depreciation	616	2,755	1,567	18,419	302	23,659
At 31 December 2023:						
Cost	1,392	18,008	3,028	41,265	302	63,995
Accumulated depreciation	(776)	(15,253)	(1,461)	(22,846)	—	(40,336)
Net carrying amount	616	2,755	1,567	18,419	302	23,659

	Office equipment	Leasehold improvement	Electronic equipment	Laboratory equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	1,392	18,008	3,028	41,265	302	63,995
Accumulated depreciation	(776)	(15,253)	(1,461)	(22,846)	—	(40,336)
Net carrying amount	616	2,755	1,567	18,419	302	23,659
At 1 January 2024, net of accumulated depreciation	616	2,755	1,567	18,419	302	23,659
Additions	98	174	171	3,488	36,955	40,886
Disposals	(243)	—	(22)	(144)	—	(409)
Depreciation provided during the year *(note 6)*	(248)	(6,871)	(727)	(7,817)	—	(15,663)
Transfers from construction in progress	718	36,539	—	—	(37,257)	—
At 31 December 2024, net of accumulated depreciation	941	32,597	989	13,946	—	48,473
At 31 December 2024:						
Cost	1,346	54,721	2,916	43,958	—	102,941
Accumulated depreciation	(405)	(22,124)	(1,927)	(30,012)	—	(54,468)
Net carrying amount	941	32,597	989	13,946	—	48,473

	Office equipment	Leasehold improvement	Electronic equipment	Laboratory equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025					
At 1 January 2025:					
Cost	1,346	54,721	2,916	43,958	102,941
Accumulated depreciation	(405)	(22,124)	(1,927)	(30,012)	(54,468)
Net carrying amount	941	32,597	989	13,946	48,473
At 1 January 2025, net of accumulated depreciation	941	32,597	989	13,946	48,473
Additions	—	—	46	1,769	1,815
Disposals	(8)	—	—	(1)	(9)
Depreciation provided during the year *(note 6)*	(252)	(16,299)	(571)	(6,482)	(23,604)
At 31 December 2025, net of accumulated depreciation	681	16,298	464	9,232	26,675
At 31 December 2025:					
Cost	1,327	54,721	2,962	45,214	104,224
Accumulated depreciation	(646)	(38,423)	(2,498)	(35,982)	(77,549)
Net carrying amount	681	16,298	464	9,232	26,675

	Office equipment	Leasehold improvement	Electronic equipment	Laboratory equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 May 2026					
At 1 January 2026:					
Cost	1,327	54,721	2,962	45,214	104,224
Accumulated depreciation	(646)	(38,423)	(2,498)	(35,982)	(77,549)
Net carrying amount	681	16,298	464	9,232	26,675
At 1 January 2026, net of accumulated depreciation	681	16,298	464	9,232	26,675
Additions	—	—	—	471	471
Disposals	—	—	—	—	—
Depreciation provided during the period *(note 6)*	(105)	(6,790)	(211)	(2,181)	(9,287)
At 31 May 2026, net of accumulated depreciation	576	9,508	253	7,522	17,859
At 31 May 2026:					
Cost	1,327	54,721	2,962	45,685	104,695
Accumulated depreciation	(751)	(45,213)	(2,709)	(38,163)	(86,836)
Net carrying amount	576	9,508	253	7,522	17,859

14. LEASES

The Group leases certain of its buildings under operating lease arrangements. Leases of buildings generally have lease terms between 3 and 5 years.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the Relevant Periods are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January	11,310	8,836	7,972	3,935
Additions	2,315	11,806	—	—
Depreciation of right-of-use assets *(note 6)*	(4,636)	(7,765)	(4,037)	(1,639)
Early termination of lease	(153)	(4,905)	—	—
As at 31 December/31 May	8,836	7,972	3,935	2,296

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the Relevant Periods are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at 1 January	12,788	10,087	8,196	4,186
New leases	2,315	11,806	—	—
Accretion of interest recognised during the year/period *(note 7)*	744	1,047	378	82
Payments	(5,599)	(8,810)	(4,388)	—
Early termination of lease	(161)	(5,934)	—	—
Carrying amount at 31 December/ 31 May	10,087	8,196	4,186	4,268
Analysed into:				
Current portion	4,775	4,010	4,186	4,268
Non-current portion	5,312	4,186	—	—

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest on lease liabilities	744	1,047	378	188	82
Depreciation charge of right-of-use assets *(note 6)*	4,636	7,765	4,037	1,741	1,639
Expenses relating to short-term leases *(note 6)*	317	339	294	156	69
Total amount recognised in profit or loss	5,697	9,151	4,709	2,085	1,790

The maturity analysis of lease liabilities is disclosed in note 35 to the Historical Financial Information. The total cash outflows for leases are disclosed in note 30(c) to the Historical Financial Information.

15. INTANGIBLE ASSETS

Computer software	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January				
Cost	4,087	6,073	10,270	10,997
Accumulated amortisation	(1,405)	(2,208)	(3,297)	(4,914)
Net carrying amount	2,682	3,865	6,973	6,083
At 1 January, net of accumulated amortisation	2,682	3,865	6,973	6,083
Additions	1,986	4,197	727	—
Amortisation provided during the year/period *(note 6)*	(803)	(1,089)	(1,617)	(744)
At 31 December/31 May, net of accumulated amortisation	3,865	6,973	6,083	5,339
At 31 December/31 May				
Cost	6,073	10,270	10,997	10,997
Accumulated amortisation	(2,208)	(3,297)	(4,914)	(5,658)
Net carrying amount	3,865	6,973	6,083	5,339

16. INVENTORIES

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	13,713	15,570	11,130	9,788
Less: Inventory provision	(1,962)	(2,579)	(1,985)	(3,263)
Net carrying amount	11,751	12,991	9,145	6,525

17. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

		As at 31 December			As at 31 May
		2023	2024	2025	2026
	Note	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Non-current:					
Prepayments for equipment		78	772	6	—
Due from related parties	*32*	796	796	841	—
Deposits and other receivables		1,605	399	2,372	1,891
Value-added tax recoverable		2,781	9,644	13,605	14,798
		5,260	11,611	16,824	16,689
Impairment allowance		(2)	(1)	(5)	(44)
Total		5,258	11,610	16,819	16,645
Current:					
Prepayments		15,916	3,482	1,582	1,318
Deferred **[REDACTED]**		**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Due from related parties		—	—	—	841
Deposits and other receivables*		180	2,662	1,631	2,345
Other current assets		24	39	—	—
		16,120	6,183	9,533	12,785
Impairment allowance		—	(2)	(301)	(459)
Total		16,120	6,181	9,232	12,326

Expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The financial assets included in the above balances were categorised in stage 1 at the end of each of the Relevant Periods.

* The deposits and other receivables included material processing fee due from a third party.

