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Application Proof of

Tyligand Bioscience Ltd.
泰勵生物有限公司*

(the "**Company**")

(Incorporated in the Cayman Islands with limited liability)

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Tyligand Bioscience Ltd.
泰勵生物有限公司*

(Incorporated in the Cayman Islands with limited liability)

[REDACTED]

Number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] Shares (subject to reallocation)**
Number of [REDACTED]	**:**	**[REDACTED] Shares (subject to reallocation and the [REDACTED])**
Maximum [REDACTED]	**:**	**HK$[REDACTED] per [REDACTED], plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal Value	**:**	**US$[0.0002] per Share**

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Prior to making an [**REDACTED**] decision, prospective [**REDACTED**] should consider carefully all of the information set out in this document, including but not limited to the risk factors set out in the section headed "Risk Factors" in this document.

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EXPECTED TIMETABLE[1]

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EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

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SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED]. *There are risks associated with any* [REDACTED]. *Some of the particular risks in* [REDACTED] *in the* [REDACTED] *are set out in "Risk Factors" of this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED]. *In particular, we are a biopharmaceutical 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 Rules 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [REDACTED] *in companies such as ours. Our Core Product is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants, and is in the early stage of clinical development. We may continue to incur substantial costs and expenses in relation to research and development activities for the Core Product, TSN1611, and the Core Product may not be successfully developed or marketed. Your* [REDACTED] *decision should be made in light of these considerations.

OVERVIEW

Founded in 2017, we are a clinical-stage biopharmaceutical company focusing on the discovery and development of cancer therapeutics. As of the Latest Practicable Date, our drug portfolio consisted of four drug candidates, including one phase 2 stage Core Product, TSN1611, one additional clinical-stage drug candidate, TSN222, and two preclinical-stage drug candidates, TSNA1789 and TSNA3339. Our Core Product, TSN1611, is an orally bioavailable inhibitor of Kirsten rat sarcoma ("**KRAS**") G12D. TSN1611 is currently under phase 2 clinical trials in the United States and China. We are in communications with, and have obtained feedbacks from the FDA regarding the clinical development plan of TSN1611, including the requirement for the initiation of a registrational phase 3 multi-regional clinical trial ("**MRCT**") of TSN1611 as a monotherapy for the second- and later-line treatment of non-small cell lung cancer ("**NSCLC**"), and intend to communicate with the NMPA to seek clearance for participation in the MRCT in China.

Our Core Product, TSN1611, is designed to address KRAS G12D-driven malignancies, including non-small cell lung cancer ("**NSCLC**"), pancreatic ductal adenocarcinoma ("**PDAC**"), and colorectal cancer ("**CRC**"), through a mechanism of action that inhibits both the active ("**GTP-bound**") and inactive ("**GDP-bound**") states of the KRAS G12D protein. We are developing TSN1611 as a monotherapy for the treatment of second- and later-line NSCLC, and in combination therapy for the treatment of first-line PDAC, first-line CRC, and other advanced solid tumors.

THERE IS NO ASSURANCE THAT WE WILL ULTIMATELY BE ABLE TO DEVELOP AND MARKET OUR CORE PRODUCT OR ANY OF OUR PIPELINE PRODUCTS SUCCESSFULLY.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED "WARNING" ON THE COVER OF THIS DOCUMENT.

The following chart illustrates our drug candidates and their respective development stages as of the Latest Practicable Date.

Category	Drug Candidate	Target	Therapy	Combination Agent	Indication	Route of Administration	Preclinical and IND	phase 1	phase 2	phase 3	NDA	Milestones	Asset Origin	Commercial Rights
Small Molecule Drug	TSN1611[1] ★	KRAS G12D	Monotherapy	/	2L+ NSCLC	Oral	NMPA					After getting the confirmation from the NMPA, the pivotal clinical trial will be initiated in 2026 Q4	Self-developed	China
			Monotherapy	/	2L+ NSCLC	Oral	FDA					After getting the confirmation from the FDA, the pivotal clinical trial will be initiated in 2026 Q4	Self-developed	U.S.
			Combination Therapy	Cetuximab[2]	Advanced Solid Tumors	Oral	NMPA					Phase 2 completion in 2027 Q2	Self-developed	China
			Combination Therapy	Cetuximab[2]	Advanced Solid Tumors	Oral	FDA					Phase 2 completion in 2027 Q2	Self-developed	U.S.
			Combination Therapy	GnP[3]	1L PDAC	Oral	NMPA					Pivotal clinical trial to initiate in 2027 Q1	Self-developed	China
			Combination Therapy	GnP[3]	1L PDAC	Oral	FDA					Pivotal clinical trial to initiate in 2027 Q1	Self-developed	U.S.
			Combination Therapy	Cetuximab+ mFOLFOX6[4]	1L CRC	Oral	NMPA					Pivotal clinical trial to initiate in 2027 Q4	Self-developed	China
			Combination Therapy	Cetuximab+ mFOLFOX6[4]	1L CRC	Oral	FDA					Pivotal clinical trial to initiate in 2027 Q4	Self-developed	U.S.
	TSN222[5]	STING+ nucleoside synthesis	Monotherapy	/	Advanced Malignancy	Intratumoral Injection	NMPA					Phase I completion in 2026 Q4	Self-developed	China
ADC	TSNA1789[6]	HER2+STING +nucleoside synthesis	ADC	/	Advanced Solid Tumors	Intravenous Injection	NMPA					IND submission in 2027 Q3	Self-developed	China
	TSNA3339[7]	EGFR+KRAS	ADC	/	Advanced Solid Tumors	Intravenous Injection	NMPA					IND submission in 2027 Q1	Self-developed	China

★ **Core Product**

Abbreviations: NSCLC: non-small cell lung cancer; PDAC: pancreatic ductal adenocarcinoma; CRC: colorectal cancer; ADC: antibody drug conjugate; GnP: gemcitabine and nab-paclitaxel, which is a standard, effective first-line chemotherapy for advanced/metastatic pancreatic cancer; mFOLFOX6: a commonly used, effective first-line chemotherapy regimen for colorectal and advanced gastric cancers, consisting of fluorouracil, modified folinic acid, and oxaliplatin

** Refers to the route of administration of our drug candidates.*

Notes:

(1) As of the Latest Practicable Date, we had completed the phase 1a and phase 1b clinical trials in the United States and China for TSN1611 as monotherapy, which, as confirmed by the FDA in January 2026, are broadly equivalent to a phase 1 clinical trial of similar drug. Currently, TSN1611 is under phase 2 clinical trials in the United States and China for the treatment of KRAS G12D-mutated advanced solid tumors. Pursuant to the umbrella IND approvals and clearances for TSN1611 granted by the NMPA and the FDA, respectively, we are not required to obtain further regulatory confirmation prior to initiating the phase 2 portion of the clinical trial. Collectively, Phase Ia and Phase Ib fulfill the primary objectives of a conventional Phase I clinical trial for oncology drugs under standard NMPA and FDA regulatory frameworks. During our communications, the FDA and the NMPA raised no objections to our conclusion that the primary endpoints of the Phase 1a and 1b clinical trials — the completion of which collectively constitutes the completion of our overall Phase 1 clinical trial — have been successfully met. However, we are advised to seek confirmation from the FDA and the NMPA prior to initiating any next-phase clinical trials intended to support future NDA submissions. For details, see "Business — Our Small Molecule Drug Portfolio — TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor."

(2) Pursuant to the relevant procurement agreement, the cetuximab used in the clinical trials of TSN1611 in combination with Cetuximab is Cetuximab Injection (Erbitux) manufactured by Merck Healthcare KGaA.

(3) Pursuant to the relevant procurement agreements, the GnP used in the clinical trials of TSN1611 in combination with GnP and nab-paclitaxel is Gemcitabine Hydrochloride for Injection manufactured by Qilu Pharmaceutical (Hainan) Co., Ltd., and the nab-paclitaxel used is Paclitaxel for Injection (Albumin Bound) manufactured by Jiangsu Hengrui Pharmaceuticals Co., Ltd.

(4) Pursuant to the relevant procurement agreement, the cetuximab used in the clinical trials of TSN1611 in combination with cetuximab + mFOLFOX6 is Cetuximab Injection (Erbitux) manufactured by Merck Healthcare KGaA.

(5) As of the Latest Practicable Date, we were currently conducting a Phase 1/2 clinical trial in China to evaluate the application of TSN222, a novel STING agonist, in patients with advanced malignancies.

(6) TSNA1789 is an ADC developed based on our DATIA platform using TSN222 as the payload. As of the Latest Practicable Date, TSNA1789 is in the preclinical stage.

(7) TSNA3339 is an ADC conjugated from an EGFR-targeting antibody and a highly potent KRAS G12D inhibitor, specifically designed to address the limitations of existing KRAS inhibitors (particularly the issue of drug resistance). As of the Latest Practicable Date, TSNA3339 is in the preclinical stage.

(8) We acted as the sponsor for all the clinical trials disclosed in the pipeline chart. For TSN1611, we expect to conduct multi-regional clinical trials (MRCT) encompassing both China and the United States for the same indication.

Our Business Model

Our core business model centers on the in-house discovery and development of therapeutics in the field of oncology, particularly small molecule and ADC drug candidates. Our near-term priorities focus on accelerating the clinical development and commercialization of our Core Product, TSN1611. In parallel, we will actively pursue external collaborations to maximize the global value of our technologies and pipeline assets through flexible arrangements, including out-licensing, regional rights partnerships, and co-development agreements. As we transition toward becoming a biopharmaceutical company with approved products, we are committed to strengthening our organizational capabilities across manufacturing, regulatory affairs, and commercialization functions to support our evolving business needs and long-term growth objectives.

OUR SMALL MOLECULE DRUG PORTFOLIO

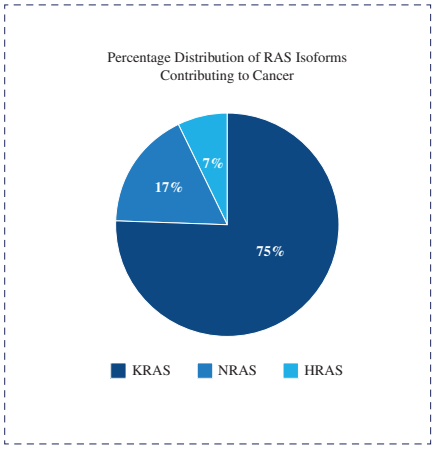
TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor

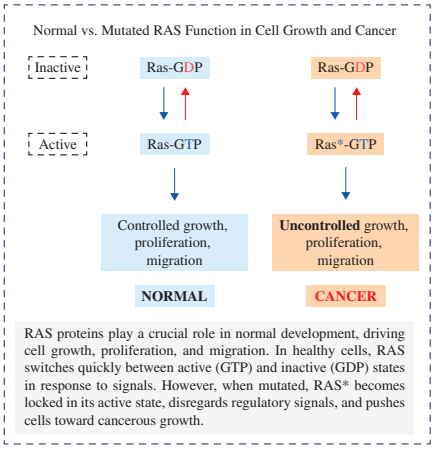
Our Core Product TSN1611 is an orally bioavailable KRAS G12D inhibitor. We have initiated our global phase 1/2 clinical trial and have completed the phase 1a and 1b stages for monotherapy. TSN1611 is designed to block both the active ("on," GTP-bound) and inactive ("off," GDP-bound) states of KRAS G12D protein, where GTP and GDP refer to two different molecules bound to the protein that correspond to its "on" and "off" states, respectively. This dual-state inhibition allows TSN1611 to more effectively and durably shut down KRAS signaling, and potentially slow the development of drug resistance. The high selectivity of TSN1611 toward KRAS G12D enzyme also offers the advantages of a lower rate of adverse events in the clinical settings.

We are currently developing TSN1611 both as monotherapy and in combination therapy with other anti-cancer therapies, including cetuximab, GnP and cetuximab+mFOLFOX6. As monotherapy, we have completed its phase 1 clinical trial in the United States and China and have obtained confirmation from the FDA that we may proceed with its phase 2 monotherapy clinical trial. TSN1611 is currently undergoing phase 2 clinical trials in the United States and China. We have also initiated communications with, and have obtained feedbacks from the FDA regarding the requirement for the initiation of the clinical development plan of TSN1611, including to initiate a registrational phase 3 MRCT for the treatment of NSCLC patients harboring KRAS G12D mutations. In combination therapy settings, we are conducting a phase 1b/2 combination therapy clinical trial of TSN1611 in combination with cetuximab, GnP and cetuximab+mFOLFOX6 in the United States and China, among which the cetuximab combination cohorts have advanced to phase 2.

Mechanism of Action

RAS proteins are frequently mutated proto-oncogenes in human cancers, which are encoded by three commonly expressed genes: HRAS, KRAS, and NRAS. Three RAS oncogene mutations are present in approximately 30% of all human cancers, and they drive tumor growth and metastasis through aberrant activation of RAS-mediated signaling.





KRAS is a vital messenger protein that acts much like an "on/off switch" for cell growth. In a healthy body, this switch is strictly controlled. When the body requires new cells — for example, to heal a wound — the KRAS switch turns "on," sending signals that instruct the cell to multiply. Once enough cells have been produced, the KRAS switch turns "off." This natural cessation of cell growth maintains a careful biological balance that keeps our bodies healthy.

However, the DNA responsible for creating the KRAS protein can sometimes become damaged or altered, resulting in a mutation. KRAS G12D is a specific and highly common type of this mutation. When a cell possesses the KRAS G12D mutation, its internal "on/off switch" breaks and becomes permanently stuck in the "on" position. Because the switch can no longer turn off, it continuously sends signals instructing the cell to grow and divide. This uncontrollable cell multiplication eventually leads to the formation of a tumor. Consequently, the KRAS G12D mutation acts as a primary driver in several severe cancers, including pancreatic, colorectal, and non-small cell lung cancers. Our Core Product, TSN1611, is specifically designed to target this "stuck" KRAS G12D protein and block its harmful signals, thereby aiming to halt the uncontrollable growth of these cancer cells.

Addressable Market and Competitive Landscape of TSN1611

KRAS G12D is the most prevalent KRAS mutation, accounting for approximately 30% of all KRAS mutations. It is highly prevalent across multiple tumor types, including approximately 38% of PDAC, 12% of CRC and 4% of NSCLC. Despite clinical validation of the KRAS pathway through covalent KRAS G12C inhibitors, KRAS G12D remains underserved due to its more complex biology and the absence of a targetable cysteine residue for covalent binding. KRAS G12D exhibits impaired intrinsic GTPase activity, resulting in an extremely slow transition from the active ("on," GTP-bound) to the inactive ("off," GDP-bound) state, rendering KRAS G12D predominantly in the active state in tumor cells. As a result, therapeutic strategies that rely solely on trapping KRAS G12D in the inactive off-state — while successful for KRAS G12C — are less likely to deliver sufficient pathway suppression in KRAS G12D-driven tumors. Effective inhibition of KRAS G12D therefore requires agents capable of targeting the protein at its active, and ideally both its active and inactive conformations. As of the Latest Practicable Date, no KRAS G12D inhibitor had been approved globally, leaving a therapeutic opportunity across multiple high-incidence tumor types with large patient populations.

TSN222 — A Phase 1 Stage STING Agonist

TSN222 is a major product in our oncology pipeline and represents a novel approach in cancer treatment. TSN222 is a small molecule drug designed to leverage the power of immune stimulation for cancer immunotherapy. It acts through a dual-function mechanism, distinguishing it from conventional immune agonists and ADCs. TSN222 is engineered to provide sequential dual functionality by initially stimulating the STING pathway, a cell signaling pathway that helps activate the body's immune response, followed by the unleashing of the cytotoxic activity, which refers to the ability to kill tumor cells.

TSN222's mechanism provides advantages in the treatment of various cancers, enabling the stimulation of the immune system followed by direct tumor cell killing. This offers the potential to overcome many limitations associated with traditional cancer therapies. TSN222 is currently undergoing phase 1 clinical trial in China, showing favorable safety and early signs of efficacy, including partial responses in heavily pretreated patients. In addition, we are using TSN222 as a novel payload for our ADC drug candidates. For details, see "Business — Our Small Molecule Drug Portfolio."

OUR ADC DRUG PORTFOLIO

TSNA3339 — A Preclinical EGFR-Based KRAS G12D ADC

TSNA3339 is an ADC comprising an EGFR-based antibody conjugated to a potent KRAS G12D inhibitor, specifically designed to overcome limitations in existing KRAS inhibitors, especially drug resistance. Unlike traditional toxin-based ADC, TSNA3339 carries a highly potent KRAS G12D inhibitor as its payload. In extensive testing across engineered and tumor-derived KRAS-mutant cell lines, the payload has demonstrated selective activity against KRAS G12D mutants while showing only minimal activity against wild-type KRAS, NRAS, HRAS, and other tested KRAS mutants. By directly delivering the KRAS inhibitor selectively to tumor cells, TSNA3339 aims to achieve more potent and durable tumor suppression, delay or overcome KRAS inhibitor resistance, mitigate gastrointestinal toxicity associated with oral agents, improve pharmacokinetics through targeted delivery, and realize deep combination therapy potential, indicative of safety advantages.

TSNA1789 — A Preclinical DATIA Payload ADC

TSNA1789 is an ADC based on our Dual Action Tumor Immune Agonist ("**DATIA**") platform utilizing TSN222 as the payload. As a new class of immune-stimulating ADC, it incorporates cytotoxic and immunostimulatory function in one molecule as payload. The goal is to transform "cold" tumors with minimal immune cell infiltration into "hot" tumors characterized by active immune engagement, ultimately establishing tumor-specific adaptive immunity that efficiently recognizes and attacks malignancies. Unlike traditional ADCs that deliver cytotoxic payloads, these new class of ADCs release immune agonists upon binding to tumor cell targets, activating interferon secretion and triggering cytokine and chemokine production that activates myeloid cells such as macrophages and dendritic cells. This cascade recruits adaptive immune cells including T-cells, establishing a positive feedback loop of cytokine and chemokine release, inducing immune memory, building durable anti-tumor immunity, and potentially preventing tumor recurrence and overcoming resistance. These ADCs offer a potential solution to the inherent resistance encountered with traditional immune checkpoint inhibitors such as PD-1 inhibitors. For details, see "Business — Our ADC Drug Portfolio."

OUR TECHNOLOGY PLATFORMS

We have established three core in-house developed technology platforms, namely the Tyligand Target Therapy Linker Payload Platform ("**T^3LP Platform**"), the DATIA Platform, and the Dual Payload Platform, which collectively form the foundation of our competitive advantage in small molecule and ADC development. These platforms form a strategic technology continuum, from addressing historically undruggable targets such as KRAS, to enhancing therapeutic potency through our DATIA payload technology, and to pioneering combination mechanisms via our dual payload approach. This integrated platform framework enables us to compete effectively in the rapidly evolving ADC landscape while providing the flexibility to expand into emerging areas of precision oncology therapeutics. For details, see "Business — Research and Development — Technology Platforms."

OUR STRENGTHS

We believe the following strengths have differentiated us from our competitors: (i) our Core Product — oral KRAS G12D inhibitor TSN1611 with clinical potential and major market opportunity; (ii) integrated small molecule and ADC innovation platforms to fuel our continuous R&D efforts to develop differentiated therapeutics; (iii) diversified pipeline addressing across multiple oncology indications; (iv) synthetic chemistry and CMC development capabilities enabling rapid clinical execution; and (v) experienced management team backed by renowned investors. For details, see "Business — Our Strengths."

OUR STRATEGIES

We plan to pursue the following opportunities and execute our key strategies accordingly: (i) accelerate the clinical development and commercialization of our Core Product TSN1611; (ii) advance our pipeline to build a portfolio across multiple oncology indications; (iii) expand our ADC platforms with a focus on payload innovation; (iv) execute our global strategy through potential business development opportunities; and (v) foster a sustainable corporate culture and strengthen our talent pool. For details, see "Business — Our Strategies."

RESEARCH AND DEVELOPMENT

We conduct our R&D activities primarily in China and the U.S., with our core R&D facilities located in China. Our existing facilities include active pharmaceutical ingredient ("**API**") research laboratories and pilot-scale manufacturing suites, drug product research laboratories, quality analytical laboratories, and stability testing laboratories. In addition, we are equipped with clinical trial execution experience and capabilities in the U.S. The coordination across our multi-regional research infrastructure facilitates the advancement of our drug development activities in China and internationally.

Our R&D team possesses extensive expertise, deep knowledge, and experience in drug development. As of June 30, 2026, more than 70% of the members of our R&D team had obtained master's or higher degrees. Our R&D team is led by scientists with extensive experience in drug development. The core R&D staff consists of seven professionals specializing in the fields of chemistry, biology, pharmacology, and medicine, each possessing over ten years of industrial experience. Particularly, Dr. Tony Yantao ZHANG and Dr. Boyu ZHONG have extensive experience in the discovery and R&D of novel drugs and have led the development of approved drug assets, such as bozitinib. For details, see "Business — Research and Development."

During the Track Record Period, we engaged certain contract research organizations ("**CROs**") and contract development and manufacturing organization ("**CDMO**") to assist in our drug development. We only engage reputable CROs and CDMOs in China, all of which have abundant experience in novel drug R&D and manufacturing. Specifically, our engaged CROs primarily provide comprehensive clinical research services, including clinical trial design, project management, site monitoring, data management, and regulatory submission support, ensuring that our trials are conducted in strict compliance with Good Clinical Practice (GCP) standards. Concurrently, our CDMOs are responsible for the chemistry, manufacturing, and controls (CMC) aspects of our pipeline, offering specialized services such as process development, formulation optimization, analytical testing, and the cGMP-compliant manufacturing of active pharmaceutical ingredients (APIs) and finished drug products for our clinical trials. By leveraging the specialized expertise and established infrastructure of these industry-leading partners, we are able to optimize our R&D efficiency, ensure rigorous quality control, and accelerate the overall clinical development process.

COMMERCIALIZATION

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales. In anticipation of the commercialization of our drug candidates in the coming years, we plan to maximize the value of our drug candidates by selecting the optimal commercial model, including building our in-house commercialization capabilities, and/or collaboration with third parties such as distributors, contract sales organizations ("**CSOs**"), and licensing partners. For our most advanced drug development program, our Core Product TSN1611, our commercialization strategy prioritizes China and the U.S. markets, initially targeting solid tumors such as 2L+ NSCLC with KRAS G12D mutations. Prior to commercialization, the Core Product must complete pivotal clinical trials, secure NDA approvals from the NMPA and FDA, and comply with GMP and GSP standards. In China, we will retain Market Authorization Holder (MAH) status and full control over pricing and commercialization

rights. To support this, we are progressively building a lean in-house commercial management team responsible for top-level strategy, including pricing, securing inclusion in the National Reimbursement Drug List and private commercial insurance, maintaining KOL networks, and formulating national marketing plans. In addition, we plan to establish our commercialization capabilities in the China market through a CSO-supported model, which we believe provides operational flexibility and capital efficiency for a biopharmaceutical company such as ours. Under our "CSO-supported model," our internal team will manage and evaluate external CSOs who will assist with on-the-ground sales and promotional execution. As of the Latest Practicable Date, we had not entered into negotiations with any specific CSOs. In addition, we will continue to evaluate opportunities for global partnership for TSN1611 in overseas markets, which would allow us to benefit from our partners' regulatory expertise, market access capabilities and established sales networks.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we held 13 issued patents including five in China, one in the U.S., and seven in other jurisdictions including Australia, Japan, Korea, Taiwan, Macau and Hong Kong, and 93 pending patent applications, including 18 in China, five in the U.S. (of which one has received a notice of allowance), six under the PCT, and 64 in other jurisdictions. As of the Latest Practicable Date, with respect to our Core Product TSN1611, we held 26 pending patent applications, including one in China, two in the U.S. (of which one has received a notice of allowance), and 23 in other jurisdictions. We do not have joint intellectual property arrangements with any third parties. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that make us believe that any of the pending patent applications will be rejected. The following table sets forth an overview of our material granted patents and filed patent applications in connection with our Core Product and other products as of the Latest Practicable Date.

SUMMARY

Product	Technology	Name of Patent/ Patent Application[1]	Patent/Patent Application Number	Jurisdiction	Status	Patent Holder/ Applicant[2]	Inventor	Application Date	Date of Grant	Expiration Date[3]
TSN1611	Composition of matter	Compounds with anti-KRAS mutant tumor activity (具有抗KRAS突變腫瘤活性的化合物) ("**TSN1611 Patent Application**")	P2025-00973	United Arab Emirates	Under review[4]	Our Company	Erchang SHANG, Boyu ZHONG, Tony Yantao ZHANG, Fuliang HOU, Guanglin SONG, Shuai LIU, Aijun ZHENG, Ruixiang WANG, Longfei WANG, Jun JIANG, Chunlan DONG	2023-09-27	N/A	N/A
			2023349002	Australia						
			112025006208-5	Brazil						
			3,269,203	Canada						
			202311258434.7	PRC						
			202590757	Eurasian						
			371/2025	Egypt						
			23870941.4	EU						
			P00202503868	Indonesia						
			319953	Israel						
			202517039127	India						
			20255192021	Japan						
			1020257014326	South Korea						
			MXA2025/003821	Mexico						
			PI2025002001	Malaysia						
			820225	New Zealand						
			1-2025-550819	Philippine						
			1120252126	Saudi Arabia						
			11202502142S	Singapore						
			112137145	Taiwan						
			2501002042	Thailand						
			19/094,924	U.S.						
			1-2025-02964	Vietnam						
			2025/03653	South Africa						
			42024097183.8	Hong Kong						
TSN222	Composition of matter	Multifunctional cyclic dinucleotide and use thereof (多功能環二核苷酸及其用途)	110138718	Taiwan	Granted	Our Company	Tony Yantao ZHANG, Li QU, Liang LOU, Puji ZHENG, Fei LV	2021-10-19	2025-10-21	2041-10-19
			202111201201.4	PRC	Under review			2021-10-15	N/A	N/A
			42023068680.0	Hong Kong				2021-10-19		
			1120230072182	Brazil						
			2023-547737	Japan						
			3,198,956	Canada						
			18/032,663	U.S.						
			21882000.9	EU						
			1020237016770	South Korea						
			2021363267	Australia						

Notes:

(1) Unless otherwise indicated, the technology covered by the patents/patent applications within the same family is the same and is therefore disclosed once.

(2) The patents and patent applications are solely owned by our Company. In particular, we have valid rights to the intellectual property related to our Core Product. As of the Latest Practicable Date, we had not been aware of any third party (including any inventor) asserting or having any legitimate claim to such rights. The relevant inventors are not entitled to claim any ownership or interest in the intellectual property of our Core Product. To the best of our knowledge, there had been no disputes, litigations or claims in relation to the intellectual property of our Core Product as of the same date.

(3) The patent expiration date is estimated based on current filing status, without taking into account any possible patent term adjustments or extensions and assuming payment of all appropriate maintenance, renewal, annuity and other government fees.

(4) No prior art documents disclosing the chemical structure of TSN1611 before the filing date of the TSN1611 Patent Application were identified. TSN1611 possesses a distinct moiety compared to the structurally closest compound disclosed in the prior art, and such structural modifications confers its clinical activity to TSN1611. Such structure-activity relationship is neither disclosed nor suggested in the prior art. Accordingly, TSN1611 demonstrates novelty and inventiveness over the prior art, and our IP Counsel is of the view that TSN1611 has a favorable prospect for patent grant.

For details, see "Business — Intellectual Property" and "Risk Factors — Risks Relating to Our Intellectual Property Rights."

OUR CUSTOMERS

During the Track Record Period, we generated revenue from two customers through (i) providing research and development services, and (ii) joint development arrangements. The transactions with the two customers did not involve our Core Product and other drug candidates. Neither of them is our supplier. For details, see "Business — Our Customers."

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of CROs and CDMOs. During the Track Record Period, we did not experience any material disputes with our suppliers. In addition, we believe that adequate alternative sources for such supplies exist, and we have developed alternative sourcing strategies for these supplies. In 2024, 2025 and the six months ended June 30, 2026, purchases from our five largest suppliers in each year/period during the Track Record Period amounted to RMB21.9 million, RMB47.2 million and RMB34.5 million, representing 39.1%, 46.3% and 39.6% of our total purchases, respectively. In each year/period during the Track Record Period, purchases from the largest supplier amounted to RMB6.4 million, RMB21.1 million and RMB13.2 million, representing 11.5%, 20.7% and 15.2% of our total purchases, respectively. For details, see "Business — Our Suppliers."

COMPETITION

The pharmaceutical industry is a dynamic and highly competitive landscape, characterized by rapid advancements and evolving market demands. While we are confident that our fully integrated platform, laddered pipeline of drug candidates, and experienced team provide us with a competitive edge, we recognize the challenges inherent in this dynamic environment. We focus on leveraging our industry experience and established R&D capabilities for the discovery and development of therapies in the field of oncology. We face fierce competition from existing products and product candidates under development in the market. We face uncertainties in clinical trial development which are subject to a variety of factors, including satisfactory safety and efficacy results from clinical trials, successful enrollment of patients, and performance of CROs, CDMOs and other parties involved in clinical trial development. For details, see "Industry Overview."

PRE-[REDACTED] INVESTMENTS

Our Group concluded five rounds of investments with the Pre-[**REDACTED**] Investors and received investment amount of approximately US$110.2 million in aggregate. Our Pre-[**REDACTED**] Investors include certain Sophisticated Investors, namely LAV USD, Tencent Mobility and Shanghai Lizhe, who will hold [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of the total issued Shares immediately following completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised. We utilized and will continue utilizing the proceeds from the Pre-[**REDACTED**] Investments for the principal business of our Group as approved by the Board, including R&D of our pipeline products, growth and expansion of our business and general working capital purposes. For further details, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments."

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Tyligand Holdings held 23.66% of the total issued share capital of our Company, and was held as to 48.75%, 41.25%, and 10.00% by Dr. Zhang, Dr. Zhong and Dr. ZY. Zhang. Dr. Zhang directly held 0.35% of the total issued share capital of our Company. Therefore, Dr. Zhang, Dr. Zhong, Dr. ZY. Zhang and Tyligand Holdings are considered as our Single Largest Group of Shareholders who collectively held 24.01% of the total issued share capital of our Company. Immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), our Single Largest Group of Shareholders will collectively hold [**REDACTED**]% of the total issued share capital of our Company and remain our Single Largest Group of Shareholders.

2023 INCENTIVE PLAN

As of the Latest Practicable Date, we had one share incentive plan in effect, namely the 2023 Incentive Plan, the terms of which are set out in "Appendix IV — Statutory and General Information — D. 2023 Incentive Plan" to this document. The maximum number of Shares that may be issued under the 2023 Incentive Plan are 3,849,376 Shares (representing 19,246,880 Shares after the Share Subdivision). As of the Latest Practicable Date, all Options under the 2023 Incentive Plan were granted to 25 grantees, all of which remained outstanding.

Assuming the [**REDACTED**] is not exercised, upon completion of the Share Subdivision and the [**REDACTED**], our total issued and outstanding share capital will be diluted by approximately [**REDACTED**]% if the outstanding Options were fully vested and exercised. For further details, see "Appendix IV — Statutory and General Information — D. 2023 Incentive Plan."

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." Our historical financial information was prepared in accordance with IFRSs.

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Revenue	**7,856**	**26,320**	**9,216**	**4,058**
Cost of services	(735)	(3,694)	(1,593)	(2,668)
Gross Profit	**7,121**	**22,626**	**7,623**	**1,390**
Other income and gains	8,345	4,935	2,006	2,801
Change in fair value of financial liabilities at fair value through profit or loss ("**FVTPL**")	14,776	(45,985)	(32,298)	22,983
Research and development expenses	(72,813)	(115,239)	(43,207)	(95,830)
Administrative expenses	(27,233)	(46,896)	(11,372)	(42,694)
Other expenses	–	(2,927)	(241)	(5,049)
Finance costs	(657)	(237)	(76)	(160)
Loss Before Tax	**(70,461)**	**(183,723)**	**(77,565)**	**(116,559)**
Income tax expense	–	–	–	–
Loss and total comprehensive loss for the year/period	**(70,461)**	**(183,723)**	**(77,565)**	**(116,559)**

We currently have no products approved for commercial sale and have not generated any revenue in relation to our Core Product and other drug candidates. For the years ended December 31, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, we recognized revenue of RMB7.9 million, RMB26.3 million, RMB 9.2 million and RMB4.1 million, respectively, which were derived from the provision of research and development services and joint development arrangements. We incurred losses of RMB70.5 million, RMB183.7 million, RMB77.6 million and RMB116.6 million, for the years ended December 31, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, respectively, which primarily resulted from the research and development expenses incurred to advance our pipeline and our technology platforms. For the years ended December 31, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, we recorded research and development expenses of RMB72.8 million, RMB115.2 million, RMB43.2 million and RMB95.8 million, respectively, which accounted for 72.8%, 71.1%, 79.2% and 69.2% of our operating expenses for the respective periods. In particular, we recorded research and development expenses in relation to our Core Product, TSN1611, of RMB36.5 million, RMB76.2 million, RMB26.4 million and RMB66.8 million, respectively, representing 50.2%, 66.1%, 61.1% and 69.7% of our research and development expenses, and 36.5%, 47.0%, 48.4% and 48.2% of our total operating expenses, for the respective periods.

The expansion of our net loss from 2024 to 2025 was primarily attributable to an increase of RMB42.4 million in research and development expenses and an increase of RMB19.7 million in administrative expenses, primarily because we (i) initiated the phase 1b monotherapy clinical trial in July 2025 and the phase 2 monotherapy clinical trial in August 2025 of our Core Product TSN1611, and incurred related costs, and (ii) we incurred an increase of RMB4.4 million in share-based payments, primarily reflecting the share-based compensation granted to our R&D and administrative personnel. The expansion was also attributable to a shift in the changes in fair value

of financial liabilities at FVTPL from a gain of RMB14.8 million in 2024 to a loss of RMB46.0 million in 2025, primarily driven by our Series B Financing and the value increase of our preferred shares to our Pre-[**REDACTED**] Investors, which will be converted to Ordinary Shares Upon the [**REDACTED**].

Our net loss increased from RMB77.6 million for the six months ended June 30, 2025 to RMB116.6 million for the six months ended June 30, 2026. The expansion of our net loss was primarily attributable to the increase in research and development expenses and administrative expenses, primarily driven by (i) the advancement of our Core Product TSN1611 into phase 2 clinical trials and the continued clinical development of TSN222, resulting in higher clinical trial costs and share-based compensation expenses for our R&D personnel and administrative personnel, and (ii) the increase in [**REDACTED**]-related expenses incurred in connection with our [**REDACTED**]. These factors were partially offset by a shift in the changes in fair value of financial liabilities at FVTPL from a loss of RMB32.3 million for the six months ended June 30, 2025 to a gain of RMB23.0 million for the six months ended June 30, 2026, primarily reflecting a decline in the fair value of our convertible redeemable preferred shares during the period.

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Total non-current assets	27,461	37,077	37,682
Total current assets	183,222	244,117	228,118
Total current liabilities	554,528	794,280	873,396
Net current liabilities	(371,306)	(550,163)	(645,278)
Total assets less current liabilities	(343,845)	(513,086)	(607,596)
Total non-current liabilities	141	6,341	4,116
Net liabilities	(343,986)	(519,427)	(611,712)

During the Track Record Period, our deficiency in assets increased from RMB344.0 million as of December 31, 2024 to RMB519.4 million as of December 31, 2025, primarily attributable to our loss for the year of RMB183.7 million, partially offset by an increase of RMB8.3 million in share-based payment reserve from equity-settled share-based payment expenses. Our deficiency in assets further increased from RMB519.4 million as of December 31, 2025 to RMB611.7 million as of June 30, 2026, primarily attributable to our loss for the period of RMB116.6 million. Please see the Consolidated Statements of Changes in Equity to the Accountants' Report as set out in Appendix I to this document.

We recorded net current liabilities during the Track Record Period, primarily due to the financial liabilities at FVTPL, representing our convertible redeemable preferred shares and loans with warrants to purchase preferred shares. For details, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments." The loans with warrants were entered into with certain onshore investors in 2024 and 2025, who, prior to obtaining requisite overseas direct investment (ODI) approvals, provided loans to our PRC subsidiary and received warrants entitling them to subscribe for Preferred Shares of the Company. Once these onshore investors obtain the ODI approval, our PRC subsidiary shall return the principal amounts of the initial investments to them, and such amounts shall be paid by these investors to us as part of the purchase consideration for the Preferred Shares. These loans together with the warrants were designated as financial liabilities at FVTPL. The component of fair value changes relating to our own credit risk is recognized in other comprehensive income, while fair value changes relating to market risk are recognized in profit or loss. For details, see Note 23 to the Accountants' Report set out in

Appendix I to this document. As of the Latest Practicable Date, all such investors had obtained the requisite ODI approvals and the relevant loans with warrants had been fully converted into Preferred Shares. Upon the completion of the [**REDACTED**], our convertible redeemable preferred shares will be automatically converted into ordinary shares and redesignated from financial liabilities to equity. As a result of such redesignation, our net liabilities position is expected to turn into a net assets position upon completion of the [**REDACTED**].

Our net current liabilities increased from RMB371.3 million as of December 31, 2024 to RMB550.2 million as of December 31, 2025, primarily due to an increase in financial liabilities at FVTPL of RMB218.6 million, partially offset by an increase in our cash and cash equivalents of RMB18.1 million and an increase in our financial assets at FVTPL of RMB21.0 million.

Our net current liabilities further increased from RMB550.2 million as of December 31, 2025 to RMB645.3 million as of June 30, 2026, primarily due to an increase in financial liabilities at FVTPL of RMB60.9 million, an increase in trade payables of RMB13.4 million, a decrease in trade receivables of RMB11.4 million and a decrease in our financial assets at FVTPL of RMB10.0 million.

For details, see "Financial Information — Description of Selected Items from the Consolidated Statements of Financial Position."

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated statements of cash flows for the periods indicated.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Operating cash flows before movement in working capital	(79,580)	(122,447)	(41,168)	(107,690)
Changes in working capital	1,513	(5,478)	(12,391)	27,292
Interest received	663	441	192	306
Net cash flows used in operating activities	(77,404)	(127,484)	(53,367)	(80,092)
Net cash flows (used in)/from investing activities	(25,302)	(18,044)	(6,951)	11,105
Net cash flows from/(used in) financing activities	185,435	166,551	(2,609)	76,182
Net increase/(decrease) in cash and cash equivalents	82,729	21,023	(62,927)	7,195
Cash and cash equivalents at the beginning of the year/period	59,144	145,209	145,209	163,305
Effect of foreign exchange rate changes, net	3,336	(2,927)	(241)	(4,594)
Cash and cash equivalents at the end of the year/period	145,209	163,305	82,041	165,906

We incurred net cash used in operating activities during the Track Record Period, primarily due to our R&D efforts to advance our drug candidates. We recorded net cash used in operating activities of RMB77.4 million, RMB127.5 million, RMB53.4 million and RMB80.1 million for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026,

respectively. During the Track Record Period, we funded our operations primarily through equity financing and revenue from the provision of research and development services and joint development arrangements. Our management monitors and maintains a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate cash from operating activities, through increasing sales revenue by commercializing our drug candidates. For details, see "Financial Information — Liquidity and Capital Resources — Cash Flows."

We monitor and maintain a level of cash and cash equivalents that we consider sufficient to fund our operations and mitigate the impact of fluctuations in cash flows. In view of our net operating cash outflows throughout the Track Record Period, we plan to improve our liquidity position by: (i) advancing our pipeline candidates towards commercialization to generate revenue from product sales. Subject to confirmation from the NMPA and the FDA, we plan to initiate the next-phase clinical trial of our Core Product, TSN1611, in 2026 Q4. We are also advancing our other pipeline candidates through their respective development stages. As we progress and, if successful, obtain regulatory approvals for our pipeline candidates, we expect to generate a steady inflow of cash from the sales of our pipeline products in the foreseeable future; (ii) receiving corresponding payments pursuant to joint development arrangements with our partners and provision of R&D services, and actively pursuing business development opportunities for entering into additional license and collaboration arrangements with major pharmaceutical companies to further diversify our revenue streams; (iii) enhancing our working capital management, including negotiating with our CROs to reduce the percentage of initial payments, closely monitoring and pursuing timely collection of our trade receivables, and managing our capital expenditure and suppliers' credit periods; and (iv) further improving our operational efficiency by adopting comprehensive measures to control our costs and operating expenses, for example, establishing and executing guidelines designed for cost-effective preclinical studies and clinical trial procedures, fully utilizing the capacity of our employees, and regularly evaluating our existing and future arrangements to control our research and development costs, to enhance our working capital position through regular review and updates of our liquidity and funding policies to ensure alignment with our business strategies and financial position, and regular preparation of cash flow and funding summaries to monitor our cash flows.

Key Financial Ratio

The following table sets forth our key financial ratio as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
Current ratio[(1)]	0.33	0.31	0.26

Note:

(1) Current ratio equals current assets divided by current liabilities as of the end of the year/period.

Working Capital Sufficiency

Although we recorded net current liabilities during the Track Record Period, our Directors are of the view that we have sufficient working capital to cover at least 125% of our costs, including research and development expenses and administrative expenses, for at least the next 12 months from the date of this document, primarily for the reasons set out below.

- ***Cash on hand and cash inflow from our operations.*** As of June 30, 2026, we had (i) cash and cash equivalents of RMB165.9 million, and (ii) financial assets at FVTPL of RMB38.0 million (collectively, "**Financial Resources**"). As of the Latest Practicable Date, approximately 20% of the net proceeds from our Pre-[**REDACTED**] Investments remained unutilized, which will further support our working capital. See "History,

Development and Corporate Structure — Pre-[**REDACTED**] Investments — Series B Financing." In addition, we have unutilized banking facilities of RMB50.0 million. Upon the successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with income generated from sales of our commercialized drugs.

- ***Cash burn rate.*** Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment, and principal and interest of lease payments. For the six months ended June 30, 2026, our average monthly cash used amounted to approximately RMB13.8 million. Going forward, we forecast an average cash burn of RMB27.8 million per month for the 18-month period from July 1, 2026 to December 31, 2027, which represents approximately 2.0 times the level for the six months ended June 30, 2026. This expected increase in cash burn rate is primarily attributable to the following assumptions: (i) the expected increase in research and development expenses associated with pipeline advancement including the ongoing advancement of clinical trials for our Core Product, TSN1611, covering multiple indications, dual regions, and combination therapies. For details, see "Business — Our Small Molecule Drug Portfolio — TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor"; (ii) the expected increase in expenses associated with early-stage research and development, the advancement of our other pipeline products, and the further enhancement of our ADC and payload technology platforms; and (iii) the expected increase in staff costs due to headcount expansion. These assumptions are in line with our overall expansion plan and intended [**REDACTED**], pursuant to which we plan to allocate [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of our [**REDACTED**] for the development of our Core Product, TSN1611, the preclinical studies and clinical trials of our other pipeline products, and the further enhancement of technology platforms, respectively, over the next three years.

  We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range stated in this document. Assuming an average cash burn rate going forward of 2.0 times the level for the six months ended June 30, 2026, we estimate that (i) our Financial Resources as of June 30, 2026, without taking into account the estimated [**REDACTED**] from the [**REDACTED**], will be sufficient to maintain our financial viability for over 7 months, assuming our research and development progress remains unchange, or (ii) if we take into account all estimated [**REDACTED**] from the [**REDACTED**], over [**REDACTED**] months with such resources expected to be fully utilized by around [**REDACTED**]. Our Directors and management team will continue to monitor our working capital, cash flows and our business development progress. We expect we will seek the next round of financing at least twelve months after the [**REDACTED**].

DIVIDEND

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and Cayman Islands law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Currently, we do not have any dividend policy or a fixed dividend payout ratio. As confirmed by our legal advisor as to Cayman Islands law, notwithstanding that the Company may have accumulated losses, the Company may declare dividend (a) out of profits of the Company if the Company has sufficient profits, realized or unrealized, unless such is contrary to the accounting principles adopted by the Company or (b) out of the share premium of the Company if following the date on which the dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

In determining whether to declare a dividend, our Board will need to be satisfied that the declaration of dividend is in the best interest of the Company and may make provision for losses. In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay a dividend out of our profits in the foreseeable future.

[**REDACTED**]

[**REDACTED**]

We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] after deducting the [**REDACTED**] fees and expenses payable by us in the [**REDACTED**], based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the mid-point of this indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per [**REDACTED**]. We intend to use the [**REDACTED**] for the following purposes:

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of our Core Product, TSN1611, including (i) phase 3 clinical trial as monotherapy for the treatment of 2L+ NSCLC and its NDA filing in China, (ii) phase 3 clinical trial as monotherapy for 2L+ NSCLC in the United States, (iii) phase 3 clinical trial for the combination therapy with GnP for the treatment of 1L PDAC and (iv) phase 1b/2 clinical trial in combination therapy for the treatment of CRC in China;

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the preclinical studies and clinical trials of our other pipeline products targeting solid tumors, including (i) IND enabling studies and phase 1 clinical trial of TSNA3339, (ii) IND enabling studies and phase 1 clinical trial of TSNA1789, and (iii) phase 1 and 2 clinical trials of TSN222 in China;

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to further enhance our technology platforms; and

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated for working capital and other general corporate purposes.

For further details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

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 the following:

- Our business and prospects depend substantially on the success of our drug candidates. If we are unable to successfully complete clinical development, obtain regulatory approval or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing so, our business and prospects could be materially and adversely affected.

- We face intense competition and rapid technological change, and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates.

- Clinical development involves a lengthy and expensive process with uncertain outcomes, and results of preclinical studies and early clinical trials may not be predictive of future trial results.

- We may not be able to identify, discover, develop new drug candidates, or to identify additional therapeutic opportunities.

- Any failure of utilization of our technology platforms to generate safe, effective and manufacturable drug candidates could materially and adversely affect our business and future prospects.

- We may not achieve successful outcomes from our substantial investments in research and development and may fail to capitalize on more promising opportunities due to resource allocation decisions.

- If we are unable to obtain and maintain patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize drugs and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drugs may be adversely affected.

- Patent protection depends on compliance with various procedural, regulatory and other requirements, and our patent protection could be reduced or eliminated due to non-compliance.

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), representing approximately [**REDACTED**]% of the estimated [**REDACTED**] from the [**REDACTED**] assuming no Shares are issued pursuant to the [**REDACTED**]. The [**REDACTED**] consist of (i) [**REDACTED**]-related expenses, including [**REDACTED**], of approximately HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. In 2024, 2025, and the six months ended June 30, 2026 we incurred [**REDACTED**] of [**REDACTED**], [**REDACTED**], and [**REDACTED**], respectively. Approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss before or upon completion of the [**REDACTED**]. Approximately HK$[**REDACTED**]

of the estimated [**REDACTED**] is directly attributable to the [**REDACTED**] of new Shares to the [**REDACTED**] and will be accounted for as a deduction from equity upon completion of the [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

We expect to record a significant increase in net loss for the year ending December 31, 2026, primarily due to (i) an increase in research and development expenses, especially as we plan to advance TSN1611 into next-phase clinical trial, and expand our combination therapy clinical trials; and (ii) increase in expenses in connection with the [**REDACTED**] incurred in 2026. We have incurred net losses since our inception and anticipate that we will continue to incur net losses for the foreseeable future.

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since June 30, 2026, being the end date of the periods reported in the Accountants' Report included in Appendix I to this document, and there has been no event since June 30, 2026 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

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

"Accountants' Report"	the accountants' report of our Company, the text of which is set out in Appendix I to this document
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	Accounting and Financial Reporting Council
"Articles" or "Articles of Association"	the articles of association of the Company conditionally adopted by a special resolution of the Shareholders passed on [●] with effect from the [**REDACTED**] and as amended from time to time, a summary of which is set out in Appendix III to this document
"Audit Committee"	the audit committee of our Board
"Board", "Board of Directors" or "our Board"	the board of Directors of our Company
"business day" or "Business Day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
	[**REDACTED**]
"Cayman Companies Act" or "Companies Act"	the Companies Act (Revised) of the Cayman Islands as amended, supplemented, or otherwise modified from time to time
	[**REDACTED**]
"CDE"	the Center for Drug Evaluation of the NMPA (國家藥品監督管理局藥品審評中心), a division of the NMPA mainly responsible for the review and approval of IND and NDA/BLA

"China," "Chinese Mainland," or "PRC"	the People's Republic of China, but for the purpose of this document and for geographical reference only and except where the context requires otherwise, excluding, references in this document to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan of the People's Republic of China
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company," "our Company," or "the Company"	Tyligand Bioscience Ltd. (泰勵生物有限公司), an exempted company with limited liability incorporated in the Cayman Islands on December 1, 2017
"Compliance Advisor"	Somerley Capital Limited
"Core Product"	has the meaning ascribed thereto under Chapter 18A of the Listing Rules and is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules; and for the purpose of this document, our Core Product refers to TSN1611
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"Dr. Zhang"	Dr. Tony Yantao ZHANG, one of our founders, chairman of our Board, an executive Director, our chief executive officer and a member of our Single Largest Group of Shareholders
"Dr. Zhong"	Dr. Boyu ZHONG, one of our founders, an executive Director, our president and chief scientific officer, and a member of our Single Largest Group of Shareholders
"Dr. ZY. Zhang"	Dr. Zhong-Yin ZHANG, a member of our Single Largest Group of Shareholders
"EIT"	the enterprise income tax
"EIT Law"	PRC Enterprise Income Tax Law (中華人民共和國企業所得税法)
"ESG"	environmental, social and governance
"EU"	the European Union

"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FDA"	the United States Food and Drug Administration
	[**REDACTED**]
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a market research and consulting company and Independent Third Party, which prepared the F&S Report
"F&S Report"	an independent market research report commissioned by us and prepared by Frost & Sullivan for the purpose of this document
	[**REDACTED**]
"Group," "our Group," "the Group," "we," "us," or "our"	our Company and its subsidiaries from time to time, and where the context requires, the businesses operated by our Company and/or its subsidiaries and their predecessors (if any)
"Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
	[**REDACTED**]

[**REDACTED**]

"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

"IFRS"	International Financial Reporting Standards
"Independent Third Party(ies)"	any entity or person, who, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules
	[**REDACTED**]
"Latest Practicable Date"	August 13, 2026, being the latest practicable date for ascertaining certain information in this document before its publication
"LAV USD"	for the purpose of this document, means LAV Fund VI, L.P. and LAV Fund VI Opportunities, L.P., our Pre-[**REDACTED**] Investors, the background information of which is set out in the section headed "History, Development and Corporate Structure" in this document
	[**REDACTED**]
"Listing Committee"	the listing committee of the Stock Exchange
	[**REDACTED**]
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Memorandum" or "Memorandum of Association"	the memorandum of association of our Company conditionally adopted by a special resolution passed on [●] with effect from the [**REDACTED**] and as amended from time to time, a summary of which is set out in Appendix III to this document
"Memorandum and Articles of Association"	the Memorandum of Association and the Articles of Association
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"NMPA"	National Medical Products Administration of the PRC (中華人民共和國國家藥品監督管理局), formerly known as the China Food and Drug Administration (中華人民共和國國家食品藥品監督管理總局)
"NDRC"	National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
"Nomination Committee"	the nomination committee of our Board

[**REDACTED**]

"Option(s)"	the option(s) to subscribe for Ordinary Shares pursuant to the 2023 Incentive Plan
"Ordinary Share(s)" or "Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of US$0.001 each prior to the completion of the Share Subdivision and US$0.0002 each upon completion of the Share Subdivision

[**REDACTED**]

[**REDACTED**]

"PRC Legal Advisor"	Zhong Lun Law Firm, the PRC legal advisor to our Company
"Preferred Share(s)"	the Series Pre-A Preferred Shares, Series A Preferred Shares, Series A+ Preferred Shares, Series A++ Preferred Shares and Series B Preferred Shares we issued during the Pre-[**REDACTED**] Investments
"Pre-[**REDACTED**] Investment(s)"	the pre-[**REDACTED**] investment(s) in our Company undertaken by the Pre-[**REDACTED**] Investors, details of which are set out in the section headed "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" in this document
"Pre-[**REDACTED**] Investor(s)"	the investor(s) who participated in the Pre-[**REDACTED**] Investments

[**REDACTED**]

"document"	this document being issued in connection with the [**REDACTED**]
"R&D"	research and development
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"Series A Investor(s)"	the holder(s) of the Series A Preferred Shares
"Series A Preferred Share(s)"	the series A preferred share(s) of our Company with a par value of US$0.001 each
"Series A+ Investor(s)"	the holder(s) of the Series A+ Preferred Shares

"Series A+ Preferred Share(s)"	the series A+ preferred share(s) of our Company with a par value of US$0.001 each
"Series A++ Investor(s)"	the holder(s) of the Series A++ Preferred Shares
"Series A++ Preferred Share(s)"	the series A++ preferred share(s) of our Company with a par value of US$0.001 each
"Series B Investor(s)"	the holder(s) of the Series B Preferred Shares
"Series B Preferred Share(s)"	the series B preferred share(s) of our Company with a par value of US$0.001 each
"Series Pre-A Investor(s)"	the holder(s) of the Series Pre-A Preferred Shares
"Series Pre-A Preferred Share(s)"	the series pre-A preferred share(s) of our Company with a par value of US$0.001 each
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Lizhe"	for the purpose of this document, means Shanghai Lizhe Biotech, L.P. (上海禮哲生物科技合夥企業(有限合夥)), our Pre-[**REDACTED**] Investor, the background information of which is set out in the section headed "History, Development and Corporate Structure" in this document
"Share Subdivision"	the subdivision of each of the authorized issued and unissued shares in the share capital of our Company with a par value of US$0.001 each into five Shares with a par value of US$0.0002 each, details of which are set out in "Appendix IV — Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Shareholders of Our Company Passed on [●]"to this document
"Shareholder(s)"	holder(s) of our Ordinary Share(s) and Preferred Share(s)
"Single Largest Group of Shareholders"	refers to Dr. Zhang, Dr. Zhong, Dr. ZY. Zhang and Tyligand Holdings

[**REDACTED**]

[**REDACTED**]

"Sole Sponsor"	CITIC Securities (Hong Kong) Limited

[**REDACTED**]

"Sophisticated Investor(s)"	has the meaning ascribed thereto under the Chapter 2.3 of the Guide for New Listing Applicants
"STA"	State Taxation Administration (國家税務總局)

[**REDACTED**]

"State Council"	State Council of the PRC (中華人民共和國國務院)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto in section 15 of the Companies Ordinance
"Takeovers Code"	Code on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Tencent Mobility"	for the purpose of this document, means Tencent Mobility Limited, our Pre-[**REDACTED**] Investor, the background information of which is set out in the section headed "History, Development and Corporate Structure" in this document
"Track Record Period"	the two years ended December 31, 2025 and the six months ended June 30, 2026
"Treasury Share(s)"	the Shares repurchased and held by our Company in treasury, if any
"Tyligand Holdings"	Tyligand Bioscience Holdings Ltd., a company incorporated in the British Virgin Islands on November 16, 2017 and held as to 48.75%, 41.25%, and 10.00% by Dr. Zhang, Dr. Zhong and Dr. ZY. Zhang
"Tyligand Shanghai"	Tyligand Bioscience (Shanghai) Limited (泰勵生物科技(上海)有限公司), a limited liability company established in the PRC on May 10, 2018 and a wholly-owned subsidiary of our Company

"Tyligand Suzhou"	Tyligand Pharmaceutical (Suzhou) Limited (泰勵生物醫藥(蘇州)有限公司), a limited liability company established in the PRC on September 13, 2023 and a wholly-owned subsidiary of our Company
"Tyligand Hainan"	Tyligand Pharmaceutical (Hainan) Limited (泰勵生物醫藥(海南)有限公司), a limited liability company established in the PRC on April 14, 2022 and a wholly-owned subsidiary of our Company
"U.S. dollars," "US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
	[**REDACTED**]
"VAT"	value-added tax
2023 Incentive Plan	the 2023 employee share incentive plan adopted by the Company on June 28, 2023, the details of which are set out in "Appendix IV — Statutory and General Information — D. 2023 Incentive Plan" to this document
"%"	per cent

In this document, the terms "associate," "close associate," "connected person," "core connected person," "connected transaction," "controlling shareholder" and "substantial shareholder" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains definitions of certain terms used in this document in connection with our Company and our business. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as our Company.

