

SUMMARY

This summary aims to give you an overview of the information contained in this Document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire Document before you decide to [REDACTED] in the [REDACTED]. In particular, we are a biotechnology company seeking to [REDACTED] on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules. Our Core Products D-2570 and D-0502 are the products for the purpose of satisfying the eligibility requirements under Chapter 18A and Chapter 2.3 of the Guide. There are unique challenges, risks and uncertainties associated with [REDACTED] in companies such as ours. In addition, we have incurred significant operating losses since our inception, and we expect to remain loss making in the near term. We had negative net cash flow from operating activities during the Track Record Period. We did not declare or pay any dividends during the Track Record Period and do not intend to pay any dividends in the near future. Your [REDACTED] decision should be made in light of these considerations. We may continue to incur substantial costs and expenses in relation to R&D activities for the Core Products and our Core Products may not be successfully developed or marketed. Your [REDACTED] decision should be made in light of these considerations.

OVERVIEW

Founded in 2013, we are a biopharmaceutical company focused on oncology, autoimmune diseases and metabolic disorders. We have eight product candidates, including two self-developed Core Products D-2570 and taragarestrant (D-0502). D-2570 is intended for the treatment of autoimmune diseases (including psoriasis, ulcerative colitis (“UC”), systemic lupus erythematosus (“SLE”), psoriatic arthritis (“PsA”), and vitiligo), and taragarestrant (D-0502) is intended for the treatment of ER+/HER2- breast cancer. Both Core Products are currently under Phase III clinical trials.

The A Shares of our Company have been listed on the Shanghai Stock Exchange STAR Market (stock code: 688382) since July 2022.

We have built a product pipeline spanning multiple disease areas, including breast cancer, colorectal cancer (“CRC”), non-small cell lung cancer (“NSCLC”), psoriasis, UC, SLE, PsA, vitiligo and gout. Within our clinical-stage pipeline, our Core Products tyrosine kinase 2 (“TYK2”) inhibitor D-2570 and oral estrogen receptor degrader (“SERD”) taragarestrant (D-0502) are both advancing through Phase III registration trials, while our urate transporter 1 (“URAT1”) inhibitor darbinurad (D-0120) has completed a Phase IIb clinical trial. In addition, we maintain a robust pipeline of preclinical candidates, including the Werner syndrome protein (“WRN”) inhibitor YF087, the kinesin family member 18A (“KIF18A”) inhibitor YF550, and the oral signal transducer and activator of transcription 6 (“STAT6”) degrader YF057, demonstrating our sustained capacity for innovation.

Our pipeline is clearly structured and supported by growth momentum. Two of our key assets — befotertinib (BPI-D0316), a third-generation EGFR inhibitor, and garsorasib (D-1553), a KRAS G12C inhibitor — have already been approved for marketing in China and included in China’s National Reimbursement Drug List (“NRDL”), marking our transition into a stage of commercial value realization.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCTS.

The chart below summarizes the development status of our pipeline products, all of which are self-developed, as of the Latest Practicable Date.

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Candidate	Target/ MoA	Indication, (Lines of Treatment)	Mono/ Combo	IND	Phase I	Phase II	Phase III	Competent Authority	Current Status/ Upcoming Milestones	Rights
Taragrestant (D-0502) ★	ER	Advanced or metastatic ER+/HER2- breast cancer (2L+)	Mono	China				NMPA	Submit NDA in H1 2028	Global
			Mono/Combo	U.S.				FDA	Phase I trial completed	
			+ TROP2/HER3 ADC	China				NMPA	Complete Phase II trial in H2 2028	
D-2570 ★	TYK2	Moderate-to-severe Plaque Psoriasis	Mono	China, registration trial				NMPA	Submit NDA in H2 2027	Global
			Mono	China, head-to-head trial				NMPA	Complete Phase III trial in H2 2027	
			Mono	U.S.				FDA	Complete Phase II trial in Q1 2028	
		Moderate-to-severe active Ulcerative Colitis	Mono	China				NMPA	Complete Phase II trial in Q1 2027	
			Mono	China				NMPA	Complete Phase II trial in H2 2028	
		Active SLE	Mono	China				NMPA	Complete Phase II trial in H2 2028	
		Active PsA	Mono	China				NMPA	Complete Phase II trial in H2 2028	
		Nonsegmental Vitiligo	Mono	China				NMPA	Complete Phase II trial in H2 2028	
Darbinurad (D-0120)	URAT1	Gout	Mono	China				NMPA	Phase II trial completed	Global
			+ Allopurinol	U.S.				FDA	Phase II trial completed	
YF087	WRN	Advanced or metastatic solid tumors (2L+)	Mono	IND approved				NMPA	Initiate Phase I trial in Q4 2026	Global
YF550	KIF18A	Advanced solid tumors with chromosomal instability (later-line)	Mono	IND				NMPA	Obtain IND approval in Q4 2026	Global
YF057	STAT6	Atopic dermatitis and asthma	Mono	Lead optimization				FDA	Submit IND in Q2 2027	Global

★ Core Product

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Notes:

1. Abbreviations: MoA = Mechanism of Action, IND = Investigational New Drug, NDA = New Drug Application, NMPA = the National Medical Products Administration of China, FDA = the Food and Drug Administration of the United States, SERD = Selective Estrogen Receptor Degradar, TYK2 = Tyrosine Kinase 2, URAT1 = Urate Transporter 1, WRN = Werner Syndrome RecQ Like Helicase, KIF18A = Kinesin Family Member 18A, STAT6 = Signal Transducer and Activator of Transcription 6, ER+ = Estrogen Receptor Positive, HER2 = Human Epidermal Growth Factor Receptor 2, SLE = Systemic Lupus Erythematosus, PsA = Psoriatic Arthritis, MSI-high = Microsatellite Instability-high, CIN+ = Chromosomal Instability-positive.
2. For taragarestrant (D-0502), the NMPA exempted the Phase II clinical trial based on the finding that the Phase I clinical trial results as of July 19, 2021, which was considered to have generated sufficient clinical data for the safety and efficacy evaluation of D-0502 monotherapy dosed at 400mg OD. With that, the NMPA approved our application to directly proceed with a Phase III clinical trial designed to evaluate the safety and efficacy of D-0502 monotherapy at 400 mg QD without the need to conduct a Phase II clinical trial. After completing the Phase I clinical trial of D-0502, which took place in China and the U.S., we have not conducted further clinical trials of D-0502 in the U.S. and have no concrete clinical development plan for D-0502 in the U.S.
3. For darbinurad (D-0120), we have completed the Phase II clinical trial for combination therapy in the U.S. in March 2026. We are actively seeking strategic partners to support the continued overseas development of darbinurad (D-0120). In China, after completing the Phase II clinical trial, we are now in discussions with CDE regarding the next steps. We may either launch a Phase III clinical trial for monotherapy, or submit an IND to initiate a Phase II clinical trial for combination therapy in China.

Core Products

Our Core Product D-2570 is a self-developed, orally administered, selective TYK2 allosteric inhibitor for the treatment of psoriasis and other autoimmune diseases. We initiated the Phase I clinical trial in August 2022 and completed it in June 2023. We initiated the Phase II clinical trial for plaque psoriasis in January 2024 and completed it in April 2025. Our Phase II clinical trial in moderate-to-severe psoriasis delivered favorable results, with efficacy significantly higher than both placebo and approved products of the same class (based on published clinical data), while maintaining safety and tolerability. We have agreed with the NMPA on the Phase III clinical trial protocol and have initiated the registrational Phase III clinical trial in September 2025 and a head-to-head Phase III clinical trial in January 2026. In parallel, we have commenced Phase II clinical trials targeting moderate-to-severe active UC, active SLE, active PsA and nonsegmental vitiligo in China, and a Phase II clinical trial targeting moderate-to-severe plaque psoriasis in the U.S.

Our Core Product Taragarestrant (D-0502) is a self-developed, oral SERD for the treatment of ER positive (“ER+”)/HER2 negative (“HER2-”) breast cancer. We initiated the Phase I clinical in May 2018 and completed it in January 2024 (trial endpoints of Phase Ia, Ib and Ic parts were reached in July 2021, July 2021 and October 2023, respectively). Taragarestrant (D-0502) is currently undergoing a registrational Phase III head-to-head clinical trial initiated in September 2022 in China against the standard of care, and a Phase II clinical trial initiated in March 2026 in China in combination with JSKN016, an ADC drug candidate. Taragarestrant (D-0502) has demonstrated antitumor activity, a favorable safety profile, and good bioavailability.

Other Clinical-Stage Products

Darbinurad (D-0120) is a self-developed URAT1 inhibitor for gout. The Phase IIb clinical trial conducted in China was completed in November 2024, with early results showing robust uric acid lowering effects and favorable safety and tolerability. In parallel, the Phase II clinical trial for darbinurad (D-0120) and allopurinol combination therapy in the U.S. was completed in March 2026.

Commercialized Products

Befotertinib (賽美納®, 貝福替尼, BPI-D0316)

Befotertinib (BPI-D0316) is a third-generation EGFR tyrosine kinase inhibitor (“TKI”) for the treatment of EGFR-mutated NSCLC. Following receiving the approval from the CDE to initiate a Phase II clinical trial, we entered into a collaboration with Betta Pharmaceuticals Co., Ltd. (“Betta”) covering development and commercialization within the designated territories (Chinese Mainland,

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Hong Kong, and Taiwan). Under this partnership, Betta is responsible for development and commercial sales within the designated territories. Both first-line and second-line treatment indications were approved in Chinese Mainland in 2023, and befotertinib (BPI-D0316) was firstly included in the NRDL in the same year. We are currently working with Betta to advance additional late-stage clinical studies in China, including postoperative adjuvant therapy.