The movements in the loss allowance for impairment of other receivables are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	8	2	3	306
Impairment losses, net	(6)	1	303	197
At end of year/period	2	3	306	503

The Company

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current:				
Deferred **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Other receivables	—	174	—	—
Total	—	174	6,320	8,281

18. AMOUNTS DUE FROM THE DIRECTORS

Amounts due from the directors, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

Name	As at 1 January 2023	Maximum amount outstanding during the year ended 31 December 2023	As at 31 December 2023
	RMB'000	*RMB'000*	*RMB'000*
Dr. Grace Guoying Zhou	543	543	543
Mr. Dongyao Ni	459	459	459
Total	1,002	1,002	1,002

Name	As at 1 January 2024	Maximum amount outstanding during the year ended 31 December 2024	As at 31 December 2024
	RMB'000	*RMB'000*	*RMB'000*
Dr. Grace Guoying Zhou	543	543	543
Mr. Dongyao Ni	459	459	459
Total	1,002	1,002	1,002

These balances were unsecured, interest-free, had one-year term of repayment and of non-trade in nature. All amounts due from the directors were fully settled in 2025.

19. CASH AND BANK BALANCES

The Group

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	232,498	149,614	47,129	17,377
Less:				
Restricted cash*	—	1,500	1,882	341
Non-pledged time deposits with maturity over three months	—	35,726	—	—
Cash and cash equivalents	232,498	112,388	45,247	17,036

* On 31 December 2024, 31 December 2025 and 31 May 2026, restricted cash represented the balance which was restricted to use in specific projects as agreed in the government grant documents.

The cash and bank balances of the Group denominated in Renminbi ("**RMB**") amounted to RMB111,731,000, RMB25,471,000, RMB16,915,000, and RMB3,594,000 at the end of each of the Relevant Periods, respectively. The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

The Company

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	146,573	103,298	25,405	9,118
Less:				
Non-pledged time deposits with maturity over three months	—	35,726	—	—
Cash and cash equivalents	146,573	67,572	25,405	9,118

20. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	24,459	22,717	19,983	8,722
3 to 6 months	1,069	1,812	515	13,923
7 to 12 months	755	1,385	2,194	1,758
Over 12 months	2,151	19,466	35,042	31,200
Total	28,434	45,380	57,734	55,603

The trade payables are non-interest-bearing and are normally settled on 30-day terms. As at 31 December 2023, 2024 and 2025 and 31 May 2026, the amount with an aging period exceeding one year is attributed to the settlement delay with suppliers.

21. OTHER PAYABLES

The Group

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other payables*	892	13,061	5,886	5,283
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Salary and welfare payables	5,667	7,388	4,901	5,810
Other tax payables	220	186	214	117
Total	6,779	20,635	17,899	22,727

The Company

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other payables*	22	23	53	21
Due to subsidiaries	5,906	5,995	5,861	5,685
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Salary and welfare payables	468	559	497	583
Total	6,396	6,577	12,510	17,806

* Other payables are non-interest-bearing and repayable on demand.

22. INTEREST-BEARING BANK BORROWINGS

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025			As at 31 May 2026		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current												
Current portion of long term bank loans — secured			—			—	2.8	2026	2,000	2.8	2026–2027	2,088
Bank loans — secured			—			—			—	3.0	2027	10,008
Non-current												
Bank loans — secured			—			—	2.8	2027–2028	18,000	2.8	2027–2028	17,000
Total			—			—			20,000			29,096
Analysed into:												
Bank loans repayable:												
Within one year			—			—			2,000			12,096
In the second year			—			—			2,000			2,000
In the third to fifth years, inclusive			—			—			16,000			15,000
Total			—			—			20,000			29,096

All bank borrowings are denominated in RMB as at 31 December 2025 and 31 May 2026.

As at 31 December 2025 and 31 May 2026, certain subsidiaries provided guarantees for the bank and other borrowings of the Group.

23. CONTRACT LIABILITIES

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances received from customers				
License and collaboration revenue	15,377	12,177	11,709	11,709
Current	3,200	4,261	11,709	11,709
Non-current	12,177	7,916	—	—

Contract liabilities include advances received under the license and collaboration agreement at the end of each of the Relevant Periods. Contract liabilities are recognised as revenue upon the Group satisfying its performance obligations under the agreements.

24. DEFERRED INCOME

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grant	538	1,506	2,000	590

The movements in deferred income during the Relevant Periods are as follows:

	Year ended 31 December			Five months ended 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January	692	538	1,506	2,000
Grants received during the year/period	700	1,600	3,250	775
Amount released to other income and gains	(854)	(632)	(2,756)	(2,185)
As at 31 December/31 May	538	1,506	2,000	590

The grants are related to the subsidies received from the government for the purpose of compensation for expenses arising from research activities and clinical trials or for the purchase of the assets.

25. CONVERTIBLE REDEEMABLE PREFERRED SHARES AND WARRANT LIABILITY

In September 2016 and July 2017, Immvira Shenzhen issued 15,535,832 Series A-1 convertible redeemable preferred shares (the "**Series A-1 Preferred Shares**") to independent third parties, at the price of RMB1.61 per share for an aggregate purchase consideration of RMB25,000,000.

In August 2017, Immvira Shenzhen issued 12,191,034 Series A-2 convertible redeemable preferred shares (the "**Series A-2 Preferred Shares**") to certain existing shareholders of Series A-1 Preference Shares at the price of RMB2.05 per share for an aggregate consideration of RMB25,000,000.

On 17 May 2018, the Company was incorporated in Cayman Islands, and Immvira Pharma Co., Ltd. ("**Immvira Hong Kong**") was established in Hong Kong on 29 May 2018. The founders of the Group (i.e., Dr. Grace Guoying Zhou, Bernard Roizman, Thomas Eugene Shenk, Ralph Robert Weichselbaum, Richard J. Whitley and Dongyao Ni, collectively "**the Founders**") and the existing investors (i.e., shareholders of Series A-1 and A-2 preferred shares) then transferred their respective interests of Immvira Shenzhen to Immvira Hong Kong at the consideration of RMB14,000,000 and subscribed shares of the Company at the same consideration of RMB14,000,000. As a result, the shareholding structure of Immvira Shenzhen was mirrored to that of the Company and Immvira Shenzhen became a wholly owned subsidiary of the Company. The reorganisation was completed on 31 January 2019. The Company and Immvira Hong Kong did not carry any substantial operations before the completion of its restructuring.

In June 2018, the Company issued convertible bond to an independent investor at consideration of US$1,535,795, which allows the holder to convert this bond to certain number of Series A-Plus convertible redeemable preferred shares (the "**Series A-Plus Preferred Shares**") issued by the Company, at a conversion price equal to ninety five percent (95%) of the price per share of the Group in the Series A-Plus round financing. In December 2018, the Company entered Series A-Plus Preferred Shares subscription agreements with the investor and the convertible bond would be converted to 2,465,873 Series A-Plus Preferred Shares, at the price of US$0.62 per share. The issuance of Series A-Plus Preferred Shares to the investor was completed in January 2019.