"ADC"	antibody drug conjugate, a class of biopharmaceutical drugs that comprise an antibody conjugated to a payload molecule, typically a cytotoxic agent, via a chemical linker
"AE"	adverse event, which may be mild, moderate, or severe, any untoward medical occurrence in a patient or subject receiving a drug or other pharmaceutical product in a clinical trial and which does not necessarily have a causal relationship with the treatment
"AG"	a chemotherapy regimen consists of gemcitabine and albumin-bound paclitaxel, which is commonly used in the treatment of pancreatic cancer
"agonist"	an agent that activates a receptor to produce a biological response
"ALT"	alanine transaminase, an enzyme found in the liver that helps convert proteins into energy for the liver cells; the level of ALT increases when the liver is damaged, making it a biomarker commonly associated with injury or apoptosis of liver cells
"AML"	acute myeloid leukemia
"antigen"	a substance that causes the body to make an immune response against that substance
"API"	active pharmaceutical ingredient, the substance in a pharmaceutical drug that is biologically active
"apoptosis"	a type of programed cell death
"AUC"	area under the curve, a pharmacokinetic parameter that measures the body's exposure to a drug, i.e., how much of the drug reaches a person's bloodstream over a given period of time after a dose is administered
"BID"	from Latin "bis in die", meaning two times a day
"bioavailability"	the fraction of an administered dose of drug that reaches systemic circulation, which is one of the principal pharmacokinetic properties of drugs
"biomarker"	a measurable indicator of a biological state or condition

GLOSSARY OF TECHNICAL TERMS

"bispecific ADCs"	a novel type of ADCs in which the payload molecule is conjugated to a bispecific antibody which confers targeting ability against two different antigens
"BTD"	Breakthrough Therapy Designation, a designation by the NMPA and/or the FDA to expedite the development and review of therapies intended for the treatment of serious diseases for which there is no effective treatment and where preliminary evidence indicates the therapy may demonstrate a substantial improvement over available treatment options
"bystander effect"	the phenomenon where an ADC not only kills the target cancer cell it binds to, but also kills nearby cells after its toxic payload is released; this can happen when the cytotoxic payload is released inside the target cell and then diffuses out, or when it is cleaved and released outside the cell; as a result, surrounding cells may also be damaged or killed even if they do not express, or express only low levels of, the target antigen
"CAGR"	compound annual growth rate
"CDMO"	contract development and manufacturing organization, which is a pharmaceutical company that develops and manufactures drugs for other pharmaceutical companies on a contractual basis
"cell line"	a population of cells which descend from a single cell and contain the same genetic makeup, thereby producing the same proteins. The productivity of a cell line determines the cost of manufacturing, and the quality of a cell line is directly related to the quality of the relevant biologics
"cGMP"	current good manufacturing practices, regulations enforced by the FDA that provide guidelines for the manufacturing, testing, and quality assurance of food, pharmaceuticals, and medical devices
"chemokine"	a family of small cytokines or signaling proteins secreted by cells that induce directional movement in nearby responsive cells
"chemotherapy"	a drug treatment that uses cytotoxic chemicals to kill fast-growing cells in a patient's body. It is most often used as a cancer treatment because cancer cells grow and multiply much faster than most other cells in the body
"C_{max}"	maximum plasma concentration, a pharmacokinetic parameter that measures the highest concentration of a drug in the blood, cerebrospinal fluid, or target organ after a dose is given

"CMC"	chemistry, manufacturing and controls, also commonly referred to as process development, covering the various procedures used to assess the physical and chemical characteristics of drug products, and to ensure their quality and consistency during manufacturing
"c-MET"	a receptor tyrosine kinase found on the surface of certain cells that helps regulate cell growth, survival, movement and tissue repair; abnormal activation or overexpression of c-MET can promote tumor development, invasion and metastasis, making it a potential target for cancer therapy
"combination therapy"	a treatment that uses more than one medication or modality
"complete response"	the disappearance of all signs of cancer in response to treatment
"CRC"	colorectal cancer, a type of cancer arising from the colon or rectum
"CRO"	clinical research organization, or contract research organization, a company engaged by other companies in pharmaceutical, biotechnology, and medical device industries to assist with preclinical studies or clinical trials on a contract basis, the scope of which may include drug discovery and development, site selection, patient recruitment, trial monitoring, data collection, or regulatory submissions
"CSO"	contract sales organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of services for the development and commercialization of new drugs, medical devices, and other healthcare products
"CYP"	cytochrome P450, a family of enzymes primarily found in liver cells that play a crucial role in metabolizing drugs, toxins, and other substances in the body
"cytokine"	a broad category of small proteins that are important in cell signaling, whose release has an effect on the behavior of cells expressing corresponding receptors
"cytotoxic"	toxic to living cells
"DAR"	drug-to-antibody ratio, the average number of drug molecules attached to each antibody in an ADC
"DCR"	disease control rate, the total proportion of patients who demonstrate a response to treatment, equal to the sum of complete responses, partial responses and stable disease

GLOSSARY OF TECHNICAL TERMS

"dendritic cell(s)"	antigen-presenting immune cells that help initiate and regulate immune responses
"DLT" or "dose-limiting toxicities"	dose-limiting toxicity, toxicities of a drug or other treatment that are serious enough to prevent an increase in dose or level of that treatment
"DMPK"	drug metabolism and pharmacokinetics, the study of how the body processes drugs
"DOR"	duration of response, the length of time that a tumor continues to respond to treatment without the cancer growing or spreading
"dose escalation"	a phase in a clinical trial in which the dose of a drug is gradually increased in different groups of people in order to determine the maximum tolerated dose
"dose expansion"	a trial enrolling additional participants to further evaluate the safety and preliminary efficacy of the selected doses
"EGFR"	epidermal growth factor receptor, a cell surface protein that plays a key role in cellular signaling and growth
"endogenous"	originating from within the body, cell or biological system
"first-in-human"	the initial clinical trials conducted in human subjects after preclinical research and animal testing
"first-line" or "1L"	with respect to any disease, the first-line treatment, which is the treatment regimen or regimens that are generally accepted by the medical establishment for initial treatment. It is also called primary treatment or therapy
"GCP"	good clinical practice, an international ethical and scientific quality standard for the performance of a clinical trial on medicinal products involving humans
"GLP"	good laboratory practice, a quality system of management controls for research laboratories and organizations to try to ensure the uniformity, consistency, reliability, reproducibility, quality and integrity of chemical and pharmaceuticals non-clinical safety test
"GMP"	good manufacturing practice, the practices required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of products

GLOSSARY OF TECHNICAL TERMS

"Grade"	term used to refer to the severity of adverse events according to Common Terminology Criteria for Adverse Events (CTCAE) v4.03, using categories of Grade 1 (mild adverse event), Grade 2 (moderate adverse event), Grade 3 (severe adverse event), Grade 4 (life-threatening or disabling adverse event) and Grade 5 (death related to adverse event).
"GDP"	guanosine diphosphate, a nucleotide that plays a significant role in cellular metabolism and signaling; it is composed of a guanine base, a ribose sugar, and two phosphate groups
"GTP"	guanosine triphosphate, a nucleotide that serves as an essential energy source and signaling molecule in various biological processes; it is composed of a guanine base, a ribose sugar, and three phosphate groups
"GTPase"	guanosine triphosphatase, an enzyme that catalyzes the hydrolysis of GTP to GDP and inorganic phosphate
"half-life"	half-life, the time required for the concentration to fall to 50% of its peak value
"HRAS"	Harvey RAS, a member of the RAS family proteins
"ICI"	immune checkpoint inhibitor, a type of immunotherapy that blocks proteins called immune checkpoints, which prevent the immune system from attacking the cancer cells
"IFN-I"	type I interferon, a cytokine involved in the innate immune response against viral infections and other pathogens
"IKK"	IKK, or IκB kinase, is a protein complex that helps switch on the NF-κB signaling pathway, which controls how cells respond to inflammation, infection and stress. It does this by phosphorylating IκB, a protein that normally keeps NF-κB inactive. Once IκB is broken down, NF-κB can move into the nucleus and turn on genes involved in immune responses, inflammation, cell growth and cell survival. Because this pathway helps control many important cellular functions, abnormal IKK activity has been linked to cancer, autoimmune diseases and chronic inflammatory disorders
"IL-6"	Interleukin 6, a cytokine that mediates inflammation and immune response
"immune costimulatory receptor"	a receptor on an immune cell that provides an additional activating signal needed to strengthen or sustain an immune response, particularly after the cell has recognized a target

"immuno-oncology"	a type of cancer treatment that uses the power of the body's own immune system to prevent, control and eliminate cancer
"immunotherapy"	a type of therapy that involves the immune system to help the body fight cancer, infection and other disease
"*in vitro*"	Latin for "within the glass", studies using components of an organism that have been isolated from their usual biological surroundings, such as microorganisms, cells or biological molecules
"*in vivo*"	Latin for "within the living", studies *in vivo* are those in which the effects of various biological or chemical substances are tested on whole, living organisms including animals, humans and plants, as opposed to a partial or dead organism, or those done *in vitro*
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or the U.S.
"IND-enabling"	the process of preparing the necessary preclinical data and documentation to support an investigational new drug application to the FDA, EMA or NMPA
"interferon"	a group of signaling proteins produced by cells in response to pathogens or other stimuli and involved in regulating immune responses
"intratumoral"	located within or administered directly into a tumor
"intravenous"	located within or administered directly into a vein
"intravesical"	the administration of a substance directly into the urinary bladder
"kinase"	a type of enzyme that catalyzes the transfer of phosphate groups from high-energy, phosphate-donating molecules to specific substrates. The protein kinases make up the majority of all kinases. Protein kinases act on proteins, phosphorylating them on their serine, threonine, tyrosine, or histidine residues. These kinases play a major role in protein and enzyme regulation as well as signaling in the cell
"KRAS"	Kirsten RAS, a small GTPase oncogene of the RAS family that regulates key signaling pathways in cell proliferation and differentiation. Specific mutations (such as the G12D subtype) are prevalent in lung and colorectal cancers and represent one of the core targets in precision oncology

"late-stage"	stage IIIb to IV cancer when used to describe cancer, based on the classification by International Association for the Study of Lung Cancer in 2017
"linker"	one of the three core components of an ADC. A linker connects the antibody and payload via chemical bonds
"macrophage"	a type of white blood cell that surrounds and kills microorganisms, removes dead cells, and stimulates the action of other immune system cells
"monoclonal antibody"	an antibody generated by identical immune cells that are all clones of the same parent cell
"monotherapy"	therapy that uses a single drug to treat a disease or condition
"MTD"	maximum tolerated dose, the highest dose of a drug or treatment that does not cause unacceptable side effects
"NDA"	new drug application
"NOAEL"	no-observed-adverse-effect-level
"NRAS"	Neuroblastoma RAS, a member of the RAS family proteins
"NSCLC"	non-small cell lung cancer
"oncology"	a branch of medicine that deals with tumors, including study of their development, diagnosis, treatment and prevention
"open-label"	a type of clinical trial in which both the researchers and participants know which treatment is being administered, i.e. not blind
"ORR"	objective response rate, proportion of patients with a complete response or partial response to treatment
"partial response"	a decrease in the size of a tumor or the extent of cancer in the body following treatment, but not a complete disappearance of the disease
"payload"	one of the three core components of an ADC. Payloads are conventionally highly active and cytotoxic molecules attached to an antibody via a chemical linker. Non-cytotoxic payloads have recently emerged as novel ADC strategies for oncology and non-oncology indications
"PD"	pharmacodynamics, the branch of pharmacology concerned with the effects of drugs and the mechanism of their action

"PD-1"	programmed cell death protein 1, an immune checkpoint receptor expressed on T cells and certain other immune cells (including B cells and macrophages). It acts like a brake on the immune system by helping prevent immune cells from becoming overactive and attacking the body's own tissues. When PD-1 binds to its partner proteins on another cell, it sends a signal that reduces the T cell's activity, including its ability to attack and kill that cell. Many cancer cells exploit this pathway to evade immune attack, which is why PD-1 is an important target in cancer immunotherapy
"PDAC"	pancreatic ductal adenocarcinoma
"PD-L1"	PD-1 ligand 1, which is a protein on the surface of a normal cell or a cancer cell that binds to its receptor, PD-1, on the surface of the T cell that causes immune suppression of the T cells
"PFS"	progression free survival, the length of time during and after the treatment that a patient lives without the disease getting worse
"phase 1 clinical trial"	a clinical trial in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its efficacy
"phase 2 clinical trial"	a clinical trial in which a drug is administered to a limited patient population to preliminarily evaluate the efficacy of the product for specific targeted diseases, to identify possible adverse effects and safety risks, and to determine optimal dosage
"phase 3 clinical trial"	a clinical trial in which a drug is administered to an expanded patient population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to provide adequate information for the labeling of the product
"PI"	principal investigator, the lead researcher responsible for the design, conduct, and oversight of a clinical trial
"pivotal clinical trial"	a clinical trial or study designed to demonstrate clinical efficacy and safety evidence required before submission for drug marketing approval
"PK" or "pharmacokinetics"	a measurement of how fast and how completely a drug is absorbed into animal or human body, including the distribution, metabolism, and excretion of drugs in animal or human body

"platinum-based chemotherapy"	chemotherapy containing platinum complexes, which is used to treat multiple types of cancer
"PR"	partial response, referring to an at least 30% but below 100% decrease in the size of a tumor or in the extent of cancer in the body in response to treatment, according to Response Evaluation Criteria in Solid Tumors ("**RECIST**")
"primary endpoint"	the specific key measurement upon which a clinical study is designed to assess the effect of the drugs being investigated
"radiotherapy"	a cancer treatment that uses high doses of radiation to kill or damage cancer cells, aiming to shrink tumors and reduce symptoms
"RAS"	a family of small GTP-binding proteins (including KRAS, NRAS and HRAS) with intrinsic GTPase activity that act as molecular switches in multiple signaling pathways
"receptor tyrosine kinase"	a subclass of cell surface receptors that play a crucial role in cellular communication and signaling
"RECIST"	Response Evaluation Criteria in Solid Tumors, a set of published rules that define when tumors in cancer patients improve ("respond"), stay the same ("stabilize"), or worsen ("progress") during treatment with a focus on measuring tumor size and its progress over time to assess treatment effectiveness. The criteria were published in February 2000 by an international collaboration including the European Organization for Research and Treatment of Cancer, National Cancer Institute of the United States, and the National Cancer Institute of Canada Clinical Trials Group. Now the majority of clinical trials worldwide evaluating cancer treatments for objective response in solid tumors use RECIST. These criteria were developed and published in February 2000, and subsequently updated in 2009
"RP2D"	recommended phase 2 dose, the optimal dose level selected for phase 2 clinical trials, traditionally determined based on dose-limiting toxicities (DLTs). For molecularly targeted agents (MTAs), RP2D can be established using multiple parameters including toxicity profile, biological endpoints (such as PK and PD), and preliminary efficacy data. While RP2D is often associated with a 20-33% rate of DLTs in the first treatment cycle, it may not necessarily be the MTD, particularly for targeted therapies

"SAE"	serious adverse event, any medical occurrence in human drug trials that at any dose: results in death; is life threatening; requires inpatient hospitalization or causes prolongation of existing hospitalization; results in persistent or significant disability/incapacity; may have caused a congenital anomaly/birth defect, or requires intervention to prevent permanent impairment or damage
"scaffold"	the core structure of a molecule, compound or series
"SD" or "stable disease"	in oncology, it refers to cancer that is neither decreasing at least 30% nor increasing at least 20% in the size of a tumor or in the extent of cancer in the body in response to treatment, according to RECIST
"second-line" or "2L"	with respect to any disease, the therapy or therapies that are given when initial treatments (first-line therapy) do not work, or stop working
"second- and later-line" or "2L+"	with respect to any disease, the second- and later-lines of therapy that are administered following the failure, progression, or intolerance of initial treatments (first-line therapy).
"solid tumor"	abnormal masses of tissue that usually do not contain cysts or liquid areas. Solid tumors may be benign (not cancer), or malignant (cancer). Different types of solid tumors are named for the type of cells that form them, such as carcinomas (cancers starting in epithelial cells) and lymphomas (cancers originating in lymphocytes)
"SRC"	Safety Review Committee
"standard of care"	treatment accepted by medical experts as proper for a certain type of disease and widely used by healthcare professionals
"STING"	stimulator of interferon genes, a signaling molecule associated with the endoplasmic reticulum (i.e., a membranous structure within cells that is involved in protein synthesis, folding and transport, as well as other cellular functions), which is essential for controlling the transcription of numerous host defence genes (i.e., genes involved in the body's innate or adaptive defense against pathogens or other harmful stimuli) and plays a key role in innate immunity
"supportive care"	medical interventions aimed at alleviating symptoms, managing treatment-related adverse effects and improving patient quality of life. Such care may include pain management, pancreatic enzyme replacement therapy, nutritional support, anti-emetic treatment and psychological support

GLOSSARY OF TECHNICAL TERMS

"T cell"	a lymphocyte of a type produced or processed by the thymus gland and actively participating in the immune response, which plays a central role in cell-mediated immunity. T cells can be distinguished from other lymphocytes, such as B cells and NK cells, by the presence of a T cell receptor on the cell surface
"targeted therapy"	a major type of treatment modalities that works by targeting a particular molecule or molecules implicated in or essential to the pathogenesis of cancer and non-oncology indications, including but not limited to small molecule drugs and monoclonal antibodies
"therapeutic window"	the range of drug dosages that can treat disease effectively without having toxic effects, or the time interval during which a particular therapy can be given safely and effectively
"third-line"	with respect to any disease, the therapy or therapies that are given when both initial treatment (first-line therapy) and subsequent treatment (second-line therapy) do not work, or stop working
"t_{max}"	the amount of time that a drug is present at the maximum concentration in serum
"TRAE"	treatment-related adverse event, which is an adverse event that in the investigator's opinion may have been caused by the study medication with reasonable possibility
"xenograft model"	an experimental model where human tumor tissue or cancer cells are implanted in an immunodeficient mouse, which is used to study cancer biology, evaluate drug responses, and test potential therapies in a living system that approximates human cancer growth

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "might," "ought to," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: (i) the timing of initiation and completion, and the progress of our preclinical studies and clinical trials; (ii) the timing and likelihood of regulatory filings and approvals, such as INDs and NDAs; (iii) our license and collaboration agreements; (iv) the commercialization strategies and pricing policy of our drug candidates; (v) the market opportunities of our drug candidates; (vi) our future business development, financial conditions and results of operations; (vii) the competitive landscape, future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand; (viii) our expectations regarding demand for and market acceptance of our products and services; (ix) our expectations regarding our relationships with customers, business partners, suppliers and other partners; (x) changes in the macro environment, regional and global economy, as well as industry trends related to our operations; (xi) our ability to adequately protect our reputation and brand image, as well as our intellectual property rights; (xii) our ability to obtain adequate capital resources to fund future development plans; (xiii) our ability to control costs, as well as to achieve and maintain operational efficiency; (xiv) our ability to attract and retain qualified personnel; (xv) our proposed [**REDACTED**]; (xvi) rapid developments in technology and our ability to successfully keep up with technological advancement; (xvii) changes in currency exchange rates; (xviii) relevant government policies and regulations relating to industries which we operate in; (xix) change of volatility in interest rates, equity prices, volumes, operations, margins, risk management and overall market trends; and (xx) other statements in this document that are not historical facts.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect or at all. Accordingly, the forward-looking statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. Moreover, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized. All forward-looking statements in this document are qualified by reference to the cautionary statements in this section. In this document, statements of or references to our intentions or those of our Directors are made as of the date of this document. Any such information may change in light of future developments.

***An* [REDACTED] *in our Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an* [REDACTED] *in our Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. In any such case, the* [REDACTED] *of our Shares could decline, and you may lose all or part of your* [REDACTED].**

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed "Forward-looking Statements" in this document.

In particular, we are a biopharmaceutical 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 Rules 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [REDACTED] *in companies such as ours. Your* [REDACTED] *decision should be made in light of these considerations.

RISKS RELATING TO THE DEVELOPMENT OF OUR DRUG CANDIDATES

Our business and prospects depend substantially on the success of our drug candidates. If we are unable to successfully complete clinical development, obtain regulatory approval or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing so, our business and prospects could be materially and adversely affected.

Our revenue and profitability are substantially dependent on our ability to complete the development of our drug candidates, obtain requisite regulatory approvals and successfully commercialize our drug candidates. We have invested a significant portion of our efforts and capital resources in the development of our existing drug candidates, and we expect to incur substantial and increasing expenditures for the development and commercialization of our drug candidates in the future. In particular, our business and prospects are highly dependent on the successful clinical development, regulatory approval and commercialization of TSN1611, our Core Product. TSN1611 is the primary focus of our research and development activities. In 2024, 2025, and the six months ended June 30, 2025 and 2026, research and development expenses incurred for TSN1611 amounted to RMB36.5 million, RMB76.2 million, RMB26.4 million and RMB66.8 million, respectively, which accounted for 50.2%, 66.1%, 61.1% and 69.7% of our total research and development expenses for the corresponding periods. Our core scientific and clinical personnel also devote significant time and attention to the development of TSN1611, which may limit the resources and management attention available for the advancement of our other drug candidates. In addition, we intend to allocate approximately [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the research and development of TSN1611. TSN1611 has not been approved for any indication, and there can be no assurance that the encouraging early or interim clinical results observed to date will be replicated in later-stage or pivotal clinical trials, or that TSN1611 will ultimately receive regulatory approval or achieve commercial success. Our business, results of operations, financial condition and prospects would be materially and adversely affected if TSN1611 fails or is delayed in clinical development, does not obtain the requisite regulatory approvals, or fails to achieve commercial success even if approved.

The success of our drug candidates depends on a number of factors, including favorable safety and efficacy data from our preclinical studies and clinical trials, sufficient resources to discover or acquire additional drug candidates, successful patient enrollment and trial completion, protocol adherence, sufficient supplies of drug products used in combination with or in comparison to our drug candidates, timely protocol modifications and regulatory submissions, and the performance and compliance of CROs, CDMOs, collaborators and other third parties without compromising the integrity of the resulting data. It also depends on receipt of regulatory approvals for planned clinical trials, drug registrations, manufacturing and commercialization, future commercial manufacturing capabilities, successful launch of commercial sales, favorable reimbursement from third-party payers, competition with other drug products, the obtaining, maintenance and enforcement of intellectual property and regulatory exclusivity, successful defense against third-party intellectual property claims, and the continued acceptable safety profile of our drug candidates following regulatory approval.

Some of our drug candidates represent novel therapeutic approaches compared with more commonly used modalities. Certain of our drug candidates, including TSN1611, target mutation-driven cancers and involve complex biology, and our ability to translate preclinical and early clinical observations into consistent clinical benefits across different tumor types and patient populations is uncertain. In addition, substantial education and training may need to be provided to patients and medical personnel in connection with our drug candidates, which could increase our future sales and marketing expenses and adversely affect future profits, competitive position, business, financial condition and results of operations.

As of the Latest Practicable Date, all of our drug candidates were in various phases of preclinical and clinical development. If we fail to achieve drug development milestones as disclosed in this document, our business prospects could be adversely affected. Our costs may also increase if we experience delays in the development of drug candidates or in obtaining regulatory approvals, which could require us to postpone or suspend ongoing trials until sufficient funding is secured, or, in certain circumstances, to discontinue development of a drug candidate altogether. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026 we incurred significant research and development expenses of RMB72.8 million, RMB115.2 million, RMB43.2 million and RMB95.8 million, respectively. Our net losses amounted to RMB70.5 million, RMB183.7 million, RMB77.6 million and RMB116.6 million during the same respective periods. Material delays of the clinical development of our Core Product, TSN1611, may cause further increase in research and development and net losses. Significant delays in preclinical studies or clinical trials could also allow our competitors to bring competing products to market ahead of us, thereby impairing our ability to successfully commercialize our drug candidates. Any of the above negative developments could have a material and adverse effect on our business, financial condition and results of operations.

We face intense competition and rapid technological change, and our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates.

The pharmaceutical industry is intensely competitive and subject to rapid and significant technological changes. We face competition with respect to our current drug candidates and any drug candidates that we may seek to develop or commercialize in the future. For example, our Core Product, TSN1611, will likely compete with other therapeutic classes for the same patient populations. TSN1611 is a highly selective, orally bioavailable KRAS G12D inhibitor. As of the Latest Practicable Date, although there was no approved KRAS G12D inhibitor drug, there were 24 clinical-stage KRAS G12D inhibitor candidates globally. These competing candidates may obtain regulatory approval earlier than ours, adversely affecting our competitive position. In particular, there are a number of pan-RAS inhibitors under various stages of clinical development, including daraxonrasib, a phase 3 stage pan-RAS drug asset. The emergence and advancement of these competing therapies could adversely affect the future clinical development and market access of

TSN1611. For example, the market opportunities of TSN1611 may be adversely affected if daraxonrasib, or other pan-RAS and KRAS inhibitors, is approved ahead of TSN1611. Specifically, the clinical development of broad-spectrum pan-RAS inhibitors targeting the same indications may intensify competition for clinical trial participants, potentially leading to enrollment delays, increased development costs, and delayed regulatory approvals. Furthermore, if a competing pan-RAS inhibitor is approved and alters the standard of care, the regulatory benchmarks required for TSN1611's approval could become significantly more challenging. Commercially, TSN1611's success relies heavily on the routine clinical use of comprehensive biomarker testing to identify the specific KRAS G12D mutation. If pan-RAS inhibitors gain market acceptance as a generalized treatment, it could reduce the clinical incentive to perform precise, mutation-specific testing, thereby shrinking our identifiable target patient pool. Ultimately, if physicians, patients, or third-party payors prefer competing therapies due to their broader applicability or less stringent testing requirements, our ability to successfully commercialize TSN1611 would be severely limited, which could have a material adverse effect on our business, financial condition, and results of operations.

Our competitors include large multinational pharmaceutical companies, established and specialty biopharmaceutical companies, as well as academic institutions and other public and private research organizations. Many of these competitors have substantially greater financial, technical and commercial resources than we do, including more advanced infrastructure, more late-stage drug candidates, and more established research, manufacturing and marketing capabilities. Industry collaborations, mergers and acquisitions may further concentrate these resources. As a result, our competitors may succeed in developing competing drugs, obtaining regulatory approvals, achieving earlier commercialization or gaining greater market acceptance before us.

In addition, upon expiry of our intellectual property protections, competitors may develop generic versions of our drug candidates and enter the market with lower-cost alternatives, which could intensify price competition, erode our market share and adversely affect our margins. Our drug candidates may also face competition in terms of safety, efficacy, timing and scope of regulatory approvals, supply, pricing, sales and marketing capabilities, and patent protection. Further, disruptive technologies and medical breakthroughs may intensify competition and render our drug candidates less competitive or obsolete. If we are unable to compete effectively, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Clinical development involves an expensive process with uncertain outcomes, and results of preclinical studies and early clinical trials may not be predictive of future trial results.

Clinical development is capital-intensive and may demand years of effort to complete, while its outcomes are inherently uncertain and may not be favorable. For details of our pipeline and clinical development of our drug candidates, see "Business — Overview — Our Drug Portfolio." Later-stage clinical trials for TSN1611 and certain other drug candidates may fail to confirm early-phase results due to differences in trial design, endpoints, patient characteristics, tumor heterogeneity, prior therapy, or other factors. We may encounter unexpected difficulties while executing our drug development plans for such drug candidates, and our current and future drug candidates are susceptible to the risks of failure inherent at any stage of drug development, which would materially and adversely affect our business, financial condition and results of operations.

For example, regulators, ethics committees or other review bodies may not authorize us or our investigators to commence or conduct clinical trials at prospective trial sites. We may have to suspend or terminate clinical trials due to negative results or unacceptable health and safety risks. We may also be unable to reach acceptable terms with CROs, hospitals or CDMOs, encounter manufacturing or quality control issues, fail to secure sufficient quantities of drug candidates for

use in clinical trials, experience slower-than-expected subject enrollment or higher dropout rates, face patent disputes or failures to secure intellectual property protection, or identify unexpected or unacceptable adverse events or other undesirable characteristics in our drug candidates.

In addition, the results of preclinical studies and early clinical trials may not predict the results of later-stage clinical trials, and favorable initial or interim results do not necessarily indicate favorable final results. Drug candidates in later-stage trials may fail to demonstrate the desired safety and efficacy. Many pharmaceutical companies have experienced significant setbacks in advanced clinical trials despite promising earlier-stage results. Safety and efficacy outcomes may also vary across trials of the same drug candidate due to differences in patient populations, patient conditions and adherence, concomitant medications, pre-existing medical conditions, and the number and location of trial sites.

Accordingly, currently available preclinical and clinical data may not be indicative of favorable future results, which could delay completion of our clinical trials, regulatory approvals and commercialization of our drug candidates. See "— Risks Relating to Government Regulations — The regulatory approval processes of the NMPA, the FDA and other comparable authorities are lengthy, time-consuming and inherently unpredictable. If we are ultimately unable to obtain, or experience material delays in obtaining, regulatory approval for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm."

We may not be able to identify, discover and develop new drug candidates, or to identify additional therapeutic opportunities.

In addition to the continued clinical testing, potential approvals and commercialization of our existing drug candidates, the success of our business depends in part upon our ability to identify, discover, in-license or develop additional drug candidates. There can be no assurance that we will be successful in identifying potential drug candidates as expected and developing new drug candidates in the future. Some drug candidates may be technically challenging to develop and manufacture. Drug candidates that we identify may later show side effects or other characteristics that make them unmarketable or unlikely to receive regulatory approvals. We have also pursued, and may continue to pursue, collaborations with third parties in the discovery and development of potential drug candidates, including through licensing and acquisition arrangements. However, there can be no assurance that such licenses or collaborations will deliver the expected results. In addition, there can be no assurance that our research and development capabilities, including small molecule and ADC-related capabilities, will result in the identification and development of additional drug candidates with acceptable safety, efficacy, developability or commercial potential.

Research programs to identify and develop new drug candidates and to develop our drug candidates for additional indications require substantial technical, financial, and human resources. We may invest efforts and resources in potential drug candidates or indication expansions that ultimately prove to be unsuccessful. Any of the foregoing events will have a material and adverse effect on our business, financial condition, results of operations and prospects.

Any failure of utilization of our technology platforms to generate safe, effective and manufacturable drug candidates could materially and adversely affect our business and future prospects.

We leverage the continued advancement and successful translation of our technology platforms to identify, optimize and advance our pipeline. In particular, we leverage our technology platforms, including the T^3LP Platform, the DATIA Platform and the Dual Payload Platform, to generate differentiated ADC candidates through proprietary payload, linker and conjugation technologies. There can be no assurance that these platforms will repeatedly generate drug candidates with acceptable safety, efficacy, developability or commercial potential on a timely and cost-efficient basis, or that platform-enabled candidates will progress through preclinical and clinical development without significant delays, additional costs or failure.

Each of our technology platforms involves platform-specific technical and translational uncertainties. Drug candidates generated under the T^3LP Platform may face risks that targeted-therapy payloads and related linker designs may not achieve sufficient tumor delivery, intracellular release or durable pathway suppression, or may result in off-tumor toxicity due to target expression in normal tissues during clinical explorations or development. Candidates generated under the DATIA Platform may be subject to the risks inherent in immune-agonist or immune-stimulating modalities, including systemic inflammatory toxicities, cytokine-mediated adverse reactions and controllability challenges, and we may not be able to control payload release kinetics and tissue distribution as intended to maintain efficacy while avoiding systemic exposure. Candidates generated under the Dual Payload Platform may introduce additional complexity and exacerbate physicochemical and manufacturing liabilities, compounded or unanticipated toxicities, and unpredictable pharmacokinetics, and regulatory authorities may impose additional characterization, nonclinical requirements or clinical monitoring, which could increase development costs and timelines.

In addition, the effectiveness of our technology platforms depends on our continued access to high-quality data, robust computational infrastructure and specialized scientific talent. Any limitations in data acquisition, delays in model generation or validation, system failures, or the loss of key personnel could adversely affect platform performance and our research and development efficiency. If our technology platforms do not continue to generate competitive, differentiated or clinically viable drug candidates in a timely and cost-efficient manner, or if competing discovery and development technologies evolve more rapidly than ours, our ability to expand our pipeline, pursue collaborations and achieve long-term growth could be materially and adversely affected.

We may not achieve successful outcomes from our substantial investments in research and development and may fail to capitalize on more promising opportunities due to resource allocation decisions.

The global biopharmaceutical market is constantly evolving, requiring us to continuously invest significant human and financial resources to develop, adapt, and maintain our core technology platforms and product pipeline. For example, we incurred research and development expenses of RMB72.8 million, RMB115.2 million, RMB43.2 million and, RMB95.8 million, for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively. There is no guarantee that we can successfully develop or commercialize new technologies or drug candidates in a timely or cost-effective manner, or obtain adequate intellectual property protection with such investments. Any failure to do so could render our prior efforts obsolete and negatively affect our competitiveness.

In addition, as we have limited financial and managerial resources, we focus our product pipeline on research programs and drug candidates that we identify for selected indications. We may prioritize TSN1611 and certain key programs, and if such prioritized programs do not achieve the anticipated clinical or regulatory outcomes, our overall business and prospects may be materially and adversely affected. As a result, we may forgo or delay pursuit of opportunities with other drug candidates or for other indications that may later prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities, and we may be required to recognize impairment losses on related intangible assets or face other negative consequences, which could adversely affect our financial condition and results of operations. If our current pipeline priorities do not yield the anticipated outcomes, we may need to adjust our resource allocation strategy and clinical development plans. Furthermore, if we do not accurately evaluate the commercial potential or target market of a particular drug candidate, we may relinquish valuable rights to that drug candidate through collaboration or licensing arrangements in cases where it would have been more advantageous for us to retain sole development and commercialization rights

to such drug candidate. Conversely, we may allocate internal resources to a drug candidate in a therapeutic area in which it would have been more advantageous to enter into a collaboration or licensing arrangement. Any of these circumstances could materially and adversely affect our future growth and prospects.

We may not be able to obtain approval from regulatory authorities across different jurisdictions.

We currently conduct clinical trials in China and the U.S., and we may seek to develop our business in other countries or regions. However, we may not be able to obtain approval in one or more jurisdictions even if we obtain approval in other jurisdictions. The regulatory frameworks and clinical trial requirements differ significantly across different jurisdictions. For example, the NMPA, the FDA, or other comparable regulatory authorities may have different expectations regarding trial design, patient population, comparator arms, endpoints or statistical methodologies. In certain cases, data generated in one jurisdiction may not be fully accepted by regulators in another jurisdiction without bridging studies or additional local data. These differences may lead to longer development timelines, duplicated efforts, or increased development costs. Failure to obtain approval in our target jurisdictions may materially and adversely affect our ability to commercialize our product candidates globally, and may also have a negative effect on our business, financial condition and results of operations.

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

We may not be able to initiate or continue clinical trials for our drug candidates if we are unable to locate and enroll a sufficient number of eligible subjects to participate in these trials, or if there are delays in the enrollment of eligible subjects as a result of the competitive clinical enrollment environment. For instance, our clinical trials for TSN1611 require patients with specific genetic mutations such as KRAS G12D. According to Frost & Sullivan, KRAS G12D mutations are present only in a subset of patients across multiple tumor types, accounting for approximately 4% of NSCLC, 12% of CRC and 38% of PDAC patients, indicating a relatively limited patient pool. The size of these patient populations may be more limited than anticipated, and eligible patients may be difficult to identify, diagnose, screen or recruit in a timely manner. Our inability to enroll a sufficient number of subjects who meet the applicable criteria set out in the protocol could result in significant delays in our clinical trials. In addition, some of our competitors may have ongoing clinical trials for drug candidates targeting the same indications, and subjects who would otherwise be eligible for our clinical trials may instead enroll in competing clinical trials.

Subject enrollment may also be affected by a number of factors, including the size and nature of the relevant patient population, trial design and eligibility criteria, the perceived risks and benefits of the drug candidate, the severity of the disease under investigation, our resources to facilitate enrollment, physician referral practices, the availability of competing therapies or trials, our ability to obtain and maintain subject consents, the efforts of investigators and trial sites to recruit eligible subjects, the proximity and availability of trial sites, and natural disasters, health epidemics, acts of war or other public events.

Even if we are ultimately able to enroll a sufficient number of subjects, delays in enrollment may increase costs and affect the timing or outcome of our planned clinical trials, which in turn could delay or prevent their completion and adversely affect our ability to advance the development of our drug candidates.

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

AEs and undesirable side effects caused by our drug candidates could cause us or regulatory authorities to interrupt or halt clinical trials and may result in a narrowed scope of indications, a more restrictive label, a delay or denial of regulatory approval by the NMPA, the FDA or other comparable regulatory authorities, or significant changes to our clinical protocols or development plans. In particular, as is the case with other drugs treating diseases, it is likely that there may be side effects associated with the use of certain of our drug candidates. Results of trials conducted by us or our collaborating partners may reveal a high and unacceptable severity or prevalence of certain AEs. In such an event, such trials could be suspended or terminated, and the NMPA, the FDA or other comparable regulatory authorities could order us or our collaborating partners, as applicable, to cease further development of, or deny approval of, our drug candidates for any or all targeted indications. AEs may also affect subject recruitment or the ability of enrolled subjects to complete the trials, and could result in liability claims. Any of these occurrences may significantly harm our reputation, business, financial condition and prospects.

If undesirable side effects are identified after regulatory approval, regulatory authorities may withdraw approvals, revoke licenses, require additional label warnings or impose a risk evaluation and mitigation strategy or similar measures that restrict distribution or impose additional requirements. We or our collaborating partners may also have to suspend marketing, conduct post-marketing studies, face litigation and liability, or suffer reputational harm. In addition, combination therapy involving our drug candidates and third-party agents may give rise to unique or exacerbated AEs compared with monotherapies. Any of these events could prevent us or our collaborating partners from achieving or maintaining market acceptance of any approved drug candidate and could significantly harm our business, financial condition, results of operations and prospects.

We may be unable to successfully develop or market our drug candidates or may experience significant regulatory delays, if safety, efficacy or other issues arise from any pharmaceutical product or medical treatment used, or intended to be used, in combination with our drug candidates.

We plan to develop certain of our drug candidates for use as a combination therapy. For example, we are developing our TSN1611 in combination with other therapies for the treatment of pancreatic cancer and other solid tumors. We may also seek to develop our drug candidates in combination with other drugs in the future. However, the development of combination therapies requires coordination of multiple regulatory pathways and treatment modalities, which may present additional regulatory and technical complexities. If the NMPA, the FDA or other comparable regulatory authority fails to approve, or revokes its approval of such treatments or drugs we intend to use in combination with our drug candidates, we may not be able to develop or market our drug candidates as a combination therapy as planned. If safety or efficacy issues arise with such treatments or drugs that we seek to combine with our drug candidates in the future, we may fail to obtain regulatory approvals in a timely manner, and we may be required to redesign or terminate the applicable clinical trials. In addition, if manufacturing or other issues result in a supply shortage of any drugs we use in combination with, we may not be able to complete clinical development of our drug candidates as a combination therapy on our current timeline or within our current budget, or at all.

RISKS RELATING TO MANUFACTURING AND COMMERCIALIZATION OF OUR DRUG CANDIDATES

The future commercial success of our drug candidates will depend on the degree of their market acceptance in the medical community.

Even if our drug candidates receive regulatory approval, they may fail to gain sufficient market acceptance in the medical community. Physicians and patients may prefer other therapies to ours. If our drug candidates do not achieve adequate market acceptance, we may not generate significant revenue from their sales or become profitable.

Market acceptance of our drug candidates, if and only when they are approved for commercial sale, will depend on a number of factors, including the approved indications, their perceived safety and efficacy, their advantages over alternative treatments, the prevalence and severity of side effects, labeling and other regulatory requirements, the timing of launch relative to competing products, treatment cost, the availability of coverage and reimbursement, patients' willingness to bear out-of-pocket costs, convenience of administration, and the effectiveness of our future sales and marketing efforts.

If our drug candidates are approved but fail to achieve or maintain market acceptance, including as a result of new products or technologies that are more effective, more favorably received or more cost-effective than ours, our business, financial condition, results of operations and prospects could be materially and adversely affected.

We have limited experience in marketing drug candidates. If we fail to establish, expand and optimize an effective sales and distribution network for our drugs, our business could be adversely affected.

Our operations to date have been largely focused on developing our drug candidates, primarily undertaking preclinical studies and conducting clinical trials. To date, we have no experience in marketing approved drugs. We may in the future develop an in-house marketing and sales team, which will require significant capital expenditures, management resources and time. We will have to compete with other biopharmaceutical companies to recruit, hire, train and retain marketing and sales personnel.

We also plan to partner with established commercial teams externally for quick entries into the market. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or, if we are able to do so, that effective sales forces and network will be established. Any revenue we receive will partially depend on the efforts of such third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower than if we had commercialized our drug candidates ourselves. See "— Risks Relating to Collaboration with Third Parties." We will also face competition in our search for reputable third parties to assist us with the sales and marketing efforts of our drug candidates. There can be no assurance that we will be able to develop in-house sales and marketing capabilities or establish or maintain relationships with third-party collaborators to successfully commercialize any product, and as a result, we may not be able to generate product sales revenue.

The size of the potential market for our current or future drug candidates is difficult to estimate and, if any of our assumptions are inaccurate, the actual markets for our current or future drug candidates may be smaller than our estimates.

Our projections of the number of patients who have the potential to benefit from treatment with our drug candidates are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations, or market research and may prove to be incorrect. Further, new studies may change the estimated

incidence or prevalence of these diseases. The number of patients may turn out to be fewer than expected. As a result, the potentially addressable patient population and market size for our drug candidates may be smaller than our estimates. Furthermore, there is no guarantee that any of our drug candidates, even if approved, would be approved for the line of therapy we are aiming for. For example, cancer therapies may be characterized as first line, second line or later line therapy depending on options for treatment and prior treatments received. For indications with well-established standard of care therapies, the NMPA, the FDA and other comparable regulatory authorities may approve new therapies initially only for later lines of therapy. There is no guarantee that our drug candidates will be approved as early-line therapies for our targeted indications. For example, our Core Product may not be approved as first-line therapy, which could result in a smaller market share than we expect. As a result, even if we obtain market approval for our drug candidates, we may not achieve the anticipated market size and revenue unless such market approval is for the intended lines of therapy or for additional indications.

Even if we are able to commercialize any approved drug candidates, reimbursement may be limited or unavailable in certain market segments, and we may be subject to unfavorable pricing regulations, which could harm our business.

The regulations governing pricing and reimbursement for new therapeutic products vary across jurisdictions, and our ability to successfully commercialize any approved drug candidates will depend in part on the availability and level of reimbursement from government authorities, private insurers and other payers. Cost containment is a significant trend in the global healthcare industry, and government authorities and third-party payers often seek to limit coverage and reimbursement for particular drugs.

In China, inclusion in China's National Drug Catalog for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (國家基本醫療保險、工傷保險和生育保險藥品目錄) ("NRDL") is regularly reviewed by the relevant authorities, and there can be no assurance that any of our future approved drug candidates will be included. If our products are not included, commercial sales may depend largely on patient self-payment, which could make our products less competitive. Even if included, we may be required to significantly reduce prices, which could adversely affect our revenue. In addition, the pricing of certain drugs and biologics in China is subject to governmental control, which can take considerable time even after obtaining regulatory approval.

In the U.S., there is no uniform policy for drug coverage and reimbursement among third-party payers. Obtaining coverage and reimbursement can be time-consuming and costly and may require us to provide scientific, clinical and cost-effectiveness data on a payer-by-payer basis. Even if coverage is obtained, reimbursement rates may not be adequate to achieve or sustain profitability, and required patient co-payments may be too high to support broad utilization. In addition, payers may not cover or adequately reimburse long-term follow-up evaluations associated with our approved drug candidates.

More generally, reimbursement may not be available for any approved drug candidates we commercialize, or may be delayed, limited in scope or insufficient in amount. Coverage may be narrower than the approved indications, and payment rates may not cover our costs of research, development, manufacturing, sale and distribution. If we fail to obtain timely and adequate reimbursement at acceptable pricing levels, our business, operating results and financial condition could be materially and adversely affected.

The manufacturing of pharmaceutical products is a complex process that requires strict quality control, and we have limited experience in manufacturing pharmaceutical products on a large commercial scale.

As of the Latest Practicable Date, we had not built commercial manufacturing capabilities. As such, we have limited experience in manufacturing biopharmaceutical products on a commercial scale, which is a complex process, in part due to strict regulatory requirements. We may encounter issues relating to the manufacturing of our drug candidates in the future. We also face certain risks in relation to the CDMOs we engage for manufacturing activities. See "— Risks Relating to Collaboration with Third Parties — Any failure by CDMOs that we engage with to perform in accordance with required timelines, quality standards and regulatory requirements could materially and adversely affect our business."

Issues may arise during the manufacturing process for reasons including (i) equipment malfunction, (ii) failure to follow specific protocols and procedures, (iii) problems with raw materials, (iv) changes in manufacturing production sites or limits to manufacturing capacity due to regulatory requirements, (v) changes in the type of products produced, (vi) advances in manufacturing techniques, (vii) physical limitations that could inhibit continuous supply, and (viii) the occurrence of natural disasters. If problems arise during the production process of certain future products, a batch or several related batches of such product may have to be discarded and cause production delays, cost increases, lost revenue and damage to customer relationships and our reputation. If problems are not discovered before the relevant products are released to the market, we may incur additional costs in connection with product recalls and product liability.

RISKS RELATING TO COLLABORATION WITH THIRD PARTIES

We have entered into licensing or collaboration arrangements with third parties, and may seek additional partnerships in the future. We may fail to identify suitable business partners or may not realize the expected benefits of such partnerships.

We may seek strategic partnerships and other collaborations, including licensing arrangements with third parties, that we believe will complement or augment our drug development, manufacturing and commercialization efforts and any future drug candidates that we may develop.

However, our results of operations may be affected by such arrangements, and existing and future collaboration and licensing agreements may involve various risks. Collaborators may have substantial discretion in determining the efforts and resources they devote to a collaboration, and such arrangements may be terminated on short notice or as a result of a party's failure to comply with its contractual obligations. Our partners may also elect to cease collaboration due to changes in strategic priorities, acquisitions of competing products, funding constraints or other external factors. If a collaboration is terminated, we may need additional capital to continue the development or commercialization of the relevant drug candidate on our own.

In addition, collaborators may delay or discontinue clinical trials, provide insufficient funding, require additional or repeat trials, or request changes to a drug candidate or its formulation. Milestone payments and royalties under these arrangements are typically contingent on the achievement of specified development, regulatory and commercialization targets, and we may not be able to receive the full amounts contemplated by the relevant agreements. Collaborators may also fail to properly maintain or defend our intellectual property rights, use our intellectual property or proprietary information in a manner that gives rise to litigation or liability, develop products that compete directly or indirectly with our drug candidates, or own or co-own intellectual property arising from the collaboration, in which case we may not have exclusive rights to such intellectual property. Our collaboration arrangements may also be adversely affected by geopolitical tensions, including cross-border data transfer restrictions, trade policies and export controls.

For these and other reasons, we may not achieve the expected benefits or synergies from our licensing and collaboration arrangements, or may not achieve them within the expected time frame. Such arrangements are inherently uncertain and may expose us to increased costs, unknown liabilities, business disruption and diversion of management attention.

We also face substantial competition in identifying appropriate strategic partners, and the negotiation of such arrangements can be time-consuming and complex. We may be unable to establish a partnership or alternative arrangement for a drug candidate because it is considered too early in development or because third parties do not view it as having sufficient safety, efficacy or commercial potential. If we do enter into a collaboration for the development or commercialization of a drug candidate, we may be required to relinquish some degree of control over its future development and success, and our collaborators may choose to pursue alternative drug candidates or technologies instead.

If we are unable to enter into agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may need to curtail, delay or discontinue the development or commercialization of a drug candidate or other development programs, reduce the scope of related sales and marketing activities, or undertake such activities at our own expense. As a result, there can be no assurance that any licensing or collaboration arrangement will generate revenue, net income or other benefits sufficient to justify the transaction. Any of these circumstances could materially and adversely affect our business, financial condition, results of operations and prospects.

