OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, our Company was owned as to (i) approximately 19.04% by InventisBio HK, an indirectly wholly-owned subsidiary of Dr. Wang, (ii) approximately 4.63% by YUEHENG JIANG LLC, a wholly owned subsidiary of Dr. Jiang, and (iii) approximately 3.53% by XING DAI LLC, a wholly-owned subsidiary of Dr. Dai. Pursuant to the Concert Party Agreements (as supplemented), Dr. Wang, Dr. Jiang, Dr. Dai, InventisBio HK, YUEHENG JIANG LLC and XING DAI LLC confirmed their relationship of acting in concert in exercising their rights as 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. For further details, see "History, Development and Corporate Structure — Our Single Largest Group of Shareholders and Concert Party Agreements".

Therefore, (a) Dr. Wang and his controlled entities, namely InventisBio HK, Aargletschers and InventisBio Cayman, (b) Dr. Jiang and YUEHENG JIANG LLC, and (c) Dr. Dai and XING DAI LLC controlled in aggregate approximately 27.19% of our total issued share capital and constituted our Single Largest Group of Shareholders immediately prior to the [**REDACTED**] assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**].

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 thereby continue to be our Single Largest Group of Shareholders.

For details of Dr. Wang, Dr. Jiang and Dr. Dai, see "Directors and Senior Management — Board of Directors." For details of InventisBio HK, InventisBio Cayman, Aargletschers, YUEHENG JIANG LLC and XING DAI LLC, see "History, Development and Corporate Structure".

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying out our business independently from our Single Largest Group of Shareholders and their respective close associates after the [**REDACTED**], taking into account the following factors:

Management Independence

Our Board comprises nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. See "Directors and Senior Management" for further details.

Our Directors have relevant experience to ensure the proper functioning of the Board. We further believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Single Largest Group of Shareholders (which include Dr. Wang, Dr. Jiang and Dr. Dai) and their respective close associates for the following reasons:

- all of our Directors and senior management (except Dr. Wang, Dr. Jiang and Dr. Dai) have no other relationship with our Single Largest Group of Shareholders and their respective close associates that would affect their independence. They have substantial experience in the industry and have been with our Group in management capacity for a number of years as further described in the section headed "Directors and Senior Management", which will enable them to discharge their duties independently from the Single Largest Group of Shareholders;

- each of our Directors is aware of his/her fiduciary duties as a Director which require, among others, that he/she must act for the benefit of and in the best interests of our Company and not allow any conflict between his/her duties as a Director and his/her personal interests;

- our independent non-executive Directors have extensive experience in different areas. They have been appointed pursuant to the requirements under the Listing Rules to ensure that the decisions of the Board are made only after due consideration of independent and impartial opinions. We believe that they will be able to exercise their independent judgment and will be able to provide impartial opinions in the decision-making process of our Board to protect the interests of our Shareholders;

- our Company is an A-share listed company and has established internal control mechanisms to identify related party transactions and connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions. Where a Board meeting or Shareholders' meeting is held to consider a proposed transaction in which our Directors or Single Largest Group of Shareholders or any of their respective close associates have a material interest, the relevant Directors or our Single Largest Group of Shareholders and their respective close associates shall abstain from voting on the relevant resolutions and shall not be counted towards the quorum for the voting; and;

- we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders, which would support our independent management. See "— Corporate Governance Measures."

Based on the above, our Directors are satisfied that our Board as a whole together with our senior management team are able to perform the managerial role in our Group independently.

Operational Independence

We have established our own organizational structure, with each department assigned to specific areas of responsibilities which have been in operation and are expected to continue to operate independently from our Single Largest Group of Shareholders. We have independent access to suppliers and customers, and have independent production capabilities. We are also in possession of all relevant assets, licenses trademark and other intellectual property necessary to carry on and operate our business and we have sufficient operational capacity in terms of capital and employees to operate independently.

Our Directors are of the view that there is no operational dependence by us on our Single Largest Group of Shareholders, and our Group is able to operate independent from our Single Largest Group of Shareholders after the [**REDACTED**].

Financial Independence

We have an independent financial system and make financial decisions according to our Group's own business needs. We have internal control and accounting systems and an independent finance department for discharging the treasury function. We do not expect to rely on the Single Largest Group of Shareholders and their close associates for financing after the [**REDACTED**] as we expect that our working capital will be funded by cash flows generated from, among others, operating activities, bank loans, as well as the [**REDACTED**] from the [**REDACTED**].

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Single Largest Group of Shareholders or their respective associates. Our Directors confirm that as of the Latest Practicable Date, on one hand, none of the Single Largest Group of Shareholders or their respective close associates provided any loans, guarantees or pledges to our Group and, on the other hand, our Group did not provide any loans, guarantees or pledges to our Single Largest Group of Shareholders.

Based on the above, our Directors believe that we have the ability to operate independently of our Single Largest Group of Shareholders and their respective close associates from a financial perspective and are able to maintain financial independence from, and do not place undue reliance on, our Single Largest Group of Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance. Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests:

- in preparation of the [**REDACTED**], we have amended our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provides that a Director shall not vote on any resolution in which such Director is connected with the Company or individual involved;

- we have established internal control mechanisms to identify connected transactions. Upon the [**REDACTED**], if we enter into connected transactions with any of our Single Largest Group of Shareholders or their respective associates, our Company will comply with the requirements of the Articles of Association and the applicable Listing Rules;

- we are committed that our Board should include a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors. We have appointed three independent non-executive Directors and we believe our independent non-executive Directors possess sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial and external opinion to protect the interests of our public Shareholders. Details of our independent non-executive Directors are set out in "Directors and Senior Management — Board of Directors — Independent Non-executive Directors;"

- in the event that the independent non-executive Directors are requested to review any conflicts of interests circumstances between our Group on the one hand and our Single Largest Group of Shareholders and/or our Directors on the other hand, our Single Largest Group of Shareholders and/or our Directors shall provide the independent non-executive Directors with all necessary information and our Company shall disclose the decisions of the independent non-executive Directors either through our annual report or by way of announcements; and

- we have appointed Guoyuan Capital (Hong Kong) Limited as our compliance adviser, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors' duties and corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and the Single Largest Group of Shareholders, and to protect minority Shareholders' interests after the [**REDACTED**].