In addition to the Series A-Plus Preferred Shares that was from the exercise of the above convertible bonds, in January 2019 and March 2020, the Company also issued 23,839,254 Series A-Plus Preferred Shares to certain existing shareholders and independent investors at the price of US$0.66 per share for an aggregate consideration of US$15,548,183.

In January 2019, the Company issued a warrant (the "**Series A-Plus Warrant**") to one of the Series A-Plus Preferred Shares investors at nil consideration. The warrant allows the holder to purchase certain number of the most senior preferred shares issued by the Company in the Company's following round of financing, at an exercise price equal to ninety percent (90%) of the price per share of the Group, for an aggregate exercise price of up to US$20,000,000.

In June 2020, the Company issued 49,123,483 Series B Preferred Shares (the "**Series B Preferred Shares**") to certain existing shareholders and independent investors at US$1.04 per share for total consideration of US$51,000,000. Meanwhile, the holder of Series A-Plus Warrant exercised the right to purchase 7,491,599 shares of the Company's Series B Preference Shares at the amount of US$7,000,000.

In January 2021, the Company issued 8,873,902 Series B plus Preferred Shares (the "**Series B-Plus Preferred Shares**") to an independent investor at US$1.13 per share for total consideration of US$10,000,000.

In March 2021, the Company issued 19,879,775 Series C Preferred Shares (the "**Series C Preferred Shares**") to certain existing shareholders and independent investors at US$2.1127 per share for total consideration of US$42,000,000. Meanwhile, the holder of Series A-Plus Warrant exercised the right to purchase 2,813,672 shares of the Company's Series C Preference Shares at the amount of US$5,350,000.

In October 2022, the Company issued 3,786,624 Series C plus Preferred Shares (the "**Series C-Plus Preferred Shares**") to an independent investor at US$2.1127 per share for total consideration of US$8,000,000.

In January 2024, the Company issued 3,029,299 Series C plus Preferred Shares to independent investors at US$2.1127 per share for total consideration of US$6,400,000.

The key features of the Series A-1, Series A-2, Series A-Plus, Series B, Series B-Plus, Series C and Series C-Plus Preferred Shares (collectively the "**Preferred Shares**") are as follows:

(a) Conversion rights

The Preferred Shares can be converted into ordinary shares of the Company at the option of holders based on its then-effective conversion price. The initial conversion ratio shall be on a one for one basis, subject to certain anti-dilution adjustments, including share splits and combination, ordinary share dividends and distribution, other dividends, the Company's reorganisations, mergers, consolidations, reclassifications, exchanges, substitutions and sale of shares below the conversion price.

The Preferred Shares shall automatically be converted into ordinary shares upon the earlier of (i) the consummation of the **[REDACTED]** ("**[REDACTED]**"), or (ii) the written election of a majority of the holders of the Preferred Shares.

(b) Liquidation preferences

In the event of any liquidation, dissolution or winding up of the Company or any deemed liquidation event defined as change of control, a sale of all or substantially all of the assets of the Company or the exclusive licensing of all or substantially all of the intellectual property of the Company to a third party, the holders of the Preferred Shares shall be entitled to receive in preference to the holders of junior shares of the Company, the amount equal to one hundred percent (100%) of the applicable purchase price of the Preferred Shares (as adjusted for any share splits, share dividends,

combinations, recapitalizations and similar transactions), plus a return at a compound annual interest of eight percent (8%) calculated from the issuance date of the Preferred Shares (pro rata for the period shorter than one year) and all dividends declared and unpaid thereon (collectively, the "**Preference Amount**"). The remaining assets and funds of the Company available for distribution shall be distributed ratably among all holders of the Preferred Shares and ordinary shares according to the relative number of ordinary shares held by such holder (including Preferred Shares on an as-converted basis).

If the Investors are entitled to, according to their respective portion of equity interests in the Company, a liquidation amount greater than one hundred percent (100%) of the applicable purchase price of the Preferred Shares (as adjusted for any share splits, share dividends, combinations, recapitalizations and similar transactions), plus a return at compound annual interest of forty percent (40%) calculated from the issuance date of the Preferred Shares (excluding all dividends declared but unpaid thereon), then all assets and funds of such Company legally available for distribution (after satisfaction of all creditors' claims and claims that may be preferred by law) shall be distributed on a pro rata bases.

(c) Redemption preferences

The Preferred Shares are redeemable at the holders' option (i) the Company has not consummated a **[REDACTED]**, or the Preferred Shareholder has not received funds equivalent to two hundred percent (200%) of such Shareholder's investment in the Group Companies through dividends, share transfer or otherwise on or prior to 31 December 2024; (ii) GRACE GUOYING ZHOU resigns from the Group Companies or no longer works full time for the Group Companies; (iii) there occurs any non-competition obligation violation, undisclosed or unfair related party transaction, appropriation of the Group Companies' assets or off-book funds; (iv) there is any material breach by any of the Group Companies or the Founders of any of their representations, warranties, covenants or other obligations under the transaction documents in relation to such Preferred Shareholders' investment in the Group Companies; (v) the Business as defined under the Subscription Agreement or the core products of the Group Companies is materially altered without the prior consent of the Preferred Shareholders Majority; (vi) GRACE GUOYING ZHOU becomes a party or is threatened to be made a party to any threatened or pending criminal proceedings or is subject to any criminal liability, or otherwise severely breaches any applicable Laws, or (vii) any holder of any other class of shares elects to exercise its redemption right.

The redemption price equals to the sum of (i) the shares purchase price plus an eight percent (8%) compounded annual interest from the issuance date to the date of redemption notice (pro rata for the period shorter than one year) for Series A-1 and A-2 Preferred Shares, or the shares purchase price plus a ten percent (10%) compounded annual interest from the issuance date to the date of redemption notice (pro rata for the period shorter than one year) for Series A-Plus, B, B-plus, C and C-Plus Preferred Shares, and (ii) any declared but unpaid dividends on such Share. The aggregate payment for the redemption price and its interest, if any, shall not exceed the amount of the price that the Founders can actually obtain by disposing the entire shares it holds on the redemption price payment date.

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* In July 2026, the Company entered into a supplement agreement to amend certain clauses of the previous shareholders' agreement with all investors of convertible redeemable preferred shares. Pursuant to the agreement, the redemption rights shall be automatically terminated and ceased to be exercisable immediately prior to the Company's first submission of the **[REDACTED]** for the **[REDACTED]** (the "First Submission Date"), provided that it shall be automatically reinstated and become exercisable at any time upon the earliest of the occurrence of the following events: (a) the withdrawal of the **[REDACTED]** by the Company, (b) the rejection of the **[REDACTED]** by the **[REDACTED]**; or (c) if the **[REDACTED]** is not completed by September 30, 2027 (or such later date as the parties may otherwise agree).