If CROs that we engage fail to comply with applicable regulatory requirements, procedures or contractual duties, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially and adversely affected.

We engaged 23, 28 and 13 CROs for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2026, respectively, and plan to continue to engage third-party CROs and other third parties for our ongoing preclinical and clinical programs. Although we supervise and control only certain aspects of their activities, we remain ultimately responsible for ensuring that each of our studies and trials is conducted in accordance with applicable protocols and legal, regulatory and scientific standards. Our cooperation with CROs and other third parties does not relieve us of our regulatory responsibilities.

CROs are required to comply with applicable GCP, GLP, cGMP and other regulatory requirements enforced by the NMPA, the FDA and other comparable regulatory authorities. If any CRO or other third party we engage fails to meet these requirements, adhere to protocols, perform to expected standards or deliver timely and reliable data, our trials may be compromised, delayed, prolonged, suspended or terminated, and the resulting data may be rejected by regulatory authorities. In that event, we may be required to repeat preclinical studies or clinical trials, which could delay regulatory approval and commercialization of our drug candidates.

Our reliance on third parties also exposes us to additional risks. We may need to disclose proprietary information or confidential subject data to such parties, increasing the risk of misappropriation. If our relationships with existing CROs or other service providers terminate, we may not be able to identify and engage suitable replacements on a timely basis or on commercially reasonable terms, and switching or adding providers may involve additional costs and delays. In addition, evolving regulatory and geopolitical developments, including measures such as the BIOSECURE Act in the U.S., may further limit our ability to engage or continue using certain CROs and other third parties, particularly in overseas markets. Any of these circumstances could materially and adversely affect our business, financial condition, results of operations and prospects.

Any failure by the CDMOs we engage to perform in accordance with required timelines, quality standards and regulatory requirements could materially and adversely affect our business.

To date, we have engaged reputable CDMOs in China for our clinical development. During the Track Record Period, we engaged five, seven, and 11 CDMOs for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2026, respectively. We expect to continue to engage third-party CDMOs to manufacture our drug candidates for our research and development activities and may also engage them for future commercial sales. Our engagement of third-party CDMOs exposes us to certain risks. The number of qualified manufacturers is limited, and any such manufacturers may be subject to evaluation and/or approval by the NMPA, the FDA or other comparable regulatory authorities. Our CDMOs may also have limited capacity or manufacturing slots, which could affect the development timeline of our drug candidates. In addition, they are subject to periodic inspections and extensive regulatory requirements, including cGMP requirements, and we do not have full control over their compliance with such requirements.

Our CDMOs may also fail to manufacture our drug candidates in a timely manner or in the required quantities or quality to meet our clinical or commercial needs, fail to execute our manufacturing procedures or logistical support requirements properly, or otherwise fail to perform as agreed. They may also fail to properly obtain, protect, maintain, defend or enforce our intellectual property rights, use our intellectual property or proprietary information in a manner that gives rise to actual or threatened litigation, or infringe, misappropriate or otherwise violate the intellectual property rights of third parties. In addition, our CDMOs may terminate their agreements with us, certain raw materials or products supplied by them may not be readily available from alternative sources, and natural or man-made disasters, labor disputes, political instability and other events beyond our control may interrupt the manufacturing process of our drug candidates.

Any of these risks could delay or prevent the completion of our clinical trials or the approval of any of our drug candidates, increase our costs, or adversely affect the commercialization of our current and future approved drugs.

We, our CROs and CDMOs cooperate with third parties to provide a stable and adequate supply of quality materials and other products for our drug development needs. Any interruptions of or significant price increases in such supply could adversely affect our business.

During the Track Record Period, we, our CROs and CDMOs cooperated with third parties to supply certain raw materials and products used in our research and development and manufacturing processes. We expect to continue to do so for the development of our drug candidates and, if approved, their future commercialization.

Any disruption in supply, or any inability of our suppliers or the suppliers of our CROs and CDMOs to provide adequate quantities on a timely basis, could impair our operations, delay the research and development of our drug candidates and adversely affect the commercialization of any approved products. As our business expands and our drug candidates advance toward commercialization, our demand for such materials and products is expected to increase, and existing suppliers may not have sufficient capacity to meet that demand. We may also face significant cost increases that we may not be able to pass on, which could reduce our profitability.

In addition, the quality of procured raw materials and products manufactured by CDMOs depends in part on the effectiveness of our quality control and quality assurance systems and those of our CDMOs, and we may not be able to identify or remedy all quality issues in a timely manner. We also cannot assure you that these third-party suppliers will maintain the licenses, permits and approvals necessary for their operations or comply with applicable laws and regulations. Any failure to do so could interrupt their operations, lead to shortages of materials or products supplied to us, delay our clinical trials or regulatory filings, result in product recalls, expose us to product liability claims or regulatory non-compliance, and cause us to incur significant costs. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Our relationship with certain PIs, KOLs and other industry experts may affect the clinical development and future marketing of our drugs.

Our relationships with principal investigators ("**PIs**"), key opinion leaders ("**KOLs**"), and other industry experts are important to our research and development and marketing activities. For details, see "Business — Research and Development — Clinical Development — Clinical Trial Design and Implementation." We have established extensive interaction channels with PIs, KOLs, physicians and experts to gain first-hand knowledge of unmet clinical needs and clinical practice trends, which supports our efforts to develop market-responsive drugs. However, we may not be able to maintain or strengthen these relationships, or that our efforts to maintain or strengthen such relationships will lead to the successful development and marketing of new products.

These industry participants may leave their roles, change their business or practice focus, stop collaborating with us or choose to collaborate with our competitors instead. Even if they continue to collaborate with us, their market insights and perceptions may prove inaccurate and cause us to develop products with limited market potential. Even if their insights and perceptions are correct, we may still fail to develop commercially viable products or implement effective marketing strategies. If we are unable to maintain these relationships or derive the expected benefits from them, our business, financial condition and results of operations could be materially and adversely affected.

We collaborated with a limited number of suppliers during the Track Record Period.

During the Track Record Period, our major suppliers primarily consisted of CROs and CDMOs. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2026, we collaborated with 23, 28 and 13 CROs, and five, seven and 11 CDMOs, respectively. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2026, our purchases from our five largest suppliers in each year/period during the Track Record Period in aggregate amounted to RMB21.9 million, RMB47.2 million, and RMB34.5 million, representing 39.1%, 46.3% and 39.6% of our total purchases, respectively. Purchases from the largest supplier in each year/period during the Track Record Period amounted to RMB6.4 million, RMB21.1 million, and RMB13.2 million, representing 11.5%, 20.7% and 15.2% of our total purchases, respectively. If any of these key suppliers, especially our largest supplier, is unable or unwilling to continue to supply to us in a timely manner, experiences quality control issues, fails to comply with regulatory requirements, significantly increases prices or otherwise becomes unable to fulfill our supply needs, it may be difficult for us to identify suitable alternative suppliers or secure regulatory approvals for such suppliers in a timely and cost-effective manner. As a result, our business operations, R&D progress, financial condition and results of operations could be materially and adversely affected.

We may be exposed to customer concentration risk.

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales. During the Track Record Period, we generated revenues primarily from research and development services, and payments received under a joint discovery and development agreement. Our historical revenue is dependent on a limited number of service customers and collaboration partners. Our major customers' stable relationship with us and consistent demands are crucial to our business. Any disruption in our business relationship, or any deterioration in the business conditions, liquidity, and solvency of our customers, may have a material adverse effect on us. In the event that our existing major customers or partners terminate our agreements, delay or fail to make any upfront, milestone, and royalty payments, or reduce their demand for our services, we may be unable to find new customers or alternative partners in time on comparable terms within a reasonable period. This could have a material and adverse effect on our business, financial condition, and results of operations.

RISKS RELATING TO OUR OPERATIONS

The continued and collaborative efforts of our senior management, scientific employees and other key employees are crucial to our success.

We highly value the expertise of the members of our research and development team, as well as the principal members of our management. Recruiting, retaining and motivating qualified management, scientific, clinical and sales and marketing personnel will also be critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Further, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize drugs. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions.

Our potential engagement in acquisitions or strategic partnerships in the future may increase our capital requirements, dilute the value of your [REDACTED] in our Shares, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

To support our growth, we may acquire businesses, products, technologies or know-how or enter into strategic partnerships that we believe would benefit our product development, technology advancement or distribution network. Any such acquisition or strategic partnership may involve significant risks. It may increase our operating expenses and cash requirements, require us to assume additional indebtedness or contingent liabilities, or result in the issuance of equity securities that dilute our Shareholders. Such transactions may also create difficulties in integrating acquired operations, intellectual property, products and personnel, and we may fail to achieve the expected benefits or synergies. In pursuing and implementing these transactions, our management's attention may be diverted from our existing product programs and business initiatives. We may also face difficulties in retaining key employees, maintaining important business relationships and evaluating risks relating to the counterparty, including its prospects and its existing drugs or drug candidates.

In addition, we may be unable to generate sufficient revenue from acquired technologies or products to justify the transaction or offset the related costs. Such transactions may also result in substantial one-off expenses, significant future amortization expenses and accounting impacts that could materially affect our financial results. Moreover, we may not be able to identify suitable acquisition or strategic partnership opportunities on acceptable terms, or at all, which could impair our ability to grow or obtain access to technologies or products that may be important to our business.

We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business.

From time to time, we may be involved in claims, disputes and legal proceedings in our ordinary course of business. These may concern issues relating to, among others, product liability, privacy protection, environmental and safety matters, breach of contract, employment or labor disputes and intellectual property rights. Any inspections, claims, disputes or legal proceedings initiated by us or brought against us, our management or directors, with or without merit, may result in substantial costs and diversion of resources, and if we are unsuccessful, could materially harm our reputation. Furthermore, inspections, claims, disputes or legal proceedings against us, our management or directors may be due to actions taken by our counterparties, such as our CROs,

CDMOs and other service providers. Even if we are able to seek indemnity from them, they may not be able to indemnify us in a timely manner, or at all, for any costs that we incur as a result of such claims, disputes and legal proceedings.

Our reputation is important to our success. Negative publicity with respect to us, our Shareholders, management, employees, business partners, affiliates, or our industry, may materially and adversely affect our reputation, business, results of operations and prospects.

We believe that market awareness and recognition of our brand image, and the maintenance of a positive brand image, is crucial to the success of our business. Our reputation is vulnerable to potential threats that can be difficult or impossible to control, and costly or impossible to remediate. We may not be successful in promoting our brands to remain competitive. In addition, because we rely on various third parties, such as CROs and CDMOs, to support the research and development of our drug candidates, and may engage additional third parties to expand market access, our ability to manage our reputation may be further constrained by our limited control over such parties. See "— Risks Relating to Collaboration with Third Parties." Any regulatory inquiries, investigations or other actions involving us or our management, or any perceived unethical, fraudulent or otherwise inappropriate conduct by us, our management, employees, business partners or affiliates, could significantly damage our reputation, impair our ability to attract and retain talent and business partners, and materially and adversely affect our business and prospects.

We may be exposed to risks of conducting our business and operations in international markets.

International markets are an important component of our growth strategy. We plan to explore overseas market opportunities, seek licensing and co-development opportunities with global MNCs, and advance our multi-region clinical programs. However, such activities may subject us to additional risks, including increased expenses and diversion of management attention, changes in political, cultural or economic conditions, differing regulatory requirements for drug approval and marketing, difficulties in enforcing contractual rights, reduced intellectual property protection, unexpected changes in tariffs, trade barriers and other regulatory requirements, compliance burdens under multiple legal regimes, and business interruptions caused by geopolitical events or natural disasters. Any of these risks could materially and adversely affect our ability to generate revenue and profits from international markets.

Increased labor costs could slow our growth and affect our operations and profitability.

Our operations depend in part on the skills and know-how of our employees. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2026, our staff costs amounted to RMB34.9 million, RMB39.1 million, and RMB20.6 million, representing 42.5%, 31.6% and 19.3% of our total operating costs, respectively. In recent years, the average labor cost in the global pharmaceutical market, particularly for highly skilled and experienced personnel, has been steadily increasing as the competition for qualified employees has become more intense. There may be further increase in labor cost, which may adversely affect our operations and financial condition. In addition, share options and other share-based incentives granted under our existing or future share-based incentive arrangements and schemes could adversely affect our costs and our results of operations.

Our leased properties may be subject to non-compliances or challenges that could potentially affect our future use of them.

We lease certain properties in China as our offices and research and development facilities. Pursuant to the Measures for Administration of Lease of Commodity Properties (商品房屋租賃管理辦法), both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. As of the Latest Practicable Date, we had not registered two of our lease agreements in China. We may be ordered by the relevant government

authorities to register the relevant leases within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. In addition, upon the expiration of our existing leases, we may not be able to renew them, or enter into replacement leases, on commercially acceptable terms or at all, which may adversely affect our business, results of operations or financial condition.

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

We maintain industry-standard benefit plans in accordance with relevant laws and regulations, based on our assessment of our operational needs and industry practice. Our insurance coverage for adverse events in clinical trials may prove to be inadequate or could cease to be available to us on acceptable terms, if at all. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations. Our insurance coverage may be insufficient to cover any claim for product liability, damage to our fixed assets or employee injuries. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

Changes in U.S. and international trade policies and political tensions, particularly with regard to China, may adversely impact our business and results of operations.

We are susceptible to constantly changing international economic, regulatory, social and political conditions, and local conditions in foreign countries and regions. Trade conflicts and geopolitical tensions between China and other countries or regions may adversely affect our business, financial condition, results of operations, cash flows and prospects. China's relationships with foreign countries and regions may affect the prospects of our relationship with third parties, such as business partners, suppliers and future customers. There can be no assurance that our existing or potential service providers or collaboration partners will not alter their perception of us or their preferences as a result of adverse changes to the state of relationships between China and the relevant foreign countries or regions. Any trade conflicts and geopolitical tensions between China and the relevant foreign countries or regions may cause a decline in the demand for our future products and adversely affect our business, financial condition, results of operations, cash flows and prospects. Rising trade and geopolitical tensions, as well as changes in relevant government policies could reduce levels of trades, investments, technological exchanges and other economic activities between China and other countries and regions. For example, on February 21, 2025, U.S. President Donald J. Trump issued a memo entitled the "America First Investment Policy" ("**America First Memo**"), outlining the ongoing review and consideration of potential new or expanded restrictions on U.S. outbound investment in the PRC in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, and directed energy. The America First Memo also contemplates potential restrictions on investments in publicly traded securities by pension funds, university endowments and other limited partner investors. Further, on April 15, 2025, the U.S. The Department of Commerce announced investigations into the national security implications of semiconductor and pharmaceutical product imports. Such dynamics underscore the unpredictability of cross-border policy landscapes and their potential to disrupt the interconnected economic and trade activities essential that our business relies on.

Furthermore, tensions and political concerns between China and other countries or regions may adversely affect our business, financial condition, results of operations, cash flows and prospects. China's political relationships with foreign countries and regions may affect the prospects of our relationship with third parties, such as business partners, suppliers and future customers. There can be no assurance that our existing or potential service providers or collaboration partners will not alter their perception of us or their preferences as a result of adverse changes to the state of political relationships between China and the relevant foreign countries or regions. On September 9, 2024, the U.S. House of Representatives voted in favor of a similar version of such legislation titled the BIOSECURE Act ("**BIOSECURE Act**"). On October 9, 2025, the U.S. Senate introduced an amended version of the BIOSECURE Act ("**October 2025 Senate**

Amendment") into the FY2026 National Defense Authorization Act ("**FY2026 NDAA**"). The final reconciled version of the FY2026 NDAA was released on December 7, 2025, incorporating a revised version of the BIOSECURE Act based on the October 2025 Senate Amendment, which was signed by U.S. President Donald J. Trump on December 18, 2025. The core provisions of the enacted BIOSECURE Act remain consistent from the October 2025 Senate Amendment: federal agencies are prohibited from contracting with or funding companies that are designated "biopharmaceutical companies of concern." The BIOSECURE Act's final definition of "biopharmaceutical companies of concern" includes (i) entities on the Department of Defense's section 1260H list of Chinese military companies operating in the United States (known as the "**1260H List**"), and (ii) entities that will be named through a process headed by the Office of Management and Budget ("**OMB**"), who must supplement the list of biopharmaceutical companies of concern within one year of enactment. If our suppliers or business partners were to be listed as "biopharmaceutical companies of concern," our ability to engage in business with the U.S. government or with companies that engage in business with the U.S. government may be limited. Prohibitions in the BIOSECURE Act will not take effect until the OMB issues implementing guidance and relevant federal regulations are finalized. The timing and substance of such enabling regulations remain subject to uncertainty and may differ materially from current expectations. We are of the view that the BIOSECURE Act would not have a material and adverse impact on our business, primarily because we, or any of our subsidiaries, are not a recipient of any U.S. federal government contracts, loans, grants or funding and do not anticipate applying for such contracts, loans, grants or funding in the future. Furthermore, to the best of our knowledge, none of our business partners are using any services provided by us under the respective arrangements in connection with any federal contracts, loans, grants or funding. During the Track Record Period and up to the Latest Practicable Date, we did not have business relationship with any entity included in the 1260H List.

We are a pre-commercial biopharmaceutical company with no marketed products or product sales to date, and our operations are focused primarily on research and development of our drug candidates. We do not currently engage in commercial activities with U.S. government entities or rely on U.S. sales revenue. Based on our current business model and development stage, these trade restrictions have not had any material adverse impact on our research and development activities, financial performance or growth prospects. However, if future legislative or policy changes were to restrict collaboration with certain counterparties or suppliers, we may consider appropriate adjustments to our sourcing or collaboration arrangements to ensure the continued progress of our research and development activities.

Geopolitical tensions, such as the tightening of technology-transfer controls or country-specific procurement restrictions, may indirectly slow the pace of international clinical collaboration and regulatory coordination, potentially prolonging approval timelines in certain overseas jurisdictions. In the broader competitive landscape, geopolitical frictions could also intensify market consolidation in targeted jurisdictions, as multinational participants localize production or redirect clinical resources to geographies perceived as lower-risk. These developments may alter the distribution of innovation and competition in the global biotechnology field over time.

Furthermore, the U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China. Any rising trade and political tensions or unfavorable government policies on international trade, such as capital controls or tariffs, may affect the competitive position of our drug products, the hiring of scientists and other research and development personnel, and import or export of raw materials in relation to drug development, or prevent us from selling our drug products in certain countries. We cannot predict how tariff policies may further evolve or anticipate any potential impacts of subsequent developments in such policies on our business. Any rising trade and geopolitical tensions or unfavorable government policies on international trade, such as capital controls or tariffs, may affect the competitive position of our future drug products. Such unfavorable policies may also negatively impact the hiring of scientists and other research and development personnel, and the

demand for and competitiveness of our drugs. If any new tariffs, policies, legislation and/or regulations are announced or implemented, or if existing trade agreements are renegotiated, such changes could have an adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control.

Natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control, such as floods, earthquakes, fires, droughts, widespread disease outbreaks, power, water or fuel shortages, information system failures and other technical disruptions, may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. These events may materially disrupt our business and operations delay our ongoing and future clinical trials, adversely affect our business partners, injure our employees or even cause loss of lives, and destroy our markets. Any of the foregoing events and other events beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

RISKS RELATING TO GOVERNMENT REGULATIONS

The regulatory approval processes of the NMPA, the FDA and other comparable authorities are lengthy, time-consuming and inherently unpredictable. If we are ultimately unable to obtain, or experience material delays in obtaining, regulatory approval for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm.

Approval from the NMPA, the FDA and other comparable regulatory authorities typically take many years following the commencement of preclinical studies and clinical trials. In addition, approval policies, regulations or the type and amount of clinical data required for approval may change during the course of development and may vary across jurisdictions. Additional time, effort and expense may be required to bring our drug candidates, upon regulatory approval, to the markets in compliance with different regulatory processes.

Our drug candidates may fail to receive the regulatory approval of the NMPA, the FDA or comparable regulatory authorities for many reasons. Regulatory authorities may disagree with the design or implementation of our clinical trials or our interpretation of preclinical or clinical data, or may determine that our data are insufficient to support submission, filing or approval. They may conclude that a drug candidate has not been shown to be sufficiently safe, effective or potent for its proposed indication, that its benefits do not outweigh its safety risks, or that our trial results do not meet the required level of statistical significance. Regulatory approval may also be delayed or denied if our clinical trial processes fail to comply with applicable GCP requirements, our clinical sites fail regulatory audits, our drug candidates or manufacturing facilities fail cGMP inspections, or regulatory authorities identify manufacturing deficiencies. In addition, changes in approval policies, regulations, scientific standards or technological requirements may render our existing preclinical or clinical data insufficient for approval.

The NMPA, the FDA or other comparable regulatory authorities may require additional information, including further preclinical or clinical data, which may delay or prevent approval and our commercialization plans. Any of the foregoing scenarios could adversely affect the commercial prospects of our drug candidates.

Changes in laws and regulations relating to the biopharmaceutical industry may result in additional compliance risks and costs.

In China, the U.S. and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes relating to the biopharmaceutical industry and the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any drug candidates for which we obtain marketing approval. See "— Risks Relating to Manufacturing and Commercialization of Our Drug Candidates — Even if we are able to commercialize any approved drug candidates, reimbursement may be limited or unavailable in certain market segments for our drug candidates, and we may be subject to unfavorable pricing regulations, which could harm our business."

For example, the PRC government has enacted a series of new laws and regulations in recent years aimed at improving the affordability and deterring potential over-use of oncology drugs. In December 2020, for instance, the National Health Commission ("**NHC**"), formerly known as the National Health and Family Planning Commission, released the Notice on the Temporary Measures Regulating the Clinical Use of Oncology Drugs (關於印發抗腫瘤藥物臨床應用管理辦法(試行)的通知), followed by more detailed guidance announced in its Measurement Criteria for the Reasonable Clinical Use of Oncology Drugs (2021 Version) (抗 腫瘤藥物臨床合理應用管理指標(2021年版)) in June 2021 ("**Oncology Drug Guidance**"), according to which several factors will be considered to evaluate whether the oncology drugs, especially "restricted class drugs," are under reasonable use by the medical institutions, in terms of usage rate and amount, among other criteria. Under the Oncology Drug Guidance, anti-tumor drugs may be designated as "restricted class drugs" if they exhibit one or more of the following characteristics: (i) Poor Safety Profile, i.e., the drug demonstrates significant safety risks; (ii) New to the Market, i.e., the drug is a recent market entry with limited real-world usage data; and (iii) Prohibitively Priced, i.e., the drug carries a high cost that may burden the healthcare system or patients. If our oncology drug candidates are categorized as "restricted class drugs" after commercialization, there may be a reduction in demand from both medical institutions and patients due to stricter usage controls. The commercialization and marketing efforts for these candidates could be adversely affected, as there would be more rigorous prescription and coverage criteria. Failure to address and comply with these evolving regulations could result in penalties and harm our business and financial condition.

These legislative trends and regulatory measures can potentially affect the sales, profitability and prospects of our future commercialized pipeline products. Moreover, because these laws and regulations are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these laws and regulations and any subsequent changes, we may be subject to penalty, and our business may be harmed.

We face regulation and potential liability related to privacy, data protection and information security which may require significant resources and may adversely affect our business, operations and financial performance.

We and the CROs we engage may routinely receive, collect, generate, store, process, transmit and maintain medical data, treatment records and other personal details of subjects enrolled in our clinical trials, along with other personal or potentially sensitive information. As such, we are subject to the relevant local, state, national and international data protection and privacy laws, directives, regulations and standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal information in the various jurisdictions in which we operate and conduct our clinical trials, as well as contractual obligations.

In recent years, the PRC authorities have promulgated certain laws and regulations in respect of information security, data collection and privacy protection regulations in the PRC, including the Cybersecurity Law of the PRC (中華人民共和國網絡安全法), the Provisions on Protection of Personal Information of Telecommunication and Internet Users (電信和互聯網用戶個人信息保護規定), the Cybersecurity Review Measures (網絡安全審查辦法) which became effective from February 15, 2022, the Data Security Law of the PRC (中華人民共和國數據安全法) which became effective from September 1, 2021, the Personal Information Protection Law of the PRC (中華人民共和國個人信息保護法) which became effective from November 1, 2021, and the Measures for the Security Assessment of Data Export (數據出境安全評估辦法) which became effective from September 1, 2022. Under the Personal Information Protection Law of the PRC, in case of any personal information processing, such individual's prior consent shall be obtained, unless other legal bases are satisfied. Further, any data processing activities, that are in relation to the sensitive personal information including but not limited to biometrics, medical health and personal information of teenagers under fourteen years old, are not allowed, unless such activities have a specific purpose, are highly necessary and strictly protective measures have been taken and separate consent has been obtained from the individuals involved.

These data protection and privacy law regimes continue to evolve and may result in ever-increasing public scrutiny and escalating levels of enforcement and sanctions and increased costs of compliance including, for example, substantial operational costs associated with changes to our data processing practices.

The personal information of patients or subjects which might be involved in our clinical trials could be highly sensitive and we are subject to strict requirements under the applicable privacy protection regulations in the relevant jurisdictions, which may require us to commit substantial resources to ensure compliance.

We may be subject to ongoing regulatory obligations and continued regulatory review after we receive regulatory approval for our drug candidates, which may result in significant additional expenses.

If the NMPA, the FDA or other comparable regulatory authorities approve any of our drug candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and record-keeping for the drug will be subject to extensive and ongoing regulatory requirements on pharmacovigilance. These requirements include submissions of safety and other post-marketing information and reports, registration, random quality control testing, adherence to any chemistry, manufacturing, and controls ("**CMC**"), variations, continued compliance with current cGMPs, and GCPs and potential post-approval studies for the purposes of license renewal.

Any regulatory approvals that we receive for our drug candidates may also be subject to limitations on the approved indicated uses for which the drug may be marketed or other conditions of approval, including requirements to conduct potentially costly post-marketing studies for the surveillance and monitoring of the safety and efficacy of the drug.

In addition, once a drug is approved by the NMPA, the FDA or other comparable regulatory authorities for marketing, previously unknown problems may emerge, including problems with third-party manufacturers or manufacturing processes. If this occurs, we may become subject to restrictions on marketing or manufacturing, withdrawal of the drug from the market, voluntary or mandatory recalls, fines, warning letters, clinical holds, refusal by the NMPA, the FDA or other comparable regulatory authorities to approve pending applications or supplements, suspension or revocation of approvals, refusal to accept our other INDs, NDAs or BLAs, seizure or detention of products, refusal to permit import or export, or injunctions and civil, administrative or criminal penalties.

Moreover, applicable laws, regulations or policies may continue to evolve and become more stringent, which could prevent, limit or delay regulatory approval of our drug candidates. Any government investigation of alleged violations of law could also require us to devote significant time and resources and could generate negative publicity, which in turn could significantly harm our business, financial condition and pipeline.

Changes in political and economic policies, as well as the interpretation and enforcement of laws, rules and regulations, may affect our business, financial condition, results of operations and prospects.

Since a substantial portion of our operations are based in the PRC, our business, financial condition, results of operations and prospects may be affected by economic, political, social and legal developments in China. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources, such as the revisions to the Regulation of the PRC on the Management of Human Genetic Resources (中華人民共和國人類遺傳資源管理條例) in March 2024 and the revisions to the Biosecurity Law of the PRC (中華人民共和國生物安全法) in April 2024. For details, see "Regulatory Overview — PRC Laws and Regulations Relating to Drugs". However, the extent to which our business operations will be able to benefit from such measures, if at all is uncertain. In addition, laws, rules and regulations may also be amended from time to time, and the application, interpretation and enforcement of such evolving laws, rules and regulations may affect our business operations. Any of the foregoing may have a material and adverse effect on our business, financial condition, results of operations and prospects.

We may be classified as a "PRC resident enterprise" for PRC EIT purposes and our income may be subject to PRC tax under the relevant PRC laws.

Under the Enterprise Income Tax Law of the PRC ("**EIT Law**"), an enterprise established outside of China with "de facto management bodies" within China is considered a "resident enterprise," meaning that it will be treated in a manner similar to a Chinese enterprise for PRC enterprise income tax purposes. Under the Circular of the STA on Issues Concerning the Identification of Chinese-Controlled Enterprises Registered Overseas as Resident Enterprises on the Basis of Their De Facto Management Bodies (關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知) issued by the STA on April 22, 2009 and partially abolished in December 2017, or Circular 82, provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore. Under Circular 82, an offshore enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management and their work location is in the PRC; (ii) decisions relating to the enterprise's financial and human resources matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC. On July 27, 2011, the STA issued Administrative Measures of Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial) (境外註冊中資控股居民企業所得稅管理辦法(試行)), or Bulletin 45, which became effective on September 1, 2011 and as amended in 2015, 2016 and 2018, to provide further guidance on the implementation of Circular 82. Bulletin 45 clarifies certain issues related to determining PRC resident enterprise status, including which the competent tax authorities are responsible for determining offshore incorporated PRC resident enterprise status, as well as post-determination administration.

The STA may take the view that the determining criteria set forth in Circular 82 and Bulletin 45 reflect the general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. Additional implementing regulations or guidance may be issued determining that we or any of our subsidiaries incorporated out of the

PRC is a "resident enterprise" for PRC enterprise income tax purposes. If the PRC tax authorities determine that we or any of our subsidiaries incorporated out of the PRC is a resident enterprise for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow. First, we and our non-PRC subsidiaries may be subject to enterprise income tax at a rate of 25% on our worldwide taxable income, as well as to PRC enterprise income tax reporting obligations. Second, dividends paid by our PRC subsidiaries to us may be subject to any withholding tax. Finally, the CIT Law and its implementing rules issued by PRC tax authorities provide that dividends paid by us to our non-PRC shareholders and capital gains recognized by them with respect to the sale of our Shares may be subject to tax of 10% for non-PRC resident enterprise shareholders and 20% for non-PRC resident individual shareholders. In the case of dividend payments, such PRC tax may be withheld at source.

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

Any loans provided by our offshore holding companies to our PRC subsidiaries are subject to PRC regulations and such loans must be registered with the local branch of the SAFE. Additionally, if we finance such subsidiary by means of additional capital contributions, these capital contributions must be registered, reported or filed with certain government authorities, including MOFCOM, the State Administration for Market Regulation and SAFE or their local counterparts. We may not be able to obtain these government registrations or approvals or to complete registration procedures on a timely basis, if at all, with respect to future loans or capital contributions by us to our subsidiaries or any of their respective subsidiaries. If we fail to obtain such approvals or registrations, our ability to make equity contributions or provide loans to our PRC subsidiaries or to fund their operations may be materially and adversely affected. This may materially and adversely affect our PRC subsidiaries' liquidity, their ability to fund their working capital and expansion projects, and their ability to meet their obligations and commitments. As a result, this may have a material adverse effect on our business, financial condition and results of operations.

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

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

Any limitation on the ability of our PRC subsidiaries to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends to our investors or other obligations to our suppliers, or otherwise fund and conduct our business.

Failure to comply with PRC regulations regarding the registration requirements for employee share ownership plans or share option plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

In 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知). Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiaries of such overseas-listed company, and complete certain other procedures, unless certain exceptions are available. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our executive officers and other employees who are PRC citizens or non-PRC citizens living in China for a continuous period of not less than one year and have been granted options will be subject to these regulations when our company becomes an overseas-[**REDACTED**] company upon the completion of the [**REDACTED**]. Failure to complete SAFE registrations may subject them or us to fines or supervision measures. We also face regulatory uncertainties that could restrict our ability to adopt additional incentive plans for our directors, executive officers and employees.

In addition, the STA, has issued certain circulars concerning employee share options and restricted shares. Under these circulars, our employees working in China who exercise share options or are granted restricted shares will be subject to PRC individual income tax. Our PRC subsidiary has obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes for those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC government authorities.

You may experience difficulties in effecting service of process or enforcing foreign judgments against us or our management.

Cross-border service of process presents inherent uncertainties. Most of our assets are situated in the PRC and most of our directors and officers reside in the PRC. Therefore, there remains the possibility that it may be difficult to effect service of process outside the PRC upon most of our directors and officers, including with respect to matters arising under applicable securities laws. The PRC does not have treaties providing for the reciprocal recognition and enforcement of civil case judgments of courts with the U.S. and many other countries. Consequently, you may experience difficulties in enforcing against us or our directors or officers in the PRC any judgments obtained from courts outside of the PRC.

On July 14, 2006, Hong Kong and China entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排), or the Arrangement, pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in China. Similarly, a party with a final judgment rendered by a Chinese court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. On January 18, 2019, the Supreme People's Court and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排), which has come

into effect on January 29, 2024 and superseded the Arrangement, or the New Arrangement, which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong and the mainland. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. After the New Arrangement became effective, a judgment rendered by a Hong Kong court can generally be recognized and enforced in the PRC even if the parties in the dispute do not enter into a choice of court agreement in writing. However, judgments made by Hong Kong courts may not be recognized and enforced in the PRC, as whether a specific judgment will be recognized and enforced is still subject to a case-by-case examination by the relevant court in accordance with the New Arrangement.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

If we are unable to obtain and maintain patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize drugs and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drugs may be adversely affected.

Our commercial success depends, to a certain extent, on our ability to protect our proprietary technology and drug candidates from competition by obtaining, maintaining, defending and enforcing our intellectual property rights, including patent rights. We seek to protect our drug candidates and technology that we consider commercially important primarily by filing patent applications in China, the U.S. and other countries or regions, relying on trade secrets or pharmaceutical regulatory protection or employing a combination of these methods. This process is expensive and time-consuming, and we or our business partners may not be able to file and prosecute all necessary or desirable patent applications and secure other intellectual property protection in all jurisdictions in a timely manner. It is also possible that we or our business partners will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Moreover, we or our business partners may fail to timely identify third-party infringement of our intellectual property rights and take necessary actions to defend and enforce our rights, or at all.

The patent position of pharmaceutical companies generally involves complex legal and factual questions, and can be frequently litigated. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are uncertain. For example, our current patent applications and future patent applications may overlap with certain patent applications filed by third parties. For details on our patent applications, see "Business — Intellectual Property." Our current and future patent applications may not be granted with claim scope that effectively prevents third parties from commercializing competitive technologies and drug candidates. The patent examination process may require us or our business partners to narrow the scope of our or our business partners' current and future patent applications, which may then limit the scope of patent protection that could be obtained. There can be no assurance that all of the potentially relevant prior art relating to our patents and patent applications has been found. If such prior art exists, it can invalidate a patent or prevent a patent application from being issued as a patent. Moreover, if there are material defects in the form or preparation of our patents or patent applications, such patents or applications may be invalid and unenforceable.

For example, with respect to our Core Product, TSN1611, we are aware of prior art from an independent third party that is also directed to this same mutation. In a worst-case scenario where this third-party prior art forms the basis of a valid, granted patent with claims broad enough to encompass the composition, formulation, or method of use of TSN1611, it could have a material adverse impact on our operations. With respect to development, such an event could force the Company to suspend or terminate ongoing or planned clinical trials, resulting in the loss of substantial research and development investments and significant timeline delays. With respect to commercialization, the third party could seek preliminary or permanent injunctive relief to prohibit

the manufacturing, marketing, and sale of TSN1611, which could preclude us from bringing the product candidate to market. Furthermore, any attempt to develop or commercialize TSN1611 under such circumstances could subject us to protracted litigation, divert management's attention, and result in substantial legal fees. If an adverse ruling is reached, we could be ordered to pay significant compensatory damages and royalties for past sales, which would severely compromise our financial condition and business prospects.

Even if patents are issued on these applications, there can be no assurance that a third party will not challenge their validity, enforceability, or scope, which may result in the patent claims being narrowed or invalidated, or that we will obtain sufficient claim scope in those patents to prevent a third party from competing successfully with our drug candidates. We or our business partners may become involved in interference, inter partes review, post-grant review, ex parte reexamination, derivation, opposition or similar other proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such proceeding could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology, drug candidates and compete directly with us, or result in our inability to manufacture or commercialize our drug candidates without infringing third-party patent rights. Thus, even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage.

The issuance of a patent is not conclusive as to its scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in any jurisdictions. Such challenges may result in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop or prevent others from using or commercializing similar or identical technology and drug candidates, or limit the duration of the patent protection of our technology and drug candidates. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing drug candidates similar or identical to ours. Our competitors may also be able to circumvent our issued patent by developing similar or alternative technologies or drug candidates in a non-infringing manner.

If our patent terms expire before or soon after our drug candidates are approved, or if competitors successfully challenge our patents, our business may be materially harmed. Lack of protection under the applicable patent linkage and patent term extension laws and regulations could increase the risk of early generic competition.

Patents have a limited duration. Depending on the jurisdiction, various extensions may be available, but the life of a patent, and the protection it affords, is limited. For example, the expiration of a patent is generally 20 years from the date of application for inventions in China and generally 20 years from the earliest date of filing of the first non-provisional patent application to which the patent claims priority in the U.S. Even if patents covering our drug candidates, their manufacture, or use are obtained, once the patent life has expired, we may be open to competition from competitive medications, including biosimilar medications.

Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such drug candidates could expire before or shortly after such drug candidates are commercialized. As a result, our patents and patent applications may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. If we are unable to obtain an exclusive license to any third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we may need the collaboration of any such co-owners of our patents in order to enforce such patents against third parties, and such collaboration may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

Even if we believe that we are eligible for certain patent term extensions, there can be no assurance that the applicable authorities, including the NMPA and the CNIPA in China, and any equivalent regulatory authority in other countries, will agree with our assessment of whether such extensions are available, and such authorities may refuse to grant extensions to our patents, or may grant more limited extensions than we request. For example, the amendment to the PRC Patent Law which was promulgated in October 2020 introduces patent extensions to patents of new drugs that launched in the PRC, which may enable the patent owner to submit applications for a patent term extension of up to a maximum length of five years, and after the new drug is approved for marketing, the total effective term of the patent shall not exceed 14 years. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements.

Moreover, the length of the extension could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for that product will be shortened and our competitors may obtain approval to market competing products sooner than we expect. Also, the scope of our right to exclude during any patent term extension period may be limited or may not cover a competitor's product or product use. As a result, our revenue from applicable drug candidates, if approved, could be reduced, possibly materially.

Manufacturers of generic or biosimilar drugs may challenge the scope, validity, or enforceability of our patents in court or before a patent office, and we may not be successful in enforcing or defending those intellectual property rights and, as a result, may not be able to develop or market the relevant product exclusively, which would have a material adverse effect on any potential sales of that product. Upon the expiration of our issued patents or patents that may be issued from our pending patent applications, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected. On the other hand, if we launch our drug candidates prior to the expiration of patents for any competing products, we may face potential claims for patent infringement.

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

We own a number of trademarks in Chinese Mainland. Our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks, and may not be registered or approved in all jurisdictions or categories in which we intend to market our future products or services. As such, we may not be able to protect our rights to these trademarks and trade names or may be forced to stop using them, which could impair our ability to build brand identity with potential partners and customers. Competitors may also adopt similar trade names or trademarks, causing market confusion and weakening our brand recognition, and we may face infringement claims from third parties. In addition, if we license our trademarks or trade names to business partners or collaborators in the future, any misuse by such licensees or failure to comply with the relevant agreements could jeopardize our rights in, or diminish the goodwill associated with, those marks. Any of these events could impair our ability to compete effectively and materially and adversely affect our business.

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

In addition to patents and pending patent applications, we rely on trade secret and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. In the ordinary course of our business, including in connection with manufacturing, commercialization and collaboration arrangements, we may need to share such information with employees, collaborators, researchers, CDMOs, consultants, advisers and other third parties, which increases the risk of unauthorized

disclosure, misuse or misappropriation. Although we seek to protect this information through non-disclosure, confidentiality and similar agreements, these agreements may be breached, we may not have entered into such agreements with every party that has had access to our proprietary information, and available remedies may be inadequate. In addition, our trade secrets may be discovered through independent development, lawful reverse engineering or other means, and if they are lawfully obtained or independently developed by a competitor, we would have no right to prevent their use. Because trade secret misappropriation claims can be difficult, costly and time-consuming to pursue, and their outcome is inherently uncertain, any failure to protect our trade secrets and proprietary information could impair our ability to maintain a competitive advantage and materially and adversely affect our business, financial condition and results of operations.

Intellectual property and other laws and regulations are subject to change, which could diminish the value of our intellectual property and impair the intellectual property protection of our current and any future drug candidates.

Obtaining and enforcing patents in the biopharmaceutical industry is technologically and legally complex, costly, time consuming and inherently uncertain. Changes in either the patent laws or in the interpretations of patent laws in China, the U.S. and other countries may diminish the value of our intellectual property, increase the uncertainties and costs of patent prosecution and enforcement, and impair our ability to obtain, maintain, enforce or defend patents covering our current and future drug candidates. We also cannot predict the breadth of claims that may be allowed or enforced in our future patents or in third-party patents.

For example, changes in PRC patent law, including rules relating to patent term extensions for new drugs, may affect both our own patents and those of third parties. While such changes may in some cases extend the term of our patent protection, they may also extend the protection of third-party patents and thereby delay or restrict our ability to commercialize product candidates without infringement risk. Any such delay could reduce our competitiveness if technological advances occur or competing products are launched during that period.

In addition, evolving judicial and regulatory interpretations in the U.S. and other jurisdictions may narrow the scope of patent protection or weaken the rights of patent owners, creating further uncertainty regarding the value and enforceability of issued patents. Any future changes in patent laws, regulations or enforcement practices could weaken our ability to obtain new patents or to enforce or defend the patents we own or license, which could materially and adversely affect our business, financial condition and results of operations.

We may from time to time be involved in legal proceedings and disputes to protect or enforce our intellectual property rights, or defend against infringement and other claims alleged by third parties, which could be expensive, time consuming and unsuccessful.

Our drug candidates or the sale or use of our future products may in the future infringe, misappropriate or otherwise violate third-party patents or other intellectual property rights. There may be third-party issued patents with claims related to our drug candidates. Third parties could allege that we are infringing their patent rights or that we have misappropriated their trade secrets, or that we are otherwise violating their intellectual property rights, whether with respect to the manner in which we have conducted our research, or with respect to the use or manufacture of the compounds we have developed or are developing. Litigation relating to patents and other intellectual property rights in the pharmaceutical industries is common, including patent infringement lawsuits. The various markets in which we plan to operate are subject to frequent and extensive litigation regarding patents and other intellectual property rights. Third parties could resort to litigation against us or other parties we have agreed to indemnify, which litigation could be based on either existing intellectual property or intellectual property that arises in the future. Some claimants may have substantially greater resources than we have and may be able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could.

It is also possible that we failed to identify, or may in the future fail to identify, relevant patents or patent applications held by third parties that cover our drug candidates. Publication of discoveries in the scientific or patent literature often lags behind actual discoveries. Therefore, we cannot be certain that we were the first to invent, or the first to file patent applications on, our drug candidates or for their uses, or that our drug candidates will not infringe patents that are currently issued or that are issued in the future. In the event that a third party has also filed a patent application covering one of our drug candidates or a similar invention, our patent application may be regarded as a competing application and may not be approved in the end. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our products or their use.

If a third party were to assert claims of patent infringement against us, even if we believe such third-party claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, and the holders of any such patents may be able to block our ability to commercialize the applicable product unless we obtained a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable. Similarly, if any third-party patents were held by a court of competent jurisdiction to cover aspects of our compositions, formulations, or methods of treatment, prevention, or use, the holders of any such patents may be able to block our ability to develop and commercialize the applicable product unless we obtained a license or until such patent expires or is finally determined to be invalid or unenforceable. In addition, defending such claims would cause us to incur substantial expenses and could cause us to pay substantial damages, if we are found to be infringing a third party's patent rights. These damages potentially include increased damages and attorneys' fees if we are found to have infringed such rights willfully.

In order to avoid or settle potential claims with respect to any patent or other intellectual property rights of third parties, we may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both, which could be substantial. These licenses may not be available on acceptable terms, or at all. Even if we were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a drug candidate, or be forced, by court order or otherwise, to modify or cease some or all aspects of our business operations, if, as a result of actual or threatened patent or other intellectual property claims, we are unable to enter into licenses on acceptable terms. Further, we could be found liable for significant monetary damages as a result of claims of intellectual property infringement.

We may be involved in legal proceedings where third parties may challenge our intellectual property rights in the future. For example, the outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. On the other hand, competitors or other third parties may infringe or misappropriate our patents and other intellectual property rights. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time consuming. In any infringement proceeding, a court may decide that a patent of ours is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question.

Even if we establish infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may not be an adequate remedy. Enforcing our intellectual property rights against third parties may also cause such third parties to file other counterclaims against us, which could be costly to defend and could require us to pay substantial damages. In addition, if the breadth or strength of protection provided by our patents and other intellectual property rights is threatened, it could dissuade companies from collaborating with us to license, develop, or commercialize our current drug candidates or any future drug candidates. Any loss of intellectual property protection could have a material adverse impact on one or more of our drug candidates and our business.

An adverse result in any litigation proceedings could put one or more of our intellectual property rights at risk of being invalidated or interpreted narrowly. Even if successful, litigation may result in substantial costs and distraction of our management and other employees. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If the public, securities analysts or investors perceive these results to be negative, or perceive that the presence or continuation of these cases creates a level of uncertainty regarding our ability to increase or sustain products sales, it could have a substantial adverse effect on the price of our Shares. There is no assurance that our drug candidates will not be subject to the same risks.

Intellectual property rights do not necessarily protect us from all potential threats to our competitive advantages.

The protection afforded by our intellectual property rights is uncertain and may not adequately protect our business or enable us to maintain our competitive advantage. For example, third parties may develop drug candidates or technologies that are the same as, similar to or competitive with ours without infringing the patents we own or exclusively license, including by conducting research and development activities in jurisdictions where we do not have patent protection. In addition, we may not be able to develop additional patentable technologies.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

We have incurred significant net losses since inception. We expect to continue to incur net losses and may fail to achieve or maintain profitability in the future.

Investment in the development of pharmaceutical products is uncertain as it entails substantial upfront expenditures and significant risks that a drug candidate may fail to demonstrate efficacy and safety to gain regulatory or marketing approvals or become commercially viable. We have not generated any revenue from commercial product sales to date and have incurred, and expect to continue to incur, significant research and development expenses and other expenses. As a result, we incurred net losses of RMB70.5 million, RMB183.7 million, RMB77.6 million and RMB116.6 million for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively.

Substantially all of our net losses to date have resulted from costs incurred in connection with our research and development activities. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, our research and development expenses were RMB72.8 million, RMB115.2 million, RMB43.2 million and RMB95.8 million, respectively. Our ability to generate revenue and achieve profitability depends significantly on our ability to advance drug candidates into later stages of clinical development, obtain regulatory approvals and successfully commercialize approved products, each of which may not occur in a timely manner or at all. We expect our losses to continue in the foreseeable future and they may increase as we continue our research and development activities, seek to discover, develop or in-license additional drug candidates, expand our pipeline, hire additional personnel, develop and protect our intellectual property portfolio, pursue regulatory approvals, build commercialization capabilities and incur additional costs associated with operating as a [**REDACTED**] company following the [**REDACTED**].

The size of our future net losses will depend, among other factors, on our ability to generate revenues, the rate of the future growth of our expenses, and the timing and amount of milestone payments and other payments that we receive from or pay to third parties. If any of our drug candidates fails during clinical trials or does not gain regulatory approval, or, any of our current and future approved drugs fails to achieve market acceptance, our business may not become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods thereafter. Our prior losses and expected future losses have had, and will continue to have, an adverse effect on our business, financial condition and results of operation.

We incurred net liabilities, net current liabilities and net operating cash outflows during the Track Record Period, which may continue in the foreseeable future and expose us to liquidity risk.

As of December 31, 2024, 2025, and the six months ended June 30, 2026, we recorded net liabilities of RMB344.0 million, RMB519.4 million, and RMB611.7 million, respectively, and net current liabilities of RMB371.3 million, RMB550.2 million and RMB645.3 million, respectively, which may continue in the foreseeable future and expose us to liquidity risk. We recorded net cash used in operating activities of RMB77.4 million, RMB127.5 million and RMB80.1 million during the same periods, respectively, primarily for our research and development activities. We may experience net cash outflows from our operating activities from time to time. Our forecast of the period of time through which our capital resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we currently expect.

If we are unable to maintain adequate working capital or obtain sufficient financings to meet our capital needs, we may be unable to continue our operations according to our plan, default on our payment obligations and fail to meet our capital expenditure requirements, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

We are a clinical-stage biopharmaceutical company with a limited operating history, which may make it difficult to predict our future performance.

We are a clinical stage biopharmaceutical company with a limited operating history. Our operations to date have focused on establishing our intellectual property portfolio, conducting drug discovery, preclinical studies and clinical trials of our drug candidates, organizing and staffing our operations, business planning and raising capital. We have not yet demonstrated an ability to successfully obtain marketing approvals for, or commercialize, our drug candidates. To date, we have no products approved for commercial sale and have not generated any revenue from product sales.

Our limited operating history, particularly in light of the rapidly evolving drug research and development industry in which we operate and the changing regulatory and market environments we encounter, may make it difficult to evaluate our prospects for future performance. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history. We will encounter risks and difficulties frequently experienced by early-stage companies in rapidly evolving fields as we seek to transition to a company capable of supporting commercial activities. If we do not address these risks and difficulties successfully, our business will suffer.

We may need to obtain substantial additional financing to fund our operations and expansion, and if we are unable to obtain sufficient financing, we may be unable to complete the research, development and commercialization of our drug candidates.

During the Track Record Period, we funded our operations primarily through the equity financing and the revenue from grants of licenses to intellectual property rights and the research and development services. We expect our expenses to increase in connection with our ongoing development activities, particularly as we advance the clinical development of our clinical-stage drug candidates, continue the research and development of our preclinical stage drug candidates and initiate additional clinical trials of, and seek regulatory approval for, these and other future drug candidates. In addition, if we obtain regulatory approvals for any of our drug candidates in the future, we expect to incur significant commercialization expenses relating to product manufacturing, marketing, sales and distribution and post-approval commitments to continue monitoring the efficacy and safety data of our future products on the market. We may also incur expenses as we create additional infrastructure to support our operations as a [**REDACTED**]

company. Accordingly, we may need to secure substantial additional funding in connection with our continuing operations through public or private equity offerings, debt financing, collaborations or licensing arrangements or other sources.

We expect to fund our future operations primarily with existing cash and cash equivalents and [**REDACTED**] from the [**REDACTED**]. Upon the successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with income generated from sales of our commercialized drug products. Changes in our ability to fund our operations may affect our cash flow and results of operations. If we are unable to raise capital when needed or on acceptable terms, we could be forced to delay, limit, reduce or terminate our research and development programs or any future commercialization efforts.

Our results of operations, financial condition, and prospects may be adversely affected by fair value changes and credit risk associated with our financial assets at fair value through profit or loss ("FVTPL").

As of December 31, 2024, 2025 and June 30, 2026, we had financial assets at FVTPL of RMB27.0 million, RMB48.0 million and RMB38.0 million, respectively, which represented structured deposits that we purchased from creditworthy commercial banks in Chinese Mainland. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, we recorded fair value gains on financial assets at FVTPL of RMB0.9 million, RMB0.8 million, RMB0.4 million and RMB0.2 million, respectively. After the [**REDACTED**], we may continue to purchase low-risk wealth management products with a short maturity period based on our operational needs. We therefore face exposure to fair value change of financial assets at FVTPL.

We may not recognize comparable fair value gains in the future and we may on the contrary recognize fair value losses, which would affect our result of operations for future periods. In addition, the valuation of financial assets at FVTPL is subject to uncertainties due to the use of unobservable inputs. Such estimated fair values involve the exercise of professional judgment and the use of certain bases, assumptions and unobservable inputs, which, by their nature, are subjective and uncertain. As such, the valuation of financial assets at FVTPL has been, and will continue to be, subject to uncertainties in estimations, which may not reflect the actual fair value of these financial assets and result in fluctuations in profit or loss from year to year.

We benefit from certain government grants, the expiration of or changes to which could adversely affect our profitability.