Garsorasib (安方寧®, 格索雷塞, D-1553)

Garsorasib (D-1553) is a KRAS G12C inhibitor and the first domestically developed drug targeting this mutation to enter clinical development in China. In August 2023, we entered into a License and Collaboration Agreement with Chia Tai Tianqing Pharmaceutical Group Co., Ltd. (“CTTQ”) (the “CTTQ Agreement”), granting it exclusive rights during the agreement term to develop, register, manufacture, and commercialize garsorasib (D-1553) in Chinese Mainland. The product received marketing approval in Chinese Mainland in November 2024 for the treatment of previously treated KRAS G12C-mutated advanced NSCLC and received a Grade I recommendation in the 2025 CSCO Guidelines for the Diagnosis and Treatment of NSCLC. Garsorasib (D-1553) has been included in the NRDL in December 2025. Recent clinical results show that garsorasib (D-1553), whether used as monotherapy or in combination therapy, achieves robust efficacy and maintains a favorable safety profile in both NSCLC and CRC. Notably, the results from garsorasib (D-1553) and ifebemtinib combination therapy suggest promising potential for use in earlier-line treatment settings.

Addressable Markets and Competitive Landscape of Our Core Products

D-2570

D-2570 is a TYK2 allosteric inhibitor under development primarily for the treatment of plaque psoriasis, UC, SLE, PsA, and vitiligo.

Global psoriasis drug market size reached US\$26.1 billion in 2025, with a CAGR of 5.9% from 2021 to 2025. The market size will climb to US\$40.6 billion in 2030 and US\$55.9 billion in 2035, with a CAGR of 9.2% from 2025 to 2030 and 6.6% from 2030 to 2035. China’s psoriasis drug market size reached US\$2.9 billion in 2025, with a CAGR of 27.9% from 2021 to 2025. The market size will climb to US\$7.3 billion in 2030 and US\$11.6 billion in 2035, with a CAGR of 19.9% from 2025 to 2030 and 9.7% from 2030 to 2035.

The global UC drug market increased from US\$6.4 billion in 2021 to US\$9.7 billion in 2025, with the CAGR of 11.0% from 2021 to 2025. It is estimated to grow to US\$13.2 billion in 2030 and reach US\$16.0 billion by 2035, with the CAGR of 6.4% from 2025 to 2030 and a CAGR of 3.9% from 2030 to 2035. The China UC drug market increased from US\$0.2 billion in 2021 to US\$0.3 billion in 2025, with the CAGR of 6.5% from 2021 to 2025. It is estimated to grow to US\$0.40 billion by 2035, with a CAGR of 3.6% from 2030 to 2035.

The global SLE drug market size grew from US\$2.2 billion in 2021 to US\$4.2 billion in 2025, with a CAGR of 17.8%. It is expected to continue increasing to US\$25.2 billion in 2035. China’s SLE drug market size grew from US\$0.4 billion in 2021 to US\$0.8 billion in 2025, with a CAGR of 19.7%. It is expected to continue increasing to US\$5.5 billion by 2035.

The global market of TYK2 inhibitor reached to US\$685.4 million and will increase to US\$2,259.7 million in 2028 with a CAGR of 174.5%. The number is projected to reach US\$9,634.7 million in 2035 with a CAGR of 23.0% from 2028 to 2035. The China market of TYK2 inhibitor reached to US\$37.1 million in 2025. The number is projected to reach US\$135.9 million in 2028 and US\$1,263.6 million in 2035 with a CAGR 37.5% from 2028 to 2035.

Taragarestrant (D-0502)

Taragarestrant (D-0502) is a SERD under development primarily for the treatment of ER+/HER2- breast cancer.

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The global market of SERD drugs was US\$1.3 billion in 2025. The number is projected to reach US\$5.9 billion in 2035 with a CAGR of 9.7% from 2030 to 2035. The China market of SERD drug was US\$0.1 billion in 2025. The number is projected to reach US\$0.3 billion in 2030 and US\$0.8 billion in 2035 with a CAGR of 22.0% from 2025 to 2030 and a CAGR 20.3% from 2030 to 2035. The efficacy of SERD drugs as monotherapy is limited, and they are usually used in combination therapies. For details, please refer to “Industry Overview — Overview of Oncology Drug Market — Targeted Oncology Drug Market — Selective Estrogen Receptor Degraders (“SERDs”).”

Preclinical Pipeline

We have built a rich and differentiated preclinical pipeline adopting potentially breakthrough therapeutic targets and modalities. In oncology, our preclinical candidates YF087 and YF550 are representative programs in the field of synthetic lethality, with target selection and antitumor activity validated in multiple preclinical studies. Other than the commercialized poly (ADP-ribose) polymerase (“PARP”) inhibitors, no synthetic-lethality therapies have been successfully launched worldwide, and we are among the few companies globally advancing multiple pipelines in this emerging area. In autoimmune disease, our STAT6 degrader YF057 is designed as a potential oral alternative to IL-4R α antibody therapies, with a focus on developing transformative treatments for atopic dermatitis (“AD”) and asthma.

Leveraging our deep understanding in small molecule drug design and discovery, we are also prioritizing the optimization of ADC linker and payload architectures to build a next-generation ADC platform with an expanded therapeutic window for better efficacy and safety than current approved therapies. We plan to develop drug candidates based on this next-generation ADC platform in the future.