(d) Valuation Adjustment

In event of any valuation adjustment event is triggered, the Warrantors ("Warrantors" means, collectively, the Company, Immvira Hong Kong, Immvira Shenzhen and the Founders) shall compensate each of the Series B Shareholders, Series B-Plus Shareholders , Series C Shareholders and Series C-Plus Shareholders by cash, shares or any other means as the relevant Series B Shareholder, Series B-Plus Shareholder, Series C shareholder and Series C-Plus shareholder deem fit, and shall compensate the relevant Series B Shareholder, Series B-Plus Shareholder , Series C Shareholder and Series C-Plus Shareholder respectively for any fees or costs in relation to such valuation adjustment. The Series B Shareholders, Series B-Plus Shareholders, Series C Shareholders and Series C-Plus Shareholders respectively shall have the right, but not the obligation, to waive the valuation adjustment.

The Group does not bifurcate any embedded derivatives from the host instruments and designates the Preferred Shares as financial liabilities at fair value through profit or loss with changes in fair value recognised in the consolidated statements of profit or loss. Fair value change of the convertible redeemable preferred shares that is attributable to changes in its own credit risk are subsequently recognised in the other comprehensive income.

The Series A-Plus Warrant is recognised as financial liabilities at fair value through profit or loss with changes in fair value recognised in the consolidated statements of profit or loss.

Preferred Shares

The movements of financial liabilities on the Preferred Shares during the Relevant Periods are as follows:

	Series A-1	Series A-2	Series A-Plus	Series B	Series B-Plus	Series C	Series C-Plus	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	76,259	60,883	139,953	437,606	70,753	347,796	59,025	1,192,275
Changes in fair value recognised in profit or loss	31,707	25,055	52,156	126,536	19,357	51,083	7,958	313,852
Changes in fair value recognised in other comprehensive income	(347)	(329)	(2,063)	(8,478)	(1,387)	(4,088)	(10)	(16,702)
Currency translation differences	1,079	865	2,599	7,952	1,281	6,109	1,038	20,923
At 31 December 2023 and 1 January 2024	108,698	86,474	192,645	563,616	90,004	400,900	68,011	1,510,348
Issuance of preferred shares	—	—	—	—	—	—	46,004	46,004
Changes in fair value recognised in profit or loss	42,683	33,464	66,123	148,347	23,189	40,588	15,447	369,841
Changes in fair value recognised in other comprehensive income	293	279	706	2,461	403	(213)	(26)	3,903
Currency translation differences	1,770	1,406	3,590	10,026	1,595	6,414	1,181	25,982
At 31 December 2024 and 1 January 2025	153,444	121,623	263,064	724,450	115,191	447,689	130,617	1,956,078
Changes in fair value recognised in profit or loss	38,093	29,731	60,475	136,793	21,401	32,195	7,024	325,712
Changes in fair value recognised in other comprehensive income	1,661	1,576	6,758	22,003	3,600	6,950	81	42,629
Currency translation differences	(3,570)	(2,830)	(6,904)	(18,597)	(2,953)	(10,560)	(3,013)	(48,427)
At 31 December 2025 and 1 January 2026	189,628	150,100	323,393	864,649	137,239	476,274	134,709	2,275,992
Changes in fair value recognised in profit or loss	10,833	8,279	17,672	35,088	5,431	(1,071)	(476)	75,756
Changes in fair value recognised in other comprehensive income	1,805	1,712	6,869	16,522	2,703	2,264	9	31,884
Currency translation differences	(5,253)	(4,163)	(10,078)	(26,739)	(4,243)	(14,329)	(4,039)	(68,844)
At 31 May 2026	197,013	155,928	337,856	889,520	141,130	463,138	130,203	2,314,788

The Group has used the discounted cash flow method to determine the underlying share value of the Company and adopted equity allocation model to determine the fair value of the Preferred Shares as of the dates of issuance and at the end of each of the Relevant Periods.

Key valuation assumptions used to determine the fair value of Preferred Shares are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
Risk free interest rate	4.23%	4.25%	3.48%	3.78%
Volatility	74.70%	74.65%	85.86%	86.98%

Discount rate (post-tax) was estimated by weighted average cost of capital as of each valuation date. The Group estimated the risk-free interest rate based on the yield of US Government Bond as of valuation date. The volatility was estimated based on annualised standard deviation of daily stock price return of comparable companies for a period from the respective valuation date and with similar span as time to expiration.

Warrant liability

The movements of warrant liability during the Relevant Periods are as follows:

	Warrant liability
	RMB'000
At 1 January 2023	5,430
Fair value changes	19
Currency translation differences	93
At 31 December 2023 and 1 January 2024	5,542
Fair value changes	(2)
Currency translation differences	82
At 31 December 2024 and 1 January 2025	5,622
Fair value changes	281
Currency translation differences	(129)
At 31 December 2025 and 1 January 2026	5,774
Fair value changes	72
Currency translation differences	(175)
At 31 May 2026	5,671

The Group has used the discounted cash flow method to determine the fair value of warrant liability. The terms of the warrant prescribes that, the holder is entitled to purchase the then most senior preferred shares issued by the Company in the next round financing at an exercise price equal to the ninety percent (90%) of the then issued price for an aggregate exercise price of up to US$20,000,000 and the warrant has been partly exercised. During the Relevant Periods, the outstanding exercisable amount is US$7,650,000 and the gain of the warrant is caped at US$850,000, this value is then discounted back using risk free rate to derive its fair value.

Key valuation assumptions used to determine the fair value of warrant liability are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
Risk free rate	4.23%	4.25%	3.48%	3.78%

26. DEFERRED TAX

The movements in deferred tax assets of the Group during each of the Relevant Periods.

	Lease liabilities	Tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	2,827	—	2,827
Deferred tax charged to the statement of profit or loss during the year	(618)	—	(618)
At 31 December 2023	2,209	—	2,209
Deferred tax (charged)/credited to the statement of profit or loss during the year	(221)	5	(216)
At 31 December 2024	1,988	5	1,993
Deferred tax charged to the statement of profit or loss during the year	(1,004)	(5)	(1,009)
At 31 December 2025	984	—	984
Deferred tax charged to the statement of profit or loss during the period	(410)	—	(410)
At 31 May 2026	574	—	574

The movements in deferred tax liabilities of the Group during each of the Relevant Periods.

	Right-of-use assets
	RMB'000
At 1 January 2023	2,827
Deferred tax credited to the statement of profit or loss during the year	(618)
At 31 December 2023	2,209
Deferred tax credited to the statement of profit or loss during the year	(216)
At 31 December 2024	1,993
Deferred tax credited to the statement of profit or loss during the year	(1,009)
At 31 December 2025	984
Deferred tax credited to the statement of profit or loss during the period	(410)
At 31 May 2026	574

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position.