We recorded government grants of RMB0.8 million, RMB0.2 million, RMB0.2 million and RMB1.1 million for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively. These government grants primarily represent government subsidies from PRC local government authorities for the purpose of supporting our operating and research and development activities. These government grants are provided to us at the discretion of the relevant government authorities, who could determine from time to time to eliminate or reduce these financial incentives, and may therefore vary from year to year going forward. For more details, see "Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Other Income and Gains."

Since our receipt of the government grants and eligibility for the preferential income tax treatment are subject to the government's discretion and approval process, our net income in a particular period may be higher or lower relative to other periods partly due to the potential changes in the government grants we actually receive or preferential income tax treatment we enjoy, in addition to any business or operational factors that we may otherwise experience. There is no assurance that we will continue to receive such government grants at a similar level or at all, or be eligible to enjoy the preferential income tax treatment in the future. The discontinuation of preferential tax treatments, government grants and other financial incentives currently available to us could have an adverse effect on our financial condition, results of operations, cash flows and prospects.

Equity-settled share-based payments may have a material and adverse effect on our financial performance and cause shareholding dilution to our Shareholders.

We have adopted share incentive plans for the purpose of granting equity-settled share-based compensation awards to employees, officers, or directors to incentivize their performance and align their interests with ours. In 2024, 2025, and the six months ended June 30, 2026, we incurred RMB3.9 million, RMB8.3 million and RMB24.3 million of share-based payments relating to awards granted under our share incentive plans, respectively. We believe the granting of share-based compensation is of significant importance to our ability to attract and retain key personnel and employees, and we may continue to grant share-based compensation awards to employees in the future. As a result, our expenses associated with share-based payments may increase, which may affect our financial condition and results of operations. We may re-evaluate the vesting schedules, lock-up period, purchase price or other key terms applicable to the grants under our currently effective employee incentive plans from time to time, and we may experience substantial change in our share-based payments in the reporting periods following this [**REDACTED**].

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

We are exposed to foreign exchange risk, primarily due to fluctuations in the Renminbi against the U.S. dollar and Hong Kong dollar. As of December 31, 2024, 2025, and the six months ended June 30, 2026, a reasonably possible 5% weakening or strengthening of RMB against USD, with all other variables held constant, would impact our loss before tax by approximately RMB2.5 million, RMB6.6 million and RMB5.4 million, respectively. For details, see Note 32 to the Accountants' Report set out in Appendix I to this document. The Renminbi has fluctuated against the Hong Kong dollar and U.S. dollar, at times significantly and unpredictably. In 2024, we recorded net foreign exchange gains of RMB3.3 million, while in 2025, we recorded net foreign exchange losses of RMB2.9 million. For the six months ended June 30, 2026, we recorded net foreign exchange losses of RMB5.0 million. We may incur additional foreign exchange losses in the future.

Exchange rates are affected by a range of political and economic factors, as well as foreign exchange policies, and may fluctuate significantly and unpredictably. In addition, the [**REDACTED**] from the [**REDACTED**] will be received in Hong Kong dollars. Any appreciation of Renminbi against Hong Kong dollar, U.S. dollar or other foreign currencies may reduce the value of such [**REDACTED**] when converted into Renminbi, while any depreciation of Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency terms.

Our ability to manage foreign exchange risk is also limited. Hedging instruments may not be available on reasonable terms, and we are currently required to complete filings with, and in some cases obtain approvals from, SAFE or its local counterparts before converting significant amounts of foreign currency into Renminbi. As a result, exchange rate fluctuations could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

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

Global economies could suffer dramatic downturns as the result of a deterioration in the credit markets and related financial crisis as well as a variety of other factors, including extreme volatility in security prices, severely diminished liquidity and credit availability, ratings downgrades of certain investments and declining valuations of others. In addition, concerns over the recent conflicts in the Middle East, Russian-Ukraine conflicts, and unrest and terrorist threats in other territories, among others, add uncertainties to the financial markets worldwide. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. See "— Risks Relating to Our Operations — We may be exposed to risks of conducting our business and operations in international markets."

RISKS RELATING TO THE [REDACTED]

There has been no prior public market for our Shares prior to the [REDACTED]. An active [REDACTED] market for our Shares may not develop or be sustained and the [REDACTED] and [REDACTED] of our Shares may be volatile.

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

The [**REDACTED**] and [**REDACTED**] of our Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, China, the U.S. and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in China that have listed their securities in Hong Kong may affect the volatility in the [**REDACTED**] of and [**REDACTED**] for our Shares. A number of China-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards China-based companies listed in Hong Kong and consequently may impact the [**REDACTED**] of our Shares. These broad market and industry factors may significantly affect the [**REDACTED**] and [**REDACTED**] of our Shares, regardless of our actual operating performance, and may result in losses on your [**REDACTED**] in our Shares.

In addition to market and industry factors, the [**REDACTED**] and [**REDACTED**] for our Shares maybe highly volatile for specific business reasons. In particular, factors such as variations in our revenue, earnings, and cash flow could cause the [**REDACTED**] of our Shares to change substantially. Any of these factors may result in large and sudden change in the [**REDACTED**] and [**REDACTED**] of our Shares.

Our Single Largest Group of Shareholders has substantial control over our Company and their interests may not be aligned with the interests of the other Shareholders.

Our Single Largest Group of Shareholders have substantial influence over our business, including matters relating to our management, policies and decisions regarding acquisitions, mergers, expansion plans, consolidations and sales of all or substantially all of our assets, election of directors and other significant corporate actions. Immediately following the completion of the Share Subdivision and the [**REDACTED**], our Single Largest Group of Shareholders will hold (including direct and indirect shareholdings) approximately [**REDACTED**]% of the issued share capital in our Company. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could deprive other Shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company and might reduce the price of our Shares. These events may occur even if they are opposed by other Shareholders. In addition, the interests of our Single Largest Group of Shareholders may differ from the interests of other Shareholders. Our Single Largest Group of Shareholders may exercise their substantial influence over us and cause us to enter into transactions or take, or fail to take, actions or make decisions that conflict with the best interests of other Shareholders.

The actual or perceived sale or availability for sale of substantial amounts of our Shares, especially by our Directors, executive officers and substantial Shareholders, could adversely affect the [REDACTED] of our Shares.

Future sales of a substantial number of our Shares, especially by our directors, executive officers and existing Shareholders, or the perception or anticipation of such sales, could negatively impact the [**REDACTED**] of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate. The Shares held by our existing Shareholders are subject to certain lock-up periods. See "[**REDACTED**]." They may dispose of our Shares they own now or in the future. The effect of such disposal, if any, on the [**REDACTED**] of the Shares cannot be predicted.

You will incur immediate and substantial dilution and may experience further dilution in the future.

As the [**REDACTED**] of Shares is higher than the net tangible book value per share of our Shares immediately prior to the [**REDACTED**], [**REDACTED**] of our Shares in the [**REDACTED**] will experience an immediate dilution. If we issue additional Shares in the future, [**REDACTED**] of our Shares in the [**REDACTED**] may experience further dilution in their shareholding percentage.

We may not declare and distribute any amount of dividends in the future.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we have not yet adopted a dividend policy with respect to future dividends. Therefore, you should not rely on an [**REDACTED**] in our Shares as a source for any future dividend income.

Our Board has discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our Company may pay dividends out of profits or share premium, provided always that in no circumstances may a dividend be paid out of share premium if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. In addition, our Shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our Board. Even if our Board decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your [**REDACTED**] in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares will appreciate in value or even maintain the price at which you purchased the Shares. You may not realize a return on your [**REDACTED**] in our Shares and you may even lose your entire [**REDACTED**] in our Shares.

Facts, statistics and forecasts in this document relating to the healthcare market may not be fully reliable.

This document contains information and statistics relating to the healthcare market which were obtained from government agencies. The information and statistics from official government sources have not been independently verified by us, the Sole Sponsor, the [**REDACTED**], any of our or their respective directors, officers or representatives or any other party involved in the [**REDACTED**] and no representation is given as to its accuracy. Collection methods of information from official government sources may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate. You should therefore not place undue reliance on such information. In addition, we

cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on information, statistics and data in this document derived from official government sources.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains certain future plans and forward-looking statements about us that are made based on the information currently available to our management. The forward-looking information contained in this document is subject to certain risk and uncertainties. Whether we implement those plans, or whether we can achieve the objectives described in this document, will depend on various factors including the market conditions, our business prospects, actions by our competitors and the global financial situations.

You should read the entire document carefully, and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us or the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [**REDACTED**]. Prior to the publication of this document, there has been press and media coverage regarding us. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.

In preparation for the [**REDACTED**], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and the certificate of exemption from strict compliance with the relevant provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

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

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

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rules 8.12 of the Listing Rules. We will ensure that there is a regular and effective communication between the Stock Exchange and us by way of the following arrangements:

(a) both of our Company's authorized representatives, Dr. Zhang, the chairman of our Board, our executive Director and chief executive officer, and Ms. PUN Ka Ying (盤嘉盈), one of our joint company secretaries, will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile (if any) and/or email to promptly deal with enquiries from the Stock Exchange. Each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;

(b) each Director has provided their mobile phone number, office phone number, fax number (if any) and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to the authorized representatives. Each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time;

(c) we have appointed Somerley Capital Limited as our Compliance Advisor, in compliance with Rule 3A.19 of the Listing Rules, who will also act as an additional channel of communication with the Stock Exchange from the [**REDACTED**] to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the [**REDACTED**]. We will ensure that the Compliance Advisor will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that our authorized representatives, Directors and other officers will provide promptly such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of

communication among our Company, our authorized representatives, our Directors, and other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between us and the Stock Exchange. Any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and/or our Compliance Advisor; and

(d) we will also retain legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the [**REDACTED**].

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable: (i) a member of The Hong Kong Chartered Governance Institute; (ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and (iii) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

Note 2 to Rule 3.28 of the Listing Rules further sets out that in assessing "relevant experience", the Stock Exchange will consider the individual's: (i) length of employment with the issuer and other listed companies and the roles he/she played, (ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code, (iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than 15 hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules, and (iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include: (i) whether the issuer has principal business activities primarily outside Hong Kong; (ii) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and (iii) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time and on the following conditions: (i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the aforesaid waiver period; and (ii) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company's operations, nexus to our Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who has been a member of the senior management for a period of time and is familiar with our Company's business and affairs as a company secretary.

We have appointed Dr. XIAO Kai (肖凱) ("**Dr. Xiao**") as one of our joint company secretaries. His biographical information is set out in "Directors and Senior Management." Since Dr. Xiao does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, he is not able to solely fulfill the requirements as a company secretary of a [**REDACTED**] issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Dr. Xiao as our joint company secretary. In order to provide assistance to Dr. Xiao, we have appointed Ms. PUN Ka Ying (盤嘉盈) ("**Ms. PUN**"), a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary for a three-year period from the [**REDACTED**] so as to enable him to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) duly discharge his duties.

Pursuant to Chapter 3.10 of the Guide for New Listing Applicants, such waiver [has been] granted on the conditions that:

(a) Ms. PUN is appointed as a joint company secretary to assist Dr. Xiao in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules;

(b) our Company will further ensure that Dr. Xiao has access to the relevant training and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an issuer [**REDACTED**] on the Stock Exchange. Our Company's Hong Kong legal advisor has provided training to Dr. Xiao on the principal requirements of the Listing Rules and the Hong Kong laws and regulations applicable to our Company after its [**REDACTED**]. In addition, Dr. Xiao will endeavor to familiarize himself with the Listing Rules, including any updates thereto, during the three-year period from the [**REDACTED**];

(c) Dr. Xiao has confirmed that he will attend no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investor relations as well as the functions and duties of a company secretary of a Hong Kong [**REDACTED**] issuer during each financial year as required under Rule 3.29 of the Listing Rules;

(d) before the expiry of Dr. Xiao's initial term of appointment as the company secretary of our Company, our Company will evaluate his experience in order to determine if he has acquired the qualifications required under Rule 3.28 of the Listing Rules. We will liaise with the Stock Exchange to enable it to assess whether Dr. Xiao, having benefited from the assistance of Ms. PUN for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary; and

(e) this waiver will be revoked immediately if and when Ms. PUN ceases to provide such assistance during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Ms. PUN ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of our Company. In addition, this waiver will be revoked in the event of any material breaches of the Listing Rules by our Company.

For further information regarding the qualifications of Dr. Xiao and Ms. PUN, see "Directors and Senior Management."

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1) OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE IN RESPECT OF SHORTER TRACK RECORD PERIOD FOR BIOTECH COMPANIES

Requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance

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

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a statement as to the gross trading income or sales turnover (as the case may be) of our Company during each of the three financial years immediately preceding the issue of this document as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a report prepared by our Company's auditor with respect to the profits and losses and assets and liabilities of our Company for each of the three financial years immediately preceding the issue of this document.

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

Requirements under the Listing Rules

According to Rule 4.04(1) of the Listing Rules, the Accountants' Report contained in this document must include, among others, the results of the company in respect of each of the three financial years immediately preceding the issue of this document or such shorter period as may be acceptable to the Stock Exchange.

According to Rule 18A.06 of the Listing Rules, an eligible biotech company shall comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in that rule shall instead refer to "two financial years" or "two years," as the case may be.

Grounds for the Exemption Application

Our Company is a Biotech Company as defined under Chapter 18A of the Listing Rules and is seeking a [**REDACTED**] under Chapter 18A of the Listing Rules. In compliance with the abovementioned requirements under the Listing Rules, the accountants' report of our Company set out in Appendix I to this document is currently prepared to cover the two years ended December 31, 2025 and the six months ended June 30, 2026.

Accordingly, we have applied to the SFC for a certificate of exemption from strict compliance with the requirements under Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, on the following grounds:

(a) our Company is primarily engaged in the discovery and development of innovative cancer therapeutics and falls within the scope of Biotech Company as defined under Chapter 18A of the Listing Rules;

(b) the Accountants' Report for the two years ended December 31, 2025 and the six months ended June 30, 2026 has been prepared and is set out in Appendix I to this document in accordance with Rule 18A.06 of the Listing Rules;

(c) notwithstanding that the financial results set out in this document are only for the two years ended December 31, 2025 and the six months ended June 30, 2026 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this document pursuant to the relevant requirements;

(d) furthermore, as Chapter 18A of the Listing Rules provides track record period of two years for biotech companies in terms of financial disclosure, strict compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for our Company; and

(e) the Accountants' Report covering the two years ended December 31, 2025 and the six months ended June 30, 2026, together with other disclosure in this document, have already provided the potential [**REDACTED**] with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of our Company, and our Directors are of the view that all information which is necessary for the [**REDACTED**] to make an informed assessment of our Group's business, assets and liabilities, financial position, [**REDACTED**] position, management and prospects has been included in this document. Therefore, the exemption would not prejudice the interest of the [**REDACTED**].

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

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. Tony Yantao ZHANG	Room 2001, No. 12 Lane 1399, Dingxiang Road Pudong New Area Shanghai PRC	American
Dr. Boyu ZHONG	Room 301, Unit 1 Building 6, Lane 3728 Jinke Road, Pudong New Area Shanghai PRC	American
Non-executive Directors		
Dr. Hansen XU	Room 19B, No. 68 Luban Road Huangpu District Shanghai PRC	Canadian
Ms. LIU Yuwen (劉毓文)	Room 103, Building 11 Dushi Garden Suzhou Industrial Park Jiangsu Province PRC	Chinese
Dr. JIANG Fei (姜非)*Note*	Room 108 Jia No. 2, Lane 708, Tangshan Road Hongkou District Shanghai PRC	Chinese
Mr. GUO Hua (郭華)*Note*	Room 705, Building 10 Langke Street Suzhou Industrial Park Jiangsu Province PRC	Chinese

Name	Address	Nationality
Independent Non-executive Directors		
Mr. WANG Gang (王剛)	No. 13, Dalianmen Square Ganjingzi District, 1-3-7 Dalian City Liaoning Province PRC	Chinese
Ms. Ling ZENG	27 Winchester Dr Lexington, Massachusetts 02420 United States	American
Dr. CAI Xuejun (蔡學鈞)	Room 1004 No. 321, Tianyaoqiao Road Xuhui District Shanghai PRC	Chinese

For further details of our Directors, see "Directors and Senior Management."

Note: Each of Dr. JIANG Fei (姜非) and Mr. GUO Hua (郭華) will cease to be our Directors with effect from the [**REDACTED**]. The structure of our Board upon [**REDACTED**] will meet the requirements under Rule 3.10A of the Listing Rules.

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor

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

[**REDACTED**]

Legal Advisors to Our Company

As to Hong Kong and U.S. laws:

Kirkland & Ellis
26/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to PRC laws:

Zhong Lun Law Firm
Floors 10/11/16/17, Two IFC
8 Century Avenue
Pudong New Area
Shanghai
PRC

As to PRC intellectual property laws:

JunHe LLP, Shanghai Office
26/F, HKRI Centre One
HKRI Taikoo Hui
288 Shimen Road (No. 1)
Shanghai
the PRC

As to intellectual property laws of the United States:

Junhe Law Office, P.C.
12600 Hill Country Blvd, Suite R-275
Bee Cave
TX 78738
the United States

As to Cayman Islands laws:

Harney Westwood & Riegels
3501 The Center
99 Queen's Road Central
Hong Kong

Legal Advisors to the Sole Sponsor and [REDACTED]	*As to Hong Kong and U.S. laws:* **Sullivan & Cromwell (Hong Kong) LLP** 20/F, Alexandra House 18 Chater Road Central Hong Kong *As to PRC laws:* **Commerce & Finance Law Offices** 12-15th Floor, China World Office 2 No. 1 Jianguomenwai Avenue Beijing 100004 PRC
Reporting Accountant and Auditor	**Ernst & Young** *Certified Public Accountants and Registered Public Interest Entity Auditor* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** 2504 Wheelock Square 1717 West Nanjing Road Jingan District Shanghai PRC
Compliance Advisor	**Somerley Capital Limited** 20/F, China Building 29 Queen's Road Central Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office	P.O. Box 31119 Grand Pavilion Hibiscus Way 802 West Bay Road Grand Cayman KY1-1205 Cayman Islands
Headquarter and Principal Place of Business in the PRC	Unit 407, Building A4 No. 218 Xinghu Street Suzhou Industrial Park Jiangsu Province PRC
Principal Place of Business in Hong Kong	Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	**www.tyligand.com.cn** *(Information contained in this website does not form part of this document)*
Joint Company Secretaries	**Dr. XIAO Kai (肖凱)** 33G, Block 2, Phase 1 33 Tsing King Road Tsing Yi, New Territories Hong Kong **Ms. PUN Ka Ying (盤嘉盈)** *(a member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute)* Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	**Dr. Tony Yantao ZHANG** Room 2001, No. 12 Lane 1399, Dingxiang Road Pudong New Area Shanghai PRC

	Ms. PUN Ka Ying (盤嘉盈) *(a member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute)* Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Mr. WANG Gang (王剛) *(Chairperson)* Ms. Ling ZENG Ms. LIU Yuwen (劉毓文)
Remuneration Committee	Mr. WANG Gang (王剛) *(Chairperson)* Dr. Tony Yantao ZHANG Ms. Ling ZENG
Nomination Committee	Dr. Tony Yantao ZHANG *(Chairperson)* Mr. WANG Gang (王剛) Ms. Ling ZENG

[**REDACTED**]

Principal bank(s)	**Ping An Bank Shanghai Branch** First Floor, No. 1333 Lujiazui Ring Road Shanghai PRC

The information and statistics set out in this section and other sections of this document were extracted from the F&S Report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the F&S Report, an independent industry report, in connection with the [**REDACTED**]. *We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Sole Sponsor,* [**REDACTED**]*, or any other persons or party involved in the* [**REDACTED**]*, and no representation is given as to its accuracy. For discussion of the risks relating to our industry, see "Risk Factors" in this document.*

OVERVIEW OF ONCOLOGY MARKET

Overview

Cancer is a group of diseases that involve uncontrolled growth and development of cells in the body. It is the leading cause of death worldwide, resulting in approximately 10 million deaths globally each year. There were 21.9 million new cancer cases globally in 2025, and it was estimated that in 2035, there would be 27.0 million new cancer cases. In 2025, colorectal cancer, lung cancer and pancreatic cancer were among the most common cancers globally, ranking second, fourth and tenth, respectively, in terms of Incidence.

The development of cancer treatment has progressed through several major stages, beginning with surgery and radiotherapy as the earliest foundational treatment modalities, followed by the widespread adoption of chemotherapy as a systemic approach to tumor control. With advances in molecular biology and tumor genomics, oncology entered a new era of more precise and mechanism-driven therapeutic paradigms. Modern oncology therapies primarily comprise targeted therapies and immunotherapies. Targeted therapies include small molecule inhibitors (such as KRAS inhibitors) and antibody-based therapeutics (such as antibody drug conjugates, "**ADCs**"), while immunotherapies encompass immune checkpoint inhibitors, cell therapies, and emerging innate immune modulators (such as STING agonists). Targeted therapy marked the first major breakthrough in precision oncology by enabling drugs to directly inhibit oncogenic drivers and dysregulated signaling pathways, thereby improving treatment efficacy while reducing systemic toxicity compared with traditional chemotherapy. Building upon this foundation, immunotherapy has introduced a new treatment paradigm by harnessing the patient's own immune system to recognize and eliminate tumor cells, extending survival outcomes across multiple cancer types. Together, the continued advancement of targeted therapy and immunotherapy has reshaped the modern oncology landscape, shifting cancer treatment from generalized tumor suppression toward selective, mechanism-based and durable therapeutic strategies.

Market Size

The global oncology drug market has expanded significantly in the past and is projected to further grow. The global oncology drug market increased from US$150.3 billion in 2020 to US$278.2 billion in 2025 at a CAGR of 13.1%, and is expected to reach US$683.0 billion in 2035 at a CAGR of 9.4% from 2025 to 2035. Immunotherapies are the primary growth engine, with market share expected to rise from 23.4% in 2020 to 45.7% by 2035, while antibody-based therapies (including ADCs) are projected to account for 56.5% of biologics revenue by 2035.

China's oncology drug market also grew rapidly in recent years. The market size increased from RMB197.5 billion in 2020 to RMB279.1 billion in 2025 at a CAGR of 7.2%, and is expected to reach RMB980.0 billion in 2035 at a CAGR of 13.4% from 2025 to 2035. Immuno-oncology drugs' market share is expected to surge from 7.5% in 2020 to 43.5% by 2035, while chemotherapy's share will decline from 63.3% to below 10%, underscoring the rapid transformation of China's oncology treatment landscape.

Growth Drivers and Future Trends

The oncology drug market is being driven and shaped by several fundamental trends, reflecting the continued evolution of cancer treatment toward more effective, durable and patient-centric therapeutic paradigms.

- *Rising demand for more precise and effective therapies.* Advances in molecular biology and tumor genomics have improved understanding of cancer mechanisms, driving growing demand for therapies that are more precise, selective and effective. This has accelerated the shift away from non-specific cytotoxic treatments toward targeted therapies and immunotherapies that offer improved efficacy and safety profiles.

- *Addressing unmet clinical needs, particularly resistance to targeted therapies.* Despite major progress in targeted therapy, drug resistance remains a critical clinical challenge and a key unmet medical need in oncology. The development of novel therapeutic mechanisms and treatment strategies is therefore increasingly focused on overcoming resistance and improving long-term disease control.

- *Improved drug accessibility and affordability.* Ongoing improvements in healthcare systems and reimbursement policies are enhancing the accessibility and affordability of oncology drugs. These developments are expanding patient access to novel therapies and supporting broader utilization across healthcare markets.

- *Longer patient survival driving sustained treatment demand.* Advances in treatment efficacy are leading to longer patient survival, which in turn drives sustained demand for oncology therapies over extended treatment periods.

- *Combination therapy becoming the mainstream treatment paradigm.* Oncology treatment is increasingly shifting toward combination therapy as the mainstream treatment paradigm. Combination regimens improve therapeutic outcomes and play a growing role in the standard of care across multiple cancer indications.

OVERVIEW OF KRAS G12D DRUGS

Overview of KRAS G12D Mutation

RAS is a family of proteins that exhibits a guanosine triphosphatase ("**GTPase**") activity and cycles between "on" guanosine triphosphate ("**GTP**")-bound and "off" guanosine diphosphate ("**GDP**")-bound states. RAS protein regulates multiple signal transductions and plays a central role in the cascade of cell process control, including cell proliferation and cell division.

Three RAS genes encode for protein isoforms, namely Kirsten RAS ("**KRAS**"), Harvey RAS ("**HRAS**") and Neuroblastoma RAS ("**NRAS**"). KRAS is one of the most frequently mutated oncogenes in human cancers and it represents approximately 75% of all RAS isoforms contributing to cancer. KRAS mutations are detected in approximately 90% of pancreatic cancer, 30-40% of colorectal cancer ("**CRC**"), and 15-20% of lung cancer patients. These mutations are often associated with resistance to targeted therapies and poor outcomes in cancer patients.

The KRAS G12D mutation represents approximately 30% of all KRAS mutations, making it the most prevalent KRAS variant in human cancers. It occurs with particularly high frequency in PDAC (approximately 38%), CRC (approximately 12%) and non-small cell lung cancer ("NSCLC") (approximately 4%). Compared with the KRAS G12C mutation, the KRAS G12D mutation leads to a more pronounced impairment of intrinsic GTPase activity, resulting in a higher proportion of constitutively active, GTP-bound KRAS in tumor cells.

The KRAS G12D mutation is a driver genetic alteration that occurs across multiple stages of tumor development, including both early-stage and advanced disease. While this mutation is not restricted to a specific cancer stage, current clinical development of KRAS G12D-targeted therapies is primarily focused on patients with advanced, unresectable, and/or metastatic disease, reflecting the significant unmet medical need within this population. Furthermore, comprehensive biomarker testing, such as next-generation sequencing and other molecular diagnostics, is clinically indicated and routinely conducted primarily in these advanced settings to guide treatment selection. As a result, the screenable target patient pool for these targeted therapies is practically limited to patients with advanced-stage disease.

Major Indications of KRAS G12D Inhibitor

NSCLC

NSCLC is any epithelial lung cancer other than small cell lung cancer, with the most common histological subtypes being adenocarcinoma, squamous cell carcinoma and large cell carcinoma. The global incidence of NSCLC is expected to increase from 2,262.1 thousand cases in 2025 to 2,942.4 thousand cases by 2035. The US incidence of NSCLC is expected to increase from 192.7 thousand cases in 2025 to 208.7 thousand cases by 2035, while the incidence in China is expected to increase from 966.2 thousand cases in 2025 to 1,253.7 thousand cases by 2035. The global drug market of NSCLC is expected to increase from US$104.3 billion in 2025 to US$272.4 billion in 2035 at a CAGR of 10.1%. Specifically, China's drug market of NSCLC is expected to increase from US$12.3 billion in 2025 to US$40.6 billion in 2035 at a CAGR of 12.7%, while the market size in U.S. is expected to increase from US$41.3 billion in 2025 to US$110.3 billion in 2035 at a CAGR of 10.3%.

According to the Chinese Medical Association Clinical Practice Guidelines for NSCLC (2025 Edition), the standard of care for NSCLC in China differs by disease stage and, for advanced disease, by molecular characteristics, histological subtype and immune biomarker status. In general, earlier-stage NSCLC is treated with local treatment aimed at removing or controlling the tumor, while advanced or metastatic NSCLC is treated mainly with systemic therapies. For early-stage NSCLC, including patients with stage I and II disease, the standard of care generally centers on surgery for patients who are eligible for resection, followed by postoperative adjuvant management where appropriate, including regular follow-up, radiotherapy and chemotherapy. Adjuvant management means additional treatment or monitoring after surgery to reduce the risk of recurrence. For locally advanced NSCLC, including certain patients with stage III disease who are eligible for surgery, treatment may include surgery together with neoadjuvant and/or adjuvant therapies. Neoadjuvant therapy is treatment given before surgery to shrink or control the tumor. For unresectable stage III disease, the standard of care generally includes concurrent chemoradiotherapy, followed by consolidation immunotherapy in eligible patients, which is additional immunotherapy given after chemoradiotherapy to help maintain disease control.

For advanced or metastatic NSCLC, including stage IV NSCLC, treatment is guided primarily by molecular testing (which refers to laboratory analyses of tumor tissue or blood samples to identify genetic or molecular alterations that may guide treatment selection) and biomarker status (which means the presence, absence or expression level of specific molecular features that may affect prognosis or response to treatment). In this setting, standard treatment is selected based on oncogenic driver mutations and immune biomarkers that indicate whether a patient is more likely to benefit from targeted therapy, immunotherapy or chemotherapy-based regimens. Patients with actionable driver alterations, such as EGFR, ALK or ROS1 alterations, may receive corresponding biomarker-driven targeted therapies where available. There are currently no approved targeted therapies specifically for KRAS G12D-mutant tumors in NSCLC. As a result, such patients are primarily treated with standard systemic therapies based on tumor type, including chemotherapy with or without immune checkpoint inhibitors. Systemic therapies are anti-cancer treatments that circulate through the bloodstream and are used to treat cancer cells at both primary and metastatic sites. Eligible patients may also access KRAS G12D-targeted investigational therapies through

participation in clinical trials. For patients without actionable driver mutations, or with resistant genotypes for which no approved targeted therapy is available, treatment options remain largely chemotherapy- or immunotherapy-based. These treatments may provide clinical benefit but do not directly inhibit the underlying oncogenic signaling pathway, which limits access to precision therapies for certain molecular subgroups, including KRAS G12D-mutant NSCLC.

In the treatment paradigm for stage IV NSCLC without actionable driver mutations, first-line treatment is generally stratified by PD-L1 expression. For patients with PD-L1 expression of 50% or above, first-line treatment may include immune checkpoint inhibitor monotherapy, such as pembrolizumab, atezolizumab or cemiplimab. For patients with PD-L1 expression below 50%, first-line treatment may include chemotherapy in combination with immunotherapy, such as pembrolizumab plus platinum-based chemotherapy with or without anti-angiogenic agents. Upon disease progression, second-line treatment depends in part on whether immunotherapy was used in the first line. If first-line treatment did not include immunotherapy, second-line treatment may include monotherapy with nivolumab, pembrolizumab or atezolizumab. If first-line treatment consisted of chemotherapy plus immunotherapy, second-line treatment may include chemotherapy with or without anti-angiogenic agents, such as docetaxel with or without ramucirumab or nintedanib, or anlotinib.

According to the National Comprehensive Cancer Network Clinical Practice Guidelines in Oncology ("NCCN Guidelines®") for NSCLC (2025, Version 5), for patients with advanced NSCLC harboring KRAS G12D mutations, in the absence of approved KRAS G12D-targeted therapies, the treatment pathway generally follows that for patients without actionable driver mutations. This approach is broadly consistent with the Chinese Society of Clinical Oncology ("CSCO") guidelines in China and is primarily guided by PD-L1 expression levels. First-line treatment typically comprises immune checkpoint inhibitor-based regimens, including monotherapy in patients with high PD-L1 expression and chemo-immunotherapy combinations in patients with lower PD-L1 expression. Upon disease progression, subsequent treatment determined based on prior therapy exposure and generally involves systemic therapies such as chemotherapy with or without anti-angiogenic agents. Participation in clinical trials is also recommended, particularly in later-line settings.

Against these treatment pathways, TSN1611 monotherapy would be positioned as a targeted investigational treatment option for the biomarker-defined KRAS G12D-mutant subset of NSCLC patients for whom no approved KRAS G12D-directed therapy currently exists, while TSN1611 combination therapy may be positioned to complement established chemo-immunotherapy and anti-cancer regimens and potentially broaden clinical applicability. The addressable patient population for TSN1611, assuming a label limited to KRAS G12D-mutant patients, would represent approximately 4% of NSCLC patients.

CRC

CRC refers to cancers affecting the colon and rectum, and adenocarcinomas of the colon and rectum account for approximately 95% of all CRC cases. The global incidence of CRC is expected to increase from 2,064.4 thousand cases in 2025 to 2,674.4 thousand cases by 2035. The US incidence of CRC is expected to increase from 154.3 thousand cases in 2025 to 175.0 thousand cases by 2035, while the incidence in China is expected to increase from 553.5 thousand cases in 2025 to 714.6 thousand cases by 2035. The global drug market of CRC is expected to increase from US$27.8 billion in 2025 to US$63.8 billion in 2035 at a CAGR of 8.7%. Specifically, China's drug market of CRC is expected to increase from US$3.8 billion in 2025 to US$11.9 billion in 2035 at a CAGR of 12.1%, while the market size in U.S. is expected to increase from US$9.9 billion in 2025 to US$23.3 billion in 2035 at a CAGR of 9.0%.

According to 2025 CSCO guidelines, the treatment pathway for CRC in China depends on disease stage and resectability. For non-metastatic CRC, treatment generally focuses on removing the tumor through surgery, with chemotherapy before or after surgery where appropriate. For patients with non-metastatic early-stage disease, treatment generally centers on surgery and perioperative chemotherapy. For patients with non-metastatic unresectable disease, treatment may include conversion therapy to facilitate subsequent resection. Conversion therapy aims to shrink or control the tumor so that surgery may become possible.

For metastatic, or stage IV, CRC, the first-line treatment is based on chemotherapy, and targeted drugs can be used in combination after genetic testing. At this stage, treatment is usually systemic because the cancer has spread beyond the original site. Genetic testing helps determine whether targeted therapies or immunotherapies may be appropriate. Targeted agents, such as cetuximab or bevacizumab, and immune checkpoint inhibitors may be incorporated into treatment regimens depending on patient characteristics and prior treatment exposure. Second line and subsequent treatments are adjusted to different chemotherapy regimens and targeted drugs based on first-line medication choice. Patients with special gene mutation profiles can use corresponding targeted drugs.

According to the NCCN Guidelines® for colorectal cancer (2025), the treatment pathway in the United States is broadly aligned with that in China and is determined by disease stage, resectability and biomarker status. For patients with non-metastatic disease, treatment generally centers on surgical resection with perioperative or adjuvant chemotherapy as appropriate. For patients with advanced or metastatic disease, treatment is primarily based on systemic therapy, including chemotherapy regimens such as FOLFOX, FOLFIRI or CAPEOX, in combination with targeted therapies or immunotherapy where applicable. Upon disease progression, subsequent treatment is guided by prior therapy and biomarker status, and may include alternative chemotherapy regimens, biomarker-directed therapies and participation in clinical trials.

Against these treatment pathways, TSN1611 combination therapy may be positioned to complement established systemic regimens and potentially move into earlier treatment settings over time. The addressable patient population for TSN1611, assuming a label limited to KRAS G12D-mutant patients, would represent approximately 12% of CRC patients.

Pancreatic cancer and PDAC

Pancreatic cancer is caused by the abnormal and uncontrolled growth of cells in the pancreas and remains a high-mortality malignancy. The global incidence of pancreatic cancer is expected to increase from 494.0 thousand cases in 2025 to 654.1 thousand cases by 2035, while the incidence in China is expected to increase from 115.0 thousand cases in 2025 to 153.2 thousand cases by 2035.

Pancreatic cancer is a broad term that refers to malignancies arising in the pancreas, including pancreatic ductal adenocarcinoma ("PDAC"), pancreatic neuroendocrine tumors, acinar cell carcinoma and other rare histological subtypes. PDAC is the most common and aggressive form of pancreatic cancer and originates in the exocrine cells that line the pancreatic ducts. PDAC accounts for more than 90% of pancreatic cancer cases and represents the major clinical and commercial segment of pancreatic cancer. Accordingly, references to pancreatic cancer treatment and management in this section are primarily focused on PDAC, unless otherwise specified.

The global incidence of PDAC is expected to increase from 444.6 thousand cases in 2025 to 588.7 thousand cases by 2035. The US incidence of PDAC is expected to increase from 54.6 thousand cases in 2025 to 64.0 thousand cases by 2035, while the incidence in China is expected to increase from 103.5 thousand cases in 2025 to 137.9 thousand cases by 2035. The global drug market of PDAC is expected to increase from US$2.8 billion in 2025 to US$6.5 billion in 2035 at a CAGR of 9.0%. Specifically, China's drug market of PDAC is expected to increase from US$0.5 billion in 2025 to US$1.5 billion in 2035 at a CAGR of 12.4%, while the market size in U.S. is expected to increase from US$1.3 billion in 2025 to US$3.1 billion in 2035 at a CAGR of 8.9%.

According to the 2025 CSCO guidelines, treatment options for PDAC mainly depend on the disease stage, resectability and patient performance status and overall clinical characteristics. Performance status describes a patient's general physical condition and ability to tolerate treatment. For purposes of treatment, PDAC is commonly managed by stage and resectability, including resectable disease, borderline resectable disease, locally advanced disease and metastatic disease. For patients with resectable PDAC, the standard of care generally centers on surgical resection, supplemented by perioperative management where appropriate, including adjuvant chemotherapy after surgery. For patients with borderline resectable PDAC, treatment typically involves multidisciplinary management, where specialists in surgical oncology, medical oncology, radiation oncology, radiology and pathology coordinate decisions on neoadjuvant chemotherapy and/or chemoradiotherapy to improve the feasibility and outcome of surgery, followed by surgery and adjuvant therapy where appropriate. For patients with unresectable locally advanced PDAC,

treatment generally includes systemic chemotherapy and/or chemoradiotherapy, together with supportive care based on patient condition. For patients with metastatic PDAC, treatment is primarily based on systemic chemotherapy-based regimens, with regimen selection guided by patient performance status and overall clinical characteristics.

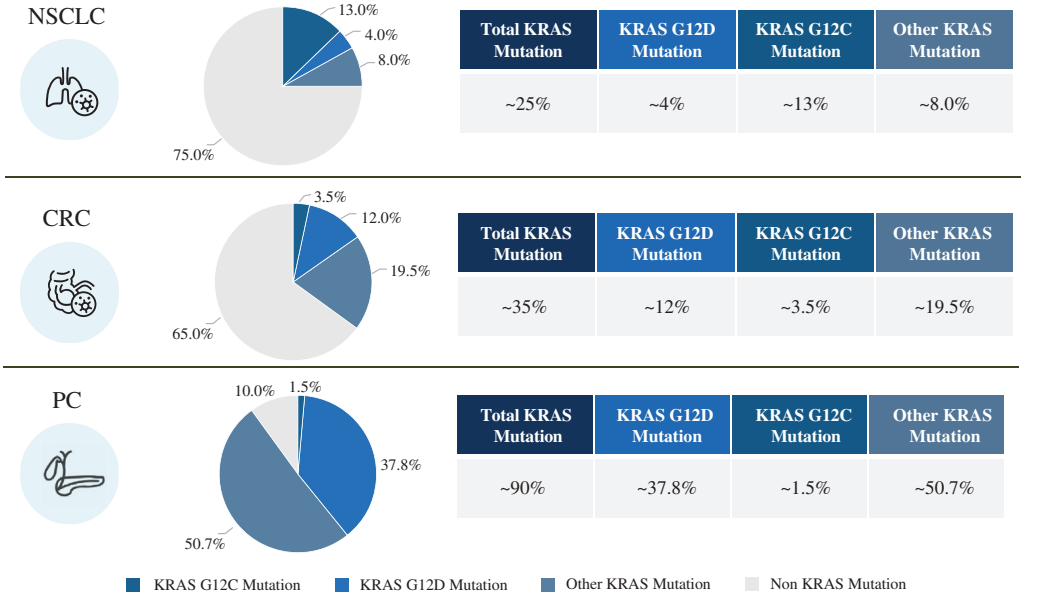
For patients with unresectable locally advanced or metastatic PDAC, first-line treatment is generally stratified by performance status. In patients with good performance status, first-line treatment generally includes gemcitabine plus albumin-bound paclitaxel, FOLFIRINOX and NALIRIFOX. In patients with poor performance status, first-line treatment may include gemcitabine monotherapy or S-1 monotherapy. For patients with BRCA1/2 mutations receiving platinum-based therapy, if there is no disease progression after 16 weeks of treatment, maintenance therapy with olaparib may also be considered. Upon disease progression, second-line treatment involves switching to another chemotherapy regimen based on first-line treatment. With further disease progression, subsequent treatment may include participation in clinical trials, gemcitabine monotherapy, S-1 monotherapy or best supportive care. Mechanistically, PDAC is characterized by a high prevalence of oncogenic driver mutations such as KRAS mutations, which can lead to continuous activation of downstream cancer-growth signaling pathways. However, current standard treatment options for PDAC remain predominantly chemotherapy-based, with limited availability of effective mutation-directed therapies. This limits access to precision treatment options for most PDAC patients across clinical stages.

According to the NCCN Guidelines® for pancreatic cancer (2025), the treatment paradigm in the United States is similarly driven by disease stage and resectability, but places greater emphasis on patient performance status and treatment sequencing. For patients with advanced or metastatic PDAC, systemic therapy remains the cornerstone of treatment, with regimen selection primarily guided by performance status. In addition, the NCCN framework highlights the role of maintenance therapy in patients achieving disease control following first-line chemotherapy, as well as the use of biomarker-directed therapies in selected molecularly defined subgroups. Upon disease progression, subsequent treatment is guided by prior therapy exposure and patient condition, with consideration of alternative systemic regimens, clinical trial participation and best supportive care.

Against these treatment pathways, TSN1611 monotherapy would be positioned as a targeted investigational treatment candidate for the biomarker-defined KRAS G12D-mutant subset of PDAC patients for whom current treatment remains largely chemotherapy-based, while TSN1611 combination therapy may be positioned to complement established systemic regimens and potentially broaden clinical applicability over time. The addressable patient population for TSN1611, assuming a label limited to KRAS G12D-mutant patients, would represent approximately 38% of PDAC patients.

Frequency of KRAS Mutations in Different Cancers

- KRAS mutations are detected in approximately 25% of NSCLC, 35% of CRC and 90% of pancreatic cancer patients.
- The top three cancers with the highest KRAS mutation rates, including NSCLC,CRC and PC.



	Total KRAS Mutation	KRAS G12D Mutation	KRAS G12C Mutation	Other KRAS Mutation
NSCLC	~25%	~4%	~13%	~8.0%
CRC	~35%	~12%	~3.5%	~19.5%
PC	~90%	~37.8%	~1.5%	~50.7%

Source: Literature research and Frost & Sullivan Analysis

Comparative Analysis of KRAS G12D Inhibitors Against Current Standard of Care

Current standards of care for NSCLC, PDAC and CRC remain primarily based on chemotherapy, immunotherapy and, where applicable, other biomarker-directed targeted therapies, rather than KRAS G12D-specific treatment. Against this backdrop, KRAS G12D inhibitors are being developed to provide a biomarker-directed treatment option for patient subsets that are currently treated largely with non-allele-specific regimens.

The oncology market is increasingly focused on addressing resistance to targeted therapies and that combination therapy is becoming the mainstream treatment paradigm. In the KRAS G12D field specifically, future development is increasingly centered on combination treatment approaches, including combinations with chemotherapy and monoclonal antibodies, as monotherapy may face limitations related to resistance and incomplete pathway suppression. Compared with current standard of care, KRAS G12D inhibitors therefore seek to offer a more molecularly targeted treatment approach for KRAS G12D-mutant patient populations, while combination development strategies are intended to enhance therapeutic efficacy, delay resistance development and broaden clinical applicability.

NSCLC

In NSCLC, treatment is stratified based on PD-L1 expression and the presence of actionable driver mutations. For patients without targetable alterations, standard-of-care treatment primarily consists of immunotherapy, either as monotherapy or in combination with chemotherapy. While targeted therapies have significantly improved outcomes in patients with specific driver mutations such as EGFR and ALK, these therapies are not applicable to KRAS G12D-mutant patients.

From a mechanistic perspective, KRAS G12D acts as a key oncogenic driver by constitutively activating downstream signaling pathways. However, existing treatment modalities in NSCLC either act in a non-specific cytotoxic manner (chemotherapy) or modulate the immune response indirectly (immunotherapy), without directly targeting KRAS-driven signaling. As a result, KRAS G12D-mutant NSCLC patients continue to be treated under non-targeted therapeutic frameworks, highlighting the lack of mutation-directed treatment options in this subgroup.

CRC

In colorectal cancer, treatment is largely based on chemotherapy in combination with targeted agents selected according to molecular characteristics. In particular, anti-EGFR therapies are commonly used in patients with RAS wild-type tumors; however, these agents are not effective in patients with KRAS mutations, including KRAS G12D, thereby limiting access to certain targeted treatment options.

Mechanistically, KRAS G12D drives tumor progression through constitutive activation of downstream signaling pathways. In contrast, current treatment options for KRAS G12D-mutant CRC remain largely chemotherapy-based, with or without anti-angiogenic agents, which do not directly inhibit the KRAS signaling axis. Compared with biomarker-selected populations eligible for targeted therapies, patients harboring KRAS G12D mutations have more limited precision treatment options, underscoring a lack of effective mutation-directed therapies.

PDAC

In pancreatic cancer, KRAS mutations are highly prevalent and play a central role in tumor development and progression. Despite this, standard-of-care treatment remains predominantly chemotherapy-based, including regimens such as FOLFIRINOX, NALIRIFOX or gemcitabine plus nab-paclitaxel, with targeted therapies limited to small biomarker-defined subgroups. Immunotherapy has shown limited efficacy in most patients.

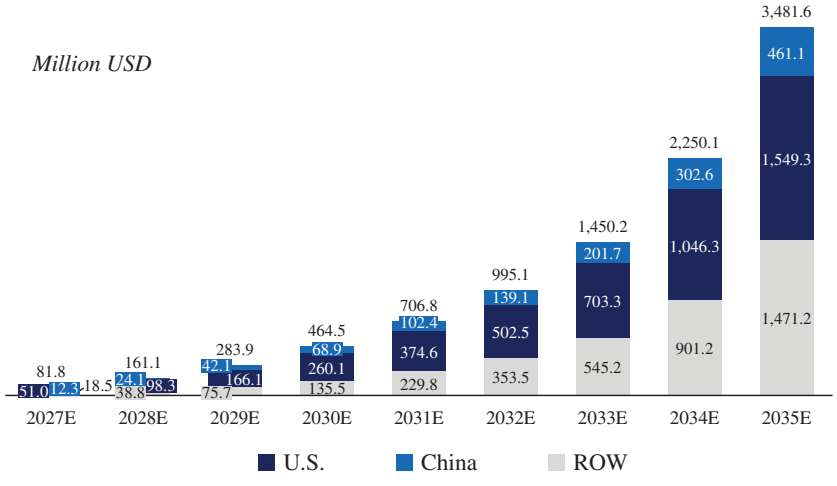
From a mechanistic standpoint, KRAS G12D is a key driver mutation in pancreatic cancer; however, current treatment approaches do not directly target this pathway and instead rely on non-specific or indirectly acting mechanisms. As a result, patients with KRAS G12D-mutant PDAC continue to face limited treatment options, highlighting a significant unmet need for therapies that directly target the underlying oncogenic driver.

Market Size of the KRAS G12D Inhibitor Drug Market

With the anticipated commercialization of multiple drug pipelines, the global KRAS G12D inhibitor drug market is expected to increase from US$81.8 million in 2027 to US$464.5 million in 2030 at a CAGR of 78.4% from 2027 to 2030, and it will further increase to US$3481.6 million in 2035, with CAGR of 49.6% from 2030 to 2035. China's KRAS G12D inhibitor drug market is expected to increase from US$12.3 million in 2027 to US$68.9 million in 2030 at a CAGR of 77.6% from 2027 to 2030, and it will further increase to US$461.1 million in 2035, with CAGR of 46.3% from 2030 to 2035. The US KRAS G12D inhibitor drug market is expected to increase from US$51.0 million in 2027 to US$260.1 million in 2030 at a CAGR of 72.2% from 2027 to 2030, and it will further increase to US$1549.3 million in 2035, with CAGR of 42.9% from 2030 to 2035.

Global KRAS G12D Inhibitor Drug Market, 2027E-2035E

Period	CAGR			
	U.S.	China	ROW	Global
2027E-2030E	72.2%	77.6%	94.1%	78.4%
2027E-2035E	42.9%	46.3%	61.1%	49.6%



Source: NMPA, CDE, FDA, ClinicalTrials.gov ("ClinicalTrials"), and Frost & Sullivan Analysis

The global KRAS G12D inhibitor drug market is expected to begin generating revenue from 2027, primarily due to the continued clinical advancement of leading KRAS G12D inhibitor candidates, including GFH375, HRS-4642 and INCB 161734, which have advanced into Phase III clinical development in the U.S. and other regions and are anticipated to achieve the earliest commercial launches as early as 2027.

The global market growth of KRAS G12D inhibitor drugs is primarily driven by the significant unmet medical needs of biomarker-selected patients with KRAS G12D-mutated tumors, particularly in PDAC, CRC and NSCLC. Although these patients represent defined molecular subgroups within broader cancer populations, currently available therapies generally do not directly inhibit KRAS G12D-driven signaling pathways. KRAS G12D is one of the most prevalent oncogenic driver mutations in PDAC, accounting for approximately 35% of PDAC cases, and is also present in subsets of CRC and NSCLC patients accounting for approximately 12% and 4% of the respective cancer populations, respectively.

Mechanistically, KRAS G12D mutations can continuously activate downstream signaling pathways that promote tumor proliferation and survival. In addition, the aspartate residue in KRAS G12D results in a more pronounced impairment of intrinsic GTPase activity than KRAS G12C, leading to a higher proportion of active, GTP-bound KRAS in tumor cells and contributing to its potent oncogenic potential. In the absence of approved KRAS G12D-targeted therapies, treatment for KRAS G12D-mutated tumors remains largely based on chemotherapy, immunotherapy and other systemic regimens, depending on tumor type and disease stage, with limited availability of effective mutation-directed treatment options. This unmet need supports the commercial potential of KRAS G12D inhibitors, notwithstanding the relatively limited biomarker-selected patient populations in individual tumor types.

The projected growth of the KRAS G12D inhibitor drug market is expected to outpace the growth of the underlying KRAS G12D-mutated patient population, primarily due to (i) increasing clinical advancement and potential commercialization of KRAS G12D-targeted therapies, (ii) expansion into broader indications and treatment settings, (iii) increasing adoption of combination therapies, (iv) improved patient identification through broader molecular diagnostic and next-generation sequencing testing penetration, and (v) the relatively high pricing potential of innovative targeted therapies. In addition, ongoing development of combination strategies, including combinations with immunotherapies and pathway-targeted agents, may further improve therapeutic efficacy and expand clinical applicability. While KRAS G12D mutation prevalence in certain tumor types, such as NSCLC, is relatively low, the large overall incidence of PDAC, CRC and NSCLC, together with a pan-tumor development strategy across these indications, may collectively broaden the addressable patient population and commercial opportunity for KRAS G12D inhibitor drugs.

Competitive Landscape of Pan-RAS and KRAS Inhibitors

The following table summarizes the competitive landscape of pan-RAS and KRAS inhibitors under clinical stage globally.