We currently prioritize the advancement of clinical programs on two fronts. One is the relatively late stage clinical trials of Core Products targeting key indications, which are expected to generate commercialized products with significant market value in the near-term future. This includes: (1) the ongoing registrational and head-to-head Phase III clinical trials of D-2570 targeting moderate-to-severe psoriasis; (2) the Phase II clinical trial of D-2570 targeting moderate-to-severe active UC, active SLE, active PsA and nonsegmental vitiligo; (3) the registrational Phase III clinical trial of taragarestrant (D-0502) targeting ER+/HER2- breast cancer; and (4) the Phase II clinical trial of taragarestrant (D-0502) in combination with JSKN016 targeting ER+/HER2- breast cancer. The other front is expansion of our pipeline products, particularly YF087, YF550 and YF057, for which we expect to initiate Phase I clinical trials in the fourth quarter of 2026, obtain IND approval in fourth quarter of 2026 and submit IND application in second quarter of 2027, respectively.

RESEARCH AND DEVELOPMENT

Our in-house R&D team consisted of 165 employees as of the Latest Practicable Date, most of whom had obtained at least bachelor’s degrees, and over 49% members of our R&D team had obtained advanced degrees, including over 13% members with doctorate degrees and over 36% members with master’s degrees. Our core R&D personnel consists of 24 members covering the fields of chemistry, biology, pharmacology and medicine, who have been working in the pharmaceutical industry for an average over 22 years. As of the Latest Practicable Date, the core R&D personnel involved in the development of the Core Products all remain employed by us. Our R&D costs decreased from RMB384.3 million in 2024 to RMB325.8 million in 2025, primarily attributable to substantial R&D costs incurred in 2024 for the Phase I/II clinical trial of garsorasib (D-1553) in patients with KRAS G12C mutated locally advanced or metastatic solid tumors in multiple regions, which was completed in November 2024. Our R&D costs increased from RMB116.5 million for the six months ended June 30, 2025 to RMB184.7 million for the six months ended June 30, 2026, primarily attributable to the increase of clinical trial expenses related to D-2570.

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CHEMISTRY, MANUFACTURING & CONTROLS

Our CMC team has extensive experience in process development, production and quality management, with members from well-known biopharmaceutical and pharmaceutical companies. Our CMC team is involved in preclinical and clinical support throughout the drug development process. Over the years, our CMC team has facilitated the clinical translation of multiple drug candidates, including our Core Products and two commercialized products.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we held 215 patents and patent applications, 55 of which relate to our Core Products. We have full ownership of the intellectual property rights relating to the Core Products. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that makes us to believe that any of the pending patent applications will be rejected. According to the freedom-to-operate searches and analyses covering China and the U.S. in relation to our Core Products and darbinurad (D-0120), and covering China in relation to befortertinib (BPI-D0316) and garsorasib (D-1553), our Directors were not aware of a substantial risk of infringement in relation to the above products.

MAJOR COLLABORATION ARRANGEMENTS

We have successfully entered into multiple cooperation and licensing agreements with domestic and international partners to accelerate the development and maximize the commercial value of our product portfolio. For details, see “Business — Major Collaboration Arrangements.”

Collaboration Agreement with Betta

In December 2018, when we had received a NMPA IND approval to conduct a Phase II clinical trial of befortertinib (BPI-D0316) targeting NSCLC, we entered into agreement with Betta to grant Betta the exclusive rights to develop and commercialize the product in Chinese Mainland, Hong Kong and Taiwan (the “Betta Agreement”). Pursuant to the Betta Agreement, we are entitled to receive from Betta upfront payment and development milestone payment of RMB230 million. The development milestones include the granting of a Chinese patent for befortertinib (BPI-D0316), NMPA regulatory approval of befortertinib (BPI-D0316) for a second-line treatment of NSCLC, and NMPA regulatory approval of befortertinib (BPI-D0316) for a first-line treatment of NSCLC. We are also entitled to receive commercial milestone payments and royalty payments based on the annual net sales of befortertinib (BPI-D0316).

Collaboration Agreement with CTTQ

In August 2023, we entered into a License and Collaboration Agreement with CTTQ, under which we granted CTTQ an exclusive license to develop, register, manufacture and commercialize garsorasib (D-1553) in Chinese Mainland (the “CTTQ Agreement”). Pursuant to the CTTQ Agreement, we will be entitled to receive upfront and development milestone payments of up to RMB260 million, as well as commercial milestone payments of up to RMB290 million. Also, we will be entitled to receive royalty payments based on the annual net sales of garsorasib (D-1553).

Collaboration Agreement with InxMed

In September 2021, we entered into a collaboration agreement with InxMed for the joint development of ifebemtinib in combination with garsorasib (D-1553) as a cancer treatment. Under the agreement, InxMed shall provide ifebemtinib free of charge and we shall provide garsorasib free of charge for the joint clinical development of the combination therapy.

In October 2023, we entered into a supplemental agreement with InxMed in connection with the 2021 InxMed Agreement, after we signed the aforementioned CTTQ Agreement in August 2023. Under the supplemental agreement, InxMed shall lead the remaining work for the Phase Ib clinical trial for garsorasib (D-1553), and we shall continue to provide garsorasib (D-1553) for the clinical development of the combination therapy.

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OUR SUPPLIERS AND CUSTOMERS

In 2024 and 2025 and for the six months ended June 30, 2026, purchases from our five largest suppliers in each year/period during the Track Record Period amounted to RMB122.2 million, RMB117.2 million and RMB44.3 million, representing 59.9%, 58.3% and 29.7% of our total purchases for the respective year/period. In 2024 and 2025 and for the six months ended June 30, 2026, our purchases from our largest supplier in each year/period during the Track Record Period amounted to RMB53.0 million, RMB37.7 million and RMB14.0 million, representing 26.0%, 18.8% and 9.4% of our total purchases for the respective year/period.