27. SHARE CAPITAL AND TREASURY SHARES

The Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on 17 May 2018. As at 31 December 2023, 2024 and 2025 and 31 May 2026, the authorised share capital of USD50,000 was divided into 336,585,051 ordinary shares and 163,414,949 preferred shares with a par value of US$0.0001 each.

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid:				
82,874,218 ordinary shares of US$0.0001 each	56	56	56	56

There was no change in ordinary shares during the Relevant Periods.

As at 31 December 2023, 2024 and 2025 and 31 May 2026, the total number of issued ordinary shares include 15,124,449, 13,728,199, 11,059,241 and 8,054,224 treasury shares, respectively, held for the share incentive plan.

28. SHARE BASED PAYMENT

The Company operates a share incentive plan (the "**Plan**") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Plan include the Group's directors, employees and consultants of the Group. The Plan became effective on 15 April 2021 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. Awards granted under the Plan may be an option, a share purchase right, a restricted share, a restricted share unit or a share award, as determined by the chief executive officer of the Company at the time of grant.

The maximum number of shares that may be delivered under the Plan, and any similar plan in other jurisdictions, shall not exceed 30,309,968 shares. The number of shares that are subject to awards outstanding under the Plan at any time shall not exceed the aggregate number of shares that then remain available reserved under the scheme.

For administration of the Plan, a trust (the "**ESOP Trust**") was established with THE CORE TRUST COMPANY LIMITED (the "**Trustee**") as the trustee of the ESOP Trust. TEAM FABULOUS LIMITED (the "**Share Incentive Platform**") was incorporated in the British Virgin Islands on 28 April 2021 as the holding entity managed by the Trustee, and the Company allocated 30,309,968 ordinary shares, comprised of 19,708,884 reserved shares and 10,601,084 new shares, to the Share Incentive Platform on 15 July 2021. The ESOP Trust is a fixed trust intended for the benefit of eligible persons entitled to receive a grant in accordance with the terms of the Plan. The purpose to establish Share Incentive Platform was to facilitate the administration of shares granted or to be granted under the Plan. The Share Incentive Platform and the ESOP Trust were considered as the extension of the Company.

On 18 April 2021, 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024, and 1 June 2025, the Share Incentive Platform granted 18,023,558 restricted shares, 2,825,312 restricted shares, 2,615,000 restricted shares, 770,000 restricted shares, 1,670,000 restricted shares and 4,406,098 restricted shares of the Company to certain employees and consultants, respectively. According to the letter of grant, the vesting conditions are mainly related to service period, and the exercise price for each share under the share award plan is nil. The fair value of the shares granted was measured at the grant date by using a discounted cash flow model, taking into account the terms and conditions upon which the shares were granted. For certain US grantees, the restricted shares granted shall vest upon the occurrence of a Liquidation Event, which shall be the first to occur of a change in control or a successful **[REDACTED]** ("**[REDACTED]**"). The share-based payment expenses are recognised in profit or loss over the vesting periods on a straight-line basis.

Amendment to certain shares granted with a removal in vesting conditions

During the year ended 31 December 2025, the vesting condition required for 385,208 shares which were previously granted to certain Non-US employees who are key management of the Group, is amended. Upon the amendment, shares granted became vest immediately and no longer been subject to the requirement of service conditions. The group has accelerated the accounting of the share-based payment expense and related share-base payment expenses was recognised immediately at the amended date.

The Group recognised share-based payment expenses of RMB8,573,000, RMB20,934,000, RMB42,397,000, RMB4,808,000 and RMB10,211,000 for the Relevant Periods and five months ended 31 May 2025, respectively.

Restricted share units

The following restricted shares were outstanding under the scheme during the Relevant Periods:

	Weighted average exercise price	Number of restricted shares
	RMB per share	
At 1 January 2023	—	8,459
Granted during the year	—	770
Vested during the year	—	(181)
At 31 December 2023	—	9,048
Granted during the year	—	1,670
Vested during the year	—	(1,396)
At 31 December 2024	—	9,322
Granted during the year	—	4,406
Vested during the year	—	(2,669)
At 31 December 2025	—	11,059
Granted during the period	—	—
Vested during the period	—	(3,005)
At 31 May 2026	—	8,054

The vesting periods of the restricted shares outstanding as at the end of each of the Relevant Periods are as follows:

	Number of restricted shares	Vesting period
At 31 December 2023		
	7,244	2021-04-18 to 2026-12-31
	238	2022-12-31 to 2026-12-31
	822	2022-12-31 to 2026-12-31
	744	2023-12-31 to 2027-12-31
	9,048	

	Number of restricted shares	Vesting period
At 31 December 2024		
	7,244	2021-04-18 to 2026-12-31
	213	2022-12-31 to 2026-12-31
	694	2022-12-31 to 2026-12-31
	701	2023-12-31 to 2027-12-31
	470	2024-12-31 to 2028-12-31
	9,322	
At 31 December 2025		
	7,245	2021-04-18 to 2026-12-31
	200	2022-12-31 to 2026-12-31
	558	2022-12-31 to 2026-12-31
	659	2023-12-31 to 2027-12-31
	75	2024-12-31 to 2028-12-31
	2,322	2025-06-01 to 2029-12-31
	11,059	
At 31 May 2026	4,240	2021-04-18 to 2026-12-31
	200	2022-12-31 to 2026-12-31
	558	2022-12-31 to 2026-12-31
	659	2023-12-31 to 2027-12-31
	75	2024-12-31 to 2028-12-31
	2,322	2025-06-01 to 2029-12-31
	8,054	

The fair value of the equity-settled share-based payment granted during the Relevant Periods, was estimated using the equity allocation model, taking into account the terms and conditions upon which the restricted shares were granted. The following table lists the inputs to the model used:

	Grant date		
	31 December 2023	31 December 2024	1 June 2025
Volatility	74.70%	74.65%	74.73%
Risk-free rate	4.23%	4.25%	3.98%

The fair value of restricted stock awards equals the fair value of ordinary shares after discount for lack of marketability due to lock-up period of the restricted shares.

29. DEFICITS

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity of the Historical Financial Information.

(a) Share premium

The share premium of the Group represents the difference between the par value of the ordinary shares issued by the Company and the considerations paid and the transfer of share-based payment reserve to share premium upon the vesting of equity-settle share-based payment.

(b) Share-based payment reserve

The share incentive reserve was created for the Share Incentive Scheme launched by the Company that provides incentives and rewards to certain employees of the Company and its subsidiaries, details of which were set out in note 28 to the Historical Financial Information.