Drug	Company	Target	Binding State	Indications	Combination Therapy	Fastest Stages	First Posted Date of Current Clinical Stage	Regions involved	Regulatory Authorities involved
Daraxonrasib	Revolution Medicines	Pan-RAS	ON	1L+ PDAC, 1L 2L 3L NSCLC, 2L+ CRC, 2L+ Advanced Solid Tumor	Mono/Elironrasib/Ivonescimab	NDA	07/22/2026	US	FDA
ZG2001	Zelgen Biopharmaceuticals	Pan-KRAS	N/A	Solid Tumor	Mono	I/II	06/14/2023	China	CDE/FDA
JAB-23E73	AstraZeneca/Jacobio Pharmaceuticals	Pan-KRAS	ON/OFF	2L+ Solid Tumor, 2L+ NSCLC, 2L+ CRC, 1L PDAC	Mono	I/II	11/11/2024	China, US	CDE/FDA
JYP0015	Guangzhou JOYO	Pan-RAS	ON	2L+ Solid Tumor, 2L+ CRC, 2L+ PDAC, 2L+ NSCLC	Mono/Pembrolizumab/ Panitumumab	I/II	03/07/2025	China, US	CDE/FDA
GFH276	GenFleet Therapeutics	Pan-RAS	ON	2L+ CRC, 2L+ PDAC, 2L+ NSCLC, 2L+ Solid Tumor	Mono	I/II	09/10/2025	China, Other Region	CDE
HBW-016	Haibowei Pharmaceutical	Pan-KRAS	ON/OFF	2L+ Endometrial cancer, 2L+ PDAC, 2L+ Solid Tumor, 2L+ CRC	Mono	I/II	11/10/2025	China	CDE
BPI-572270	Betta Pharm	Pan-RAS	ON	2L+ CRC, 2L+ PDAC, 2L+ NSCLC, 2L+ Solid Tumor	Mono	I/II	02/11/2026	China	CDE
BLU-924	Sanofi	Pan-KRAS	N/A	2L+ CRC, 2L+ PDAC, 2L+ NSCLC	Mono	I/II	06/04/2026	US	/
BI 3706674	Boehringer Ingelheim	Pan-KRAS	OFF	2L+ Oesophagus Cancer, 2L+ Gastric Cancer	Mono	I	09/12/2023	US, Japan, Korea	N/A
YL-17231	Yingli Pharmaceutical	Pan-KRAS	N/A	2L+ NSCLC, 2L+ CRC, 2L+ Solid Tumor	Mono	I	09/28/2023	China, US	CDE, FDA
QTX3034	Quanta Therapeutics	Pan-KRAS	OFF	2L+ Endometrial cancer, 2L+ PDAC, 2L+ Solid Tumor	Mono	I	01/26/2024	US	FDA
ALTA-3263	Alterome Therapeutics	Pan-KRAS	ON&OFF	2L+ NSCLC, 2L+ CRC, 2L+ PDAC, 2L+ Solid tumor	Mono/Cetuximab	I	02/19/2025	US	/
RO7673396	Rohce	Pan-RAS	N/A	Solid Tumor	Mono	I	03/19/2025	China	CDE
BBO-11818	BridgeBio Pharma	Pan-KRAS	ON/OFF	CRC, PDAC, Solid tumor	Mono/Pembrolizumab/Cis/ carboplatin/Pemetrexed	I	04/08/2025	US, Other Region	N/A
AUBE00	Chugai Pharmaceutical	Pan-KRAS	OFF	Solid Tumor	Mono	I	05/12/2025	US, JP	N/A
ERAS-4001	Mingde New Drug Research and Development/Erasca	Pan-KRAS	ON/OFF	2L+ Solid Tumor	Mono/pembrolizumab/ panitumumab	I	06/15/2025	US	FDA
AMG 410	Amgen	Pan-KRAS	ON/OFF	Solid Tumor	Mono/Pembrolizumab/ Panitumumab	I	07/30/2025	China, EU, US, Japan	CDE
HRS-7172	Hengrui Pharma	PAN-RAS	ON	Solid Tumor	Mono	I	08/21/2025	China	CDE
TLN-372	Treeline Biosciences	PAN-KRAS	N/A	Solid Tumor	Mono/cetuximab/pembrolizumab	I	10/05/2025	EU, Austria	N/A
KST-6051	Kestrel Therapeutics	PAN-KRAS	N/A	2L+ Solid Tumor	Mono	I	03/09/2026	US	US
SIM0532	Simcere Pharmaceutical	PAN-RAS	N/A	2L+ PDAC, 2L+ NSCLC, 2L+ Solid Tumor	Mono	I	03/16/2026	China	CDE
TQB3205	Chia Tai-tianqing Pharma	Pan-KRAS	N/A	Solid Tumor	Mono	I	03/16/2026	China	CDE/FDA
ABSK211	Abbisko	Pan-KRAS	N/A	Solid Tumor	Mono	I	07/21/2026	China	CDE/FDA
HZ-V055	HangZhou HealZen	Pan-RAS	ON	2L+ Solid Tumor, 2L+ CRC, 2L+ PDAC, 2L+ NSCLC	Mono	I	07/31/2026	China	CDE

Note: As regulatory authorities such as the FDA and EMA do not publicly disclose whether a specific investigational product has obtained IND clearance or equivalent regulatory status in all cases, the involvement of the FDA or EMA in the competitive landscape is determined based on publicly available disclosures by the respective companies.

Source: CDE, Clinical Trials, Company websites, Frost & Sullivan Analysis

Among these clinical-stage pan-KRAS candidates, daraxonrasib is an NDA stage pan-KRAS candidate. Daraxonrasib stops tumor growth by acting as a molecular roadblock against the cancer-driving RAS protein, specifically targeting it when it is in its active, or "on" state. Rather than attacking the cancer protein directly on its own, the drug first binds to a natural "helper" protein inside the cell called Cyclophilin A. Together, the drug and the helper protein lock onto the active RAS protein to form a bulky, three-part structure (known as a tri-complex). This structure acts like a physical cap over the active RAS protein, preventing it from connecting with other proteins and effectively cutting off the signals that tell the cancer cells to multiply and grow. In contrast, TSN1611 does not rely on a helper protein; instead, it binds directly to the specific KRAS G12D mutation and shuts it down regardless of whether the cancer protein is in its active "on" or inactive "off" state. The following table summarizes comparison of TSN1611, our Core Product, against daraxonrasib.

Category	TSN1611	Daraxonrasib
Drug class	Selective KRAS G12D inhibitor	Pan-RAS(ON) inhibitor
Target coverage	Selectively targets KRAS G12D mutant protein	Directly targets RAS(ON) multi-selective inhibitor
Binding state	Targets both active (GTP-bound) and inactive (GDP-bound) KRAS G12D	Targets active GTP-bound RAS ("RAS(ON)")

Category	TSN1611	Daraxonrasib
Mechanism of action	Inhibition of the KRAS signaling pathway	Binding to an intracellular chaperone protein, Cyclophilin A (CypA), resulting in an inhibitory binary complex that binds active, GTP-bound RAS to form a tri-complex and suppresses RAS signaling by disrupting interactions with effectors such as RAF kinases.
Clinical development focus	Both are being developed for KRAS-mutated solid tumors including PDAC, NSCLC and CRC	
Oral administration	Both are orally administered small-molecule therapies	
Combination potential	Both may potentially be combined with standard therapies or other targeted agents (e.g. gemcitabine+nab-paclitaxel)	

Competitive Landscape of KRAS G12D Inhibitors

As of the Latest Practicable Date, there was no approved KRAS G12D inhibitor drug globally. The following table sets forth the IND-approved and clinical-stage KRAS G12D inhibitor candidates globally, organized by development stage and, within each stage, by the first posted date of each candidate.

Drug	Company	Binding State	Indications	Combination Therapy	Development Stages	First Posted Date of Current Clinical Stage	Regulatory Authority involved	Regions Involved
HRS-4642	Hengrui Pharma	ON & OFF	1L PDAC	AG	III	10/24/2025	CDE	CN
			Solid Tumor	Mono/ Adebrelimab /chemotherapy/HR-A1921/SHR-9839/Cetuximab	I/II	04/26/2024	CDE	CN
			2L+ NSCLC	Mono	I	09/06/2022	/	CN
GFH375	GenFleet Therapeutics/Verastem Oncology	ON & OFF	2L+ PDAC	Mono	III	11/11/2025	/	CN
			2L+ NSCLC	Mono	III	05/25/2026	CDE	CN
			1L, 2L+ CRC	Mono, cetuximab, panitumumab, mFOLFOX	II	06/22/2026	CDE/FDA	US, Other Region
INCB161734	Incyte Corporation	ON& OFF	1L PDAC	mFOLFIRINOX/GemNabP	III	04/13/2026	/	Global
			2L+ Solid tumor, 2L+ CRC,2L+ NSCLC	Mono/Cetuximab/Retifanlimab/GEMNabP/mFOLFIRINOX/FOLFOX/FOLFIRI/INCA33890	I	12/21/2023	/	Global
Zoldonrasib	Revolution Medicines	ON	1L PDAC	Mono/Oxaliplatin/Leucovorin/5-Fluorouracil/Irinotecan/Gemcitabine/Nab-paclitaxel	III	06/02/2026	/	US
			2L+ Solid Tumor, 2L+ NSCLC	Mono	II	12/08/2023	/	Global
			2L+ CRC	Ivonescimab	I/II	02/09/2026	/	US
DN022150	De Novo Pharmatech /Kerui Pharmaceutical	N/A	2L+ PDAC	Mono	III	06/17/2026	CDE	CN
			2L+ Solid Tumor, 3L CRC,2L+ NSCLC	Mono	I/II	08/02/2024	CDE	CN
RNK08954	Ranok Therapeutics	OFF	2L+ PDAC	Mono	II	10/24/2025	CDE	CN
			2L+ Solid Tumor, 2L+ CRC, 2L+ NSCLC	Mono	I/II	10/08/2024	CDE	CN
TSN1611	**Tyligand**	**ON & OFF**	**Solid Tumor, NSCLC, 1L PDAC, 1L CRC**	**Mono/Cetuximab/mFOLFOX6/Paclitaxel/gemcitabine/mFOLFOX6**	**I/II**	**04/26/2024**	**CDE**	**CN, US**

Drug	Company	Binding State	Indications	Combination Therapy	Development Stages	First Posted Date of Current Clinical Stage (mm-dd--yy)	Regulatory Authority involved	Regions Involved
GDC-7035	Genentech	N/A	Solid Tumor	Mono/panitumumab	I/II	10/01/2024	/	Global
QLC1101	QILU PHARMACEUTICAL	N/A	2L+ Solid Tumor	Docetaxel/QL1203/QL2107/QL1706	I/II	05/21/2025	CDE	CN
			2L+ CRC, 2L+ PDAC, 2L+ NSCLC	Mono	I	05/08/2024	/	CN
HBW-012336	Haibowei Pharmaceutical	N/A	2L+ Solid Tumor, 2L+ CRC, 2L+ PDAC	Mono	I/II	06/18/2025	CDE	CN
ABSK141	Abbisko Therapeutics	N/A	2L+ Solid Tumor, 2L+ CRC, 2L+ PDAC, 2L+ NSCLC	Mono	I/II	02/04/2026	CDE/FDA	CN
INV-8989	Foshan Yuanli	N/A	Advanced Solid Tumor	Mono	I/II	05/06/2026	CDE	CN
YL-17231	Yingli Pharmaceutical	N/A	2L+ NSCLC, 3L+ CRC, 2L+ Solid Tumor	Mono	I	10/10/2023	CDE/FDA	US, CN
QTX3046	Quanta Therapeutics	ON & OFF	2L+ Solid tumor	Mono/cetuximab	I	05/24/2024	/	US
LY3962673	Eli Lilly	OFF	2L+ Solid Tumor	Mono/Cetuximab/Gemcitabine/nabpaclitaxel/Oxaliplatin/leucovorin/Irinotecan/5-fluorouracil	I	09/19/2024	/	Global
INCB186748	Incyte Corporation	N/A	2L PDAC, 2L+ CRC	Mono/Cetuximab/GEMNabP/mFOLFIRINOX	I	02/10/2025	/	US
HS-10529	Hansoh Pharma	N/A	2L+ Solid Tumor	Mono	I	05/06/2025	CDE	CN
HRS-6093	Hengrui Pharma	ON & OFF	2L+ Solid Tumor	Mono	I	08/21/2025	CDE	CN
KQB548	Bayer AG/Kumquat Biosciences	N/A	2L+ PDAC, 2L+ CRC, 2L+ NSCLC	Mono	I	10/06/2025	FDA	US
ZN-F-6418	Zion Pharma	N/A	2L+ NSCLC, 2L+ CRC, 2L+ PDAC, 2L+ Solid Tumor	Mono	I	11/06/2025	CDE	CN
D3S-003	D3 Bio (Wuxi) Co.	ON & OFF	2L+ Solid Tumor	Mono	I	03/06/2026	CDE/FDA	Global

Source: CDE, ClinicalTrials, company websites, and Frost & Sullivan Analysis

Note: As regulatory authorities such as the FDA and EMA do not publicly disclose whether a specific investigational product has obtained IND clearance or equivalent regulatory status in all cases, the involvement of the FDA or EMA in the competitive landscape is determined based on publicly available disclosures by the respective companies. N/A stands for no binding confirmation is disclosed in the available information. For clinical trials where the line of treatment is not specified, this is because the study eligibility criteria do not explicitly disclose requirements regarding patients' prior treatment history.

Comparative Analysis Between TSN1611 and other clinical-stage KRAS G12D inhibitors

KRAS normally functions as a molecular switch cycling between an active GTP-bound ("ON") state and an inactive GDP-bound ("OFF") state. The KRAS G12D mutation is a genetic alteration and disrupts this switching process by impairing intrinsic GTP hydrolysis, thereby causing KRAS G12D-mutant proteins to remain predominantly in the active GTP-bound ("ON") state, which continuously activates downstream signaling pathways involved in tumor proliferation and survival.

Based on their binding mode, KRAS G12D inhibitors can be broadly classified into three categories: OFF-state inhibitors, ON-state inhibitors and dual-state (ON/OFF) inhibitors. In normal cells, the KRAS protein acts as a molecular switch, tightly regulating cell growth by cycling between an inactive 'off-state' and an active 'on-state.' The KRAS G12D mutation is a genetic alteration that impairs the normal GTP hydrolysis cycle of KRAS, causing the mutant KRAS protein to remain predominantly in its active, GTP-bound "on" state. This continuous activation drives uncontrolled cellular proliferation and tumor growth. Our therapeutic candidates are designed to specifically target and inhibit this aberrant 'on-state' of the KRAS G12D mutant protein to halt disease progression.

OFF-state inhibitors are designed to bind the inactive, GDP-bound conformation and may benefit from relatively more defined binding pockets, which could support stable target engagement. However, their activity may be limited by the lower proportion of the inactive state in KRAS G12D-mutant tumors. In particular, because KRAS G12D-mutant proteins predominantly exist in the ON state, OFF-state inhibitors may not fully block the dominant active signaling state unless the protein transitions into the OFF state. ON-state inhibitors are designed to engage the active, GTP-bound conformation, which is more prevalent in KRAS G12D-driven tumors and therefore may enable direct engagement of the dominant signaling state. However, this approach presents structural and biochemical challenges, including the high affinity of KRAS for GTP and the limited availability of well-defined binding sites. In addition, a single-state inhibitor, whether targeting the ON state or the OFF state, is designed to bind only one conformational state and may become less effective if tumor cells shift KRAS proteins toward the non-targeted state through upstream feedback activation or compensatory signaling pathways.

Dual-state inhibitors are designed to engage both ON and OFF conformations of KRAS G12D, which may allow broader coverage of the KRAS signaling cycle, although this approach may introduce additional challenges in drug design, including maintaining selectivity and optimizing pharmacokinetic properties. TSN1611 is designed as a dual-state (ON/OFF) KRAS G12D inhibitor. By binding both the active ON state and the inactive OFF state, dual-state inhibitors, including TSN1611, may provide more comprehensive blockade of KRAS G12D-driven signaling regardless of the conformational status of the mutant protein. This may potentially result in deeper inhibition of downstream signaling pathways and enhanced anti-tumor activity as compared to single-state inhibition. In addition, because dual-state inhibitors may directly bind active KRAS G12D proteins without requiring the protein to transition into the inactive OFF state, they may potentially achieve faster suppression of downstream signaling pathways and more rapid therapeutic responses. Dual-state inhibition may also reduce the likelihood of adaptive or compensatory resistance mechanisms, because inhibitory activity may be maintained even if tumor cells shift KRAS proteins between ON and OFF conformations. These potential advantages may improve durability of response and prolong disease control, subject to further clinical validation.

Given the absence of head-to-head clinical trials across KRAS G12D inhibitor candidates, direct comparisons of clinical efficacy and safety are not available. Nevertheless, clinical data disclosed from individual trials provide a reference framework for understanding the emerging therapeutic profiles of different candidates.

Based on publicly available data, KRAS G12D inhibitor candidates have demonstrated preliminary clinical activity with efficacy outcomes generally within a comparable range across studies. TSN1611 has reported clinical activity in both NSCLC and PDAC cohorts, whereas some other candidates have disclosed data in more limited patient populations.

In terms of safety, TSN1611 has shown a relatively low incidence of grade ≥3 treatment-related adverse events based on available data, suggesting a manageable tolerability profile. With respect to anti-tumor activity, TSN1611 demonstrated an objective response rate ("ORR") of 44.4% and disease control rate ("DCR") of 88.9% in NSCLC patients treated at 600 -1,200 mg BID, and an ORR of 34.8% and DCR of 82.6% in PDAC patients treated at 1,200 mg BID. While these results compare favorably with certain publicly reported data for other KRAS G12D inhibitors, no direct conclusions regarding relative efficacy can be drawn in the absence of randomized head-to-head studies.

The following table summarizes publicly reported clinical trial data for key KRAS drug candidates. Please note that this presentation is not intended to be a direct comparison. Because the underlying clinical studies differed significantly in their enrolled patient populations, dosing schedules, sample sizes, and reporting standards, no direct conclusions regarding relative efficacy or safety can be drawn in the absence of randomized, head-to-head clinical trials.

Drug	Binding State	Fastest Clinical Progress	Clinical Trials	Safety data	Trial Design	Testing Group	Efficacy Data
Zoldonrasib	On	III	NCT06040541	TRAE (≥ grade3): 13%	1,200 mg PO QD (N=27)	NSCLC Pts	ORR: 52% (95%CI, 32-71) DCR: 93% (95%CI, 76-99)
INCB161734	On & OFF	III	NCT06179160 2023-507091-47-00 JPRN-jRCT2031240694	TRAE (≥ grade 3): 19.7%	1,200 mg (N=41)	PDAC Pts	ORR: 37% DCR: 78%
					600 mg QD + chemotherapy (N=15)		ORR: 27% DCR: 87%
					1,200 mg QD + chemotherapy (N=8)		ORR: 50% DCR: 88%
HRS-4642	On & OFF	III	NCT05533463 CTR20222279	TRAE (≥ grade3): 23.8%	800 mg Q2W/1,200 mg Q2W (N=38)	NSCLC Pts	ORR: 23.7% (95%CI, 11.4-40.2) DCR: 76.3% (95%CI, 59.8-88.6)
					1,200 mg Q2W (N=24)	PDAC Pts	ORR: 20.8% (95%CI, 7.1-42.4) DCR: 79.2% (95%CI, 57.8-92.9)
GFH375	On & OFF	III	NCT06500676 CTR20242253	TRAE (≥ grade3): 26.8%	400, 600 or 750 mg once daily (N=41)	CRC Pts	ORR: 11.0% (90%CI, 2-24) DCR: 77.0% (90%CI, 63-88)
					600 mg QD (N=59)	PDAC Pts	ORR: 40.7% (90%CI: 30-52) DCR: 96.7% (90%CI: 90-99)
					600 mg QD (N=16)	NSCLC Pts	ORR: 68.8% DCR: 93.8%
RNK08954	OFF	II	NCT06667544 CTR20243722	TRAE (≥ grade 3): 25.5%	400-1,200 mg QD (N=47)	NSCLC Pts	ORR: 42.6% DCR: 95.7%
TSN1611	**On & OFF**	**I/II**	**NCT06385925 CTR20241863**	**TRAE (≥ grade 3): 6.3%**	**600-1,200 mg BID (N=27)**	**NSCLC Pts**	**ORR: 44.4% DCR: 88.9%**
					1,200 mg BID (N=23)	**PDAC Pts**	**ORR: 34.8% DCR: 82.6%**

Note: "Fastest clinical progress" refers to the most advanced clinical development stage reached by each drug candidate across all ongoing clinical programs.
Source: Literature review, ClinicalTrials and Frost & Sullivan Analysis

Entry Barriers and Future Trends

The KRAS G12D inhibitor drug market is characterized by high entry barriers, primarily driven by the scientific difficulty of designing a drug that can bind to KRAS G12D effectively, increasing competition among developers, and the substantial cost and long timelines required for drug development. As the developments of leading drug candidates move forward, the threshold for successful market entry continues to increase.

- *Target-specific drug design and development complexity.* Unlike KRAS G12C, KRAS G12D lacks a druggable cysteine residue, which means that drug developers cannot use the same convenient chemical ″anchor″ used in certain KRAS G12C drugs. This limits the feasibility of covalent inhibition strategies. In addition, the available binding pockets on KRAS G12D are shallow and can change shape, making it difficult for non-covalent drugs to bind to the target strongly and selectively. This inherent structural constraint, together with the biological heterogeneity of KRAS G12D-driven tumors, particularly pancreatic ductal adenocarcinoma and CRC, requires developers to combine advanced structure-based drug design with biomarker-driven patient selection and clinical trial strategies tailored to specific cancer types. These requirements create substantial technical and execution barriers.

- *Increasing competition and first-mover advantages.* The biological validation of KRAS as an oncogenic driver has attracted global R&D investment, leading to a growing number of KRAS-targeted programs across development stages. As existing players advance earlier into clinical development, they accumulate first-mover advantages in clinical data, development experience and strategic positioning. Consequently, new entrants face an increasingly high bar to demonstrate clear differentiation in efficacy, safety or combination potential, further raising market entry thresholds.

- *High R&D costs and long development timelines.* The development of KRAS G12D inhibitors typically requires substantial capital investment and extended development cycles, driven by intensive preclinical optimization, biomarker-driven clinical trial designs, and iterative molecular refinement. In practice, this means that developers may need to repeatedly optimize the drug molecule, select suitable patient groups based on biomarkers, and adjust clinical development plans as data become available. These factors collectively increase financial barriers and may limit the ability of smaller or less-resourced players to enter the market.

Going forward, the development of the KRAS G12D inhibitor drug market will be characterized by the following trends.

- *Development of multi-candidate R&D platforms and diversified KRAS G12D therapeutic approaches.* Industry focus is gradually shifting from single-asset programs to broader R&D platforms capable of generating multiple drug candidates through standardized and scalable discovery and development capabilities. At the same time, KRAS G12D drug development is moving beyond conventional oral small-molecule inhibitors toward approaches that combine KRAS G12D target biology with multiple therapeutic modalities and delivery technologies, including ADCs, protein degradation technologies and targeted delivery systems. These approaches may drive market development by improving drug delivery and tumor penetration in difficult-to-treat solid tumors, such as PDAC and CRC, where dense tumor tissue and limited drug permeability can make it harder for a drug to reach cancer cells effectively. These approaches may also enhance R&D efficiency through reusable discovery platforms, payloads and linker technologies, and enable companies with integrated capabilities to expand pipelines, diversify development risk and pursue broader commercialization opportunities, including global collaboration and out-licensing arrangements.

- *Increasing focus on combination therapy strategies.* Future development of the KRAS G12D inhibitor drug market is increasingly centered on combination treatment approaches, including combinations with chemotherapy and monoclonal antibodies, as monotherapy may face limitations related to resistance and incomplete pathway suppression. Combination strategies are being actively explored to enhance therapeutic efficacy, delay resistance development and broaden clinical applicability across multiple tumor types. In other words, a KRAS G12D inhibitor may be more effective if used together with other treatments that attack the cancer through different mechanisms. This shift reflects the industry's growing recognition that durable clinical benefit in KRAS-driven cancers is more likely to be achieved through rational combination regimens rather than single-agent therapies. KRAS G12D inhibitors that demonstrate a tolerable safety profile have the potential to serve as a foundational component for combination therapies.

- *Expansion toward innovative mechanisms and delivery platforms.* Given the complexity of KRAS G12D-driven tumor biology and associated resistance mechanisms, ADC-based approaches targeting KRAS G12D-expressing cells are increasingly viewed as a rational strategy to enhance therapeutic efficacy while mitigating systemic toxicity. ADCs are designed to deliver a therapeutic payload more selectively to cancer cells, rather than exposing the whole body to the same level of drug activity. By leveraging targeted payload delivery and reducing reliance on continuous suppression of the KRAS signaling pathway alone, these approaches have the potential to improve therapeutic index, address resistance challenges and expand clinical applicability across heterogeneous tumor settings.

OVERVIEW OF STING AGONISTS DRUG MARKET

Overview of Immune Agonists

Immune agonists are a heterogeneous class of immunomodulatory agents designed to actively stimulate innate and/or adaptive immune signaling pathways in order to enhance endogenous anti-tumor immune responses. They primarily act by targeting pattern recognition receptors (such as STING, Toll-like receptors ("**TLRs**") and RIG-I) or immune costimulatory receptors (such as CD40, OX40 and 4-1BB), thereby promoting dendritic cell activation, improving antigen presentation and enhancing immune effector cell function. Through activation of immune cells including dendritic cells, macrophages and natural killer ("**NK**") cells, immune agonists induce the production of type I interferons ("**IFN-I**"), IL-12, TNF-α and other immune mediators, strengthen T-cell priming and activation, and modulate the tumor immune microenvironment.

Despite mechanistic validations in preclinical studies, earlier generations of immune agonists have delivered limited clinical success, largely due to challenges in achieving sufficient tumor-localized immune activation while avoiding systemic inflammation and toxicity. These outcomes, however, reflect limitations of earlier delivery strategies and molecular designs, rather than a lack of biological relevance of immune agonism itself. As a result, immune agonists continue to be regarded as a strategically important class of agents, awaiting enabling technologies evolve to better control spatial and temporal immune activation.

Mechanism of Action and Development Evolution of STING Agonists

STING agonists represent one of the most extensively studied and biologically validated subclasses of immune agonists. They are designed to activate the cGAS–STING signaling axis to enhance innate immune activation within the tumor microenvironment. Upon STING activation, downstream signaling through TBK1 and IKK leads to activation of IRF3 and NF-κB, inducing transcription of type I interferons and pro-inflammatory cytokines such as IFN-I and IL-6. This cascade promotes dendritic cell maturation and antigen presentation, thereby facilitating the priming and activation of cytotoxic T cells and strengthening adaptive anti-tumor immunity. Through coordinated activation of innate and adaptive immune responses, STING agonists have the potential to convert immunologically "cold" tumors into immune-inflamed states and enhance the efficacy of cancer immunotherapy.

The development of STING agonists has progressed across multiple technological waves. Early STING agonists, primarily CDNs that mimic endogenous cGAMP, demonstrated innate immune activation and anti-tumor efficacy in preclinical settings; however, clinical translation has been constrained by poor pharmacokinetics, limited tissue penetration and systemic inflammatory toxicity. Subsequent non-CDN small molecule STING agonists were developed to improve drug-like properties and enhance controllability of STING activation; however, achieving sufficiently tumor-selective immune activation remains challenging.

More recent strategies focus on dual mechanism approaches, including STING agonist–antibody drug conjugates ("**ADCs**") and dual-mechanism small molecules, which are designed to enhance tumor targeting, confine immune activation to the tumor microenvironment and mitigate systemic toxicity. These advances address key limitations observed in earlier approaches and support the view that, despite historical setbacks, STING agonists, particularly those incorporating dual mechanisms of action.

Competitive Landscape

As of the Latest Practicable Date, there was no approved STING agonists drug globally. The following table sets forth the clinical-stage STING agonists candidates globally.

Drug	Company	Indication	Latest status	Therapeutic strategy	Country/region	First posted date
Ulevostinag	MSD	Recurrent Head and Neck Squamous Cell Carcinoma	Phase II	Mono/Combo with Intravenous	US, EU, Other Regions	2019-12-12
JMKX000197	Jiangxi Jimincare Group	Malignant Pleural Effusion	Phase II	Mono	China	2026-06-15
Dazostinag	Takeda, Curadev Pharma	Advanced or Metastatic Solid Tumors	Phase I/II	Mono/Combo With Pembrolizumab	China, US, Japan, EU, Other regions	2020-06-09
TSN222	**Tyligand**	**Advanced Solid Tumors or Lymphomas**	**Phase I/II**	**Mono**	**China**	**2023-04-03**
DN015089	Shanghai De Novo Pharmatech	N/A	Phase I	Mono	China	2021-10-27
BI 1703880	Boehringer Ingelheim	Solid Tumor	Phase I	Mono	US, Japan, EU,	2022-07-25
KL340399	Sichuan Kelun-Biotech Biopharmaceutical	Advanced Solid tumors	Phase I	Mono	China	2022-07-27
CRD3874	Curadev Pharma	Solid Tumors, AML,	Phase I	Mono	US	2023-09-01
LNP3693	Lupin	Solid tumors and hematological cancers	Phase I	Mono	US	2023-10-26
INCB161734	Incyte Corporation	Advanced Solid tumors, Endometrial cancer, CRC, PC, NSCLC	Phase I	Combo With IO	US, Japan, EU, Other Regions	2023-12-21
cGAMP-ONM-501	OncoNano Medicine	Advanced Solid Tumors and Lymphomas	Phase I	Mono/Combo with Cemiplimab	US, Other regions	2025-05-06

Source: CDE, ClinicalTrials, and Frost & Sullivan Analysis

Entry Barriers and Future Trends

The STING agonist drug market has following major entry barriers.

- *High druggability and translational challenges.* STING agonists face fundamental druggability constraints and material translational hurdles from preclinical models to human studies. While innate immune activation and antitumor signals have been observed in early research, consistently achieving tumor-restricted immune activation with an acceptable tolerability profile in humans remains challenging, contributing to a relatively low overall translation efficiency.

- *High development cost and clinical risk.* The development of STING agonists typically requires extensive optimization across molecular design and clinical development strategy, which drives R&D expenditure and prolonged timelines. In addition, clinical risk is elevated by the need to balance efficacy with systemic inflammatory toxicity considerations, and the growing emphasis on combination strategies can further increase development complexity, cost and failure risk.

- *Crowded pipeline and high bar for differentiation.* The STING agonist landscape is increasingly competitive, with numerous ongoing development programs. Against this backdrop, differentiation, particularly in terms of efficacy and safety, is critical, and the competitive intensity raises the threshold for new entrants to demonstrate clear advantages in mechanism, delivery, tolerability and/or clinical outcomes.

Going forward, the development of the STING agonist drug market will be characterized by the following trends.

- *Expansion of combination therapy strategies.* STING agonists are increasingly being evaluated in combination regimens to improve response depth and durability and to expand clinical applicability across tumor types, reflecting the industry's focus on positioning STING activation within multi-modality oncology treatment paradigms.

- *Advancement of delivery systems.* Ongoing efforts are focused on improving delivery approaches to address limitations observed in earlier STING agonist programs, including enhancing tumor localization and controlling the site and magnitude of immune activation to mitigate systemic toxicity risks.

- *Diversification of technological approaches.* The development of STING agonists is increasingly shifting toward non-nucleotide small molecules, dual-mechanism compounds and STING-based ADCs, reflecting a diversification of technological approaches. This multi-modality innovation is expected to continuously enhance STING activation potency, tumor selectivity and drug delivery performance, thereby supporting the advancement of therapeutic designs.

OVERVIEW OF THE ADC MARKET

Overview of ADC Therapy

ADCs are a class of targeted oncology therapeutics composed of three core components: a monoclonal antibody, a chemical linker, and a highly potent cytotoxic payload. The antibody provides tumor-specific targeting by binding to antigens selectively expressed on cancer cells, the linker controls the stability and release of the payload, and the cytotoxic agent serves as the tumor-killing component.

After binding to tumor cell surface antigens, most ADCs are internalized via endocytosis and trafficked through early and late endosomes before fusion with lysosomes. Within the lysosome, the payload is released through chemical or enzyme-mediated cleavage of the linker, leading to tumor cell apoptosis or death through DNA damage or microtubule disruption. In certain ADCs, membrane-permeable payloads may also induce a bystander effect, enabling the killing of adjacent tumor cells and further enhancing therapeutic efficacy.

ADCs offer several important therapeutic advantages over conventional modalities, including (1) high targeting specificity and selectivity, which reduces off-target toxicity; (2) enhanced cytotoxic potency, as payloads are delivered directly into tumor cells; (3) expanded therapeutic window, which enables improved efficacy and tolerability; and (4) improved resistance management through optimized antibody-payload combinations.

The development of ADCs has progressed through three major technological waves, reflecting continuous improvements in target selection, conjugation technologies and therapeutic scope. The first wave focused primarily on the treatment of hematological cancers, validating the feasibility of antibody-mediated delivery of cytotoxic payloads. However, these early products were constrained by limited payload options and suboptimal safety profiles, which restricted their clinical application. With advances in target selection and conjugation technologies, the second wave expanded into solid tumors with highly and specifically expressed biomarkers, improving clinical efficacy and broadening therapeutic scope. Through optimized linker stability, enhanced bystander effects and improved safety management, third-generation ADCs have demonstrated activity in tumors with both high and low target expression, substantially enlarging the addressable patient population. Looking forward, ADC technology is transitioning toward a next wave of platform-based and functionally integrated formats, featuring bispecific ADCs, dual-payload ADCs, non-cytotoxic targeted payloads, and immune-activating payloads. This evolution marks a shift from the traditional "single-target, single-toxin" paradigm toward a more integrated, multi-functional therapeutic modality, positioning ADCs as an important pillar for future precision oncology.

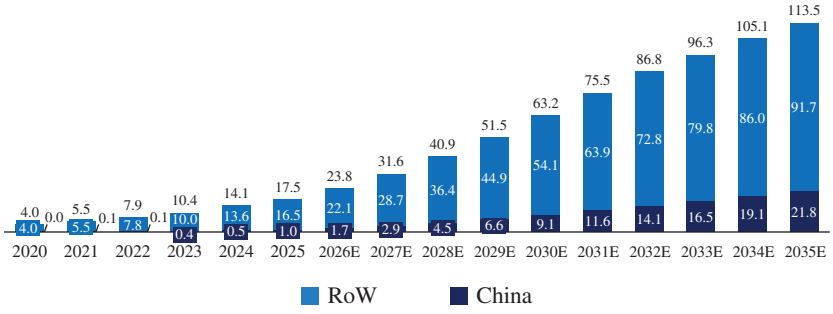
Market Size of the ADC Market

The global ADC market increased from US$4.1 billion in 2020 to US$17.5 billion in 2025 representing a CAGR of 33.9%. The market is expected to increase to US$113.5 billion in 2035 at a CAGR of 20.6% from 2025 to 2035. In China, the ADC market increased from US$0.02 billion in 2020 to US$1.0 billion in 2025 at a CAGR of 111.7%, and is expected to increase to US$21.8 billion in 2035 at a CAGR of 36.1% from 2025 to 2035, outpacing global growth rates.

Global ADC Market Size and Forecast, 2020-2035E

Period	CAGR		
	China	RoW	Global
2020-2025	111.7%	32.6%	33.9%
2025-2035E	36.1%	18.7%	20.6%

Billion USD



Source: The market data is derived from Frost & Sullivan analysis, which draws on a combination of publicly available information and primary research, including academic publications, sales data of approved products, company disclosures, clinical trial data, and interviews with industry experts.

Entry Barriers and Future Trends

The ADC drug market has following major entry barriers.

- *High R&D and technical barriers.* The development of ADCs involves substantial technical complexity, including antibody selection, linker design for controlled payload release, as well as the screening and validation of novel payloads, especially those of non-cytotoxic nature. Accordingly, successful ADC development typically requires multidisciplinary capabilities across target biology, antibody engineering, medicinal chemistry and translational research, which raises the R&D threshold for new market entrants.

- *Manufacturing complexity and capital-intensive production requirements.* ADC manufacturing is characterized by complex conjugation processes and stringent control requirements, including control of the drug-to-antibody ratio ("**DAR**"), as well as challenges in process scale-up due to sensitivity to equipment, process parameters and related conditions. Manufacturing requirements are further amplified for ADCs incorporating dual-payload designs or non-traditional targeted payloads, which require more advanced process control and containment systems, as well as higher upfront facility investment.

- *Intensifying competitive landscape.* With the clinical and commercial success of multiple ADC products, the ADC field has attracted extensive participation from global pharmaceutical companies and biopharmaceutical firms. As a result, competition is intensifying across key dimensions such as target selection, payload innovation, manufacturing capabilities and clinical differentiation, increasing the difficulty for late entrants to establish a competitive position.

The future development of the ADC market will be affected by the following trends.

- *Innovation in novel payloads and linker technologies.* While ADCs in current clinical development primarily rely on cytotoxic payloads, such as tubulin inhibitors and topoisomerase inhibitors, with antibody variations, future innovation in payload chemistry and linker technologies is expected to remain a central driver of ADC development. Advances in linker stability, payload potency and controlled release mechanisms are improving the balance between efficacy and safety, thereby enhancing the overall therapeutic index of ADC products. These innovations enable ADCs to deliver antitumor effects while reducing off-target toxicity.

- *Expansion of target coverage and biomarker expression levels.* ADC development is progressively expanding beyond highly expressed tumor antigens toward targets with lower or heterogeneous biomarker expression. Improvements in antibody engineering, linker design and bystander effect mechanisms have enabled newer generations of ADCs to achieve efficacy even in tumors with lower antigen density. This trend enlarges the addressable patient population and extends the clinical applicability of ADC therapies across a wider range of tumor types.

- *Emergence of multi-modal and novel ADC formats.* The ADC field is entering a new stage of structural evolution with the emergence of multi-modal and novel ADC formats, including bispecific ADCs, dual-payload ADCs, non-cytotoxic targeted payloads and immune-activating payloads. These designs transform ADCs from traditional "single-target, single-payload" products into more integrated and functionally diverse therapeutic platforms, creating new opportunities for enhanced efficacy, broader indications and improved treatment durability.

SOURCES OF INFORMATION

This section includes information from the F&S Report, a report commissioned by us, as we believe such information imparts a greater understanding of the industry in which we operate to potential [**REDACTED**]. Frost & Sullivan is a global consulting company and an independent third party founded in 1961. We have agreed to pay a total of RMB580,000 in fees to Frost & Sullivan for the preparation of the F&S Report. We are of the view that the payment of such fee does not impair the fairness of the conclusions drawn in the F&S Report. Figures and statistics provided in this document and attributed to Frost & Sullivan or the F&S Report have been extracted from the F&S Report, as the case may be, and published with the consent of Frost & Sullivan.

The F&S Report was prepared through analysis of data compiled by Frost & Sullivan from a wide variety of public and proprietary sources. Public sources utilized include news articles, marketing materials and filings by other industry participants, as well as information from trade associations. Proprietary sources consist of Frost & Sullivan's own research database, survey data, industry analyst reports and exclusive interviews with industry participants, customers and other industry experts. Frost & Sullivan utilized its proprietary forecasting models to cross-check and synthesize the data to produce both qualitative and quantitative analyses and projections included in this document.

DIRECTORS' CONFIRMATION

After making reasonable inquiries, our Directors confirm that there has been no adverse change in the market information presented in the F&S Report since the date of the report which may qualify, contradict or have an impact on the information in this document.

This section sets out an overview of certain laws and regulations relevant to our business and operations.

PHARMACEUTICAL REGULATORY SYSTEM OF THE PRC

The major regulatory authorities of pharmaceutical industry in the PRC include the NMPA, the NHC, and the National Healthcare Security Administration.

The NMPA assumes the responsibilities for pharmaceutical supervision of China Food and Drug Administration ("**CFDA**"), its predecessor, as the principal pharmaceutical regulatory authority in charge of the pharmaceutical registration and supervision, including non-clinical research, clinical trial, marketing approval, production and circulation.

The NHC is the chief healthcare regulator of the PRC, which is primarily responsible for drafting national healthcare policies, regulating public health, medical services and health contingency system, coordinating the implementation of healthcare reform and overseeing the operation of medical institutions and practice of medical personnel.

The National Healthcare Security Administration (an authority established in May 2018 in accordance with the Institutional Reform Program of the State Council) is responsible for (i) drafting and implementing policies, plans and standards on medical insurance, maternity insurance and medical assistance; (ii) administering healthcare fund; (iii) formulating a uniform medical insurance catalogue and payment standards on drugs, medical consumables and healthcare services; and (iv) formulating and administering the bidding and tendering policies for drugs and medical consumables.

PRC LAWS AND REGULATIONS RELATING TO DRUGS

Drug Administration Laws and Regulations

The PRC Drug Administration Law (中華人民共和國藥品管理法) ("**Drug Administration Law**") promulgated by the Standing Committee of the National People's Congress ("**NPCSC**") on September 20, 1984, and amended on February 28, 2001, December 28, 2013, April 24, 2015, and August 26, 2019, as well as the Implementing Rules for the PRC Drug Administration Law (中華人民共和國藥品管理法實施條例) ("**Implementing Rules for the Drug Administration Law**") issued by the State Council on August 4, 2002, and amended on February 6, 2016 and March 2, 2019 and January 16, 2026 have together laid down the legal framework for the administration of drugs, including the research, development, manufacturing and business operation for new drugs, and administer the pharmaceutical manufacturing enterprises, pharmaceutical operating enterprises, and medicinal preparations of medical institutions, along with the development, research, production, distribution, packaging, pricing and advertisements of drugs.

Non-Clinical Research and Animal Testing

The State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局) ("SAMR") requires preclinical data to support registration applications for imported and domestic drugs. According to the Administrative Measures for Drug Registration (藥品註冊管理辦法), which was issued by the SAMR on January 22, 2020 and became effective on July 1, 2020, non-clinical drug safety evaluation studies shall comply with the good laboratory practice ("**GLP**") for Non-clinical Laboratory Studies (藥物非臨床研究質量管理規範). The latest GLP has been implemented by the CFDA since September 1, 2017 to improve the quality of non-clinical research. Pursuant to the Measures for Administration of Certification of the GLP for Non-clinical Laboratory Studies (藥物非臨床研究質量管理規範認證管理辦法) promulgated on January 19, 2023 and implemented since July 1, 2023 by the NMPA, applying for the GLP certification is required for institutions that intend to conduct non-clinical safety evaluation studies in the PRC used for drug registration applications. The NMPA is in charge of the administration of the GLP certification

nationwide, while the provincial medical products administrative authorities are responsible for the daily supervision and administration of non-clinical safety evaluation studies institutions within the administrative region. The GLP Certificate will be issued by the NMPA with its approval if the relevant requirements for the GLP are satisfied by the applicant. The valid period for the GLP certificate lasts for 5 years. Any entity without such certification must engage a qualified third party to conduct such non-clinical studies regulated under relevant laws and regulations. Pursuant to the Administrative Regulations on Experimental Animals (實驗動物管理條例) issued by the State Science and Technology Commission on November 14, 1988, and latest amended on March 1, 2017 by the State Council, the Administrative Measures on Good Practice of Experimental Animals (實驗動物質量管理辦法) jointly issued by the State Science and Technology Commission and the State Bureau of Quality and Technical Supervision on December 11, 1997, and the Administrative Measures on the Certificate for Experimental Animals (Trial) (實驗動物許可證管理辦法(試行)) issued by the Ministry of Science and Technology and other regulatory authorities on December 5, 2001 and implemented since January 1, 2002, using and breeding experimental animals shall be subject to certain rules, and performing experiments on animals requires a Certificate for Use of Experimental Animals. Any entity without such certification must engage a qualified third party to conduct such non-clinical studies regulated under relevant laws and regulations.

Approval of Clinical Trials

Pursuant to the Administrative Measures for Drug Registration, an applicant that applies for a drug clinical trial after completion of the pharmaceutical, pharmacological and toxicological research, etc., which support the drug clinical trial, shall submit relevant research materials according to the requirements for application materials. The application materials shall be accepted if they are deemed acceptable upon formal examination. The CDE shall organize pharmaceutical, medical and other technicians to review the accepted application for the drug clinical trial. A decision on approval or non-approval of the application for clinical trials of drugs shall be made within 60 days from acceptance of application, and the applicant shall be notified of the examination and approval outcome through the CDE website; where the applicant is not notified within the stipulated period, the application shall be deemed approved, and the applicant may conduct clinical trial of drugs in accordance with the submitted scheme.

According to the Circular on Drug Clinical Trial Information Platform (關於藥物臨床試驗信息平台的公告) issued by the CFDA on September 6, 2013, all clinical trials approved by the NMPA and conducted in the PRC shall complete clinical trial registration and publish trial information through the Drug Clinical Trial Public Information Platform. The applicant shall complete the initial registration of the trial within one month after obtaining the approval of the drug clinical trial to obtain an exclusive trial registration number and complete the subsequent information registration before the first participant is enrolled in the trial.

Phases of Clinical Trials and Communication with the CDE

Pursuant to the Drug Administration Law (藥品管理法), drug clinical trials shall be carried out in a clinical trial institution with corresponding conditions. The conditions that clinical trial institution should satisfy shall mainly comply with the relevant requirements of Administrative Regulations for Drug Clinical Trial Institutions (藥物臨床試驗機構管理規定), which came into effect on December 1, 2019. Such drug clinical trial institutions shall be subject to filing administration. Institutions that only engage in analysis of biological samples related to drug clinical trials shall not be subject to filing. The NMPA is responsible for setting up a filing management information platform for drug clinical trial institutions for registration, filing and operation management of drug clinical trial institutions, as well as the entry, sharing and disclosure of information on supervision and inspection of the drug regulatory authority and competent healthcare authority.

According to the Administrative Measures for Drug Registration, based on the drug's characteristics and the purpose of research, clinical trials of drugs consist of phase 1, 2, 3 and 4 clinical trials, as well as the bioequivalence trials, contents of which include clinical pharmacology research, exploratory clinical trials, confirmatory clinical trials and post- marketing research. Clinical trials shall be conducted in accordance with the provisions of the PRC GCP, including the preparation for clinical trials, clinical trial protocols, responsibilities of sponsors and investigators, and protection of subjects, etc. Pursuant to the Administrative Measures for Communication on Drug Development and Technical Reviews (藥物研發與技術審評溝通交流管理辦法) issued by the CDE on April 3, 2026, during the research and development, and application for registration stages of innovative drugs, the applicant may propose communication sessions with the CDE. The forms of communication can be face-to-face conference, video conference, telephone conference or written replies. The communication sessions are classified into three types. Type I sessions are held to address the material safety issues encountered in the clinical trials of drugs and the significant technical issues in the research and development process of breakthrough therapeutic drugs. Type II sessions are held during the key research and development stages of drugs, mainly including the sessions held prior to the application of IND, the sessions held upon completion of phase 2 clinical trials and prior to commencement of phase 3 clinical trials of new drugs, the sessions held prior to application for marketing approvals of new drugs, and the risk evaluation and control sessions. Type III sessions are those sessions not falling into the categories of Type I or II sessions.

International Multi-Center Clinical Trial

Pursuant to the International Multi-Center Clinical Trial Guidelines (Trial) (國際多中心藥物臨床試驗指南(試行)) issued by the CFDA on January 30, 2015 and effective from March 1, 2015, applicants may simultaneously conduct clinical trials in different centers of multiple regions using the same clinical trial protocol, or conduct regional clinical trials simultaneously in multiple centers in different countries within a certain region using the same protocol. Where the data derived from the international multi-center clinical trials are to be used for application for a drug registration in the PRC, it shall satisfy the requirements for clinical trials set forth in the Administrative Measures for Drug Registration. Where the applicant plans to conduct the international multi-center clinical trials in the PRC, it shall comply with the Drug Administration Law, the Implementing Rules for the Drug Administration Law and the Administrative Measures for Drug Registration and other relevant laws and regulations, to carry out the PRC GCP with reference to internationally recognized principles such as the ICH-GCP, and to meet the requirements of the laws and regulations of the relevant countries at the same time. In addition, the NMPA issued the Technical Guiding Principles for the Acceptance of Overseas Clinical Trial Data of Drugs (接受藥品境外臨床試驗數據的技術指導原則) on July 6, 2018 to guide work related to the acceptance of overseas clinical trial data as clinical evaluation reference by the applicant applying for the registration of drugs in the PRC.

Registration and Application of New Drugs

According to the Administrative Measures for Drug Registration, the drug registration administration shall be categorized into traditional Chinese drugs, chemical drugs and biological products; among them, the registration of chemical drugs shall be categorized into innovative chemical drugs, improved new chemical drugs, generic chemical drugs, etc.

Pursuant to the Reform Plan for Registration Category of Chemical Medicine (化學藥品註冊分類改革工作方案) issued by the CFDA on March 4, 2016, new registration of chemical drugs are divided into 5 categories: (i) Category 1: innovative drugs that have not been marketed in the PRC or abroad and that contains new compounds with clear structure, pharmacological effects and clinical value, a category into which our product candidate fall; (ii) Category 2: improved new drugs that have not been marketed in the PRC or abroad with optimization in structure, dosage form, prescription technology, route of drug administration and indications on the basis of known active ingredients as well as obvious clinical advantages; (iii) Category 3: drugs imitated by domestic applicants which are marketed overseas while originator's drugs are not marketed in the PRC. Such

drugs should possess quality and efficacy in line with that of the originator's drugs (i.e. the first drugs approved to be marketed in the PRC or overseas with complete and sufficient safety and efficacy data to serve as the basis for its launch); (iv) Category 4: drugs imitated by domestic applicants while originator's drugs have been marketed in the PRC. The quality and efficacy of such drugs should be consistent with that of the originator's drugs; and (v) Category 5: drugs which have been marketed abroad with the applications to be marketed in the PRC. Among them, the reporting procedures for Category 1 and 2 shall comply with those for new drugs; the reporting procedures for Category 3 and 4 shall be in accordance with those for generic drugs; and the reporting procedures for Category 5 shall be reported pursuant to the procedures for imported drugs.

According to the Registration Classification of Chemical Drugs and the Reporting Information Requirements (化學藥品註冊分類及申報資料要求) issued by the NMPA on June 29, 2020 with implementation of the Registration Classification of Chemical Drugs from July 1, 2020, the registration of chemical drugs is categorized into innovative drugs, improved new drugs, generic drugs, and chemical drugs marketed abroad only. The Registration Classification of Chemical Drugs and the Reporting Information Requirements reaffirmed the classification principles for chemical drugs set forth by the Reform Plan for Registration Classification of Chemical Drugs (化學藥品註冊分類改革工作方案) and made further adjustments to the chemical drugs subclassifications of Category 2 and 5 among which as well as elaboration regarding the quality and efficacy requirements for generic drugs in Category 3 and 4; in addition, it is also proposed the registration requirements and reporting information requirements for various types of chemical drugs.

According to the Administrative Measures for Drug Registration, the applicant may submit an application for permission of the drugs registration for marketing ("**New Drug Application**") upon determining quality standards after completion of researches on pharmacy, pharmacology, toxicology, and clinical trials of drugs that support the registration of drugs for marketing and completing the commercial-scale production process verification and preparations for receiving on-site inspections. The New Drug Application shall be evaluated by the NMPA in accordance with applicable laws and regulations.

Accelerated Approval for Clinical Trial and New Drug Registration

The Opinions of the State Council on the Reform of Evaluation and Approval System for Drugs and Medical Devices (國務院關於改革藥品醫療器械審評審批制度的意見) issued by the State Council on August 9, 2015 has established a reform framework of the evaluation and approval system for drugs and medical devices, and specified the tasks of enhancing the standards of approval for, among others, drug registration, accelerating the evaluation and approval process for innovative drugs, and improving the approval for clinical trials of drugs.

The Announcement on Several Policies on Drug Registration Review and Approval (關於藥品註冊審評審批若干政策的公告) issued by the CFDA on November 11, 2015 has provided fast-track clinical trial approvals and drug registration pathways for the following new drug applications: (i) registration of innovative new drugs treating HIV, malignant tumors (cancers), severe infectious diseases and rare diseases; (ii) registration of pediatric drugs; (iii) registration of geriatric drugs and drugs treating diseases specially or commonly contracted by the senior population; (iv) registration of drugs listed in national major science and technology projects or national key research and development plan; (v) registration of innovative drugs using advanced technology or innovative treatment methods, or having distinctive clinical benefits; (vi) registration of foreign innovative drugs to be manufactured locally in China; (vii) concurrent applications for new drug clinical trials which are already approved in the United States or the European Union or concurrent drug registration applications for drugs which have applied to the competent drug approval authorities for marketing authorization and passed such authorities' onsite inspections in the United States or European Union and are manufactured using the same production line in China; and (viii) clinical trial applications for drugs with urgent clinical need and patent expiry within three years, and manufacturing authorization applications for drugs with urgent clinical need and patent expiry within one year.

On October 8, 2017, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Deepening the Reform of the Evaluation and Approval System and Encouraging Innovation of Drugs and Medical Devices (關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見), aiming to simplify the clinical trial procedures and shorten the time. For new drugs and medical devices urgently needed in clinical practice and drugs and medical devices used for the treatment of rare diseases, the evaluation and approval procedures for marketing shall be accelerated.

Furthermore, according to the Announcement on Matters Concerning the Optimization of Drug Registration Review and Approval (關於優化藥品註冊審評審批有關事宜的公告) jointly issued by the NMPA and the NHC on May 17, 2018, the drug approval process shall be further streamlined and expedited.