In 2024 and 2025 and for the six months ended June 30, 2026, the aggregate revenue from our only two customers was RMB168.8 million, RMB37.3 million and RMB53.3 million, respectively. In 2024 and 2025 and for the six months ended June 30, 2026, revenue from our largest customer in each year/period accounted for 90.3%, 75.1% and 68.9% of our total sales revenues amount for the respective year/period.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, (a) Dr. Wang through his controlled entities, namely InventisBio HK, Aargletschers and InventisBio Cayman, holding approximately 19.04% of the total issued Shares, (b) Dr. Jiang through his wholly-owned subsidiary, YUEHENG JIANG LLC, holding approximately 4.63% of the total issued Shares, and (c) Dr. Dai through his wholly-owned subsidiary, XING DAI LLC holding approximately 3.53% of the total issued Shares, together controlled approximately 27.19% of our total issued Shares, and constituted our Single Largest Group of Shareholders.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no new Shares are issued under the Restricted Share Incentive Schemes), the Single Largest Group of Shareholders will continue to control in aggregate approximately [REDACTED]% of the total issued share capital of our Company and continue to be our Single Largest Group of Shareholders. For further details, see “Relationship with Our Single Largest Group of Shareholders” in this Document.

Concert Party Agreements

On October 30, 2020, Dr. Wang, Dr. Jiang, Dr. Dai, Dr. Ling Zhang, InventisBio HK, YUEHENG JIANG LLC, XING DAI LLC and LING ZHANG LLC entered into a concert party agreement. In June 2021, YAOLIN WANG LLC, one of our Employee Shareholding Platforms, entered into a supplemental agreement with the aforesaid parties (together, the “**Concert Party Agreements**”). Pursuant to the Concert Party Agreements, the parties acknowledged and confirmed that (1) Dr. Wang, Dr. Jiang and Dr. Dai confirmed their relationship of acting in concert in exercising the rights of the Shareholders of the Company. In the event the parties are unable to reach consensus on matters of our Company, each of the parties shall act in accordance with the instructions of Dr. Wang. In addition, Dr. Wang, Dr. Jiang and Dr. Dai are the de facto controllers of the Company; and (2) Dr. Ling Zhang and his wholly-owned subsidiary, LING ZHANG LLC, shall act in concert with the aforementioned de facto controllers, and act pursuant to the decisions of the de facto controllers in exercising relevant voting rights. The Concert Party Agreements shall be effective for a term of 36 months after the A Share listing date, being July 25, 2022, and will automatically renew for a period of five (5) years, unless otherwise terminated by a party upon expiration. Upon expiry of the Concert Party Agreements in July 2025, (a) Dr. Zhang and LING ZHANG LLC agreed not to renew and ceased to be a party to the Concert Party Agreements for personal reasons and (b) YAOLIN WANG LLC agreed not to renew and ceased to be a party to the Concert Party Agreements given Dr. Wang ceased to be its managing member for administrative conveniences. On July 24, 2025, Dr. Wang, Dr. Jiang, Dr. Dai, InventisBio HK, YUEHENG JIANG LLC and XING DAI LLC entered into supplemental agreement to the Concert Party Agreements to reflect the aforesaid changes. For details, see “History, Development and Corporate Structure – Our Single Largest Group of Shareholders and Concert Party Agreements”.

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PRE-[REDACTED] INVESTMENTS AND SOPHISTICATED INVESTOR

Since the establishment of our Company, we have received four rounds of pre-[REDACTED] investments amounting to approximately RMB1,435 million from a number of financial investors including the Sophisticated Investor, namely LAV USD Group, which held approximately 2.56% of the total issued share capital of our Company as of the Latest Practicable Date. For further details, see “History, Development and Corporate Structure — Sophisticated Investor” in this Document.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE STAR MARKET

Our A Shares have been listed on the Shanghai Stock Exchange STAR Market since July 2022. Our Directors confirmed that we had no instances of material non-compliance with the laws and regulations in the PRC applicable to our A-share listing since our listing on the Shanghai Stock Exchange STAR Market and, to the best knowledge of our Directors after having made all reasonable enquiries, there was no material matter that should be brought to [REDACTED] attention in relation to our compliance record on the Shanghai Stock Exchange STAR Market.

Our Directors confirmed that, and our PRC Legal Adviser is of the view that the Group had complied with all applicable securities laws and regulations in the PRC in relation to its A Share listing on the Shanghai Stock Exchange STAR Market in all material respects throughout the Track Record Period and up to the Latest Practicable Date. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Adviser’s view as set out above, nothing has come to the Sole Sponsor’s attention that would cause them to have reasonable doubt about our Directors’ confirmation with regard to the compliance record of the Company on the Shanghai Stock Exchange STAR Market in all material respects.