(c) Exchange fluctuation reserve

The exchange fluctuation reserve is used to record exchange differences arising from the translation of the financial statements of entities of which the functional currency is not RMB.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods are presented as follows:

	Share premium	Share-based payment reserve	Accumulated loss	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	72,566	12,244	(293,611)	112,732	34,738	(61,331)
Loss for the year	—	—	(311,861)	—	—	(311,861)
Other comprehensive loss for the year:						
Exchange differences	—	—	—	—	(2,335)	(2,335)
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	—	16,702	—	16,702
Total comprehensive loss for the year	—	—	(311,861)	16,702	(2,335)	(297,494)
Equity-settled share-based payment expenses	—	8,573	—	—	—	8,573
Vesting of restricted shares	892	(892)	—	—	—	—
At 31 December 2023	73,458	19,925	(605,472)	129,434	32,403	(350,252)
At 1 January 2024	73,458	19,925	(605,472)	129,434	32,403	(350,252)
Loss for the year	—	—	(368,022)	—	—	(368,022)
Other comprehensive loss for the year:						
Exchange differences	—	—	—	—	(8,979)	(8,979)
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	—	(3,903)	—	(3,903)
Total comprehensive loss for the year	—	—	(368,022)	(3,903)	(8,979)	(380,904)
Equity-settled share-based payment expenses	—	20,934	—	—	—	20,934
Vesting of restricted shares	11,978	(11,979)	—	—	—	(1)
At 31 December 2024	85,436	28,880	(973,494)	125,531	23,424	(710,223)

	Share premium	Share-based payment reserve	Accumulated loss	Other comprehensive income ("OCI") reserve	Exchange fluctuation reserve	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	85,436	28,880	(973,494)	125,531	23,424	(710,223)
Loss for the year	—	—	(344,887)	—	—	(344,887)
Other comprehensive loss for the year:						
Exchange differences	—	—	—	—	21,228	21,228
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	—	(42,629)	—	(42,629)
Total comprehensive loss for the year	—	—	(344,887)	(42,629)	21,228	(366,288)
Equity-settled share-based payment expenses	—	42,397	—	—	—	42,397
Vesting of restricted shares	26,063	(26,065)	—	—	—	(2)
At 31 December 2025	111,499	45,212	(1,318,381)	82,902	44,652	(1,034,116)
At 1 January 2026	111,499	45,212	(1,318,381)	82,902	44,652	(1,034,116)
Loss for the period	—	—	(82,235)	—	—	(82,235)
Other comprehensive loss for the period:						
Exchange differences	—	—	—	—	32,597	32,597
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	—	(31,884)	—	(31,884)
Total comprehensive loss for the period	—	—	(82,235)	(31,884)	32,597	(81,522)
Equity-settled share-based payment expenses	—	10,211	—	—	—	10,211
Vesting of restricted shares	14,982	(14,984)	—	—	—	(2)
At 31 May 2026	126,481	40,439	(1,400,616)	51,018	77,249	(1,105,429)

30. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

For the year ended 31 December 2023 and 2024, the Group had non-cash additions to right-of-use assets of RMB2,315,000 and RMB11,806,000 and non-cash additions to lease liabilities of RMB2,315,000 and RMB11,806,000, respectively, in respect of lease arrangements for office buildings.

(b) Changes in liabilities arising from financing activities

Year ended 31 December 2023	Lease liabilities	Convertible redeemable preferred shares	Warrant liability
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	12,788	1,192,275	5,430
Early termination of lease	(161)	—	—
Changes from financing cash flows	(5,599)	—	—
Accretion of interest expenses	744	—	—
Fair value changes of convertible redeemable preferred shares	—	313,852	—
Fair value change of convertible redeemable preferred shares due to own credit risk	—	(16,702)	—
Fair value changes of warrant liability	—	—	19
Additions to lease liabilities	2,315	—	—
Effect of foreign exchange rate changes, net	—	20,923	93
At 31 December 2023	10,087	1,510,348	5,542

Year ended 31 December 2024	Lease liabilities	Convertible redeemable preferred shares	Warrant liability
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	10,087	1,510,348	5,542
Early termination of lease	(5,934)	—	—
Changes from financing cash flows	(8,810)	46,004	—
Accretion of interest expenses	1,047	—	—
Fair value changes of convertible redeemable preferred shares	—	369,841	—
Fair value change of convertible redeemable preferred shares due to own credit risk	—	3,903	—
Fair value changes of warrant liability	—	—	(2)
Additions to lease liabilities	11,806	—	—
Effect of foreign exchange rate changes, net	—	25,982	82
At 31 December 2024	8,196	1,956,078	5,622

Year ended 31 December 2025	Bank and other loans	Lease liabilities	Convertible redeemable preferred shares	Warrant liability
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	—	8,196	1,956,078	5,622
Changes from financing cash flows	19,869	(4,388)	—	—
Accretion of interest expenses	131	378	—	—
Fair value changes of convertible redeemable preferred shares	—	—	325,712	—
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	42,629	—
Fair value changes of warrant liability	—	—	—	281
Effect of foreign exchange rate changes, net	—	—	(48,427)	(129)
At 31 December 2025	20,000	4,186	2,275,992	5,774

Five months ended 31 May 2025 (unaudited)	Lease liabilities	Convertible redeemable preferred shares	Warrant liability
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2025	8,196	1,956,078	5,622
Changes from financing cash flows (unaudited)	(1,876)	—	—
Accretion of interest expenses (unaudited)	188	—	—
Fair value changes of convertible redeemable preferred shares (unaudited)	—	179,176	—
Fair value change of convertible redeemable preferred shares due to own credit risk (unaudited)	—	30,730	—
Fair value changes of warrant liability (unaudited)	—	—	119
Effect of foreign exchange rate changes, net (unaudited)	—	(882)	(3)
At 31 May 2025 (unaudited)	6,508	2,165,102	5,738

Five months ended 31 May 2026	Bank and other loans	Lease liabilities	Convertible redeemable preferred shares	Warrant liability
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	20,000	4,186	2,275,992	5,774
Changes from financing cash flows	8,765	—	—	—
Accretion of interest expenses	331	82	—	—
Fair value changes of convertible redeemable preferred shares	—	—	75,756	—
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	31,884	—
Fair value changes of warrant liability	—	—	—	72
Effect of foreign exchange rate changes, net	—	—	(68,844)	(175)
At 31 May 2026	29,096	4,268	2,314,788	5,671

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Within financing activities	5,599	8,810	4,388	1,876	—
Within operating activities	317	339	294	156	69
Total	5,916	9,149	4,682	2,032	69

31. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted, but not provided for:				
Purchase of laboratory equipment	2,709	1,549	1,044	624

32. RELATED PARTY TRANSACTIONS

(a) Name of related parties

	Notes	Relationship with the Group
Dr. Grace Guoying Zhou *(note 18)**	*(b) i*	Director and the shareholder
Mr. Dongyao Ni *(note 18)**	*(b) i*	Director and the shareholder
Yisheng Infotech Co., Ltd.	*(b) ii*	Company controlled by the substantial shareholder's spouse

(b) Transactions with related parties

The Group had the following material related party transactions during the Relevant Periods:

i. The Company provided loans to the directors with the consideration of RMB1,002,000 in order to pay the individual income tax for the share incentive plans on 26 May 2021. The loan is interest-free and has been settled in June 2025.

ii. The Company procured information system and related technical services amounted to RMB1,044,000, RMB619,000, nil and nil from Yisheng during the Relevant Periods.