Pursuant to the provisions of the Procedures for the Evaluation of Breakthrough Therapeutic Drugs (Trial) (突破性治療藥物審評工作程序(試行)) issued by the NMPA on July 7, 2020, during the clinical drug trials, the applicant is allowed to apply for the breakthrough therapeutic drug procedure during phase 1 and phase 2 clinical trials and normally no later than the commencement of phase 3 clinical trials for the innovative or improved drugs etc. which are used for the prevention and treatment of diseases that seriously endanger life or seriously affect quality of life and there is no effective means of prevention and treatment or there is sufficient evidence to show a significant clinical advantage over existing treatment approach.

The Administrative Measures for Drug Registration has integrated the previous reform in respect of the accelerated approval for clinical trial and drug marketing registration and introduced four procedures for expedited marketing registration of drugs, which are procedures for breakthrough therapeutic drugs, procedures for conditional approval, procedures for prioritized review and approval, and procedures for special examination and approval:

Procedures for breakthrough therapeutic drugs: during the drug clinical trials, for an innovative drug or improved new drug used for prevention and treatment of life-threatening illnesses or illnesses which have a serious impact on quality of life and for which there is no other effective prevention and treatment method or there is adequate evidence to prove that the said innovative drug or improved new drug has obvious clinical advantages over existing treatment approach, the applicant may request for application of procedures for breakthrough therapeutic drugs.

Procedures for conditional approval: during the drug clinical trials, for drugs which fall under the following circumstances, an application for conditional approval of marketing registration may be submitted (i) for drugs for treatment of life-threatening illnesses for which there is no effective treatment approach, the clinical trial of drugs already has data to prove efficacy and is able to forecast the clinical value; (ii) for drugs urgently needed for public health, the clinical trial of drugs already has data to prove efficacy and is able to forecast the clinical value; and (iii) for other vaccines urgently needed for major public health emergencies or deemed by the NHC to be urgently needed, its benefits outweigh the risks according to the evaluation.

Procedures for prioritized review and approval: at the time of the drug marketing registration, drugs have obvious clinical value may apply for application of procedures for prioritized review and approval, including (i) clinically and urgently needed but insufficient drug, innovative drugs and improved new drugs for prevention and treatment of major contagious diseases and rare diseases; (ii) new pharmaceutical product types, dosage form and specifications of pediatric drugs which comply with pediatric physiological characteristics; (iii) vaccines and innovative vaccines urgently needed for prevention and control of diseases; (iv) drugs included in the procedures for breakthrough therapeutic drug; (v) drugs which comply with conditional approval criteria; and (vi) other circumstances of prioritized review promulgated by the NMPA.

Procedures for special examination and approval: at the time of a threat or occurrence of public health emergency, the NMPA may, in accordance with law, decide to implement special examination and approval for urgently needed drug required for the prevention and treatment during the public health emergency.

Marketing Authorization Holder ("MAH") System

Pursuant to Drug Administration Law, the drug marketing authorization holder system has been implemented for drug management in the PRC. The drug marketing authorization holder refers to an enterprise or a drug research and development institution that has obtained the drug registration certificate, which is responsible for the safety, efficacy and controlled quality of medicine during the whole process of drug development, production, operation and utilization processes in accordance with laws. The marketing authorization holders shall be liable for non-clinical study, clinical trial, manufacturing and business operation, post-market launch study, monitoring, reporting and handling of adverse reactions of the pharmaceuticals. The legal representative and the key person-in-charge of a drug marketing authorization holder shall be fully responsible for the quality of drugs.

The drug marketing authorization holders may produce drugs by themselves or entrust drug manufacturers with the production of such drugs; they may sell drugs with a drug registration permit on their own or through entrusting qualified drug operating enterprises. Blood products, anesthetics, psychotropic drugs, toxic drugs for medical use and pharmaceutical precursor chemicals are in principle not allowed to be produced through entrustment.

The drug marketing authorization holders shall establish a pharmaceutical quality assurance system, equipped with specialized staff solely responsible for the management of drug quality; the drug marketing authorization holders shall regularly review the quality management system of the drug manufacturer and the drug distributor, and supervise their continuous quality assurance and control capabilities. The drug marketing authorization holders, drug manufacturers, drug distributors and medical institutions shall establish and implement a drug traceability system, provide traceability information in accordance with regulations and ensure that drugs are traceable.

The implementation and oversight of the MAH system involve a multi-tiered regulatory framework in the PRC, with the following key authorities:

- **NMPA:** As the core regulatory authority for the MAH system, the NMPA is responsible for the issuance of Drug Registration Certificates, the qualification review of MAHs, and full lifecycle supervision. Its mandates include the approval of clinical trials, inspection of manufacturing sites, and monitoring of adverse drug reactions. The NMPA exercises these powers in accordance with the Drug Administration Law and the Administrative Measures for Drug Registration.

- **CDE:** The CDE is responsible for conducting specific technical reviews related to MAH applications. This includes the evaluation of drug registration submissions (such as Investigational New Drug and New Drug Application filings), the review of clinical trial protocols, and providing technical guidance and communication to applicants.

- **Provincial drug regulatory department:** These local authorities are responsible for territorial supervision. Their duties include overseeing Good Manufacturing Practice compliance of entrusted production enterprises within their jurisdictions, conducting routine inspections, and verifying reports of adverse drug reactions.

Pharmacovigilance

Pursuant to the Pharmacovigilance Quality Control Specifications (藥物警戒質量管理規範) issued by the NMPA on May 7, 2021 and implemented from December 1, 2021, drug marketing authorization holders and drug registration applicants who are permitted to implement drug clinical trials shall establish the pharmacovigilance system to monitor, identify, evaluate and control adverse drug reactions and other drug-related harmful reactions through the effective operation and maintenance of the system. The drug marketing authorization holders shall initiate quality objectives for pharmacovigilance and establish quality assurance system for quality management on pharmacovigilance system and activities with an aim to consistently improve the efficiency of the system and ensure the compliance of the activities with the relevant laws and regulations. The legal representative and the key person-in-charge of a drug marketing authorization holder shall be fully responsible for the pharmacovigilance activities. The drug marketing authorization holders shall complete the information registration in the National Adverse Drug Reaction Monitoring System within 30 days upon the date of obtaining the first drug approval document.

Filing for Gathering and Collection of Human Genetic Resources

Pursuant to the Service Guide for Administrative Licensing of Gathering, Collection, Deal, Export and Exit Approval of Human Genetic Resources of Human Genetic Resources (人類遺傳資源採集、收集、買賣、出口、出境審批行政許可事項服務指南) promulgated by the Ministry of Science and Technology on July 2, 2015, the sampling, collection or research activities of human genetic resources by a foreign-invested sponsor fall within the scope of international cooperation, and the cooperating organization of China shall apply for approval of the China Human Genetic Resources Management Office through the online system. The Ministry of Science and Technology promulgated the Circular on Optimizing the Administrative Examination and Approval of Human Genetic Resources (關於優化人類遺傳資源行政審批流程的通知) on October 26, 2017, which became effective on December 1, 2017, simplifying the approval of sampling and collecting human genetic resources for the purpose of marketing a drug in the PRC.

According to the Regulation of the People's Republic of China on the Management of Human Genetic Resources (中華人民共和國人類遺傳資源管理條例), as promulgated by the State Council on May 28, 2019, effective on July 1, 2019, and revised on March 10, 2024, in order to obtain marketing authorization for relevant drugs and medical devices in China, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resources materials. However, the two parties should file the type, quantity and usage of the human genetic resources to be used with the competent health department under the State Council before clinical trials. On May 26, 2023, the Ministry of Science and Technology issued the Implementing Rules of the Administrative Regulations on Human Genetic Resources (人類遺傳資源管理條例實施細則), which became effective from July 1, 2023, further specifying the requirements for the collection, preservation, use, and outbound offering of the human genetic resources in the PRC.

On October 17, 2020, the NPCSC promulgated the Biosecurity Law of the PRC (中華人民共和國生物安全法) ("**Biosecurity Law**"), which became effective on April 15, 2021 and was revised on April 26, 2024, establishing a comprehensive legislative framework on the current regulations in the areas including epidemic control of human, animal and plant infectious diseases, security of biotechnology research, development and application, biosafety management of pathogenic microbiology laboratories, security management of human genetic resources and biological resources, countermeasures against microbial resistance and prevention of bioterrorism and threat of biological weapons. According to the Biosecurity Law, the high-risk and medium-risk biotechnology research and development activities shall be carried out by legal entities lawfully established in the PRC, and shall be approved or filed; the establishment of a pathogenic microbiology laboratory shall be lawfully approved or filed; the approval from the competent health department under the State Council is required for the following activities: (i) collecting human genetic resources of important genetic families or specific areas in the PRC, or collecting human

genetic resources of which the types and quantities are subject to provisions of the competent health department under the State Council, (ii) preserving human genetic resources of the PRC, (iii) using human genetic resources of the PRC to carry out international scientific research cooperation, or (iv) transporting, mailing or exiting human genetic resource materials of the PRC.

Drug Manufacturing License

According to the Drug Administration Law and the Implementing Rules for the Drug Administration Law, when engaging in pharmaceutical manufacturing activities, an enterprise must obtain a Drug Manufacturing License (藥品生產許可證) granted by the drug regulatory authority of the people's government of the province, autonomous region, or municipality directly under the central government at the place where the enterprise is located. No medicinal products shall be manufactured without a Drug Manufacturing License. The drug regulatory authority of the people's government of the province, autonomous region, or municipality directly under the central government shall organize acceptance inspection for an enterprise subject to the following conditions, and issue a drug manufacturing license if the acceptance inspection is passed: (i) it shall be staffed with legally certified pharmaceutical technical personnel, engineering technical personnel, as well as corresponding skilled workers; (ii) it shall have factory premises, facilities and a sanitary environment suitable for the drugs produced; (iii) it shall have institutions and personnel capable of managing and inspecting the quality of the drugs produced, as well as necessary instruments and equipment; and (iv) it shall have rules and regulations to ensure the quality of drugs. Each Drug Manufacturing License is valid for a period of five years. If an enterprise holding the Drug Manufacturing License needs to continue the manufacturing of drugs upon the expiration of the license, the enterprise should apply for renewal in compliance with the regulation of the drug regulatory authority under the State Council six months prior to the expiration of the license.

The administration of the Drug Manufacturing License operates under a two-tier regulatory framework. The NMPA, acting as the central competent authority under the state council, is responsible for formulating national policies, technical standards, and supervision guidelines for drug manufacturing. However, the specific authority empowered to grant, inspect, and renew the Drug Manufacturing License is the provincial drug regulatory department where the manufacturing enterprise is physically located. These provincial departments execute the acceptance inspections and issue the licenses in strict accordance with the standards and regulations established by the NMPA.

GMP

The good manufacturing practices (藥品生產質量管理規範) ("**GMP**") was first promulgated on March 17, 1988 and subsequently revised on December 28, 1992 by the Ministry of Health. After the establishment of the NMPA, the GMP was amended on June 18, 1999 and became effective on August 1, 1999. As further amended by the Ministry of Health on January 17, 2011 and effective on March 1, 2011, the GMP stipulates the basic standards for pharmaceutical production which cover various areas including production plants and facilities, qualification of management personnel, documentation, material packaging and labeling, testing, production management, sales and return of products, and complaints of customers.

On August 2, 2011, the CFDA issued the Circular on Printing and Distributing the Administrative Measures for the Certification of Good Manufacturing Practice (關於印發藥品生產質量管理規範認證管理辦法的通知), which provided that newly established drug manufacturers, or existing drug manufacturers that wish to expand manufacturing scope or build new workshops shall apply for the GMP certification in accordance with the Implementing Rules for the Drug Administration Law. Those drug manufacturers that have already obtained the GMP certificates shall re-apply for the GMP certification within six months prior to the expiration date of the GMP certificates. On December 30, 2015, the CFDA issued the Notice on Effectively Implementing the

Good Manufacturing Practice (關於切實做好實施藥品生產質量管理規範有關工作的通知), which provided that those drug manufacturers that failed to obtain the GMP certificates shall not be granted the drug manufacturing license.

On November 29, 2019, the NMPA issued the Announcement on Matters relating to the Implementation of the Drug Administration Law of the PRC (關於貫徹實施<中華人民共和國藥品管理法>有關事項的公告), which confirmed that the GMP certification would be canceled from December 1, 2019, and no application for GMP certification would be accepted and no GMP certificate would be granted. However, according to the Drug Administrative Law, drug manufacturers shall still comply with the GMP, establish and improve the GMP system, and ensure the whole drug production process is consistently in compliance with statutory requirements.

The Administrative Measures for Drug Inspection (Trial) (藥品檢查管理辦法(試行)) was issued by the NMPA on May 24, 2021 and revised on July 19, 2023, and the Administrative Measures for the Certification of Good Manufacturing Practice was repealed. The Administrative Measures for Drug Inspection (Trial) provides that onsite inspections shall be conducted pursuant to the GMP on a drug manufacturer applying for the Drug Manufacturing License for the first time, while for the drug manufacturers applying for the renewal of Drug Manufacturing License, the review shall be conducted based on the risk management principles, in combination with the drug manufacturers' compliance with the laws and regulations of drug administration, and the operation of the GMP and quality management system, and inspections on the drug manufacturers' conformity to the GMP may be conducted where necessary.

Entrusted Manufacturing of Drugs

Pursuant to the Measures on the Supervision and Administration of the Manufacture of Drugs (藥品生產監督管理辦法) promulgated by the State Administration for Market Regulation on December 11, 2002 and last amended on January 22, 2020 and effective from July 1, 2020, the drug marketing authorization holders may entrust qualified drug manufacturing enterprises with drug production, provided that they shall evaluate the entrusted party's quality assurance capabilities and risk management capabilities. They shall also sign the quality agreement and the entrustment agreement with the entrusted party in accordance with the requirements of the guidelines for entrusted drug production promulgated by the NMPA and supervise the fulfillment of the obligations agreed by the entrusted party in the agreement; the entrusted party shall not recommission the production of the drugs it agreed to be entrusted to another third party. The drug marketing authorization holders shall establish a pharmaceutical quality assurance system, equipped with specialized staff solely responsible for the quality of medicines management. They shall regularly review the quality management system of the drug manufacturer and the drug distributor and supervise its continuous quality assurance and control capabilities.

Drug Operation License

According to the Drug Administration Law, the Measures for the Supervision and Administration of Drug Quality in Operation and Usage (藥品經營和使用質量監督管理辦法), which was issued by the SAMR on September 27, 2023 and came into effect on January 1, 2024, whoever engages in the wholesale or retail of drugs shall be subject to the approval of the drug regulatory authority, obtain a Drug Operation License in accordance with the law. The drug marketing authorization holders may sell the drugs for which they have obtained drug registration certificate on their own or entrust a drug operating enterprise with the sale of such drugs. However, the drug marketing authorization holders engaged in retail activities of drugs shall obtain a Drug Operation License. Each Drug Operation License is valid for five years. Where it is necessary to continue the operation of drugs upon the expiration of the period of validity of the Drug Operation License, a drug operating enterprise shall file an application with the license-issuing organ for re-examination and issuance of license in 6 to 2 months before the expiration of the period of validity.

OTHER RELEVANT REGULATIONS IN THE PRC PHARMACEUTICAL INDUSTRY

Coverage of the National Medical Insurance Program

The national medical insurance program was first adopted according to the Decision of the State Council on the Establishment of the Urban Employee Basic Medical Insurance Program (國務院關於建立城鎮職工基本醫療保險制度的決定) issued by the State Council on December 14, 1998. On July 10, 2007, the State Council issued the Guiding Opinions of the State Council about the Pilot Urban Resident Basic Medical Insurance (國務院關於開展城鎮居民基本醫療保險試點的指導意見), further enlarged the coverage of the basic medical insurance program, under which urban residents of the pilot district, rather than urban employees, may voluntarily join the Urban Resident Basic Medical Insurance. In addition, on January 3, 2016, the Opinions on Integrating the Basic Medical Insurance Systems for Urban and Rural Residents (國務院關於整合城鄉居民基本醫療保險制度的意見) issued by the State Council required the integration of the urban resident basic medical insurance and the new rural cooperative medical care system and the establishment of a unified basic medical insurance system, which will cover all urban and rural residents other than rural migrant workers and persons in flexible employment arrangements who participate in the basic medical insurance for urban employees.

Pursuant to Interim Measures for the Administration of Drug Use in Basic Medical Insurance (基本醫療保險用藥管理暫行辦法) issued by the National Healthcare Security Administration on July 30, 2020, and became effective on September 1, 2020, the scope of medical insurance coverage for pharmaceutical products needs to be managed through the formulation of the Medical Insurance Catalogue (基本醫療保險藥品目錄), the cost of drugs falls under which shall be paid by the Basic Medical Insurance Fund in accordance with regulations in the PRC. The pharmaceutical products listed in the PRC Medical Insurance Catalogue shall be chemical drugs, biological products, traditional Chinese drugs (including ethnic drugs) and Chinese medicine decoction pieces prepared according to national standards, all of which shall be clinically needed, safe and effective, and reasonably priced, with approval from the drug administration department in the PRC and obtainment of drug registration certificates. The administrative department of medical insurance under the State Council established and improved the dynamic adjustment mechanism so that the Medical Insurance Catalogue shall be adjusted once a year in principle. On the premise of meeting clinical needs, the medical insurance designated medical institutions are required to prioritize the preparation and utilization of drugs listed in the Medical Insurance Catalogue.

Pursuant to Interim Measures for the Administration of Drug Use in Basic Medical Insurance, expenses incurred by insured persons using drugs listed in the Medical Insurance Catalogue may be paid by the Basic Medical Insurance Fund with satisfaction of the following: (i) they are for the purpose of diagnosis or treatment of diseases; (ii) the diagnosis and treatment are in line with their conditions, the legal indications of the drugs, and the limited payment scope of the medical insurance; (iii) they are supplied by the designated medical institutions in compliance with the regulations, except for emergency and rescue medicines; (iv) the drug expenses paid by the unified fund shall be based on prescriptions from physicians or hospitalization instructions; and (v) they are examined by pharmacists or licensed pharmacists through the prescribed procedures. Western medicines and traditional Chinese drugs are divided into "Class A drugs" and "Class B drugs." The use of "Class A drugs" is paid for by the insured according to the payment standards and sharing methods stipulated by the basic medical insurance; the use of "Class B drugs" is paid for according to the payment standards stipulated by the basic medical insurance, with a certain percentage paid out of pocket by the insured first, and then paid for according to the sharing methods stipulated by the basic medical insurance. The proportion of out-of-pocket payments for "Class B drugs" is determined by the administrative department of medical insurance in provinces or regions subject to its overall planning.

National Essential Drug List

According to the Circular on the Printing and Distribution of the Administrative Measures for the National Essential Drug List (關於印發國家基本藥物目錄管理辦法的通知) issued on February 13, 2015, the Opinions of the General Office of the State Council on Improving the National Essential Drugs System (國務院辦公廳關於完善國家基本藥物制度的意見) issued on September 13, 2018 and the National Essential Drug List (2018 version) (國家基本藥物目錄(2018年版)) ("**National Essential Drug List**") issued by the NHC on September 30, 2018 and effective from November 1, 2018, basic healthcare institutions funded by the government, which primarily include county-level hospitals, county-level Chinese medicine hospitals, rural clinics and community clinics, shall store up and use drugs listed in the National Essential Drug List. The drugs listed in the National Essential Drug List shall be purchased by centralized tender process and shall be subject to the price control by the National Development and Reform Commission ("**NDRC**"). Remedial drugs listed in the National Essential Drug List are all listed in the Medical Insurance Catalogue and the entire amount of the purchase price of such drugs is entitled to reimbursement.

Drug Price Management

Pursuant to the Opinions on Promoting Drug Pricing Reform (推進藥品價格改革的意見), which was jointly promulgated by the authorities including the NDRC on May 4, 2015, from June 1, 2015, the original prices of the drugs formulated by the government will be canceled, except for narcotic drugs and Class I psychotropic drugs. The prices of narcotic drugs and Class I psychotropic drugs are still temporarily managed by the NDRC through the implementation of maximum factory prices and maximum retail prices. The drugs other than the narcotic drugs and Class I psychotropic drugs no longer adopted government-designated pricing.

Ethical Business Practices

Healthcare providers, doctors and others play a primary role in the recommendation and prescription of any products for which we obtain regulatory approval. If we obtain the approval for any of our drug candidates and begin commercializing our approved drugs in China in the future, our operations become subject to various PRC fraud and abuse laws, including the PRC Anti-Unfair Competition Law (中華人民共和國反不正當競爭法) and PRC Criminal Law (中華人民共和國刑法). Notably, since 2023, the National Health Commission (NHC), in conjunction with multiple other departments, has launched a year-long nationwide campaign to rectify corruption in the pharmaceutical sector. This initiative is supported by detailed regulatory rules such as the Guiding Opinions on Further Standardizing Medical Conduct and Promoting Rational Medical Examinations and the Nine Principles for Integrity in Practice for Medical Institution Staff. These specific regulations explicitly prohibit the disguised transfer of benefits under the guise of academic promotion, research collaboration, or consulting fees; strictly restrict pharmaceutical representatives from entering clinical areas without prior registration; and mandate the establishment of a "blacklist" system to penalize non-compliant enterprises and individuals. Furthermore, regulatory authorities have intensified penetrative audits regarding the authenticity of academic conferences and the flow of sponsorship funds, requiring companies to establish robust internal compliance controls to ensure the legitimacy and reasonableness of marketing expenditures. As advised by our PRC Legal Advisor, we have been in compliance with applicable anti-bribery, anti-corruption, and anti-kickback laws in all material respects during the Track Record Period and up to the Latest Practicable Date.

OTHER SIGNIFICANT PRC REGULATIONS AFFECTING OUR BUSINESS ACTIVITIES IN THE PRC

Laws and Regulations relating to Company Law and Foreign Investment

The establishment, operation and management of enterprises in the PRC are governed by the Company Law of the PRC (中華人民共和國公司法) ("**Company Law**"), which was promulgated by the NPCSC on December 29, 1993 and became effective on July 1, 1994. It was subsequently amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018, and December 29, 2023, respectively. Pursuant to the Company Law, companies are classified into two categories, namely limited liability companies and limited companies by shares. The Company Law shall also apply to foreign-invested limited liability companies and companies limited by shares. According to the Company Law, the provisions otherwise prescribed by the laws on foreign investment shall prevail.

On March 15, 2019, the National People's Congress ("**NPC**") issued the Foreign Investment Law of the People's Republic of China (中華人民共和國外商投資法) ("**Foreign Investment Law**"), which came into effect on January 1, 2020 and the Sino-Foreign Equity Joint Venture Enterprise Law of the People's Republic of China (中華人民共和國中外合資經營企業法), the Wholly Foreign-Invested Enterprise Law of the People's Republic of China (中華人民共和國外資企業法), and the Cooperative Joint Venture Enterprise Law of the People's Republic of China (中華人民共和國合作經營企業法) were simultaneously abolished. Since then, the Foreign Investment Law has become the basic law regulating foreign-invested enterprises wholly or partially invested by foreign investors. According to the Foreign Investment Law and the Implementation Regulations for the Foreign Investment Law of the PRC (中華人民共和國外商投資法實施條例) issued by the State Council on December 26, 2019, with effect from January 1, 2020, "foreign investment" refers to the investment activities in the PRC carried out directly or indirectly by foreign individuals, enterprises or other organizations ("**Foreign Investors**"), including the following: (i) Foreign Investors establishing foreign-invested enterprises in the PRC alone or collectively with other investors; (ii) Foreign Investors obtaining shares, equities, shares of properties or other similar equities of Chinese domestic enterprises; (iii) Foreign Investors investing in new projects in the PRC alone or collectively with other investors; (iv) Foreign Investors investing through other ways prescribed by laws and regulations or the State Council. The provisions of the Company Law, the Partnership Enterprise Law of the People's Republic of China (中華人民共和國合夥企業法) and other laws shall apply to the form of organization of a foreign-invested enterprise, its organizational structure and the rules governing its activities.

Currently investment activities in the PRC by foreign investors are primarily governed by the (i) Special Administrative Measures for the Access of Foreign Investment (Negative List) (Edition 2024) (外商投資准入特別管理措施(負面清單)(2024年版)), which were promulgated by MOFCOM and the National Development and Reform Commission ("**NDRC**") in September 2024 and came into effect since November 1, 2024, and (ii) Special Administrative Measures (Negative List) for the Access of Foreign Investment in Pilot Free Trade Zones (Edition 2021) (自由貿易試驗區外商投資准入特別管理措施(負面清單) (2021年版)) (collectively, "**Negative Lists**"), which were promulgated by MOFCOM and the NDRC in December 2021 and came into effect since January 1, 2022. The Negative Lists set out the special administrative measures in a unified manner in respect of the access of foreign investments, such as the industries that are prohibited for foreign investment, the limits on shareholding percentages of foreign investors and the requirements on the participation of foreign investors in the operation and management. The Negative Lists cover 11 industries, and any field not falling in the Negative Lists shall be administered under the principle of equal treatment for domestic and foreign investment. Our business as currently conducted does not fall within the confines of the Negative Lists and is not subject to foreign investment restrictions.

The Measures for the Administration of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (關於外國投資者併購境內企業的規定) is a core regulatory instrument governing cross-border M&A activities involving foreign investors in the PRC. Aligned with the upper-level legal framework of the Foreign Investment Law of the PRC, it clarifies that foreign investors conducting equity-based or asset-based mergers and acquisitions of domestic enterprises must adhere to the restrictions specified in the Negative List for Foreign Investment Access. Mergers and acquisitions involving key industries or posing potential impacts on national economic security are subject to special review procedures. Asset pricing in such transactions must be based on legally recognized valuation results to prohibit disguised capital transfer, and enterprises with foreign investment accounting for less than 25% are not entitled to preferential treatments applicable to foreign-invested enterprises. Foreign exchange registration, capital settlement, and other related matters arising from overseas investors' mergers and acquisitions must comply with national foreign exchange administration regulations, and funds shall not be used for prohibited purposes. Additionally, if a merger or acquisition involves sensitive elements such as human genetic resources or important data, it must also comply with relevant regulatory requirements on biosecurity and cross-border data transfer security.

The PRC implements a pre-access national treatment plus negative list management system for foreign investment, which means that foreign investors and their investments are given treatment no less favorable than that accorded to domestic investors and their investments at the stage of investment access; while the "negative list" refers to special administrative measures for access of foreign investment in specific fields as stipulated by the PRC. The national treatment shall be granted to foreign investments outside of the negative list.

The Measures on Reporting Foreign Investment Information (外商投資信息報告辦法) was issued by MOFCOM and State Administration for Market Regulation on December 30, 2019 and came into effect on January 1, 2020, pursuant to which, for foreign investors carrying out investment activities directly or indirectly in the PRC, the foreign investors or foreign-invested enterprises shall submit investment information to the commerce authorities pursuant to such measures. When submitting an annual report, a foreign-invested enterprise shall submit the information such as basic enterprise information, the information on investor and actual controller thereof, enterprise business operation, assets and liability, as well as the relevant industry license information, if any special administrative measure for foreign investment access is involved.

Laws and Regulations on Outbound Investment

Pursuant to the Administrative Measures on Outbound Investments (境外投資管理辦法) issued by MOFCOM on March 16, 2009 and amended on September 6, 2014, and the Administrative Measures for the Outbound Investments of Enterprises (企業境外投資管理辦法) issued by the NDRC on December 26, 2017, and effective from March 1, 2018, if an enterprise in the PRC intends to make outbound investments, it shall be subject to approval or filing for the project, report relevant information, and cooperate in the supervisory inspections. Non-sensitive projects directly conducted by domestic enterprise in China, involving direct contribution of assets or rights and interests or provision of financing or security, shall be subject to filing.

Laws and Regulations relating to Foreign Exchange

The principal law governing foreign currency exchange in the PRC is the Foreign Exchange Administration Regulations of the PRC (中華人民共和國外匯管理條例) ("**Foreign Exchange Administration Regulations**"). The Foreign Exchange Administration Regulations were enacted by the State Council on January 29, 1996 and implemented on April 1, 1996. On January 14, 1997 and August 5, 2008, the State Council amended the Foreign Exchange Administration Regulations. According to the Foreign Exchange Administration Regulations, international payments in foreign currencies and transfer of foreign currencies under current items shall not be restricted. Foreign

currency transactions under the capital account are still subject to limitations and require approvals from, or registration with, the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理總局) ("**SAFE**") or its local counterpart and other relevant PRC governmental authorities.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (國家外匯管理局關於境外上市外匯管理有關問題的通知) issued by the SAFE and implemented on December 26, 2014, a domestic company shall, within 15 business days from the date of the end of its overseas listing issuance, register the overseas listing with the local Foreign Exchange Administration at the place of its establishment. The proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the document or company securities offering documents, circulars of the shareholders, resolutions from the Board of Directors or at the shareholders' meetings, and other disclosure documents.

According to the Circular of SAFE on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (國家外匯管理局關於改革和規範資本項目結匯管理政策的通知) ("**SAFE Circular 16**") promulgated on June 9, 2016, and revised on December 4, 2023, by the SAFE, the Discretional Foreign Exchange Settlement shall be unified for all the domestic institutions, while the use of foreign exchange incomes of capital projects by domestic institutions shall follow the principles of authenticity and self-use within the business scope of enterprises. The SAFE Circular 16 stipulates that the foreign exchange proceeds under the capital account of and the Renminbi funds obtained from foreign exchange settlement by a domestic institution may be used for expenditures under the current account within its business scope or the expenditures under the capital account permitted by the laws and regulations. The foreign exchange proceeds under the capital account of and the Renminbi funds obtained from foreign exchange settlement by a domestic institution (i) shall not be used directly or indirectly for expenditures beyond the business scope of the domestic institution or as prohibited by the laws and regulations; (ii) unless otherwise provided, shall not be used directly or indirectly for securities investments or other investments (except for wealth management products and structured deposits with risk rating not higher than level 2); (iii) shall not be used for offering loans to non-affiliated enterprises, unless expressly permitted by the business scope; (iv) shall not be used for the purchase of residential real estate not for self-use (except for enterprises engaged in real estate development and real estate leasing).

According to the Circular of SAFE on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (國家外匯管理局關於優化外匯管理支持涉外業務發展的通知) promulgated by the SAFE on April 10, 2020, the reform of facilitating the payments of incomes under the capital projects shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and complying with the prevailing administrative provisions on use of income from capital projects, enterprises which satisfy the criteria are allowed to use income under the capital account, including capital funds, foreign debt and overseas listing, for domestic payment, without the need to provide proof materials for veracity to the bank beforehand for each transaction.

Distribution of Dividends

Pursuant to the provisions of the Company Law, when distributing each year's profits after taxation, the company shall set aside 10% of its profits for the company's statutory common reserve fund until the fund has reached more than 50% of the company's registered capital. When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the current year's profits shall first be used to make good the losses before any allocation is set aside for the statutory common reserve fund. After the company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon the

resolution at a shareholders' general meeting, make further allocations from its profits after taxation to the discretionary common reserve fund. After the company has made good its losses and made allocations to its common reserve fund, the remaining profits after taxation shall be distributed to the shareholders.

On January 26, 2017, the SAFE issued the Notice on Promoting the Reform of Foreign Exchange Administration and Improving the Review of Authenticity and Compliance (關於進一步推進外匯管理改革完善真實合規性審核的通知) which provided that when processing the outward remittance of profits of a domestic institution equivalent to more than 50,000 US dollars, the bank shall, in light of the principle of genuine transaction, review the profit distribution resolution made by the board of directors (or by the partners), original tax filing form and audited financial statements relating to the outward remittance of profits, and chop on the original tax filing form to endorse the amount and date of the outward remittance. The domestic institution shall make up for its losses during the previous years according to the laws before remitting the profits.

Laws and Regulations Related to Intellectual Property Rights

Patents

Pursuant to the Patent Law of the PRC (中華人民共和國專利法) ("**Patent Law**") promulgated by the NPCSC on March 12,1984, and amended on September 4, 1992, August 25, 2000 December 27, 2008, and October 17, 2020, respectively, with the latest amendments effective from June 1, 2021, and the Implementation Rules of the Patent Law of the PRC (中華人民共和國專利法實施細則) promulgated by the State Council on June 15, 2001, with the latest amendments on December 11, 2023, effective from January 20, 2024, the patents in the PRC refer to invention, utility model and design. An invention or a utility model to be granted as a patent shall have novelty, inventiveness and practicality. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining, and approving patent applications. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model, or a fifteen-year term for a design, commencing from their respective application dates.

The term of an invention patent related to a new drug may be extended. According to the provisions of the Patent Law and the Implementation Rules of the Patent Law of the PRC, for the purpose of compensating for the time taken to examine and approve a new drug to be marketed, the patent administrative department under the State Council shall grant compensation to the validity period of patent rights for the invention patents of new drugs approved to be marketed in the PRC upon request of the patentee. The compensation period shall not exceed five years, and the total validity period of patent rights after a new drug is approved to be marketed shall not exceed 14 years. Applications for patent term extension must be filed within six months after the drug is marketed, and requires the submission of supporting documentation regarding clinical trials and the approval timeline. During the validity compensation period of patent rights, the scope of protection of the invention patent of a new drug is limited to the new drug and its approved indications-related technical solutions; within the scope of protection, the patentee enjoys the same rights and undertakes the same obligations as those before the validity compensation period.

On July 4, 2021, the NMPA and the National Intellectual Property Administration jointly issued the Implementation Measures for Early Resolution Mechanism of Pharmaceutical Patent Disputes (for Trial Implementation) (藥品專利糾紛早期解決機制實施辦法(試行)), which establishes an early resolution mechanism of pharmaceutical patent disputes; the pharmaceutical marketing authorization holder shall, within 30 days upon obtainment of pharmaceutical registration certificates, register the relevant pharmaceutical patent information on the PRC Marketing Pharmaceutical Product Patent Information Registration Platform (中國上市藥品專利信息登記平台). When an application is submitted by a chemical generic drug applicant for its marketing permit, he/she shall make declaration of each relevant pharmaceutical patent of the generic drugs in accordance with the disclosed patent information on the PRC Marketing Pharmaceutical Product Patent Information Registration Platform. Provided there are disputes from

the patentee or interested party considering the patent declaration, he/she may, within 45 days from the disclosure date of the drug marketing authorization application by drug evaluation institutions in the PRC, initiate legal proceedings in the People's Court or apply for an administrative ruling to the patent administration department of the State Council on whether the relevant technical solution of the drug under application falls within the scope of protection of the relevant patent right.

As advised by our PRC Legal Advisor and our legal advisors as to PRC intellectual property laws, as of the Latest Practicable Date, our patent applications and maintenance have been in compliance with the requirements of the Patent Law and its Implementing Regulations, and there are no disputes related to patent terms.

Trademark

Pursuant to the Trademark Law of the PRC (中華人民共和國商標法) promulgated by the NPCSC on August 23, 1982, and amended on February 22, 1993, October 27, 2001 and August 30, 2013 respectively, and last amended on April 23, 2019 with the latest amendment effective on November 1, 2019 and the Implementation Regulations of the Trademark Law of the PRC (中華人民共和國商標法實施條例) promulgated by the State Council on August 3, 2002 which became effective on September 15, 2002 and was revised on April 29, 2014 and the latest amendment became effective on May 1, 2014, the period of validity for a registered trademark is 10 years, commencing from the date of registration. Upon expiry of the period of validity, the registrant shall go through the formalities for renewal within 12 months prior to the date of expiry as required if the registrant needs to continue to use the trademark. Where the registrant fails to do so, a grace period of six months may be granted. The period of validity for each renewal of registration is 10 years, commencing from the day immediately after the expiry of the preceding period of validity for the trademark. In the absence of a renewal upon expiry, the registered trademark shall be canceled.

Copyright

Copyright is protected by the Copyright Law of the PRC (中華人民共和國著作權法) promulgated by the NPCSC on September 7, 1990 and last amended on November 11, 2020 with the latest amendment effective on June 1, 2021 and the Implementation Regulations of the Copyright Law of PRC (中華人民共和國著作權法實施條例) issued by the State Council on August 2, 2002 and last amended on January 30, 2013 with the latest amendment effective on March 1, 2013, which provided provisions on the classification of works and the obtaining and protection of copyright and the related rights.

Domain Names

Domain names are protected by the Administrative Measures of Internet Domain Names (互聯網域名管理辦法) issued by the Ministry of Industry and Information Technology ("**MIIT**") on August 24, 2017 and effective from November 1, 2017 and the Implementing Rules on Registration of China Country Code Top-level Domain Names (國家頂級域名註冊實施細則) issued by China Internet Network Information Center on June 18, 2019. The MIIT is the regulatory body responsible for the administration of PRC internet domain names. The China Internet Network Information Center is responsible for the administration of registration of China country code top-level domain names. Domain name registrations are processed by the domain name registration service agencies established pursuant to the relevant provisions. The applicants become domain name holders upon successful registration.

Trade Secrets

According to the Anti-Unfair Competition Law of the PRC (中華人民共和國反不正當競爭法) promulgated by the NPCSC on September 2, 1993 and amended on November 4, 2017 and April 23, 2019 respectively and the Provisions of the Supreme People's Court on Several Issues Concerning

the Application of Law in the Trial of Civil Cases Involving Trade Secret Infringement (最高人民法院關於審理侵犯商業秘密民事案件適用法律若干問題的規定) issued by the Supreme People's Court on September 10, 2020 and effective from September 12, 2020, the term "trade secrets" refers to technical, operational and other business information that is unknown to the public, has business value, may create business interests or profits for its legal owners or holders, and is maintained as a secret with relevant security measures taken by its right holders. According to the Anti-Unfair Competition Law of the PRC, business operators are prohibited from infringing others' trade secrets by (i) acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion or any other illicit means; (ii) disclosing, using or allowing other person to use a trade secret acquired from the right holder by any means as specified in the preceding subparagraph; (iii) disclosing, using or allowing other person to use a trade secret in its possession in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential; (iv) abetting, tempting or aiding a person into or in acquiring, disclosing, using or allowing other person to use the trade secret of the right holder in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential. If a third party knows or should have known the above mentioned illegal conducts but nevertheless acquires, uses or allows other persons to use such trade secrets, the third party shall be deemed to have infringed others' trade secrets. The right holders whose trade secrets are infringed may apply for administrative corrections, and the regulatory authorities shall order to stop any illegal activities and impose fine penalties on the infringers.

Regulations relating to Enterprise Income Tax and Value-added Tax

EIT

Pursuant to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法) ("**EIT Law**") promulgated by the NPCSC on March 16, 2007, which became effective from January 1, 2008, and last amended on December 29, 2018, enterprises shall be classified into resident enterprises and non-resident enterprises. The income tax rate of resident enterprises is 25%, while the income tax rate of non-resident enterprises is 20%. According to the EIT Law and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法實施條例) ("**Implementation Regulations for EIT Law**") issued by the State Council on December 6, 2007, which became effective from January 1, 2008, and last amended on April 23, 2019, enterprise income tax shall be payable by a resident enterprise for the income derived from or accruing in or outside the PRC. Enterprise income tax shall be payable by a non-resident enterprise with office or premises within the territory of the PRC for the income derived from or accruing in the PRC by its office or premises, and the income derived from or accruing outside the PRC for which its office or premises has a de facto relationship. Where the non-resident enterprise has no office or premises within the territory of the PRC or the income derived or accrued has no de facto relationship with its office or premises, enterprise income tax shall be payable by the non-resident enterprise for the income derived from or accruing in the PRC at a reduced rate of 10%.

According to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排) ("**Double Tax Avoidance Arrangement**"), the withholding tax rate in respect of the payment of dividends by a PRC enterprise to a Hong Kong enterprise may be reduced to 5% from a standard rate of 10% if the Hong Kong enterprise directly holds at least 25% of the PRC enterprise and certain other conditions are met, including: (i) the Hong Kong enterprise must directly own the required percentage of equity interests and voting rights in the PRC resident enterprise; and (ii) the Hong Kong enterprise must have directly owned such required percentage in the PRC resident enterprise throughout the 12 months prior to receiving the dividends. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties (關於執行税收協定股息條款有關問題的通知) issued on February 20, 2009 by the STA, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such

reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement on Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties (關於税收協定中"受益所有人"有關問題的公告) issued by the STA on February 3, 2018 and effective from April 1, 2018, if an applicant's business activities do not constitute substantive business activities, it could result in the negative determination of the applicant's status as a "beneficial owner", and consequently, the applicant could be precluded from enjoying the abovementioned reduced income tax rate of 5% under the Double Tax Avoidance Arrangement.

VAT

According to Value-Added Tax Law of the People's Republic of China and the Regulation on the Implementation of the Value-Added Tax Law of the People's Republic of China, which effective on January 1, 2026, entities and individuals selling goods or processing, repair and fitting-out services, selling services, intangible assets, immovable property and importing goods within the territory of the PRC shall be subject to VAT. The applicable VAT rates, depending on the nature of the taxable acts of the general taxpayer, are 13%, 9%, 6%, 3% and 0%.

Laws and Regulations Relating to Product Quality

The Product Quality Law of the PRC (中華人民共和國產品質量法) promulgated on February 22, 1993 by the NPCSC and amended on July 8, 2000, August 27, 2009 and December 29, 2018 respectively, is the main law regulating the supervision and management of quality of products in China. According to the Product Quality Law of the PRC, producers shall be responsible for the quality of the products they produce, and sellers shall take measures to maintain the quality of the products they sell. If a defect in a product causes physical injury or damage to property other than the defective product, the producer shall bear the liability for compensation, unless the producer can prove any of the following circumstances: (i) the product has not been put into circulation; (ii) the defect causing the damage did not exist when the product was put into circulation; (iii) when the product was put into circulation, the level of science and technology at the time was not sufficient to detect the existence of the defect.

Pursuant to the Civil Code of the PRC (中華人民共和國民法典) promulgated by the NPC on May 28, 2020 and coming into effective on January 1, 2021, where a patient suffers damage due to defects in drugs, he/she may seek compensation from the drug marketing authorization holder, producer or also from the medical institution. Where the patient seeks compensation from the medical institution, the medical institution, after it has made the compensation, shall have the right to recover the compensation from the liable drug marketing authorization holder or the producer.

Laws and Regulations Relating to Safety Production

Pursuant to the Safety Production Law of the PRC (中華人民共和國安全生產法) promulgated by the NPCSC on June 29, 2002 and amended on August 31, 2014 and June 10, 2021 respectively with the latest amendment taking effect on September 1, 2021, production and operation units shall abide by the Safety Production Law of the PRC and other laws and regulations related to production safety, strengthen production safety management, and establish a sound production safety responsibility system and formulate a set of production safety rules and regulations for all employees; increase the efforts to guarantee the input of funds, supplies, technology and personnel to production safety, improve production safety conditions, and strengthen standardization and informatization of production safety; construct a "dual-prevention" mechanism consisting of graded management and control of safety risks and examination and control of potential risks, improve the risk prevention and resolution mechanism, enhance production safety levels and ensure production safety.

Precursor Chemicals

Pursuant to the Regulation on the Administration of Precursor Chemicals (易製毒化學品管理條例) promulgated by the State Council on August 26, 2005, which became effective on November 1, 2005 and was amended on July 29, 2014, February 6, 2016 and September 18, 2018 respectively, the State regulates the production, operation, purchase, transport, import and export of precursor chemicals. Unit intending to purchase Category II and III precursor chemicals shall file with the public security authorities of the local people's government at the county level for the types and quantities of precursor chemicals required before making the purchase.

Labor, Social Insurance and Housing Fund

The Labor Law of the PRC (中華人民共和國勞動法) promulgated by the NPCSC on July 5, 1994 and last amended on December 29, 2018 and the Labor Contract Law of the PRC (中華人民共和國勞動合同法) promulgated on June 29, 2007, effective from January 1, 2008, and last amended on December 28, 2012 and effective on July 1, 2013 stipulate the relationship between the employers and the employees, and specifies the terms and conditions of the labor contracts.

Pursuant to the Social Insurance Law of the PRC (中華人民共和國社會保險法) promulgated by the NPCSC on October 28, 2010, effective from July 1, 2011, and last amended on December 29, 2018, the Provisional Regulations for the Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例) issued by the State Council on January 22, 1999 and last amended on March 24, 2019, and the Regulations on the Administration of Housing Provident Fund (住房公積金管理條例) issued by the State Council on April 3, 1994, and amended on March 24, 2002 and March 24, 2019, respectively, employers are required to pay social insurance premiums such as basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance and maternity insurance for their employees, and contribute to housing provident funds. According to the Interpretation (ll) of the Supreme People's Court on Issues Concerning the Application of Lawin the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)), which became effective on September 1, 2025, where the employer fails to make social insurance contributions in accordance with the law, and the employee requests to terminate the labor contract and claim economic compensation in accordance with item (3) of Article 38 of the Labor Contract Law of the People's Republic of China (中華人民共和國勞動合同法), the people's court shall uphold such claim.

The Interpretation primarily applies to circumstances in which an employer fails to make statutory social insurance contributions. We make contributions to social insurance and housing provident funds in accordance with applicable PRC laws and regulations. During the Track Record Period and up to the Latest Practicable Date, no employees had filed any claims, litigation, arbitration, or complaints against the Group regarding social insurance and housing provident fund payments. Furthermore, no penalties or rectification orders had been issued against the Group by the relevant PRC regulatory authorities. As such, as confirmed by our PRC Legal Advisor, based on its review of our Group's social insurance and housing provident fund compliance documentation for the Track Record Period and up to the Latest Practicable Date, no material non-compliance or disputes in relation to such contributions have been identified, and the foregoing judicial interpretation is not expected to have a material adverse impact on our Group.

Regulations Relating to Cybersecurity and Data Exploration Security

On December 28, 2021, the Cyberspace Administration of China ("**CAC**"), jointly with 12 other governmental authorities, promulgated the Measures for Cybersecurity Review (網路安全審查辦法) ("**Measures for Cybersecurity Review**"), which became effective on February 15, 2022 and provides that critical information infrastructure operators that purchase network products and services and data processing operators engaging in data processing activities that affect or may affect national security must be subject to the cybersecurity review.

On July 7, 2022, the CAC issued the Measures on the Security Assessment of Cross-border Data Transfer (數據出境安全評估辦法) ("**Security Assessment Measures**"), which took effect on September 1, 2022. The Security Assessment Measures generally apply to data processors that provide abroad important data or personal information that was collected or produced through operations within the PRC. Companies that are subject to the Security Assessment Measures need to conduct data mapping on cross-border data transfers, prepare the self-assessment and submission, as well as implement data classification and apply controls on cross-border data transfers.

In March 2024, the CAC issued the Provisions on Promoting and Regulating Cross-border Data Flows (促進和規範數據跨境流動規定), which required security assessment for the following types of cross-border data transfers (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the cumulative outbound transfer within one calendar year of the personal information of over one million people or the sensitive personal information of over 10,000 people. These provisions also stipulated that, when data processors that are not critical information infrastructure operators engage in the cumulative outbound transfer within one calendar year of the personal information of over 100,000 people but less than one million people or the sensitive personal information of less than 10,000 people, the data processors must enter into a standard contract for cross-border transfer of personal information with the data recipient or obtain a certification for the protection of personal information. Furthermore, these provisions clarified that data processors do not need to treat any data as "important data" the outbound transfer of which requires security assessments, if government authorities have not declared or notified them that the data are "important data".

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (科學數據管理辦法) ("**Scientific Data Measures**"). The regulations establish a comprehensive definition of scientific data and set forth relevant management rules. According to the Scientific Data Measures, the provision of scientific data involving state secrets in the context of external exchanges and cooperation requires approval from the competent government authorities in accordance with confidentiality management procedures. Furthermore, when scientific data generated through funding from Chinese government budgets is used to write papers for publication in foreign academic journals, and such data needs to be submitted externally, the authors must submit the scientific data to their affiliated institutions for unified management prior to publication. The data collected or generated in connection with our services currently and historically do not fall within the definition of "state secrets." Accordingly, our PRC subsidiaries have not been required to, and have not since their establishment, sought governmental approval. Our PRC Legal Advisor is of the view that, based on the foregoing facts, our operations do not involve any "state secrets" as defined under applicable PRC laws, and no PRC subsidiary has been engaged by any client to undertake any project involving "state secrets." Therefore, our PRC subsidiaries are not required to obtain governmental approval in accordance with confidentiality management procedures.

Regulations Relating to Overseas Listing

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) ("**Trial Administrative Measures**") released by the CSRC on February 17, 2023 and come into effect on March 31, 2023, domestic enterprise in the PRC that issues securities outside the PRC shall file with the CSRC in accordance with the Trial Administrative Measures. For the overseas initial public offering or listing, issuers shall file with the CSRC within three working days after the submission of its application for listing in overseas region.

Confidentiality and Archives Administration Concerning Overseas Listing

Pursuant to the Provisions on Strengthening Confidentiality and Archives Administration Concerning Overseas Securities Offerings and Listings by Domestic Enterprises (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定), which was jointly announced by numerous departments including CSRC on February 24, 2023 and came into effect since March 31, 2023, during the overseas issuance and listing activities of domestic enterprises, such enterprises and securities companies, securities service institutions which provide corresponding services shall strictly comply with the relevant laws and regulations of PRC and the requirements of these Provisions, in order to strengthen the legal awareness on safeguarding national secret and strengthening archives administration, establish a sound system on confidentiality and archives administration, and adopt necessary measures for fulfilling its obligations on confidentiality and archives administration, They shall not leak any national secrets and work secrets of national authorities, and shall not jeopardize the national and public interests. A domestic enterprise, which provides or publicly discloses documents and information about the national secrets and the work secrets of national authorities to entities or individuals such as securities companies, securities service institutions and overseas regulatory authorities, or provides such documents and information through its overseas listed entity, shall report to, and obtain approval from competent authority with approval authorizations in accordance with law, and shall report to the administrative department of confidentiality at the same level for filing. A domestic company that provides or publicly discloses documents and information that may pose adverse effects to national security or public interests to relevant entities or individuals including securities companies, securities service institutions, and overseas regulators, or provides or publicly discloses such documents and information through its overseas listed entity, shall strictly fulfill relevant procedures stipulated by applicable national regulations.

OVERVIEW OF LAWS AND REGULATIONS IN THE UNITED STATES

This section summarizes the principal laws and regulations in the United States that are relevant to our business.

U.S. Government Regulation of Drug and Biological Products

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act ("**FDCA**") and its implementing regulations, and the FDA regulates biologics under the FDCA and the Public Health Service Act ("**PHSA**") and their respective implementing regulations. Both drugs and biologics also are subject to other federal, state, and local statutes and regulations, such as those related to competition. The process of obtaining regulatory approvals to manufacture or market drugs and biologics in the United States and the subsequent compliance with appropriate federal, state, local, and non-U.S. applicable statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or following approval may subject an applicant to administrative proceedings, civil actions, government prosecution, judicial sanctions or any combination of them in the United States. These actions and sanctions could include, among other actions, the FDA's refusal to approve pending applications, withdrawal of an approval, license revocation, a clinical hold, untitled or warning letters, voluntary or mandatory product recalls or market withdrawals, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement and civil or criminal fines or penalties. Any administrative proceeding on action or any judicial enforcement action could have a material adverse effect on our business, financial condition and results of operations as well as the market's acceptance of our products and our reputation. Outside the United States, drugs and biologics are regulated under other statutory and regulatory systems with which we would need to comply if we were to manufacture or market drugs or biologics outside the United States, and failure to comply could also subject us to administrative actions, government prosecution or judicial sanctions (or any combination of them).

Once a product candidate is identified for development, it enters preclinical testing, which includes laboratory evaluations of product chemistry, toxicity, formulation and stability, as well as animal studies. Preclinical testing is conducted in accordance with FDA's GLP regulations. A sponsor of an investigational new drug application ("**IND**") must submit the results of the preclinical tests (such as animal tests), manufacturing information, analytical data, the clinical trial protocol, and any available clinical data or literature to the FDA. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions and places the trial on a clinical hold within that 30-day period. The FDA may also impose clinical holds or partial clinical holds at any time during clinical trials due to safety concerns or non-compliance. Although information a sponsor submits in an IND is confidential information, general clinical trial information such as the number of patients involved and the type of adverse events studied can be made public information and can be available for public review through publication on government websites such as **www.clinicaltrials.gov**.