STRENGTHS

We believe the following strengths differentiate us from our competitors: a pharmaceutical translation engine powered by an experienced R&D team and an established R&D platform; established target discovery and molecular design capabilities driving higher R&D productivity; combined translational medicine platform and robust CMC capabilities driving efficient bench-to-clinic progression; a competitive and differentiated pipeline with multi-layered value drivers; extensive global collaboration network and commercial execution capabilities; a R&D team with global experience, strengthening financial fundamentals, and long-term support from leading global investors.

STRATEGIES

We plan to pursue the following significant opportunities and execute our key strategies accordingly: accelerate clinical development of our Core Products; accelerate the expansion of our pipeline across oncology, autoimmune diseases, and metabolic disorders through precision target discovery; strategic global advancement of garsorasib (D-1553), D-2570, and darbinurad (D-0120) through partnerships with trusted collaborators; advancing an AI-enabled drug design platform through integrated internal development and strategic external collaboration; continue to recruit, develop, and retain talent across all business functions to support our long-term growth.

SUMMARY OF KEY FINANCIAL INFORMATION

This summary of key financial information set forth below has been derived from, and should be read in conjunction with, our historical financial information, including the accompanying notes, set forth in the Accountants’ Report set out in Appendix I to this Document, as well as the information set forth in “Financial Information” of this Document. Our historical financial information was prepared in accordance with IFRSs.

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The following table sets forth our consolidated statements of profit or loss and other comprehensive income for the years/periods indicated:

	Year ended December 31,		Six months ended June 30,	
	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Revenue	168,790	37,290	19,164	53,319
Cost of sales	(4,016)	(5,132)	(2,546)	(3,023)
Gross profit	<u>164,774</u>	<u>32,158</u>	<u>16,618</u>	<u>50,296</u>
Other income	38,587	33,811	17,781	13,529
Other gains and losses, net	2,934	1,997	529	692
Provision for impairment losses	(8,868)	(12,566)	(16,500)	(96)
General and administrative expenses	(52,619)	(45,398)	(22,961)	(16,627)
Research and development costs	(384,347)	(325,792)	(116,518)	(184,716)
Finance costs	(665)	(835)	(438)	(360)
Loss before tax	(240,204)	(316,625)	(121,489)	(137,282)
Income tax (expense)/credit	—	(240)	(46)	201
Loss for the year/period	<u>(240,204)</u>	<u>(316,865)</u>	<u>(121,535)</u>	<u>(137,081)</u>
Loss for the year/period attributable to:				
Owners of the Company	<u>(240,204)</u>	<u>(316,865)</u>	<u>(121,535)</u>	<u>(137,081)</u>

Our loss for the year increased from RMB240.2 million in 2024 to RMB316.9 million in 2025, primarily attributable to a decrease of revenue from RMB168.8 million in 2024 to RMB37.3 million in 2025, which is in line with a lack of recognition of development milestone payments deriving from our collaboration agreements in 2025, partially offset by a decrease of research and development costs from RMB384.3 million in 2024 to RMB325.8 million in 2025. Our loss for the period increased from RMB121.5 million for the six months ended June 30, 2025 to RMB137.1 million for the six months ended June 30, 2026, primarily attributable to the increase in research and development costs from RMB116.5 million to RMB184.7 million. Such increase was partially offset by the increase in revenue from RMB19.2 million to RMB53.3 million, the substantial decrease in provision for impairment losses from RMB16.5 million to RMB0.1 million, and the decrease in general and administrative expenses from RMB23.0 million to RMB16.6 million.

Summary of Our Consolidated Statements of Financial Position

The following table sets forth our consolidated statements of financial position as of the dates indicated.

	At December 31,		At June 30,
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment	19,669	18,610	17,254
Intangible assets	592	1,429	839
Right-of-use assets	25,147	21,465	18,311
Prepayments	679	587	5,024
Deferred tax assets	3,439	3,188	2,641
Total non-current assets	<u>49,526</u>	<u>45,279</u>	<u>44,069</u>

SUMMARY

	At December 31,		At June 30,
	2024	2025	2026
	RMB'000	RMB'000	RMB'000
Current assets			
Trade receivables	165,342	84,666	86,037
Prepayments, deposits and other receivables	23,181	43,392	66,668
Financial assets at fair value through profit or loss (“FVTPL”)	101,300	153,677	152,960
Time deposits	667,521	653,711	531,210
Cash and bank balances	913,947	723,120	641,249
Total current assets	<u>1,871,291</u>	<u>1,658,566</u>	<u>1,478,124</u>
Total assets	<u>1,920,817</u>	<u>1,703,845</u>	<u>1,522,193</u>
Current liabilities			
Trade payables	59,964	115,480	75,878
Other payables and accruals	22,229	26,272	13,226
Lease liabilities	7,788	7,150	6,453
Total current liabilities	<u>89,981</u>	<u>148,902</u>	<u>95,557</u>
Net current assets	<u>1,781,310</u>	<u>1,509,664</u>	<u>1,382,567</u>
Total assets less current liabilities	<u>1,830,836</u>	<u>1,554,943</u>	<u>1,426,636</u>
Non-current liabilities			
Deferred income	480	480	480
Lease liabilities	16,134	14,919	12,350
Deferred tax liabilities	3,439	3,428	2,680
Total non-current liabilities	<u>20,053</u>	<u>18,827</u>	<u>15,510</u>
NET ASSETS	<u>1,810,783</u>	<u>1,536,116</u>	<u>1,411,126</u>