(c) Outstanding balances with related parties

As disclosed in the statement of financial position, the Group had outstanding balances with related parties at 31 December 2023, 2024 and 2025 and 31 May 2026.

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts due from the directors				
Dr. Grace Guoying Zhou *(note 18)**	543	543	—	—
Mr. Dongyao Ni *(note 18)**	459	459	—	—
	1,002	1,002	—	—
Amounts due from the senior management				
Individual income tax paid for the senior management*	796	796	841	841
	796	796	841	841
	1,798	1,798	841	841

* These balances were unsecured, interest-free, and of non-trade in nature.

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other payables to Yisheng Infotech Co., Ltd.**	—	108	—	—
Prepayment to Yisheng Infotech Co., Ltd.**	113	—	—	—

** The balances are trade in nature and has been settled in June 2025.

(d) Compensation of key management personnel of the Group:

	Year ended 31 December			Five months ended 31 May	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	9,703	10,993	10,143	4,412	4,451
Equity-settled share-based payment expense	6,956	16,497	23,641	2,159	8,236
Pension scheme contributions	221	231	229	286	295
Total compensation paid to key management personnel	16,880	27,721	34,013	6,857	12,982

Further details of directors' emoluments are included in note 8 to the Historical Financial Information.

33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of categories of the Group's financial instruments as at the end of each of the Relevant Periods are as follows:

31 December 2023

Financial assets

	Financial assets at amortised cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets	2,579
Amounts due from the directors	1,002
Cash and cash equivalents	232,498
Total	236,079

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	1,510,348	—	1,510,348
Warrant liability	5,542	—	5,542
Trade payables	—	28,434	28,434
Financial instruments included in other payables	—	892	892
Total	1,515,890	29,326	1,545,216

31 December 2024

Financial assets

	Financial assets at amortised cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets	3,854
Amounts due from the directors	1,002
Restricted cash	1,500
Time deposits	35,726
Cash and cash equivalents	112,388
Total	154,470

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	1,956,078	—	1,956,078
Warrant liability	5,622	—	5,622
Trade payables	—	45,380	45,380
Financial instruments included in other payables	—	13,061	13,061
Total	1,961,700	58,441	2,020,141

31 December 2025

Financial assets

	Financial assets at amortised cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets	4,538
Trade receivables	4
Restricted cash	1,882
Cash and cash equivalents	45,247
Total	51,671

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Bank loans — secured	—	20,000	20,000
Convertible redeemable preferred shares	2,275,992	—	2,275,992
Warrant liability	5,774	—	5,774
Trade payables	—	57,734	57,734
Financial instruments included in other payables	—	12,784	12,784
Total	2,281,766	90,518	2,372,284

31 May 2026

Financial assets

	Financial assets at amortised cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets	3,733
Restricted cash	341
Cash and cash equivalents	17,036
Total	21,110

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Bank loans — secured	—	29,096	29,096
Convertible redeemable preferred shares	2,314,788	—	2,314,788
Warrant liability	5,671	—	5,671
Trade payables	—	55,603	55,603
Financial instruments included in other payables	—	16,800	16,800
Total	2,320,459	101,499	2,421,958

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at 31 December 2023, 2024 and 2025 and 31 May 2026, the fair values of the Group's financial assets or liabilities approximated to their respective carrying amounts.

Management has assessed that the carrying amounts of cash and cash equivalents, time deposits, trade receivables, financial assets included in prepayments, other receivables and other assets, trade payables and financial liabilities included in other payables reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at 31 December 2025 and 31 May 2026 were assessed to be insignificant.

The determination of fair values of convertible redeemable preferred shares and warrant liability was disclosed in note 25 to the Historical Financial Information.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023, 2024 and 2025 and 31 May 2026:

	Valuation technique	Significant observable inputs	Range	Sensitivity of fair value to the input
Convertible redeemable preferred shares.	Discounted cash flow method and equity allocation	Volatility	31 December 2023: 74.70% 31 December 2024: 74.65% 31 December 2025: 85.86% 31 May 2026: 86.98%	31 December 2023: Increase in 5% would result in increase in fair value by RMB26,712,000; decrease by 5% would result in decrease in fair value by RMB27,619,000; 31 December 2024: Increase in 5% would result in increase in fair value by RMB31,678,000; decrease by 5% would result in decrease in fair value by RMB32,699,000; 31 December 2025: Increase in 5% would result in increase in fair value by RMB26,219,000; decrease by 5% would result in decrease in fair value by RMB26,429,000; 31 May 2026: Increase in 5% would result in increase in fair value by RMB19,648,000; decrease by 5% would result in decrease in fair value by RMB19,499,000.
		Risk free rate	31 December 2023: 4.23% 31 December 2024: 4.25% 31 December 2025: 3.48% 31 May 2026: 3.78%	31 December 2023: Increase in 5% would result in increase in fair value by RMB766,000; decrease in 5% would result in decrease in fair value by RMB767,000; 31 December 2024: Increase in 5% would result in increase in fair value by RMB814,000; decrease in 5% would result in decrease in fair value by RMB816,000; 31 December 2025: Increase in 5% would result in increase in fair value by RMB379,000; decrease in 5% would result in decrease in fair value by RMB379,000; 31 May 2026: Increase in 5% would result in increase in fair value by RMB259,000; decrease in 5% would result in decrease in fair value by RMB259,000.

	Valuation technique	Significant observable inputs	Range	Sensitivity of fair value to the input
Warrant liability.	Discounted cash flow method	Risk free rate	31 December 2023: 4.23% 31 December 2024: 4.25% 31 December 2025: 3.48% 31 May 2026: 3.78%	31 December 2023: Increase in 5% would result in decrease in fair value by RMB22,000; decrease in 5% would result in increase in fair value by RMB22,000; 31 December 2024: Increase in 5% would result in decrease in fair value by RMB23,000; decrease in 5% would result in increase in fair value by RMB23,000; 31 December 2025: Increase in 5% would result in decrease in fair value by RMB10,000; decrease in 5% would result in increase in fair value by RMB10,000; 31 May 2026: Increase in 5% would result in decrease in fair value by RMB6,000; decrease in 5% would result in increase in fair value by RMB6,000.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Liabilities measured at fair value:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	—	—	1,510,348	1,510,348
Warrant liability	—	—	5,542	5,542
Total	—	—	1,515,890	1,515,890

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	—	—	1,956,078	1,956,078
Warrant liability	—	—	5,622	5,622
Total	—	—	1,961,700	1,961,700

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	—	—	2,275,992	2,275,992
Warrant liability	—	—	5,774	5,774
Total	—	—	2,281,766	2,281,766

As at 31 May 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	—	—	2,314,788	2,314,788
Warrant liability	—	—	5,671	5,671
Total	—	—	2,320,459	2,320,459

Note: A summary of the valuation techniques used and the key inputs to the valuation of the convertible redeemable preferred shares and the warrant liability is set out in note 25 to the Historical Financial Information.