All clinical trials, which involve the administration of the investigational product to humans, must be conducted under the supervision of one or more qualified investigators in accordance with good clinical practice ("**GCP**") and human subject protection regulations, including the requirement that all research subjects provide informed consent in writing before their participation in any clinical trial. Further, an Institutional Review Board ("**IRB**"), often under the auspices of a university and sometimes a private, independent organization, must review and approve the plan for any clinical trial before it commences at any institution, and the IRB must conduct continuing review and reapprove the study at least annually. Each new clinical protocol and any amendments to the protocol must be submitted the FDA for review and to the IRBs for approval. An IRB can suspend or terminate approval of a clinical trial at its institution if the trial is not being conducted in accordance with the IRB's requirements or human subject research regulations or if the product has been associated with unexpected serious harm to subjects and the IRB believes patients are at risk.

Clinical trials generally are conducted in three sequential phases, known as phase 1, phase 2 and phase 3, and may overlap.

- phase 1 clinical trials generally involve a small number of healthy volunteers or disease-affected patients who are initially exposed to a single dose and then multiple doses of the product candidate. The primary purpose of these clinical trials is to assess the metabolism, pharmacologic action, side effect tolerability and safety of the product candidate.

- phase 2 clinical trials involve studies in disease-affected patients to evaluate proof of concept and/or determine the dose required to produce the desired benefits. At the same time, safety and further pharmacokinetics and pharmacodynamics information is collected, possible adverse effects and safety risks are identified and a preliminary evaluation of efficacy is conducted.

- phase 3 clinical trials generally involve a large number of patients at multiple sites and are designed to provide the data necessary to demonstrate the effectiveness of the product for its intended use, its safety in use and to establish the overall benefit/risk relationship of the product and provide an adequate basis for product labeling.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA before marketing approval is received. Safety reports must be submitted to the FDA and the investigators 15 calendar days after the trial sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction as soon as possible but in no case later than 7 calendar days after the sponsor's initial receipt of the information. Sponsors of clinical trials of FDA-regulated products, including drugs, are required to register and disclose certain clinical trial information, which is publicly available at **www.clinicaltrials.gov**.

Concurrent with clinical trials, companies usually complete additional animal studies and must also finalize a process for manufacturing the product in commercial quantities in accordance with FDA's current good manufacturing practices ("**cGMP**").

U.S. Review and Approval Processes

The results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the product, proposed labeling and other relevant information, are submitted to the FDA as part of a NDA. Unless deferred or waived, NDAs, or supplements, must contain data adequate to assess the safety and efficacy of the product at the proposed commercial dosing regimen and administration for the claimed indications in all relevant populations, including any pediatric subpopulations. The submission of an NDA is subject to the payment of a user fee and an annual prescription drug product program fee to the FDA although in certain circumstances the FDA may waive the annual prescription drug product program fee if the drug qualifies for orphan drug designation.

Within 60 days of its receipt, the FDA reviews the NDA to ensure that it is sufficiently complete for substantive review before it accepts the NDA for filing. After accepting the NDA filing, the FDA begins an in-depth substantive review to determine, among other things, whether a product is safe and effective for its intended use. The FDA also evaluates whether the product's manufacturing is cGMP-compliant to assure the product's identity, strength, quality and purity. Before approving the NDA, the FDA typically will inspect whether the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. The FDA may refer the NDA to an advisory committee, generally consisting of a panel of experts, to review whether the application should be approved and under what conditions, and the FDA typically considers such recommendations when making decisions.

The FDA may refuse to approve the NDA if the applicable regulatory criteria are not satisfied or may require additional clinical data or other data and information. The FDA will issue a complete response letter describing all of the specific deficiencies that the FDA identified in the NDA that must be satisfactorily addressed before it can be approved. The deficiencies identified may be minor, for example, requiring labeling changes, or major, for example, requiring additional clinical trials. Additionally, the complete response letter may include recommended actions that the applicant might take to place the application in a condition for approval. The applicant may withdraw the application and resubmit the NDA when all the data addressing all of the deficiencies identified in the letter is available, or the applicant may request an opportunity for a hearing.

The regulatory approval may be limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. In addition, the FDA may require post-approval studies, including phase 4 clinical trials, to further assess a product's safety and effectiveness after NDA/BLA approval and may require testing and surveillance programs to monitor the safety of approved products that have been commercialized.

Expedited Development and Review Programs

The FDA has various programs that are intended to expedite or simplify the process for the development and FDA review of drugs that are intended for the treatment of serious or life-threatening diseases or conditions and demonstrate the potential to address unmet medical needs. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures.

Fast Track Designation

Fast Track is a process designed to facilitate the development, and expedite the review of, drugs to treat serious conditions and fill an unmet medical need. Fast Track designation must be requested by the drug company. The request can be initiated at any time during the drug development process. The FDA will review the request and make a decision within sixty days based on whether the drug fills an unmet medical need in a serious condition. Determining whether a disease is serious is a matter of judgment, but generally the FDA considers whether the proposed drug will affect factors such as survival, day-to-day functioning, and the likelihood that the disease, if left untreated, will progress from a less severe condition to a more serious one. To address an unmet medical need, the proposed drug may be developed as a treatment or preventative measure for a disease that does not have a current therapy. The type of information necessary to demonstrate unmet medical need varies with the stage of drug development: early in development, nonclinical data, mechanistic rationale, or pharmacologic data will suffice; later in development, clinical data should be utilized.

A sponsor may request Fast Track designation when the sponsor files a BLA application or any time thereafter prior to the receipt of marketing approval. If a new drug product meets the requisite criteria for Fast Track designation, the FDA should grant the application. However, the FDA may rescind Fast Track designation, if the FDA determines the criteria for Fast Track designation are no longer met. The FDA will notify the sponsor in writing of its intent to rescind the designation through a "Intent to Rescind Fast Track Designation" letter, which will include the criteria for making the determination and provide the sponsor with an opportunity to submit additional data and justification to support the continuing designation and request a meeting to discuss the designation for the product. The rescinding of a Fast Track designation does not necessarily mean the product is not promising or that the product may not receive marketing approval. It means that the criteria for Fast Track designation are no longer met. The sponsor may request the designation to be rescinded/withdrawn. The impact of revocation is that the sponsor will lose all of the benefits of Fast Track designation, which include more frequent meetings and written communication with the FDA, rolling review, and eligibility for Accelerated Approval and priority review.

Priority Review

The FDA may give a priority review designation to drugs that offer major advances in treatment, or provide a treatment where no adequate therapy exists. A priority review means that the goal for the FDA to review an application is six months, rather than the standard review of ten months under the Prescription Drug User Fee Act ("**PDUFA**") guidelines. These six and ten-month review periods are measured from the "filing" date rather than the receipt date for NDAs for new molecular entities, which typically adds approximately two months to the timeline for review and decision from the date of submission. Most products that are eligible for fast track designation are also likely to be considered appropriate to receive a priority review.

Accelerated Approval

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

required post-approval studies, or to confirm a clinical benefit during post-marketing studies, will allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

Breakthrough Designation

Another program potentially available for sponsors is the breakthrough therapy designation. A drug or biologic may be eligible for designation as a breakthrough therapy if the product is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. A sponsor may request that a product be designated as a breakthrough therapy concurrently with, or at any time after, the submission of an IND, and according to FAQs published by the FDA (current as of February 3, 2022), the FDA must determine if the candidate qualifies for such designation within 60 days of receipt of the request. If so designated, the FDA shall act to expedite the development and review of the products marketing application, including by meeting with the sponsor throughout the products development, providing timely advice to the sponsor to ensure that the development program to gather preclinical and clinical data is as efficient as practicable.

Orphan Drugs

Under the Orphan Drug Act, the FDA may grant orphan drug designation to drugs or biologic candidates intended to treat a rare disease or condition generally affecting fewer than 200,000 individuals in the United States. The first applicant to receive FDA approval for the disease or indication for which it has orphan drug designation is entitled to a seven-year exclusive marketing period. During the exclusivity period, the FDA may not approve any other applications to market the same product for the same disease or condition except in limited circumstances. The impacts on the clinical development and registration of drugs receiving Orphan Drug designation are: the sponsors may be provided with (1) a tax credit of 50 percent of the cost of conducting human clinical trials, (2) federal research grants for clinical testing of new therapies to treat and/or diagnose rare diseases; (3) eligibility for seven-year marketing exclusivity and (4) a waiver of NDA PDUFA fees. The approval of an orphan drug designation request does not alter the standard regulatory requirements and processes for obtaining marketing approval. Sponsors must establish safety and efficacy of a compound to treat a rare disease through adequate and well-controlled studies.

The FDA may revoke orphan-drug designation for any drug if the agency finds that (i) the request for designation contained an untrue statement of material fact; (ii) the request for designation omitted required or material information; or (iii) the FDA subsequently finds that the drug in fact had not been eligible for orphan-drug designation at the time of submission of the request. For an approved drug, revocation of orphan-drug designation also suspends or withdraws the sponsor's exclusive marketing rights for the drug but not the approval of the drug's marketing application.

Where a drug has been designated as an orphan drug because the prevalence of a disease or condition (or, in the case of vaccines, diagnostic drugs, or preventive drugs, the target population) is under 200,000 in the United States at the time of designation, its designation will not be revoked on the ground that the prevalence of the disease or condition (or the target population) becomes more than 200,000 persons.

If the FDA revokes an orphan-drug designation, it will publicize that the drug is no longer designated in accordance with 21 CFR 316.28. The sponsor may request the designation to be rescinded/withdrawn. The impact of revocation is that the sponsor will lose all the benefits of Orphan Drug designation.

Post-Marketing Requirements

Following approval of a new product, the manufacturer of the approved product is subject to continuing regulation by the FDA, including, among other things, monitoring and record-keeping activities, reporting of adverse events ("**AEs**") experiences, complying with promotion and advertising requirements, which include restrictions on promoting products for unapproved uses or patient populations (known as "off-label use") and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe legally available products for off-label uses, manufacturers may not market or promote such uses. The FDA and other agencies such as the Department of Justice actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability, including investigation by federal and state authorities as well as potential tort liability. Prescription drug promotional materials must be submitted to the FDA in conjunction with their first use or first publication. Further, if there are any modifications to the drug or biologic, including changes in indications, labeling or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new NDA/BLA or NDA/BLA supplement, which may require the development of additional data or preclinical studies and clinical trials. The FDA may also place other conditions on approvals including the requirement for a risk evaluation and mitigation strategy ("**REMS**"), to assure the safe use of the product. If the FDA concludes a REMS is needed, the sponsor of the NDA/BLA must submit a proposed REMS. The FDA will not approve the NDA/BLA without an approved REMS, if required. A REMS could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur following initial marketing.

FDA regulations require that products be manufactured in specific approved facilities according to approved manufacturing processes and in accordance with cGMP regulations. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products in accordance with cGMP regulations. These manufacturers must comply with cGMP regulations that require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. The manufacturer is ultimately responsible for its products and the manufacturing practices of its contract manufacturers, therefore the manufacturer must take responsibility for the failure for the contract manufacturers to manufacture according to cGMPs.

Manufacturers and other entities involved in the manufacture and distribution of approved drugs or biologics are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. The discovery of violative conditions, including failure to conform to cGMP regulations, could result in enforcement actions, and the discovery of problems with a product after approval may result in restrictions on a product, manufacturer or holder of an approved NDA/BLA, including recall, any of which could have a material adverse effect on our business, financial condition and results of operations.

Once an approval is granted, if compliance with regulatory requirements and standards is not maintained or if problems occur after the drug reaches the market, the FDA may take enforcement actions such as issuing Warning Letters or Untitled Letters, ordering removal of the product from the market until deficiencies are remedied, withdrawing the approval of the product, or imposing civil and criminal penalties. Corrective action in response to these enforcement activities could delay drug distribution and require significant time and financial expenditures. Later discovery of previously unknown problems with a drug, including AEs of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in

revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences which could arise from such regulatory violations include, among other things: (i) restrictions on the marketing or manufacturing of the drug, suspension of the approval, complete withdrawal of the drug from the market or product recalls; (ii) fines, warning letters or holds on post-approval clinical trials; (iii) refusal of the FDA to approve applications or supplements to approved applications, or suspension or revocation of drug approvals; drug seizure or detention, or refusal to permit the import or export of drugs; and (iv) injunctions or the imposition of civil or criminal penalties.

Patient Protection and Affordable Health Care Act

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (collectively, "**ACA**"), became law in the United States in March 2010, and has driven healthcare reform in the United States by extending health insurance coverage and substantially changing the way healthcare is financed by both governmental and private insurers in the United States. With regard to pharmaceutical products specifically, the ACA expanded and increased industry rebates for drugs covered under Medicaid programs and made changes to the coverage requirements under the Medicare prescription drug benefit. Among other things, the ACA contains provisions that may reduce the profitability of drug products through increased rebates for drugs reimbursed by Medicaid programs, extension of Medicaid rebates to Medicaid managed care plans, and mandatory discounts for certain Medicare Part D beneficiaries and annual fees based on the pharmaceutical companies' share of sales to federal health care programs.

Since its enactment, there have been judicial and congressional challenges to certain aspects of the ACA, and there may be additional challenges and amendments to the ACA in the future. Since January 2017, U.S. President Donald J. Trump has signed Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, several bills affecting the implementation of certain taxes under the ACA have passed. There may be other efforts to challenge, repeal or replace the ACA.

BIOSECURE Act

On December 18, 2025, the U.S. legislation titled the BIOSECURE Act (the "BIOSECURE Act") was signed by President Trump. The enacted BIOSECURE Act prohibits federal agencies from contracting with or funding companies that are designated "biotechnology companies of concern." The BIOSECURE Act's final definition of "biotechnology companies of concern" includes (A) entities on the Department of Defense's section 1260H list of Chinese military companies operating in the United States (known as the "1260H List"), and (B) entities that will be named through a process headed by the Office of Management and Budget ("OMB"), who must supplement the list of biotechnology companies of concern within one year of enactment. Prohibitions in the BIOSECURE Act will not take effect until the OMB issues implementing guidance and relevant federal regulations are finalized.

The OMB must publish the initial list of "biotechnology companies of concern" within one year of the FY2026 NDAA's enactment (i.e., by December 2026). Within 180 days of publishing this list, OMB must issue implementation guidance for the BIOSECURE Act's requirements. The Federal Acquisition Regulation ("FAR") Council must then update the FAR within one year. Prohibitions for 1260H List entities take effect 60 days after the FAR revision, while prohibitions for companies newly named by the OMB take effect 90 days after the FAR revision. A

grandfathering period applies for up to five years after the FAR revision, where the prohibitions do not apply to biotechnology equipment or services produced or provided under contracts or agreements (including previously negotiated contract options) entered into before the applicable effective date.

We are of the view that the BIOSECURE Act would not have a material and adverse impact on our business, primarily because we, or any of our subsidiaries, are not a recipient of any U.S. federal government contracts, loans, grants or funding and do not anticipate applying for such contracts, loans, grants or funding in the future. Furthermore, to the best of our knowledge, none of our business partners are using any services provided by us under the respective arrangements in connection with any federal contracts, loans, grants or funding. During the Track Record Period and up to the Latest Practicable Date, we did not have business relationship with any entity included in the 1260H List.

Patent Term Restoration and Marketing Exclusivity

After approval, owners of relevant drug or biological product patents may apply for up to a five-year patent extension to restore a portion of patent term lost during product development and FDA review of NDA/BLA if approval of the application is the first permitted commercial marketing or use of a biologic containing the active ingredient under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Act. The allowable patent term extension is calculated as one-half of the product's testing phase, which is the time between IND and BLA submission, and all of the review phase, which is the time between NDA/BLA submission and approval, up to a maximum of five years. The time can be shortened if the FDA determines that the applicant did not pursue approval with due diligence. The total patent term after the extension may not exceed more than 14 years from the date of the FDA approval of the product. Only one patent claiming each approved product is eligible for restoration, only those claims covering the approved product, a method for using it, or a method for manufacturing it may be extended, and the patent holder must apply for restoration within 60 days of approval. The USPTO, in consultation with the FDA, reviews and approves the application for patent term restoration. For patents that might expire during the application phase, the patent owner may request an interim patent extension. An interim patent extension increases the patent term by one year and may be renewed up to four times. For each interim patent extension granted, the post-approval patent extension is reduced by one year. The director of the USPTO must determine that approval of the drug candidate covered by the patent for which a patent extension is being sought is likely. Interim patent extensions are not available for a drug candidate for which a BLA has not been submitted.

OVERVIEW

We are a clinical-stage biopharmaceutical company focusing on the discovery and development of cancer therapeutics.

Our history can be traced back to December 2017 when our founders, Dr. Zhang and Dr. Zhong, who have extensive experience in pharmaceutical industry, founded our Company with a focus on research and development of oncology drugs. Since we commenced business operation in 2018, we have built a platform spanning both small molecule and ADC development, positioning us to address multiple oncological targets. For details of the background and industry experience of Dr. Zhang and Dr. Zhong, see "Directors and Senior Management."

MILESTONES

The following table summarizes various key milestones in our corporate and business development.

Year	Milestone
2017	Our Company was incorporated under the laws of the Cayman Islands in December.
2018	We established our PRC operating entity, Tyligand Shanghai.
	We established our Zhangjiang Laboratory and commenced medicinal chemistry research in the middle of 2018.
	We conducted our Series Pre-A Financing in September.
2021	We entered into a joint discovery and development agreement with a Suzhou-based pharmaceutical company specializing in ADC products (the "**Collaborator**") in February, pursuant to which the parties agreed to jointly discover a certain class of TOP1 inhibitor molecules suitable for incorporation into the Collaborator's ADC products.
	We conducted our Series A Financing in April.
	We obtained our first IND approval from the FDA for multiple kinases inhibitor in October.
	We commenced the R&D of our Core Product, TSN1611.
2022	We received IND approval from NMPA for multiple kinases inhibitor in January.
	We conducted our Series A+ Financing in November.
2023	We received IND approval from the FDA and initiated phase 1 clinical trial of TSN222 in February.
2024	We received IND approval from the FDA in February and from NMPA in April, and administered the first human dose for phase 1a clinical trial in May, of TSN1611.
	We conducted our Series A++ Financing in April.

Year	Milestone
2025	We conducted our Series B Financing in August.
	We reached the primary clinical endpoints for phase 1a monotherapy clinical trial of TSN1611 in June and for phase 1b monotherapy clinical trial of TSN1611 in November.
2026	Over 200 subjects had been enrolled in the global phase 1/2 clinical trial of TSN1611, including over 80 subjects in the phase 2 monotherapy trial, and over 20 subjects in the phase 2 cohort investigating the combination of TSN1611 and cetuximab for advanced solid tumors.

OUR GROUP

Our Company

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on December 1, 2017. On the date of incorporation, our Company was wholly owned by Tyligand Holdings.

Since our incorporation, we underwent five rounds of Pre-[**REDACTED**] Investments. For further details, see "— Pre-[**REDACTED**] Investments."

Our Major Subsidiaries

Set forth below are the major subsidiaries that made material contributions to our results of operations during the Track Record Period.

Major Subsidiaries[(1)]	Date of establishment and commencement of business	Place of establishment	Principal business activities	Shareholding controlled by our Company
Tyligand Shanghai . .	May 10, 2018	PRC	Drug R&D	100%
Tyligand Suzhou . . .	September 13, 2023	PRC	Drug R&D	100%

Note:

(1) Our major subsidiaries are selected with reference to the importance to our business operations. For details of other subsidiaries of our Group, see Note 1 to the Accountants' Report as set out in Appendix I to this document.

MAJOR SHAREHOLDING CHANGES AND CORPORATE DEVELOPMENTS

Series Pre-A Financing

In September 2018, pursuant to a series of investment agreements entered into by, among others, our Company and our Series Pre-A Investors, namely Suzhou Industrial Park Yuandian Zhengze No. 2 Venture Capital Partnership (L.P.) (蘇州工業園區原點正則二號創業投資企業(有限合夥)) ("**Oriza Zhengze**"), Taicang Yanying No. 1 Investment Management Center (Limited Partnership) (太倉衍盈壹號投資中心(有限合夥)) ("**Taicang Yanying**"), Suzhou Yiyuan Med-Fine Medicine Venture Investment Partnership (L.P.) (蘇州一元冪方醫藥創業投資合夥企業(有限合夥)) ("**Suzhou Med-Fine**"), Suzhou Industrial Park BOHE Venture Investment Partners (Limited Partnership) (蘇州工業園區薄荷創業投資合夥企業(有限合夥)) ("**Suzhou Bohe**"), and Hangzhou Xianfeng Qiyun Investment L.P. (杭州險峰旗雲投資合夥企業(有限合夥)) ("**Hangzhou Xianfeng**"),

our Series Pre-A Investors agreed to subscribe for 1,400,000, 1,050,000, 525,000, 525,000 and 350,000 Series Pre-A Preferred Shares for a consideration of RMB14,000,000, RMB10,500,000, RMB5,250,000, RMB5,250,000 and RMB3,500,000, respectively; furthermore, our Series Pre-A Investors agreed to subscribe for 600,000, 450,000, 225,000, 225,000 and 150,000 additional Series Pre-A Preferred Shares for a consideration of RMB6,000,000, RMB4,500,000, RMB2,250,000, RMB2,250,000 and RMB1,500,000, respectively, upon fulfilment of certain R&D conditions by our Group (the "**Series Pre-A Financing**"). The aforesaid considerations were determined based on arm's length negotiations between our Company and the investors with reference to the status and prospects of our business development. For further details of our Series Pre-A Financing, see "— Pre-[**REDACTED**] Investments."

Upon completion of the Series Pre-A Financing (including the additional subscriptions), our Company was owned by (a) Tyligand Holdings as to 65.44%, (b) Oriza Zhengze as to 12.57%, (c) Taicang Yanying as to 9.43%, and (d) other minority Shareholders as to 12.56%, respectively.

Series A Financing and Shareholding Changes in 2021

In April 2021, pursuant to a series of investment agreements entered into by, among others, our Company and our Series A Investors, namely VIV 7 Limited ("**VIV**"), CMS Medical and Huzhou Jingyuan Equity Investment Partnership Enterprise (Limited Partnership) (湖州景源股權投資合夥企業(有限合夥)) ("**Huzhou Jingyuan**"), our Series A Investors agreed to subscribe for 1,642,825, 2,500,000 and 2,500,000 Series A Preferred Shares for a consideration of US$5,000,000.01, US$7,608,844.53 and RMB50,000,000, respectively (the "**Series A Financing**"). The aforesaid considerations were determined based on arm's length negotiations between our Company and the investors with reference to the status and prospects of our business development. For further details of our Series A Financing, see "— Pre-[**REDACTED**] Investments."

Upon completion of the Series A Financing, our Company was owned by (a) Tyligand Holdings as to 46.17%, (b) Huzhou Jingyuan as to 11.08%, (c) CMS Medical as to 11.08%, and (d) other minority Shareholders as to 31.67%, respectively.

Series A+ Financing

Since November 2022, pursuant to a series of investment agreements entered into by, among others, our Company and our Series A+ Investors, namely Suzhou MING Bioventures Fund II Venture Capital, L.P. (蘇州聚明中和方澤創業投資合夥企業(有限合夥)) ("**Suzhou Juming**"), CMS Medical, Dr. Zhang, Suzhou Industrial Park Bohe Phase III Venture Capital Partnership Enterprise (Limited Partnership) (蘇州工業園區薄荷三期創業投資合夥企業) ("**Suzhou Bohe III**"), Suzhou Taikuntong Venture Capital Partnership (Limited Partnership) (蘇州泰鯤通創業投資合夥企業(有限合夥)) ("**Suzhou Taikuntong**"), Shanghai Shengdi Healthcare Private Equity Investment Fund Limited Partnership (上海盛迪生物醫藥私募投資基金合夥企業(有限合夥)) ("**Shanghai Shengdi**"), Suzhou Industrial Park Investment Fund L.P. with Suzhou Industrial Park Investment Fund L.P. (蘇州工業園區產業投資基金(有限合夥)) ("**Suzhou Industrial Park Fund**") and Calor Capital Healthcare Fund, LP ("**Calor Capital**"), our Series A+ Investors agreed to subscribe for 2,455,411, 460,389, 153,463, 291,580, 610,886, 437,370, 1,137,162 and 145,790 Series A+ Preferred Shares for a consideration of US$8,000,000, US$1,500,000, US$500,000, US$1,000,000, US$2,095,089, US$1,500,000, US$3,900,000 and US$500,000, respectively (the "**Series A+ Financing**"). The aforesaid considerations were determined based on arm's length negotiations between our Company and the investors with reference to the status and prospects of our business development. For further details of our Series A+ Financing, see "— Pre-[**REDACTED**] Investments."

Around the same time, as approved by then Shareholders, Tyligand Holdings surrendered 165,000 Shares for the purpose of reserving the same number of Shares for future incentive grants.

Upon completion of the Series A+ Financing and the share surrender, our Company was owned by (a) Tyligand Holdings and Dr. Zhang as to 37.04%, (b) CMS Medical as to 10.54%, and (c) other minority Shareholders as to 52.42%, respectively.

Series A++ Financing and Share Transfers in 2024

In April 2024, pursuant to a series of investment agreements entered into by, among others, our Company and our Series A++ Investors, namely LAV Fund VI, L.P. ("**LAV VI**"), LAV Fund VI Opportunities, L.P. ("**LAV Opportunities**", together with LAV VI, "**LAV USD**"), Shanghai Lizhe Biotech, L.P. (上海禮哲生物科技合夥企業(有限合夥)) ("**Shanghai Lizhe**") and Shanghai Shengdi, our Series A++ Investors agreed to subscribe for 2,308,342, 2,308,342, 2,308,342 and 629,548 Series A++ Preferred Shares for a consideration of US$8,333,333, US$8,333,333, US$8,333,333 and US$2,272,727, respectively (the "**Series A++ Financing**"). The aforesaid considerations were determined based on arm's length negotiations between our Company and investors with reference to the status and prospects of our business development. For further details of our Series A++ Financing, see "— Pre-[**REDACTED**] Investments."

In the same year, certain Series Pre-A Investors transferred the Series Pre-A Preferred Shares held by them to our other Pre-[**REDACTED**] Investors, details of which are set out below.

Transferor	Transferee	Date of agreement	Class of Shares	Number of Shares	Consideration[4]	Date of completion
Suzhou Bohe[1]	Suzhou Bohe III	April 15, 2024	Series Pre-A Preferred Shares	750,000	US$2,030,679	November 22, 2024
Orize Zhengze; Taicang Yanying; Suzhou Med-Fine; Hangzhou Xianfeng[2][3]	LAV VI	April 15, 2024	Series Pre-A Preferred Shares	812,194	US$2,199,074	January 8, 2025
	LAV Opportunities			812,194	US$2,199,074	January 8, 2025
	Shanghai Lizhe			812,194	US$2,199,074	January 8, 2025
Oriza Zhengze[3]	Shanghai Shengdi	October 30, 2024	Series Pre-A Preferred Shares	268,607	US$727,273	September 8, 2025

Notes:

(1) The transfer was effected as part of a phased distribution and settlement arrangement of Suzhou Bohe.

(2) After the transfers, Orize Zhengze, Taicang Yanying, Suzhou Med-Fine and Hangzhou Xianfeng held 705,464, 730,553, 365,276 and 243,518 Series Pre-A Preferred Shares.

(3) The transfers were due to the independent commercial considerations of the transferors.

(4) The considerations were determined based on arm's length negotiations between the parties.

Around the same time, the rights of Huzhou Jingyuan to subscribe for 518,094 Series A Preferred Shares under the warrants granted thereto during the Series A Financing were transferred in equal portions to each of LAV VI, LAV Opportunities and Shanghai Lizhe. As a result, each of LAV VI, LAV Opportunities and Shanghai Lizhe subscribed for 172,698 Series A Preferred Shares in consideration of US$467,593, which was determined based on arm's length negotiations between the investors. The subscriptions were fully completed in February 24, 2025.

Upon completion of the Series A++ Financing and the aforesaid share transfers and subscriptions, our Company was owned by (a) Tyligand Holdings and Dr. Zhang as to 29.19%, (b) LAV USD as to 18.48%, (c) Shanghai Lizhe as to 9.24%, (d) CMS Medical as to 8.31%, and (e) other minority Shareholders as to 34.78%, respectively.

Series B Financing

Since August 2025, pursuant to a series of investment agreements entered into by, among others, our Company and our Series B investors, namely Tencent Mobility, Suzhou Bohe III, LAV USD, Shanghai Lizhe, CMS Medical and Shanghai Shengdi, our Series B investors agreed to subscribe for 4,883,027, 896,901, 424,612, 212,306, 636,917 and 636,917 Series B Preferred Shares for a consideration of US$23,000,000, RMB30,000,000, US$2,000,000, US$1,000,000, US$3,000,000 and US$3,000,000, respectively (the "**Series B Financing**"). The aforesaid considerations were determined based on arm's length negotiations between our Company and investors with reference to the status and prospects of our business development. For further details of our Series B Financing, see "— Pre-[**REDACTED**] Investments."

Upon completion of the Series B Financing, our Company was owned by (a) Tyligand Holdings and Dr. Zhang as to 24.01%, (b) LAV USD as to 16.18%, (c) Tencent Mobility as to 11.27%, (d) Shanghai Lizhe as to 8.09%, (e) CMS Medical as to 8.30%, and (f) other minority Shareholders as to 32.15%, respectively.

PRE-[REDACTED] INVESTMENTS

Our Company concluded five rounds of investments with the Pre-[**REDACTED**] Investors. The following table summarizes the key terms of the Pre-[**REDACTED**] Investments to our Company made by our Pre-[**REDACTED**] Investors.

	Series Pre-A Financing	Series A Financing	Series A+ Financing	Series A++ Financing[5]	Series B Financing
Date of agreement(s)	September 10, 2018	April 12/19, 2021	November 18/23, 2022, and June 19/28, 2023	April 15, and April 17, 2024	August 6, 2025, September 17, 2025 and January 21/26, 2026
Date of payment of full consideration	August 20, 2021	March 7, 2025	June 4, 2024	September 10, 2025	April 3, 2026
Approximate cost per Share	RMB10.00	US$2.71; US$3.04	US$3.26; US$3.43	US$3.61	US$4.71
Amount of Shares subscribed for	5,500,000	6,642,825	5,692,051	7,554,574	7,690,680
Consideration[1]	RMB55,000,000	RMB50,000,000; US$12,608,845	US$18,995,089	US$27,272,726	US$32,000,000; RMB30,000,000
Discount to the [REDACTED][2]	[**REDACTED**]%	[**REDACTED**]%; [**REDACTED**]%	[**REDACTED**]%; [**REDACTED**]%	[**REDACTED**]%	[**REDACTED**]%
Post-money valuation of our Company[3]	RMB175.0 million[4]	US$73.6 million[4]	US$109.5 million[4]	US$142.6 million[4]	US$222.2 million[4]
Use of proceeds	We utilize the proceeds to (i) finance our R&D activities; and (ii) fund our daily operations. As of the Latest Practicable Date, approximately 80% of the net proceeds from the Pre-[**REDACTED**] Investments had been utilized for the aforementioned purposes. We expect to utilize the remaining proceeds from the Pre-[**REDACTED**] Investments for the same purposes.				
Lock-up period	It is expected that lock-up undertakings will be given by our Pre-[**REDACTED**] Investors to the Sole Sponsor, each Pre-[**REDACTED**] Investor, subject to the terms of such lock-up undertakings, will not, whether directly or indirectly, at any time during the period agreed by such Pre-[**REDACTED**] Investor and the Sole Sponsor, dispose of any of the Shares held by such Pre-[**REDACTED**] Investor.				

	Series Pre-A Financing	Series A Financing	Series A+ Financing	Series A++ Financing[5]	Series B Financing
Strategic benefits	Our Pre-[**REDACTED**] Investors include private equity funds, major pharmaceutical company and other professional investment companies, many of which are highly experienced in investing in the healthcare and biopharmaceutical industry. Our Directors are of the view that our Group could benefit from the Pre-[**REDACTED**] Investors' knowledge and experience, their industry resources and networks, the additional capital and industry insights and guidance brought by them, while broadening our shareholder base. The Pre-[**REDACTED**] Investments demonstrate the Pre-[**REDACTED**] Investors' commitment and confidence in our R&D and business performance, strengths and long-term prospects.				

Notes:

(1) The consideration for each round of the Pre-[**REDACTED**] Investments was determined based on arm's length negotiations between the Pre-[**REDACTED**] Investors and our Company, taking into consideration the development status of our product pipeline, the capital requirements for our clinical trials, and the prevailing market conditions at the time.

(2) The discount to the [**REDACTED**] is calculated based on the foreign exchange rate as of the Latest Practicable Date and the assumption that the [**REDACTED**] will be fixed at HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range).

(3) Post-money valuation is calculated as (a) cost per Share multiplied by (b) total number of Shares in issue upon completion of the relevant round of the Pre-[**REDACTED**] Investments.

(4) The increase in our valuation was due to the general business status of our Group, the R&D progress of our pipeline products (including TSN222 and TSN1611) and the prevailing market sentiment at the time when the investments were made, the details of which are set out below:

(a) from Series Pre-A Financing to Series A Financing, the valuation increase was driven by the expectation of obtaining IND approval for our first product candidate and the initiation of strategic collaborations both domestically and internationally, which marked our pivotal transition from a discovery-stage biotech startup to a clinical-stage company and validated our R&D capabilities;

(b) from Series A Financing to Series A+ Financing, the valuation increase stemmed from the upcoming initiation of clinical trials for our TSN222, demonstrating our capability to continuously advance our pipeline assets into clinical development and substantially diversifying our clinical-stage portfolio;

(c) from Series A+ Financing to Series A++ Financing, the valuation increase was attributed to the submission of our Core Product's IND application and the initiation of clinical trials overseas, coupled with expectations for positive preliminary proof of concept in upcoming clinical trials for our TSN1611, signifying the expansion of our clinical footprint and our critical transition towards clinical proof-of-concept; and

(d) from Series A++ Financing to Series B Financing, the valuation increase was a result of our Core Product successfully completing phase 1a and 1b monotherapy clinical trials, and commencing patient enrollment for phase 2 monotherapy clinical trial and phase 1b/2 combination therapy clinical trial, representing a substantial de-risking of our Core Product with an established preliminary safety profile, and marking our entry into advanced clinical evaluation stages to unlock broader commercial potential through combination therapies.

(5) Around the same time of the Series A++ Financing, (i) Suzhou Bohe transferred 750,000 Series Pre-A Preferred Shares to Suzhou Bohe III, (ii) Oriza Zhengze, Taicang Yanying, Suzhou Med-Fine and Hangzhou Xianfeng transferred an aggregate of 2,436,582 Series Pre-A Preferred Shares to LAV USD and Shanghai Lizhe, and (iii) Oriza Zhengze transferred 268,607 Pre-A Preferred Shares to Shanghai Shengdi, each for a consideration of US$2.71 per Share (representing a [**REDACTED**]% discount to the mid-point of the indicative [**REDACTED**] range).

Special rights of the Pre-[REDACTED] Investors

Pursuant to the Pre-[**REDACTED**] Investment agreements, the Pre-[**REDACTED**] Investors were granted certain special rights, including without limitation, redemption rights, liquidation preference rights, preemptive rights, right of first refusal, right of co-sale, drag-along rights, anti-dilution rights, right to appoint directors and information and inspection rights.

In anticipation of the [**REDACTED**] and in order to comply with relevant requirements of the Listing Rules, on January 26, 2026, the Shareholders entered into a unanimous written resolution, pursuant to which: (a) all redemption rights will be terminated immediately before the first filing of the [**REDACTED**] by our Company with the Stock Exchange (the "**First Filing**"), provided that

(i) the First Filing shall be completed no later than June 30, 2026; and (ii) such redemption rights shall be automatically restored upon occurrence of (1) the Company's [**REDACTED**] is withdrawn, rejected or returned; (2) the First Filing lapses and has not been renewed within six months after the date of lapse; and (iii) the [**REDACTED**] is not consummated within eighteen months since the First Filing; and (b) all other special rights of the Pre-[**REDACTED**] Investors shall be immediately, automatically and irrevocably terminated with effect from the [**REDACTED**]. No special rights granted to the Pre-[**REDACTED**] Investors will survive the [**REDACTED**].

Compliance with Pre-[REDACTED] Investment Guidance

On the basis that (i) the [**REDACTED**], being the first day of [**REDACTED**] of the Shares on the Stock Exchange, will take place no earlier than 120 clear days after completion of the Pre-[**REDACTED**] Investments; and (ii) the redemption rights have been terminated immediately before the First Filing, and all other special rights will be terminated upon [**REDACTED**], the Sole Sponsor confirms that all the Pre-[**REDACTED**] Investments made by the Pre-[**REDACTED**] Investors are in compliance with Chapter 4.2 under the Guide for New Listing Applicants.

Information about our Pre-[REDACTED] Investors

Our Pre-[**REDACTED**] Investors include certain Sophisticated Investors, namely LAV USD, Tencent Mobility and Shanghai Lizhe. Each of LAV USD and Shanghai Lizhe is a fund dedicated to healthcare or biopharmaceutical sectors. Tencent Mobility is a company with a department that specialized on investments in the biopharmaceutical sector. Each Sophisticated Investor has made meaningful investment in the Company at least six months before the [**REDACTED**], holding approximately [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of the total issued Shares immediately following the completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised.

Set out below are details of our Pre-[**REDACTED**] Investors as of the Latest Practicable Date. To the best of our Company's knowledge, information and belief and having made all reasonable enquiries, all Pre-[**REDACTED**] Investors and their respective ultimate beneficial owners are Independent Third Parties at the time of making the Pre-[**REDACTED**] investments.

LAV USD

LAV VI is a Cayman Islands exempted limited partnership and none of the limited partners of LAV VI holds more than 30% interest. The general partner of LAV VI is LAV GP VI, L.P. The general partner of LAV GP VI, L.P. is LAV Corporate VI GP, Ltd., a Cayman Islands exempted company wholly owned by Dr. SHI Yi ("**Dr. Shi**").

LAV Opportunities is a Cayman Islands exempted limited partnership and none of the limited partners in LAV Opportunities holds more than 30% interest. The general partner of LAV Opportunities is LAV GP VI Opportunities, L.P. The general partner of LAV GP VI Opportunities, L.P. is LAV Corporate VI GP Opportunities, Ltd., a Cayman Islands exempted company wholly owned by Dr. Shi.

LAV VI and LAV Opportunities are within a group of offshore investment vehicles, the investments of which are denominated in U.S. dollar, controlled by Dr. Shi ("**LAV USD Group**"). As of the Latest Practicable Date, LAV USD Group had assets under management of approximately US$4.9 billion and invested in over one hundred portfolios covering all major sectors of the biomedical and healthcare industry including biopharmaceuticals, medical devices, diagnostics and healthcare services, examples including ArriVent BioPharma, Inc., a company listed on the NASDAQ (symbol: AVBP), Abbisko Cayman Limited, a company listed on the Stock Exchange (stock code: 2256) and Jacobio Pharmaceuticals Group Co., Ltd., a company listed on the Stock Exchange (stock code: 1167).

Tencent Mobility

Tencent Mobility is a limited liability company established under the laws of Hong Kong on February 29, 2012. Tencent Mobility is wholly owned by Tencent Holdings Limited (騰訊控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00700 (HKD Counter) and 80700 (RMB Counter)). Tencent Holdings Limited is principally engaged in the provision of communication, social, digital content, games, marketing services, fintech and business services in the PRC. Tencent Holdings Limited has invested in other biotechnology companies, such as Nanjing Leads Biolabs Co., Ltd. (南京維立志博生物科技股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 9887.HK) and MicroTech Medical (Hangzhou) Co., Ltd. (微泰醫療器械(杭州)股份有限公司), a company listed on the Stock Exchange (stock code: 2235). As of June 30, 2025, Tencent Holdings Limited had a diverse investment portfolio of approximately RMB948,262 million.

Shanghai Lizhe

Shanghai Lizhe is a limited partnership established under the laws of the PRC. The general partner of Shanghai Lizhe is Shanghai Likun Enterprise Management Partnership (Limited Partnership) (上海禮堃企業管理合夥企業(有限合夥)) ("**Shanghai Likun**"). The general partner of Shanghai Likun is Shanghai Liyao Investment Management Co., Ltd. (上海禮曜投資管理有限公司) ("**Shanghai Liyao**"), which is in turn wholly owned by Dr. CHEN Fei, an Independent Third Party.

The sole limited partner of Shanghai Lizhe is Suzhou Lirun Equity Investment Centre (LP) (蘇州禮潤股權投資中心(有限合夥) ("**Suzhou Lirun**"), holding 99.9993% partnership interests. The general partner of Suzhou Lirun is Shanghai Likun. No limited partner of Suzhou Lirun holds more than 30% interests.

As of the Latest Practicable Date, Shanghai Liyao and its respective affiliates, all controlled by Dr. CHEN Fei (together, "**Liyao Investment Group**"), had assets under management of approximately US$1.9 billion. Liyao Investment Group dedicated its investments primarily to healthcare and biotech companies including Duality Biotherapeutics, Inc., a company listed on the Stock Exchange (stock code: 9606), Terns Pharmaceuticals, Inc., a company listed on NASDAQ (ticker: TERN), ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (宜明昂科生物醫藥技術(上海)股份有限公司), a company listed on the Stock Exchange (stock code: 01541), and ArriVent Biopharma, Inc., a company listed on the NASDAQ (ticker: AVBP).

CMS Medical

CMS Medical is a limited liability company established under the laws of Hong Kong on May 29, 2018. It is primarily engaged in investment holding. CMS Medical is ultimately controlled by China Medical System Holdings Limited (康哲藥業控股有限公司), a company listed on the Stock Exchange (stock code: 867) and on the Singapore Stock Exchange (stock code: 8A8).

Suzhou Juming

Suzhou Juming is a limited partnership established under the laws of the PRC on May 19, 2021, primarily engaged in venture capital investment (limited to investing in unlisted enterprises). The general partner of Suzhou Juming is Suzhou Juming Shanhe Enterprise Management Partnership Enterprise (Limited Partnership) (蘇州聚明善和企業管理合夥企業(有限合夥)) ("**Suzhou Juming Shanhe**"). None of the limited partners of Suzhou Juming holds 30% or more of the partnership interests therein. Suzhou Juming Shanhe is controlled by its general partner, Suzhou MING Bioventures LP (蘇州聚明投資管理合夥企業(有限合夥)) ("**Suzhou MING**") as to 34.00%, and is owned as to 66.00% by its sole limited partner, Mr. GUO Hua (郭華), who will cease to be our Director with effect from the [**REDACTED**]. The general partner of Suzhou MING is GUO Hua. Suzhou MING has four limited partners, among which, Suzhou Longze Tailu Management

Consulting Partnership Enterprise (Limited Partnership) (蘇州瀧澤泰露管理諮詢合夥企業(有限合夥)), which is ultimately controlled by GUO Hua, holding 58.50% partnership interests therein. None of other limited partners of Suzhou MING holds 30% or more partnership interests therein.

Huzhou Jingyuan

Jingyuan is a limited partnership established under the laws of the PRC on March 1, 2021, primarily engaged in equity investment. The general partner of Jingyuan is LI Xinyan (李新燕). Huzhou Jingyuan has two limited partners, which are Shandong Linyi Yizhou Cement Co., Ltd. (山東臨沂沂州水泥股份有限公司) ("**Shandong Linyi**") and Shandong Yizhou Energy Co., Ltd. (山東沂州能源股份有限公司) ("**Shandong Yizhou**"), holding 57.76% and 42.16% partnership interests in Huzhou Jiuyuan, respectively. Both Shandong Linyi and Shandong Yizhou are ultimately controlled by ZHANG Jianqun (張劍群).

Suzhou Bohe III

Suzhou Bohe III is a limited partnership established under the laws of the PRC on August 4, 2021, primarily engaged in venture capital investment, enterprise management consulting, and financial consulting. The general partner of Suzhou Bohe III is Suzhou Industrial Park Bohe Venture Capital Management Partnership Enterprise (Limited Partnership) (蘇州工業園區薄荷創業投資管理合夥企業(有限合夥)) ("**Suzhou Bohe Venture**"), whose general partner is Suzhou Industrial Park Bohe Venture Investment Management Co., Ltd. (蘇州工業園區薄荷創業投資管理有限公司), holding 94.00% partnership interests therein, which in turn is owned as to 99.87% by Ms. LIU Yuwen (劉毓文), who will become our Director with effect from the [**REDACTED**]. None of the other limited partners of Suzhou Bohe III and Suzhou Bohe Venture holds 30% or more partnership interests therein.

VIV

VIV is a BVI business company established under the laws of British Virgin Islands on March 11, 2021. It is primarily engaged in investment holding. VIV is a wholly owned subsidiary of Virtus Inspire Ventures, L.P. ("**VIRTUS L.P.**"). VIRTUS L.P. is controlled by its general partner, Virtus Inspire Ventures GP Limited. VIRTUS INSPIRE CAPITAL LIMITED ("**VIC**") is the sole limited partner of VIRTUS L.P. Both Virtus Inspire Ventures GP Limited and VIC are wholly owned by LI Haixiang (李海翔).

VIV is a special purpose vehicle managed by VI Venture. VI Ventures, founded in 2015, is a venture capital firm focused on healthcare and life sciences innovation. It specializes in early- to growth-stage investments and leverages its distinctive "two-way China-global value creation" capability to empower high-potential portfolio companies in achieving global expansion.

Shanghai Shengdi

Shanghai Shengdi is a limited partnership established under the laws of the PRC on June 8, 2022, which is primarily engaged in equity investment, investment management and asset management. The general partner of Shanghai Shengdi is Shanghai Shengdi Private Equity Fund Management Co., Ltd. (上海盛迪私募基金管理有限公司) ("**Shengdi Private Equity**"). Shanghai Shengdi has three limited partners, among which Jiangsu Hengrui Pharmaceuticals Co., Ltd. (江蘇恒瑞醫藥股份有限公司), a company listed on the Stock Exchange (stock code: 1276) and Jiangsu Hengrui Pharmaceutical Group Co., Ltd. (江蘇恆瑞醫藥集團有限公司), which is controlled by SUN Piaoyang (孫飄揚), holds 48.54% and 48.54% partnership interests therein, respectively.

Shengdi Private Equity is owned as to 60% and 40% by Shanghai Shengdi Pharmaceutical Co., Ltd. (上海盛迪醫藥有限公司) and Shanghai Yaorong Enterprise Management Center (Limited Partnership) (上海曜嶸企業管理中心(有限合夥)) ("**Shanghai Yaorong**"), respectively. Shanghai

Shengdi Pharmaceutical Co., Ltd. is a wholly owned subsidiary of Jiangsu Hengrui Pharmaceuticals Co., Ltd. Shanghai Yaorong is controlled as to 50% by its general partner, SUN Jieping (孫杰平), and owned as to 50% by its sole limited partner, LIAO Cheng (廖成).

Suzhou Industrial Park Fund

Suzhou Industrial Park Fund is a limited partnership established under the laws of the PRC on November 7, 2017, primarily engaged in venture capital investment, equity investment, asset management, investment management and investment consulting. The general partner of Suzhou Industrial Park Fund is Suzhou Harvest Capital Co., Ltd. (蘇州園豐資本管理有限公司), which is wholly owned by Zhongxin Suzhou Industrial Park Investment Management Co., Ltd. (中新蘇州工業園區投資管理有限公司), an entity owned as to (i) 51.84% by Suzhou Industrial Park Trirun Investment Holding Group Company Limited (蘇州工業園區兆潤投資控股集團有限公司), a company wholly owned by Suzhou Industrial Park Management Committee (蘇州工業園區管理委員會), and (ii) 48.16% by SIP State Capital Investment And Operation Holdings Co., Ltd. (蘇州工業園區國有資本投資運營控股有限公司), a company owned as to 90% by Suzhou Industrial Park Administrative Committee.

Suzhou Industrial Park Fund has two limited partners, namely Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) and Suzhou Industrial Park State-owned Assets Holding Development Co., Ltd. (蘇州工業園區國有資本投資運營控股有限公司), holding 59.94% and 39.96% partner interests therein, respectively, both of which are in turn owned as to 90% by Suzhou Industrial Park Management Committee.

Taicang Yanying

Taicang Yanying is a limited partnership established under the laws of the PRC on December 9, 2015, which is primarily engaged in venture capital investment and equity investment. The general partner of Taicang Yanying is Suzhou Yanying Investment Management Co., Ltd. (蘇州衍盈投資管理有限公司), which is controlled as to 51% and 40% by Suzhou Xiangtang Guarantee Co., Ltd. (蘇州香塘科技實業股份有限公司) and Shanghai Liuyan Investment Management Co., Ltd. (上海六衍投資管理有限公司). Suzhou Xiangtang Guarantee Co., Ltd. is controlled as to 70.08% by Xiangtang Group Co., Ltd. (香塘集團有限公司), which in turn is ultimately controlled by GU Zhenqi (顧振其) as to 98.00%. Shanghai Liuyan Investment Management Co., Ltd. is controlled as to 37.50% by TANG Lin (唐琳), and 62.50% by four other shareholders, each holding less than 30% equity interests therein. None of other limited partners of Taicang Yanying holds 30% or more partnership interests therein.

Suzhou Taikuntong

Suzhou Taikuntong is a limited partnership established under the laws of the PRC on August 18, 2022, which is primarily engaged in investment activities using proprietary funds. Suzhou Taikuntong is controlled by its general partner, Hangzhou Tailong Venture Capital Partnership Enterprise (Limited Partnership) (杭州泰瓏創業投資合夥企業(有限合夥)) ("**Hangzhou Tailong Venture**"), and is owned as to 99.00% by its sole limited partner, Hangzhou Taikun Equity Investment Fund Partnership Enterprise (Limited Partnership) (杭州泰鯤股權投資基金合夥企業(有限合夥)) ("**Hangzhou Taikun Equity**").

Hangzhou Tailong Venture is controlled by its general partner, Zhaotai (Zibo) Venture Capital Management Partnership Enterprise (Limited Partnership) (昭泰(淄博)創業投資管理合夥企業(有限合夥)) ("**Zhaotai Zibo**"), and owned as to 99.00% by its sole limited partner, Hangzhou Taige Equity Investment Partnership Enterprise (Limited Partnership) (杭州泰格股權投資合夥企業(有限合夥)) ("**Hangzhou Taige**"). Zhaotai Zibo is controlled as to 99.00% by its general partner, LIU Chunguang (劉春光) and owned as to 1.00% by its sole limited partner.

Hangzhou Taikun Equity is controlled by the general partner, Hangzhou Tailong Venture, and owned as to (i) 49.00% by Hangzhou Taige, which is ultimately controlled by Hangzhou Tigermed Consulting Co., Ltd. (杭州泰格醫藥科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300347) and Stock Exchange (stock code: 3347), and (ii) 50.00% by two other limited partners, each holding less than 30% partnership interests therein.

Oriza Zhengze

Oriza Zhengze is a limited partnership established under the laws of PRC and is principally engaged in venture capital investment. Oriza Zhengze is controlled by Suzhou Industrial Park Oriza Lize Venture Capital Management Center (Limited Partnership) (蘇州工業園區原點理則創業投資管理中心(有限合夥)) ("**Oriza Lize**") as its general partner, and the largest limited partner is Suzhou Oriza Holdings Co., Ltd. (蘇州元禾控股股份有限公司) ("**Oriza Holdings**"), holding 30% partnership interest therein. None of the remaining 14 limited partners, each being an Independent Third Party, holds 30% or more of its partnership interest.

Oriza Lize is controlled by FEI Jianjiang (費建江) as its managing partner. The largest limited partner of Oriza Lize, Suzhou Industrial Park Yuanhe Oriza Venture Capital Management Co., Ltd. (蘇州工業園區元禾原點創業投資管理有限公司), holds 99% partnership interests in Oriza Lize and is in turn owned by Suzhou Industrial Park Zhengze Jiming Equity Investment Management Co., Ltd. (蘇州工業園區正則既明股權投資管理有限公司) ("**Zhengze Jiming**") and Oriza Holdings as to 51% and 49%, respectively. Zhengze Jiming is owned by FEI Jianjiang as to approximately 48.55% and four other individual shareholders, each an Independent Third Party, none of whom hold 30% or more of the equity interest in Zhengze Jiming.