We had net current assets position as of December 31, 2024 and 2025 and June 30, 2026. Our net current assets decreased by RMB271.6 million from RMB1,781.3 million as of December 31, 2024 to RMB1,509.7 million as of December 31, 2025, primarily because of the decrease in current assets. Our net current assets decreased by RMB127.1 million from RMB1,509.7 million as of December 31, 2025 to RMB1,382.6 million as of June 30, 2026, primarily because of the decrease in current assets, partially offset by the decrease in current liabilities. Our current assets decreased from RMB1,871.3 million as of December 31, 2024 to RMB1,658.6 million as of December 31, 2025, primarily due to the decrease in cash and bank balances of RMB190.8 million and the decrease in trade receivables of RMB80.7 million, partially offset by the increase of financial assets at FVTPL of RMB52.4 million and the increase of prepayments, deposits and other receivables of RMB20.1 million. Our current assets decreased from RMB1,658.6 million as of December 31, 2025 to RMB1,478.1 million as of June 30, 2026, primarily due to the decrease in time deposits of RMB122.5 million and the decrease in cash and bank balances of RMB81.9 million, partially offset by the increase of prepayments, deposits and other receivables of RMB23.3 million. Our net assets decreased from RMB1,810.8 million as of December 31, 2024 to RMB1,536.1 million as of December 31, 2025, primarily due to loss of the year of RMB316.9 million in 2025, partially offset by issuance of restricted shares of RMB7.0 million and recognition of equity-settled share-based payment expenses of RMB35.7 million in 2025. Our net assets decreased from RMB1,536.1 million as of December 31, 2025 to RMB1,411.1 million as of June 30, 2026, primarily due to loss of the period of RMB137.1 million, partially offset by issuance of restricted shares of RMB5.4 million and recognition of equity-settled share-based payment expenses of RMB6.2 million for the six months ended June 30, 2026.

SUMMARY

Summary of Our Consolidated Statements of Cash Flows

The following table sets forth key items of our consolidated statements of cash flows for the years/periods indicated:

	For the Year Ended December 31,		For the Six Months Ended June 30,	
	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Net cash used in operating activities	(241,972)	(155,444)	(105,751)	(188,176)
Net cash (used)/generated from investing activities	(53,929)	(26,330)	(292,923)	123,905
Net cash (used)/generated from financing activities	(6,482)	(6,220)	1,686	(17,378)
Net decrease in cash and cash equivalents	(302,383)	(187,994)	(396,988)	(81,649)
Cash and cash equivalents at the beginning of the year/period	1,215,826	913,947	913,947	723,120
Effect of exchange rate changes . . .	504	(2,833)	(2,210)	(222)
Cash and cash equivalents at the end of the year/period, represented by bank balances and cash	913,947	723,120	514,749	641,249

During the Track Record Period, we incurred negative cash flows from our operations. For the six months ended June 30, 2026, our net cash used in operating activities was RMB188.2 million, which was primarily attributable to our loss before tax of RMB137.3 million, adjusted by certain non-cash and working capital items, including (i) bank interest income of RMB7.7 million, (ii) share-based payment expense of RMB6.2 million, (iii) depreciation of right-of-use assets of RMB4.3 million, and (iv) decrease in trade payables of RMB39.6 million. In 2025, our net cash used in operating activities was RMB155.4 million, which was primarily attributable to our loss before tax of RMB316.6 million, adjusted by certain non-cash and working capital items, including (i) share-based payment expense of RMB35.7 million, (ii) bank interest income of RMB25.0 million, (iii) impairment losses on trade receivables of RMB12.6 million, and (iv) decrease in trade receivables of RMB68.1 million. In 2024, our net cash used in operating activities was RMB242.0 million, which was primarily attributable to our loss before tax of RMB240.2 million, adjusted by certain non-cash and working capital items, including (i) decrease in contract liabilities of RMB47.2 million, (ii) share-based payment expense of RMB47.0 million, (iii) bank interest income of RMB30.0 million, (iv) decrease in prepayment, deposits and other receivables of RMB18.7 million, (v) depreciation of right-of-use assets of RMB13.1 million, (vi) decrease in trade payables of RMB12.6 million, and (vii) impairment losses on trade receivables of RMB8.9 million.

KEY FINANCIAL RATIOS

Our current ratio was 20.8, 11.1 and 15.5 as of December 31, 2024 and 2025 and June 30, 2026, respectively. Current ratio equals total current assets divided by total current liabilities as of the end of the year.

WORKING CAPITAL CONFIRMATION

Our Directors are of the opinion that, taking into account the financial resources available, including cash and cash equivalents, the expected revenue from commercialization of beforterinib (BPI-D0316) and garsorasib (D-1553) in China by our partners, and the estimated net

SUMMARY

[REDACTED] from the [REDACTED], as well as our cash burn rate, we have sufficient working capital to cover at least 125% of our costs, including research and development costs and general and administrative expenses for at least the next 12 months from the date of this Document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, capital expenditures and lease payments. Assuming an average cash burn rate going forward of [REDACTED] times the level in 2024 and 2025 and for the six months ended June 30, 2026, we estimate that our cash at bank and on hand as of June 30, 2026 will be able to maintain our financial viability for [REDACTED] months from June 30, 2026 taking into account the estimated net [REDACTED] from the [REDACTED]; or we estimate that we will be able to maintain our financial viability for [REDACTED] months from June 30, 2026 without taking into account the estimated net [REDACTED] from the [REDACTED] (based on the low-end of the [REDACTED] and assuming the [REDACTED] is not exercised). We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing, if needed, with a minimum buffer of 12 months.