For the movements in fair value measurements within Level 3 during the Relevant Periods, please refer to note 25 to the Historical Financial Information.

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities.

Assets for which fair values are disclosed:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in long-term prepayments, deposits and other receivables	—	2,290	—	2,290

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in long-term prepayments, deposits and other receivables	—	1,117	—	1,117

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in long-term prepayments, deposits and other receivables	—	3,156	—	3,156

As at 31 May 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in long-term prepayments, deposits and other receivables	—	1,673	—	1,673

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, cash and cash equivalents, convertible redeemable preferred shares and warrant liability. The Group has various other financial assets and liabilities such as trade receivables, other receivables, trade payables and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate.

The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before (or after) tax (through the impact on floating rate borrowings) and the Group's equity.

	As at 31 December		
	Increase/(decrease) in basis points	Increase/(decrease) in loss before tax	Increase/(decrease) in equity
		RMB'000	*RMB'000*
Year ended 31 December 2025	100/(100)	180/(180)	(180)/180

	As at 31 May		
	Increase/(decrease) in basis points	Increase/(decrease) in loss before tax	Increase/(decrease) in equity
		RMB'000	*RMB'000*
Five months ended 31 May 2026	100/(100)	170/(170)	(170)/170

Foreign currency risk

The Group has currency exposures. Such exposures arise from purchases by operating units in currencies other than the units' functional currencies.

As at 31 December 2023, 2024 and 2025 and 31 May 2026, the Group had no outstanding foreign currency forward exchange contract. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations. However, management constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in the foreign exchange rate, with all other variables held constant, of the Group's loss before tax.

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB/USD				
Strengthened 5%	6,026	6,083	1,407	664
Weakened 5%	(6,026)	(6,083)	(1,407)	(664)
RMB/AUD				
Strengthened 5%	5	46	—	—
Weakened 5%	(5)	(46)	—	—
RMB/HKD				
Strengthened 5%	7	3	10	8
Weakened 5%	(7)	(3)	(10)	(8)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets — Normal*	2,581	—	—	—	2,581
Amounts due from the directors	1,002	—	—	—	1,002
Cash and cash equivalents	232,498	—	—	—	232,498
Total	236,081	—	—	—	236,081

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets — Normal*	3,857	—	—	—	3,857
Amounts due from the directors	1,002	—	—	—	1,002
Restricted cash	1,500	—	—	—	1,500
Time deposits	35,726	—	—	—	35,726
Cash and cash equivalents	112,388	—	—	—	112,388
Total	154,473	—	—	—	154,473

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets					
— Normal*	4,844	—	—	—	4,844
Trade receivables	4	—	—	—	4
Restricted cash	1,882	—	—	—	1,882
Cash and cash equivalents	45,247	—	—	—	45,247
Total	51,977	—	—	—	51,977

As at 31 May 2026

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets					
— Normal*	4,236	—	—	—	4,236
Trade receivables	—	—	—	—	—
Restricted cash	341	—	—	—	341
Cash and cash equivalents	17,036	—	—	—	17,036
Total	21,613	—	—	—	21,613

* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by counterparty.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operation and bank borrowings. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

31 December 2023

	On demand	Less than 3 months	3 to less than 12 months	1 to 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	—	—	1,547,972	—	1,547,972
Trade payables	28,434	—	—	—	28,434
Financial instruments included in other payables	892	—	—	—	892
Lease liabilities	—	1,400	3,879	5,570	10,849
Total	29,326	1,400	1,551,851	5,570	1,588,147

31 December 2024

	On demand	Less than 3 months	3 to less than 12 months	1 to 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	1,620,219	—	—	—	1,620,219
Trade payables	45,380	—	—	—	45,380
Financial instruments included in other payables	13,061	—	—	—	13,061
Lease liabilities	—	1,158	3,231	4,307	8,696
Total	1,678,660	1,158	3,231	4,307	1,687,356

31 December 2025

	On demand	Less than 3 months	3 to less than 12 months	1 to 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans — secured	—	1,157	1,420	19,120	21,697
Convertible redeemable preferred shares	—	—	1,915,418	—	1,915,418
Trade payables	57,734	—	—	—	57,734
Financial instruments included in other payables	12,784	—	—	—	12,784
Lease liabilities	—	1,077	3,231	—	4,308
Total	70,518	2,234	1,920,069	19,120	2,011,941

31 May 2026

	On demand	Less than 3 months	3 to less than 12 months	1 to 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans — secured	—	213	12,503	17,596	30,312
Convertible redeemable preferred shares	—	—	—	1,997,008	1,997,008
Trade payables	55,603	—	—	—	55,603
Financial instruments included in other payables	16,800	—	—	—	16,800
Lease liabilities	—	—	4,307	—	4,307
Total	72,403	213	16,810	2,014,604	2,104,030

Capital management

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of business.

The directors of the Company review the asset-liability ratio, which is total assets divided by total liability, on a continuous basis, taking into account the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the raising of new debts as well as the redemption of the existing debts and manage the asset-liability ratios. The Group's overall strategy remained unchanged during the Relevant Periods.

The asset-liability ratios as at the end of each of the Relevant Periods are as follows:

	As at 31 December			As at 31 May
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total assets	302,989	244,816	119,022	78,367
Total liabilities**	1,577,105	2,049,594	2,395,294	2,444,452
Debt to asset ratio	521%	837%	2,012%	3,119%

** Total liabilities include convertible redeemable preferred shares of RMB1,510,348,000, RMB1,956,078,000, RMB2,275,992,000 and RMB2,314,788,000 at the end of each of the Relevant Periods, as disclosed in note 25 and note 2.2 to the Historical Financial Information, the redemption rights of the Preferred Shares were conditionally suspended upon the first submission of the **[REDACTED]** to the Stock Exchange on 25 June 2025, further details are given in note 25 to the Historical Financial Information.

36. EVENTS AFTER THE RELEVANT PERIODS

In June 2026, the Company entered into two credit facility agreements with a PRC commercial bank and a third-party entity for obtain of an aggregate facility amount of RMB160 million.

37. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 May 2026.