[REDACTED]

DIVIDEND

We have never declared or paid any dividends on our ordinary shares or any other securities. As of the Latest Practicable Date, we have a formal dividend policy, and we do not have a pre-determined dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not intend to declare or pay any dividends in the foreseeable future. [REDACTED] should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors subject to our Articles of Association and the PRC Company

SUMMARY

Law, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. As advised by our PRC Legal Adviser, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders in a given year, in view of our accumulated losses, or even if we become profitable as we will only be able to declare or pay dividends out of our distributable profits until (i) the accumulated losses are covered by our after-tax profits, and (ii) sufficient statutory and other reserves are drawn in accordance with the relevant laws, regulations and our constitutional documents.

As confirmed by our PRC Legal Adviser, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the midpoint of the range of the indicative [REDACTED] stated in this Document), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] and other estimated expenses in connection with the [REDACTED] (assuming the [REDACTED] is not exercised). We intend to use the net [REDACTED] we expect to receive from the [REDACTED] (assuming the [REDACTED] is not exercised) for the purposes and in the amounts set out below: approximately [REDACTED]%, or HK\$[REDACTED], will be used for the clinical development of our Core Products; approximately [REDACTED]%, or HK\$[REDACTED], will be for the R&D of our preclinical product candidates; approximately [REDACTED]%, or HK\$[REDACTED], will be used for the continued development of our ADC technology platform; and approximately [REDACTED]%, or HK\$[REDACTED], will be used for our working capital and other general corporate purposes. For further details, see “Future Plans and Use of [REDACTED]” in this Document.

RISK FACTORS

We believe that there are certain risks involved in our operations, many of which are beyond our control. These risks are set out in the section headed “Risk Factors” in this Document. Some of the major risks we face include: we face competition from existing drugs and drug candidates under development; our business and financial prospects depend substantially on the success of our pipeline products. If we are not able to successfully complete clinical development, obtain regulatory approval and commercialize our pipeline products, including our Core Products, or experience delays in doing so, our business prospects could be adversely affected; clinical development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results; the regulatory approval processes for pharmaceutical products are time consuming and depend on numerous factors, and if we are ultimately unable to obtain regulatory approval for our pipeline products, our business could be substantially harmed; we rely on our current and future collaborators’ willingness and ability to devote resources to the development and commercialization of some of our pipeline products and to otherwise support our business as contemplated in our collaboration agreements; we may become subject to IP infringement claims, which could expose us to substantial liability, harm our reputation, limit our research and development or other business activities and/or impair our ability to commercialize our product candidates. As a result, you may lose substantially all of your [REDACTED] in us.

SUMMARY

[REDACTED]-RELATED EXPENSE INCURRED AND TO BE INCURRED

Our [REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. Based on an [REDACTED] of HK\$[REDACTED] per H Share (being the midpoint of the range of the indicative [REDACTED] stated in this Document), we estimated that the total [REDACTED] expenses for the [REDACTED] are approximately HK\$[REDACTED], accounting for approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED] (assuming no H Shares are issued pursuant to the [REDACTED]), of which approximately HK\$[REDACTED] is expected to be charged to our consolidated statements of profit or loss and other comprehensive income upon the completion of [REDACTED], and approximately HK\$[REDACTED] is expected to be accounted for as a deduction from equity upon the completion of [REDACTED]. The above expenses comprise of (i) [REDACTED]-related expenses, including [REDACTED] and other expenses, of HK\$[REDACTED]; and (ii) [REDACTED]-related expenses of HK\$[REDACTED], including (a) fee paid and payable to legal advisers and reporting accountants of HK\$[REDACTED] million, and (b) other fees and expenses of HK\$[REDACTED]. [REDACTED], approximately HK\$[REDACTED] thousand and HK\$[REDACTED] thousand of the [REDACTED] expenses have been recognized in profit or loss for the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, respectively. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS

Clinical Development

In July 2026, we initiated a Phase II clinical trial of D-2570 for moderate-to-severe plaque psoriasis in the U.S., initiated a Phase II clinical trial of D-2570 for nonsegmental vitiligo in China, and submitted an IND application for YF550 to the NMPA.

In August 2026, we entered into a collaboration agreement with MSD R&D (China) Co. Ltd. to jointly advance the clinical development of small-molecule drugs in the field of oncology.

Expected Net Loss

We expect to record a net loss for the year ending December 31, 2026, which is primarily due to our expectation that significant research and development costs and administrative expenses will be further incurred.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of the Document, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since June 30, 2026, being the end date of the periods reported on in the Accountants’ Report set out in Appendix I to this Document, and there had been no event since June 30, 2026, that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this Document.