Oriza Holdings is controlled by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) as to 59.98%, which is in turn owned as to 90% and 10% by Suzhou Industrial Park Administrative Committee (蘇州工業園區管理委員會) and Department of Finance of Jiangsu Province (江蘇省財政廳), respectively.

Suzhou Med-Fine

Suzhou Med-Fine is a limited partnership established under the laws of the PRC on November 28, 2016, which is primarily engaged in venture investment activities and providing entrepreneurial management services to startup enterprises. The general partner of Suzhou Med-Fine is Shanghai Med-Fine Asset Management Co., Ltd. (上海冪方資產管理有限公司), which is a wholly-owned subsidiary of Shenzhen Honor Partner Health Holdings Co., Ltd. (深圳榮耀夥伴健康控股有限公司), an entity owned as to 56.37% by Suzhou Kaituo Power Venture Capital Partnership (Limited Partnership) (蘇州開拓冪方創業投資合夥企業(有限合夥)) ("**Suzhou Kaituo**") and 43.63% by 5 other shareholders, none of which holds 30% or more of its equity interests. The general partner of Suzhou Kaituo is ZHOU Yujian (周玉建). None of the limited partners of Suzhou Med-Fine and Suzhou Kaituo hold 30% or more partnership interests therein.

Hangzhou Xianfeng

Hangzhou Xianfeng is a limited partnership established under the laws of the PRC on July 1, 2016, which is primarily engaged in private equity investment. The general partner of Hangzhou Xianfeng is Xizang Xianfeng Qiyun Enterprise Consulting Management Co., Ltd. (西藏險峰旗雲企業諮詢管理有限公司), which is owned as to 80% by Lhasa Nianqing Enterprise Management Co., Ltd. (拉薩市念青企業管理有限公司), an entity wholly owned by CHEN Keyi (陳科屹).

Calor Capital

Calor Capital is a limited partnership established under the laws of the Cayman Islands on December 11, 2020, which is primarily engaged in investment management. The general partner of Calor Capital is Calor Capital Healthcare Limited, which is wholly owned by Absolute Ventures

Limited, an entity in turn wholly owned by ZHANG Sijian (張思堅). Calor Capital has 21 limited partners, including Dr. Zhang, holding 4.66% partnership interest therein. None of other limited partners of Calor Capital holds 30% or more partnership interests therein.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisitions, mergers or disposals. During the Track Record Period, we did not conduct any acquisition which would require disclosure under the Rule 4.05A of the Listing Rules.

REASON FOR THE [REDACTED]

Our Company is seeking a [**REDACTED**] of its Shares on the Stock Exchange in order to primarily provide further capital for research, development and commercialization of our Core Product, as well as other uses as described in more details in "Future Plans and [**REDACTED**]" in this document.

SHARE SUBDIVISION

On [●], our Shareholders resolved to, among other things, conduct the Share Subdivision, pursuant to which, each of our issued and unissued Shares of US$0.001 each will be subdivided into five Shares of US$0.0002 each effective upon [**REDACTED**]. Upon completion of the Share Subdivision, the authorized share capital of our Company will be US$500,000 divided into 2,500,000,000 Shares of US$0.0002 each.

[REDACTED]

Upon completion of the Share Subdivision and the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Shares held by certain Shareholders who are our core connected persons, will not be counted towards the [**REDACTED**], details of which are set out below:

(a) 51,250,000 Shares (representing [**REDACTED**]% of our total issued Shares) held by Tyligand Holdings, one of our Single Largest Group of Shareholders;

(b) 767,315 Shares (representing [**REDACTED**]% of our total issued Shares) held by Dr. Zhang, our executive Director and one of our Single Largest Group of Shareholders; and

(c) 35,055,400 Shares (representing [**REDACTED**]% of our total issued Shares) held by LAV USD, our substantial Shareholders.

To the best of our Directors' knowledge, information and belief and having made all reasonable inquiries, save as disclosed above, none of the existing Shareholders (i) is a core connected person of our Group; (ii) has been financed directly or indirectly by a core connected person of our Group for the subscription of Shares; or (iii) is accustomed to taking instructions from a core connected person of our Group in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

Assuming that (i) [**REDACTED**] Shares are allotted and [**REDACTED**] in the [**REDACTED**] and none of which will be [**REDACTED**] to the core connected persons of our Company, and (ii) the [**REDACTED**] is not exercised, [**REDACTED**] Shares, representing [**REDACTED**]% of our total issued Shares, will be counted towards the [**REDACTED**]. Pursuant to Rule 8.08(1) of the Listing Rules, assuming that the [**REDACTED**] is not exercised, based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the low end of the indicative [**REDACTED**] range), our expected [**REDACTED**] upon [**REDACTED**] is HK$[**REDACTED**] and the minimum prescribed [**REDACTED**] percentage applicable to our Shares is [**REDACTED**]%. Therefore, our Company will satisfy the [**REDACTED**] requirements as required under Rule 8.08(1) of the Listing Rules.

[**REDACTED**]

Rule 8.08A of the Listing Rules requires that there must be sufficient shares for which listing is sought by a new applicant that are held by the public and available for trading upon listing. This will normally mean that the portion of shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must (a) represent at least 10% of the total number of issued shares in that class to shares for which listing is sought (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Assuming that (i) the [**REDACTED**] is not exercised, (ii) the final [**REDACTED**] is fixed at HK$[**REDACTED**] per [**REDACTED**] (being the low end of the indicative [**REDACTED**] range), and (iii) all Shares to be issued to the [**REDACTED**] (if any) are excluded for the purpose of satisfying the [**REDACTED**] requirement (assuming the [**REDACTED**] is not exercised), the [**REDACTED**] Shares with an expected [**REDACTED**] of HK$[**REDACTED**] will be held by the [**REDACTED**] and will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the [**REDACTED**]. Therefore, our Company will satisfy the [**REDACTED**] requirement under Rule 8.08A(1) of the Listing Rules.

EMPLOYEE INCENTIVE SCHEME

As of the Latest Practicable Date, our Company has one employee incentive scheme in effect, namely the 2023 Incentive Plan. For details of the 2023 Incentive Plan and the Options granted thereunder, see "Appendix IV — Statutory and General Information — D. 2023 Incentive Plan."

CAPITALIZATION

The following table sets out our shareholding structure immediately before and after completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised.

Shareholder	Ordinary Shares	Series Pre-A Preferred Shares	Series A Preferred Shares	Series A+ Preferred Shares	Series A++ Preferred Shares	Series B Preferred Shares	Immediately before completion of Share Subdivision and [REDACTED]		Immediately after completion of Share Subdivision and [REDACTED]	
							Number of Shares	Percentage[1]	Number of Shares[2]	Percentage[1]
Single Largest Group of Shareholders										
Tyligand Holdings[2]	10,250,000	–	–	–	–	–	10,250,000	23.66%	51,250,000	[**REDACTED**]%
Dr. Zhang[2]	–	–	–	153,463	–	–	153,463	0.35%	767,315	[**REDACTED**]%
Pre-*[REDACTED] *Investors										
LAV USD										
– LAV VI[3]	–	812,194	172,698	–	2,308,342	212,306	3,505,540	8.09%	17,527,700	[**REDACTED**]%
– LAV Opportunities[3]	–	812,194	172,698	–	2,308,342	212,306	3,505,540	8.09%	17,527,700	[**REDACTED**]%
Tencent Mobility	–	–	–	–	–	4,883,027	4,883,027	11.27%	24,415,135	[**REDACTED**]%
CMS Medical	–	–	2,500,000	460,389	–	636,917	3,597,306	8.30%	17,986,530	[**REDACTED**]%
Shanghai Lizhe	–	812,194	172,698	–	2,308,342	212,306	3,505,540	8.09%	17,527,700	[**REDACTED**]%
Suzhou Juming	–	–	–	2,455,411	–	–	2,455,411	5.67%	12,277,055	[**REDACTED**]%
Huzhou Jingyuan	–	–	1,981,906	–	–	–	1,981,906	4.57%	9,909,530	[**REDACTED**]%
Shanghai Shengdi	–	268,607	–	437,370	629,548	636,917	1,972,442	4.55%	9,862,210	[**REDACTED**]%
Suzhou Bohe III	–	750,000	–	291,580	–	896,901	1,938,481	4.47%	9,692,405	[**REDACTED**]%
VIV	–	–	1,642,825	–	–	–	1,642,825	3.79%	8,214,125	[**REDACTED**]%
Suzhou Industrial Park Fund	–	–	–	1,137,162	–	–	1,137,162	2.62%	5,685,810	[**REDACTED**]%
Taicang Yanying	–	730,553	–	–	–	–	730,553	1.69%	3,652,765	[**REDACTED**]%
Oriza Zhengze	–	705,464	–	–	–	–	705,464	1.63%	3,527,320	[**REDACTED**]%
Suzhou Taikuntong	–	–	–	610,886	–	–	610,886	1.41%	3,054,430	[**REDACTED**]%
Suzhou Med-Fine	–	365,276	–	–	–	–	365,276	0.84%	1,826,380	[**REDACTED**]%
Hangzhou Xianfeng	–	243,518	–	–	–	–	243,518	0.56%	1,217,590	[**REDACTED**]%
Calor Capital	–	–	–	145,790	–	–	145,790	0.34%	728,950	[**REDACTED**]%
Public Shareholders	–	–	–	–	–	–	–	–	[**REDACTED**]	[**REDACTED**]%
TOTAL	**10,250,000**	**5,500,000**	**6,642,825**	**5,692,051**	**7,554,574**	**7,690,680**	**43,330,130**	**100%**	[**REDACTED**]	**100%**

Notes:

(1) The percentage figures included in this table have been subject to rounding adjustments. Therefore, figure shown as total may not be an arithmetic aggregation of the figures above.

(2) Tyligand Holdings is controlled by Dr. Zhang as to 48.75%.

(3) LAV VI and LAV Opportunities are affiliated funds ultimately controlled by Dr. Shi.

M&A RULES

Article 11 of the Provisions of the Ministry of Commerce on M&A of a Domestic Enterprise by Foreign Investors (商務部關於外國投資者並購境內企業的規定(2009修改)) ("**M&A Rules**") stipulates that an offshore special purpose vehicle, or a SPV, established or controlled by a PRC company or individual shall obtain approval from MOFCOM prior to the acquisition of any domestic enterprise related to such company or individual.

As advised by our PRC Legal Advisor, MOFCOM approvals under the M&A Rules are not required for this [**REDACTED**], as none of the incorporation or acquisition of the PRC subsidiaries of the Group involves the merger with or acquisition of the equity or assets of a PRC domestic enterprise, as defined under the M&A Rules. However, such opinion is subject to any new laws, regulations and rules or detailed implementations and interpretations in any form relating to the M&A Rules.

SAFE Registration

Pursuant to the Circular of the SAFE on Issues Relating to Foreign Exchange Administration of Equity Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles ("**Circular 37**"), a PRC resident must register with the local SAFE branch in connection with their contribution of offshore assets or domestic enterprises' equity interests in an overseas special purpose vehicle that is directly established or indirectly controlled by the PRC resident for the purpose of conducting overseas investment or financing.

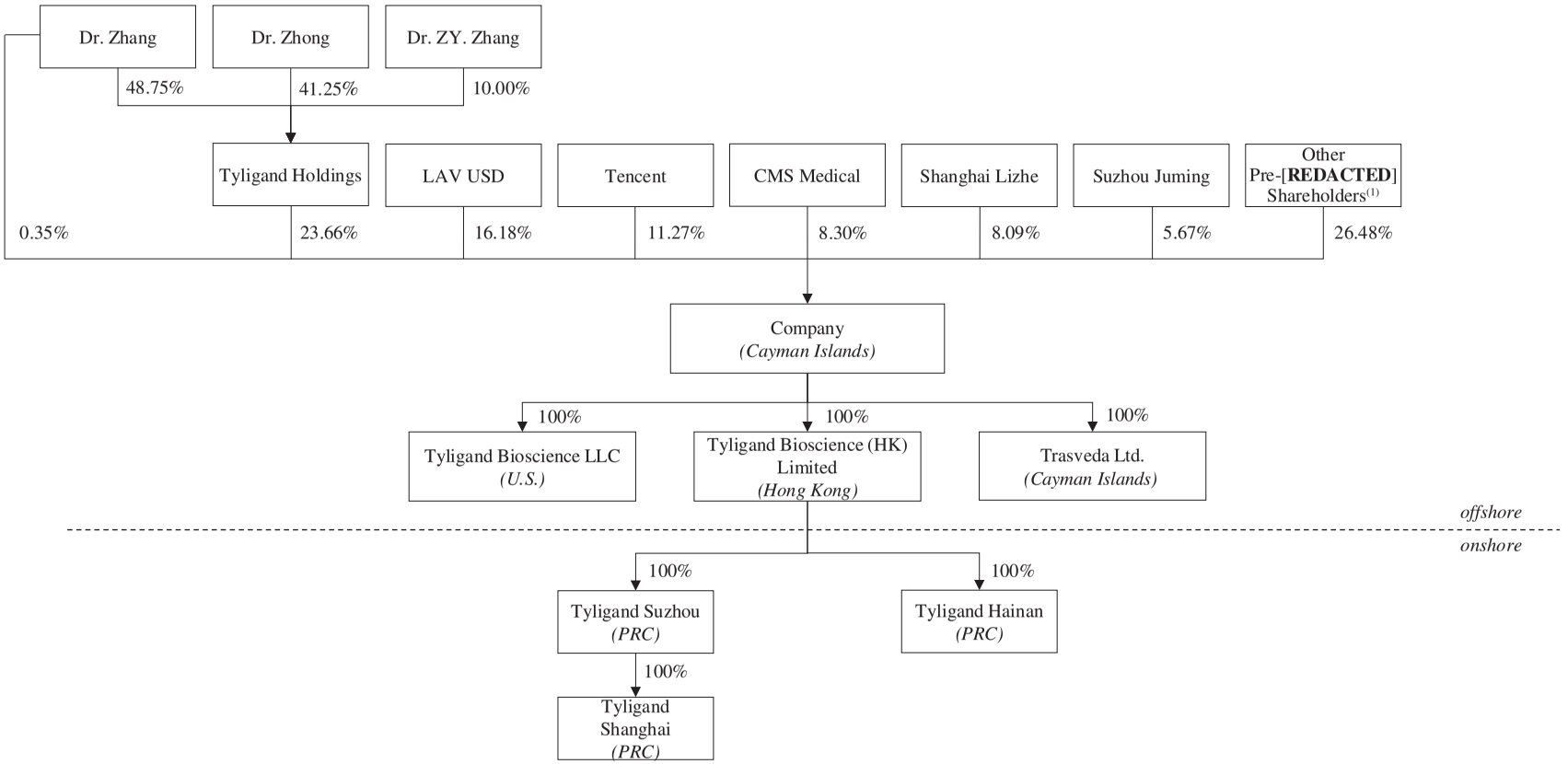
Pursuant to the SAFE Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment (關於進一步簡化和改進直接投資外匯管理政策的通知) (the "**Notice 13**"), the power to accept SAFE registration was delegated from local SAFE to qualified banks.

As advised by our PRC Legal Advisor, the Shareholders of the Company comprised institutional professional investors and an foreign individual as of the Latest Practicable Date, and therefore no individual Shareholder is required to complete the initial registration under Circular 37 and Notice 13.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Immediately Prior to the [REDACTED]

The following chart illustrates our simplified shareholding structure immediately prior to the [**REDACTED**]:

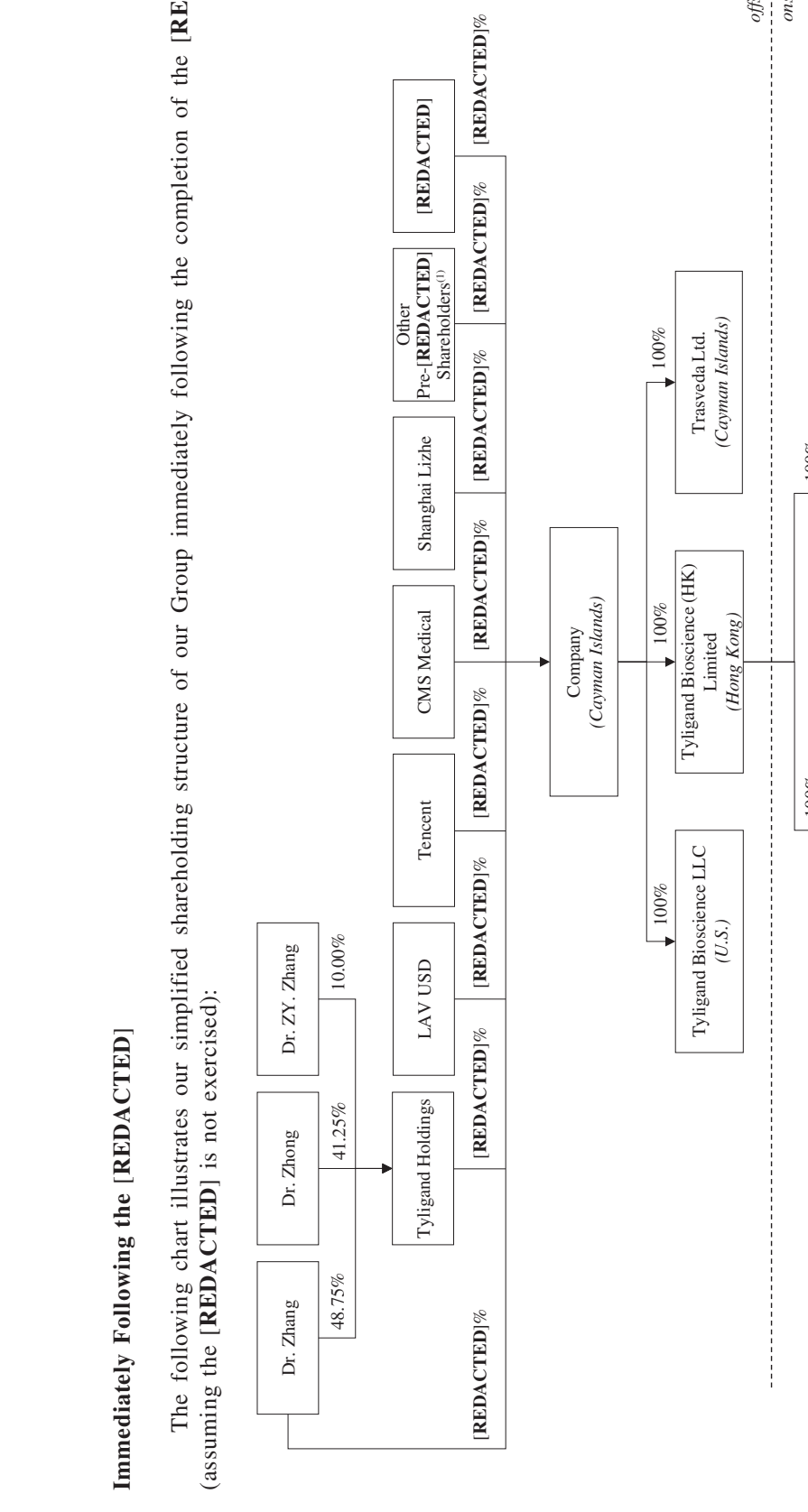


Note:

(1) Other Pre-[**REDACTED**] Investors include Huzhou Jingyuan (4.57%), Shanghai Shengdi (4.55%), Suzhou Bohe III (4.47%), VIV (3.79%), Suzhou Industrial Park Fund (2.62%), Taicang Yanying (1.69%), Oriza Zhengze (1.63%), Suzhou Taikuntong (1.41%), Suzhou Med-Fine (0.84%), Hangzhou Xianfeng (0.56%), and Calor Capital (0.34%). For details, see "— Pre-[**REDACTED**] Investments" and "— Capitalization" above.

Immediately Following the [REDACTED]

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



Note: For note (1), see "— Immediately Prior to the [**REDACTED**]" above.

OVERVIEW

Who We Are

Founded in 2017, we are a clinical-stage biopharmaceutical company focusing on the discovery and development of cancer therapeutics. Since we commenced business operations in 2018, our management team have leveraged decades of collective experience gained from leading drug discovery and development efforts at multinational pharmaceutical companies to build an engine for cancer therapeutics. We have established technology platforms spanning both small molecule and antibody drug conjugate ("**ADC**") development, positioning us to address multiple oncological targets. Our Core Product, TSN1611, is an orally bioavailable inhibitor of KRAS G12D. TSN1611 is currently under phase 2 clinical trials in both the United States and China. We are in communications with, and have obtained feedbacks from the FDA regarding the clinical development plan to TSN1611, including the requirement for the initiation of a registrational phase 3 multi-regional clinical trial ("**MRCT**") of TSN1611 as a monotherapy for the second- and later-line treatment of non-small cell lung cancer ("**NSCLC**"), and intend to communicate with the NMPA to seek clearance for participation in the MRCT in China.

Our Drug Portfolio

As of the Latest Practicable Date, we had developed a pipeline of drug candidates, led by our Core Product, TSN1611. TSN1611 is designed to address KRAS G12D-driven malignancies, including non-small cell lung cancer, pancreatic cancer, and colorectal cancer, through a differentiated mechanism of action that inhibits both the active ("**GTP-bound**") and inactive ("**GDP-bound**") states of the KRAS G12D protein. This dual-state inhibition profile is intended to provide more comprehensive target suppression compared to inhibitors that bind only a single conformational state. In addition to TSN1611, we are advancing TSN222, a novel dual-function small molecule that can also serve as the proprietary payload for our Dual Action Tumor Immune Agonist ("**DATIA**") payload platform. In early clinical trials, TSN222 has demonstrated a favorable tolerability profile and preliminary evidence of anti-tumor activity. Leveraging the DATIA platform and TSN222 as a payload, we are also developing multiple ADC candidates currently in preclinical development, for which we anticipate submitting two IND applications in the next two years.

The following chart illustrates our drug candidates and their respective development stages as of the Latest Practicable Date.

Category	Drug Candidate	Target	Therapy	Combination Agent	Indication	Route of Administration	Preclinical and IND	phase 1	phase 2	phase 3	NDA	Milestones	Asset Origin	Commercial Rights
Small Molecule Drug	**TSN1611**[1] ★	KRAS G12D	Monotherapy	/	2L+ NSCLC	Oral	*NMPA*					After getting the confirmation from the NMPA, the pivotal clinical trial will be initiated in 2026 Q4	Self-developed	China
			Monotherapy	/	2L+ NSCLC	Oral	*FDA*					After getting the confirmation from the FDA, the pivotal clinical trial will be initiated in 2026 Q4	Self-developed	U.S.
			Combination Therapy	Cetuximab[2]	Advanced Solid Tumors	Oral	*NMPA*					Phase 2 completion in 2027 Q2	Self-developed	China
			Combination Therapy	Cetuximab[2]	Advanced Solid Tumors	Oral	*FDA*					Phase 2 completion in 2027 Q2	Self-developed	U.S.
			Combination Therapy	GnP[3]	1L PDAC	Oral	*NMPA*					Pivotal clinical trial to initiate in 2027 Q1	Self-developed	China
			Combination Therapy	GnP[3]	1L PDAC	Oral	*FDA*					Pivotal clinical trial to initiate in 2027 Q1	Self-developed	U.S.
			Combination Therapy	Cetuximab+ mFOLFOX6[4]	1L CRC	Oral	*NMPA*					Pivotal clinical trial to initiate in 2027 Q4	Self-developed	China
			Combination Therapy	Cetuximab+ mFOLFOX6[4]	1L CRC	Oral	*FDA*					Pivotal clinical trial to initiate in 2027 Q4	Self-developed	U.S.
	TSN222[5]	STING+ nucleoside synthesis	Monotherapy	/	Advanced Malignancy	Intratumoral Injection	*NMPA*					Phase I completion in 2026 Q4	Self-developed	China
ADC	**TSNA1789**[6]	HER2+STING +nucleoside synthesis	ADC	/	Advanced Solid Tumors	Intravenous Injection	*NMPA*					IND submission in 2027 Q3	Self-developed	China
	TSNA3339[7]	EGFR+KRAS	ADC	/	Advanced Solid Tumors	Intravenous Injection	*NMPA*					IND submission in 2027 Q1	Self-developed	China

★ **Core Product**

Abbreviations: NSCLC: non-small cell lung cancer; PDAC: pancreatic ductal adenocarcinoma; CRC: colorectal cancer; ADC: antibody drug conjugate; GnP: gemcitabine and nab-paclitaxel, which is a standard, effective first-line chemotherapy for advanced/metastatic pancreatic cancer; mFOLFOX6: a commonly used, effective first-line chemotherapy regimen for colorectal and advanced gastric cancers, consisting of fluorouracil, modified folinic acid, and oxaliplatin

** Refers to the route of administration of our drug candidates.*

Note:

(1) As of the Latest Practicable Date, we had completed the phase 1a and phase 1b clinical trials in the United States and China for TSN1611 as monotherapy, which, as confirmed by the FDA in January 2026, are broadly equivalent to a phase 1 clinical trial of similar drug. Currently, TSN1611 is under phase 2 clinical trials in the United States and China for the treatment of KRAS G12D-mutated advanced solid tumors. Pursuant to the umbrella IND approvals and clearances for TSN1611 granted by the NMPA and the FDA, respectively, we are not required to obtain further regulatory confirmation prior to initiating the phase 2 portion of the clinical trial. Collectively, Phase Ia and Phase Ib fulfill the primary objectives of a conventional Phase I clinical trial for oncology drugs under standard NMPA and FDA regulatory frameworks. During our communications, the FDA and the NMPA raised no objections to our conclusion that the primary endpoints of the Phase 1a and 1b clinical trials — the completion of which collectively constitutes the completion of our overall Phase 1 clinical trial — have been successfully met. However, we are advised to seek confirmation from the FDA and the NMPA prior to initiating any next-phase clinical trials intended to support future NDA submissions. For details, see "Business — Our Small Molecule Drug Portfolio — TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor."

(2) Pursuant to the relevant procurement agreement, the cetuximab used in the clinical trials of TSN1611 in combination with Cetuximab is Cetuximab Injection (Erbitux) manufactured by Merck Healthcare KGaA.

(3) Pursuant to the relevant procurement agreements, the GnP used in the clinical trials of TSN1611 in combination with GnP and nab-paclitaxel is Gemcitabine Hydrochloride for Injection manufactured by Qilu Pharmaceutical (Hainan) Co., Ltd., and the nab-paclitaxel used is Paclitaxel for Injection (Albumin Bound) manufactured by Jiangsu Hengrui Pharmaceuticals Co., Ltd.

(4) Pursuant to the relevant procurement agreement, the cetuximab used in the clinical trials of TSN1611 in combination with cetuximab + mFOLFOX6 is Cetuximab Injection (Erbitux) manufactured by Merck Healthcare KGaA.

(5) As of the Latest Practicable Date, we were currently conducting a Phase 1/2 clinical trial in China to evaluate the application of TSN222, a novel STING agonist, in patients with advanced malignancies.

(6) TSNA1789 is an ADC developed based on our DATIA platform using TSN222 as the payload. As of the Latest Practicable Date, TSNA1789 is in the preclinical stage.

(7) TSNA3339 is an ADC conjugated from an EGFR-targeting antibody and a highly potent KRAS G12D inhibitor, specifically designed to address the limitations of existing KRAS inhibitors (particularly the issue of drug resistance). As of the Latest Practicable Date, TSNA3339 is in the preclinical stage.

(8) We acted as the sponsor for all the clinical trials disclosed in the pipeline chart. For TSN1611, we expect to conduct multi-regional clinical trials (MRCT) encompassing both China and the United States for the same indication.

KRAS G12D accounts for approximately 30% of all Kirsten RAS ("**KRAS**") mutations and is present in approximately 38% of PDAC, 12% of colorectal cancers, and 4% of non-small cell lung cancers. Despite clinical validation of the KRAS pathway through covalent KRAS G12C inhibitors, no KRAS G12D inhibitor has been approved globally, leaving substantial unmet need across multiple high-incidence tumor types with large patient populations. The complex biology of KRAS G12D, characterized by severely impaired intrinsic guanosine triphosphatase ("**GTPase**") activity and the absence of a covalently targetable cysteine residue, has historically precluded effective therapeutic intervention. TSN1611 was the only KRAS G12D inhibitor being clinically developed in parallel in both the United States and China with positive clinical data as of the Latest Practicable Date.

Our R&D Capabilities

We have established proprietary, fully integrated innovation platforms spanning small molecule drug development and ADC technologies, which we believe provide us with competitive differentiation in oncology drug discovery.

- Our medicinal chemistry capabilities are anchored by proprietary compound libraries featuring structurally differentiated molecular scaffolds, a comprehensive and continuously expanding knowledge database of drug synthesis reactions, oncology and autoimmune disease biology. These capabilities enable us to efficiently identify and optimize novel therapeutic candidates with favorable pharmacological profiles.

- Our ADC development is powered by three proprietary platforms. The T^3LP Platform features targeted drug payloads designed to enable ADC-based therapies with improved tolerability profiles. The DATIA Platform is engineered to deliver sequential dual-function activity, combining immune activation with cytotoxic effects. The Dual-Payload Platform is designed to address drug-resistant tumors through the simultaneous delivery of synergistic payload combinations intended to overcome resistance mechanisms.

- We have also developed CMC and regulatory capabilities that enable rapid translation from preclinical discovery to clinical development. We have historically maintained a timeline of approximately six months from initiation of the first good laboratory practice ("**GLP**") toxicology study to IND submission, which we believe compares favorably to industry norms.

This integrated approach — spanning biology, medicinal chemistry, pharmacology, drug metabolism and pharmacokinetics ("**PK**"), CMC, translational science and regulatory affairs — positions us to efficiently advance multiple programs toward registrational trials and, if approved, commercialization.

Our Future and Prospects

Our near-term priorities center on accelerating the clinical development and commercialization of our Core Product, TSN1611. TSN1611 is currently undergoing phase 2 clinical trials in the United States and China. We have also initiated communications with, and have obtained feedbacks from the FDA regarding the requirement for the initiation of the clinical development plan of TSN1611, including to initiate a registrational phase 3 MRCT, and we intend to seek NMPA's clearance for participation in the MRCT in 2026. We are evaluating partnership opportunities with companies possessing multi-region clinical development and commercialization capabilities. We plan to continue advancing our portfolio, including TSN222 and our ADC candidates TSNA1789 and TSNA3339, with IND-enabling activities expected to support clinical trial initiation in the next two years. We will actively pursue external collaborations to maximize the global value of our technologies and pipeline assets through flexible arrangements including out-licensing, regional rights partnerships, and co-development agreements. As we transition

toward becoming a biopharmaceutical company with approved products, we are committed to strengthening our organizational capabilities across manufacturing, regulatory affairs, and commercialization functions to support our evolving business needs and long-term growth objectives.

OUR STRENGTHS

Our Core Product — Highly Selective Oral KRAS G12D Inhibitor TSN1611 with Strong Clinical Potential and Major Market Opportunity

Our Core Product, TSN1611, is an orally bioavailable KRAS G12D inhibitor, which is currently under phase 2 clinical trials in both the United States and China and is advancing toward the next-phase clinical trial as monotherapy for the treatment of NSCLC. Designed to address the substantial unmet medical needs of patients with KRAS G12D-driven cancers — including lung, pancreatic, and colorectal malignancies, TSN1611 has demonstrated early clinical efficacy, along with a favorable safety and tolerability profile that compares favorably with, and in key aspects, potentially exceeds existing competitor molecules. Its differentiated mechanism of action and clinical profile support advancement of the product from later-line settings to early lines and, potentially first-line breakthrough treatment across these major solid tumor indications.

KRAS G12D is the most prevalent KRAS mutation, accounting for approximately 30% of all KRAS mutations. It is highly prevalent across multiple solid tumor types, including approximately 38% of PDAC, 12% of colorectal cancer ("**CRC**") and 4% of NSCLC. Despite clinical validation of the KRAS pathway through covalent KRAS G12C inhibitors, KRAS G12D remains underserved due to its more complex biology and the absence of a targetable cysteine residue for covalent binding. In contrast to KRAS G12C, KRAS G12D exhibits impaired intrinsic GTPase activity, resulting in slower transition from the active ("**on**") GTP-bound to the inactive ("**off**") GDP-bound state, rendering KRAS G12D predominantly in the active state in tumor cells. As a result, therapeutic strategies that rely solely on trapping KRAS G12D in the inactive off-state — while successful for KRAS G12C — are less likely to deliver sufficient pathway suppression in KRAS G12D-driven tumors. Effective inhibition of KRAS G12D therefore requires agents capable of targeting the protein at its active, and ideally both its active and inactive conformations. As of the Latest Practicable Date, no KRAS G12D inhibitor had been approved globally, leaving a substantial unmet need and a therapeutic opportunity across multiple high-incidence tumor types with large patient populations.

We believe TSN1611 demonstrates a differentiated profile with clear advantages over competing molecules, as outlined below.

- **Unique mechanism of action.** TSN1611 is designed to inhibit both the active ("on," GTP-bound) and inactive ("off," GDP-bound) states of KRAS G12D protein. This dual-state inhibition enables TSN1611 to more effectively and sustainably suppress the KRAS signaling, and potentially delay the development of drug resistance. In preclinical testing, TSN1611 potently inhibited both active and inactive states of KRAS G12D (IC50: 1.23 and 1.49 nM) and demonstrated exceptionally tight binding (K_d: 1.93 pM). Consistent with these results, the molecule was shown to be highly potent and selective against KRAS G12D mutant cell lines. It also demonstrated potent and dose-dependent anti-tumor activity in multiple animal models harboring KRAS G12D-mutant tumors. Mechanistic studies confirmed that these effects resulted from effective blockade of the KRAS signaling pathway. With favorable oral PK, evidence of brain penetration observed both preclinically and clinically, and supportive safety margins across species, TSN1611's differentiated molecule profiles of action provides the foundation for continued clinical development.

- **Strong Efficacy profile.** TSN1611 has demonstrated encouraging clinical activity across multiple solid tumors. As of April 10, 2026, in the 600 to 1,200 mg BID dose cohorts, TSN1611 achieved an objective response rate ("**ORR**") of 44.4% and a disease control rate ("**DCR**") of 88.9% in 27 evaluable patients with KRAS G12D-mutated NSCLC, including an ORR of 80% and DCR of 100% in five first-line patients. These early results warrant further validation in a larger patient population. TSN1611 also shows a favorable efficacy profile in other solid tumor indications. In 23 second- to third-line PDAC patients treated with TSN1611 at the recommended Phase 2 dose ("**RP2D**") of 1,200 mg BID, TSN1611 achieved an ORR of 34.8% and a DCR of 82.6%.

- **Favorable safety profile to support multiple indications and better patient adherences.** TSN1611 has demonstrated a favorable safety profile in its clinical trials, with only 6.3% Grade 3 or above treatment-related adverse events ("**TRAEs**") among the 111 patients treated with TSN1611 as of December 11, 2025. No dose-limiting toxicities were observed among these TRAEs. The relatively low occurrence rate of hepatotoxicity and rash and the minimum high grade gastrointestinal and hematologic toxicities — adverse events that commonly limit competitor molecules — support better patient compliance, uninterrupted treatment, and durable responses.

- **Combination therapy potential**. The favorable safety and tolerability profile of TSN1611 also uniquely positions it for combination strategies, which are widely regarded as an important strategy for achieving durable responses given the complexity of tumor microenvironment, the genetic heterogeneity of KRAS mutations, co-occurring alterations, and rapid development of resistance through upstream pathway reactivation (e.g., EGFR, c-MET and other receptor tyrosine kinases), according to Frost & Sullivan. The low occurrence rate of hematologic, dermatologic, and hepatic toxicities shown by TSN1611 in clinical trials provide a clear advantage for its combination with chemotherapy and EGFR-targeted therapies. In advanced pancreatic cancer, targeted combination regimens anchored by TSN1611 could potentially serve as first-line therapy, replacing traditional chemotherapy while improving both efficacy and tolerability. As long-term treatment success will likely require multi-agent approaches, including chemotherapies, targeted therapy agents (*e.g.* EGFR, c-Met inhibitors) or immune checkpoint modulators, TSN1611's compatibility in combination settings represents a critical competitive differentiator. We are currently advancing phase 1b/2 clinical trials with TSN1611 in combination therapy in the United States and China, among which the cetuximab combination cohorts have advanced to phase 2.

TSN1611 is among the KRAS G12D programs in clinical development and has already shown responses across lung cancer and relapsed/refractory pancreatic cancer. Based on these data, we have obtained the FDA's confirmation that we may proceed with phase 2 monotherapy clinical trial with TSN1611 in the United States. TSN1611 is currently undergoing phase 2 clinical trials in the United States and China. For previously treated NSCLC (second- and later-line), we have discussed with the FDA on the development plan for TSN1611 and have obtained feedbacks from the FDA regarding the requirement for the initiation of a randomized phase 3 trial of TSN1611 monotherapy versus docetaxel. In parallel, we are pursuing expansion opportunities in other high-value indications, including a planned phase 3 randomized trial of TSN1611 plus gemcitabine/nab-paclitaxel versus gemcitabine/nab-paclitaxel alone in first-line PDAC.

Integrated Small Molecule and ADC Innovation Platforms to Fuel our Continuous R&D Efforts to Develop Differentiated Therapeutics

We have established proprietary and fully integrated small molecule and ADC innovation platforms, positioning us as a dual-engine innovator. These capabilities enable the development of small molecules, exemplified by TSN1611, as well as ADCs featuring novel payloads and high-performance linkers, accelerating the advancement of therapeutics with enhanced efficacy and clinical potential.

Small Molecule Drug Discovery and Development Capabilities

Our company was founded by a team of scientists with expertise in small molecule drug discovery and development. Our core scientific team, including Dr. Tony Yantao ZHANG, Dr. Boyu ZHONG, and Dr. Genshi ZHAO, have led drug discovery and development efforts at multinational pharmaceutical companies, bringing a proven track record of success in synthetic chemistry, drug design, oncogenic signaling pathway biology, and R&D pipeline management. We have established medicinal chemistry capabilities encompassing proprietary compound libraries of building block molecules featuring structurally differentiated scaffolds, and a comprehensive knowledge database of drug synthesis reactions. These chemical foundations, combined with our deep insights into oncology and biomarker selection, provide an essential capability for novel drug discovery and development. Organic integration of these capabilities has enabled us to explore novel and structurally complex molecular spaces required to address targets with challenging druggability issues, to efficiently design and scale up drug production process, and to deliver the active ingredients and drug products with the quality required for clinical validation and commercialization.

Our regulatory filing expertise and clinical development capabilities enable efficient translation of preclinical discoveries into clinical assets, bringing much needed therapies to patients. By integrating biological insights for target identification, synthetic chemistry for drug design, CMC development, translational science and clinical development, we have improved feedback speed, lowered the cost of failure, enhanced technical efficiency and achieved competitive differentiation.

ADC Platforms

In recent years, we strategically leveraged our know-hows in small molecule drug development to drive ADC discovery, with a particular focus on novel payloads and high-performance linker innovation, addressing critical limitations and unmet needs in current ADC therapeutics. While many of the ADC developers rely on pairing novel antibodies with traditional toxin payloads, such as the tubulin or topoisomerase class of inhibitors originally optimized as standalone therapies, we have initiated the custom design and development of novel payloads specifically tailored for ADC applications several years ago. This approach is aligned with our pipeline development strategy of first advancing small molecules into clinical trials to gain human proof of concept and pharmacokinetic parameters, which inform on the design criteria for bespoke ADC payloads, and followed by leveraging the structure-activity relationship ("**SAR**") knowledge and our proprietary universal linkers and conjugation technologies to drive ADC development. This strategy has enabled us to establish three ADC platforms and a versatile ADC product matrix capable of addressing a wide range of antibody target.

- **Tyligand Target Therapy Linker Payload Platform ("T^{3}LP Platform").** Our T^{3}LP platform features targeted drug payloads characterized by high selectivity, potent *in vivo* activity, low toxicity, and differentiated tumor half-life profiles. When incorporated into ADCs, these payloads enable dual or multiple vertical control of oncogenic signaling by simultaneously targeting cell surface receptors and intracellular signaling hubs, resulting in sustained tumor growth inhibition. This chemo-free, ADC-based targeted therapy offers inherent safety and tolerability advantages and represents a precise, multi-dimensional approach to treat biomarker-defined tumors. The platform's technical barriers center on optimized linker systems that can compensate for the relatively lower potency and hydrophilicity of targeted agents compared to traditional toxin payloads, thereby reducing ADC aggregation, improving plasma stability, and enhancing targeted delivery efficiency and *in vivo* efficacy. TSNA3339 is designed to treat KRAS G12D-driven solid tumors including pancreatic, lung, and colorectal cancers. Compared with oral KRAS G12D inhibitors, this EGFR antibody-based ADC conjugated with a potent KRAS G12D inhibitor payload is designed to deliver more sustained tumor growth inhibition, with potential to delay or overcome resistance. In addition, the biophysical profile of the ADC indicates bystander effects, synergistic potential in

combination within immune checkpoint inhibitors ("**ICIs**"), and enhanced PK and safety through targeted drug delivery. Importantly, this ADC modality also offers clinical utility across cancer patient populations, particularly those with resistance or tolerability issues to oral small molecule drugs, improving bioavailability while reducing or eliminating gastrointestinal side effects inherent to the oral agents of this class.

- **DATIA Payload Platform**. While ICIs, exemplified by PD-(L)1 inhibitor-based therapies, represent the latest advances in recent years in cancer therapy, their clinical benefit has been confined to relieving immune suppression within the tumor microenvironment. In contrast, efforts to directly activate innate immunity and durably engage adaptive immune system have faced repeated setbacks related to efficacy, safety, and clinical translations. The DATIA (dual action tumor immune agonist) platform is our proprietary technology platform, adopting an immuno-oncology approach designed for solid tumor applications. It features efficient and precisely controllable drug release with dual-mechanism of action that enables synergistic immune activation and antitumor effects. Upon release, the DATIA payload initially activates the STING pathway, driving interferon signaling and enhanced tumor antigen presentation. The payload is subsequently converted into a metabolite with cytotoxic activity, directly killing tumor cells and further amplifying immune priming-thereby effectively bridging innate and adaptive immunity. The platform's molecular architecture is designed to optimize the balance between efficacy and safety. The unique chemical structures enable tightly controlled and sequential actions, resulting in short systemic exposure of the payload while maintaining prolonged exposure within tumor tissues. This temporal and spatial differentiation widens the therapeutic window and underpins the improved safety profile of DATIA-based ADCs. A cornerstone of this platform is TSN222, a proprietary payload embodying this sequential STING agonism-to- cytotoxicity feature. Unlike previous single-mechanism immune agonist ADCs, TSN222-based ADCs are designed to connect innate and adaptive immune systems for durable tumor suppression through half-lives across systemic circulation over tumor tissues, enabling safer and more efficient dual-function activity. Importantly, TSN222 has demonstrated preliminary safety and efficacy in phase 1 clinical trial across multiple solid tumors, providing clinical validation of the DATIA platform. These results establish unique competitive advantages for ADC pipeline expansion and position the platform as an attractive foundation for strategic partnering and out-licensing opportunities as indicated by the trend of industry needs for payload innovations.

- **Dual-payload Platform.** The dual-payload platform is designed to overcome drug-resistant tumors through simultaneous release of two payload molecules with different mechanisms of action from the DATIA platform, which delivers sequential dual-functionality from a single payload molecule. The platform's technical barriers include the strategic selection of two synergistic payload combinations to achieve balanced, potent durable tumor suppression and management of physicochemical liabilities introduced by incorporating two hydrophobic payloads into a single ADC. We initiated development of this dual payload approach as early as 2021, making us one of the first companies to explore this approach in the ADC field. These efforts have resulted in substantial proprietary data, a deep knowledge base and a growing library of innovative molecular building blocks designed to address tumor initiation, progression, proliferation, metastasis, and resistance mechanisms. Our focus on combinations of non-cytotoxic and targeted payloads has overcome challenges related to payload conjugation efficiency, ADC stability, and solubility. In contrast to industry efforts that are largely at an early stage and primarily focused on dual-toxin combinations, our platform offers broader flexibility for collaboration with antibody innovation partners and has already generated multiple differentiated dual payload ADCs currently advancing through preclinical evaluation.

Innovative Pipeline Addressing Critical Unmet Needs Across Multiple Oncology Indications

We have established a differentiated and diverse product portfolio targeting advanced solid tumors, hematologic malignancies, and mutation-driven cancers. Leveraging our expertise in small molecule design and ADC payload engineering, we have built a pipeline with multiple development modalities and molecular formats, with sustained capability for expansion.

Small Molecule Drug — TSN222

TSN222 represents a novel modality innovation as the core molecule of our DATIA payload platform, following the successful advancement of TSN1611 into pivotal clinical trials. Notably, TSN222 is differentiated from conventional immune agonists and their ADCs through its sequential dual functionality. TSN222 first acts as a highly permeable and potent STING agonist, stimulating intracellular interferon production that is subsequently secreted to trigger inflammatory responses in the tumor microenvironment. It is then hydrolyzed by intracellular phosphatases into a metabolite (TSN321) that transitions from STING agonism to cytotoxic activity, inducing apoptosis. The resulting apoptotic protein fragments serve as neoantigens recognizable by interferon-activated antigen-presenting cells, promoting T-cell-centered adaptive immune system development, while apoptotic DNA absorbed by neighboring sensors further amplifies STING pathway activation. Critically, these two functions are released sequentially rather than simultaneously, providing *in vivo* synergistic efficacy compared to simple combinations of immune agonists with cytotoxic drugs or radiotherapy. Mechanistic studies and clinical data demonstrate that TSN222's immune profile is different from traditional immune agonists or combination therapies, with versatile clinical application potential validated through intratumoral and intravesical administration, and as an ADC payload for intravenous or subcutaneous injection.

Leveraging our small molecule synthesis capabilities, we engineered TSN222 with a short plasma half-life to limit systemic STING-mediated toxicity in non-tumor tissues, while maintaining a substantially extended half-life within tumor to ensure therapeutic efficacy. TSN222 is currently under phase 1 clinical trial in China and had demonstrated favorable tolerability and encouraging efficacy signals. Tumor biopsy analyses revealed that responding patients exhibited PK/PD signatures closely associated with immune activation and T-cell responses, supporting the potential for expanding the treatment across multiple tumor types and as a novel ADC payload.

ADC — TSNA1789 — DATIA Payload ADC

TSNA1789 is an ADC based on our DATIA platform utilizing TSN222 as the payload. As a new class of immune-stimulating ADC, it incorporates cytotoxic and immunostimulatory function in one molecule as payload. The goal is to transform "cold" tumors with minimal immune cell infiltration into "hot" tumors characterized by active immune engagement, ultimately establishing tumor-specific adaptive immunity that efficiently recognizes and attacks malignancies. Unlike traditional ADCs that deliver cytotoxic payloads, these ADCs release immune agonists upon binding to tumor cell targets, activating interferon secretion and triggering cytokine and chemokine production that activates myeloid cells such as macrophages and dendritic cells. This cascade recruits adaptive immune cells including T-cells, establishing a positive feedback loop of cytokine and chemokine release, inducing immune memory, building durable anti-tumor immunity, and potentially preventing tumor recurrence and overcoming resistance. These ADCs offer a potential solution to the inherent resistance encountered with traditional ICIs such as PD-1 inhibitors.

TSNA1789 incorporates TSN222, a pharmacokinetically controlled payload with a dual mechanism of action. TSN222 functions both as an immune agonist, and as a prodrug of a cytotoxin that, upon cleavage, yields a metabolite exhibiting moderate cytotoxicity. This process is designed to act as an immune activator and to trigger immunogenic cell death, thereby releasing tumor-associated neoantigens and fostering an adaptive immune response. Furthermore, TSN222 demonstrates a preferential retention profile, maintaining a prolonged half-life within the tumor

relative to systemic circulation. This characteristic allows for sustained intratumoral drug concentrations and persistent effects. We are currently advancing TSNA1789 through preclinical development and plan to submit its IND application by the end of 2027.

ADC — TSNA3339 — EGFR-Based KRAS G12D ADC

According to Frost & Sullivan, as KRAS G12D-driven cancers frequently exhibit cell-surface expression of EGFR, EGFR-based ADCs provide a delivery vehicle for the KRAS payload. Moreover, the EGFR targeting ADC serves to block or cause the endocytosis of the cell surface receptors, achieving dual inhibition of the vertical cancer growth signaling pathway, aiming to achieve deep responses and curb resistance.

TSNA3339 is an ADC comprising an EGFR-based antibody conjugated to a potent KRAS G12D inhibitor, specifically designed to overcome limitations in existing KRAS inhibitors, especially drug resistance. By directly delivering the KRAS inhibitor selectively to tumor cells, TSNA3339 aims to achieve more potent and durable tumor suppression, delay or overcome KRAS inhibitor resistance, mitigate gastrointestinal toxicity associated with oral agents, improve PK through targeted delivery, and realize deep combination therapy potential. Unlike traditional toxin-based ADC, TSNA3339 carries a highly potent and selective KRAS G12D inhibitor as its payload. The KRAS G12D inhibitor payload utilized in TSNA3339 is a proprietary, highly optimized compound specifically designed for our ADC platform (T^3LP). While it shares the same target (KRAS G12D) as our oral inhibitor TSN1611, the payload has been structurally optimized to meet the specific requirements of an ADC payload. TSN1611 is an oral small molecule inhibitor positioned as the preferred precision therapy for KRAS G12D-driven tumors. In contrast, our mid-to-long-term layout features TSNA3339, a third-wave EGFR×cMet bispecific ADC. Its strategic significance lies in achieving dual-pathway inhibition — blocking surface receptors via the antibody while simultaneously releasing the KRAS inhibitor intracellularly — to overcome the therapeutic bottlenecks and acquired resistance that pure oral small-molecule drugs struggle to resolve.

We have assessed that the two candidates do not compete internally, but rather form a complementary strategic defense line mitigated by three key factors. First, their mechanisms and clinical applications are mutually reinforcing: oral TSN1611 targets early treatment lines, whereas intravenous TSNA3339 addresses acquired resistance and offers an alternative for patients intolerant to oral medications. Second, their development timelines are naturally staggered — TSN1611 is currently under phase 2 clinical trials with key milestones expected in the upcoming two years, while TSNA3339 remains a preclinical ADC candidate — preventing any overlap in clinical resource allocation or patient enrollment. Finally, their commercialization strategies are highly differentiated; TSN1611 focuses on rapidly establishing market dominance in major indications, while TSNA3339 and its underlying platform are positioned to drive value through future out-licensing and business development collaborations. We are in the process of optimizing the antibody part of the ADC and are expected to submit its IND application in the first quarter of 2027.

Strong Synthetic Chemistry and CMC Development Capabilities Enabling Rapid Clinical Execution

We have established synthetic chemistry capabilities and gained CMC expertise. Leveraging China's and deep small molecule supply chain, we have successfully transformed process development into a powerful engine for drug discovery chemistry, enabling rapid exploration of structurally complex molecular space and swift translation from concept to proof-of-concept stage. Our seamless functional integration across biology, medicinal chemistry, pharmacology, DMPK, and CMC ensures highly efficient progression from target identification through drug discovery to IND filing. This strategy has allowed us to maintain the time from first GLP toxicity study dosing to IND filing within six months, shorter than the industry average of six to 12 months, according to Frost & Sullivan.

We have established a quality team and highly efficient regulatory affairs team that ensures critical data can withstand scrutiny from regulatory agency, multinational pharmaceutical companies and late-stage clinical evaluation, maximizing both R&D efficiency and commercialization potential for our key products. Our quality team covers all aspects of new drug development with comprehensive functionality, well-established systems and processes, and stringent internal controls. Additionally, we have assembled a professional and highly efficient regulatory team that has managed our filings and facilitated communications with authorities in US and China.

Experienced Management Team Backed by Renowned Investors

We are led by an experienced management team. Our founders and core scientific leaders, Dr. Tony Yantao ZHANG and Dr. Boyu ZHONG, bring expertise and leadership from multinational pharmaceutical companies and research institutions. Together, this experienced team combines scientific expertise, proven drug development capabilities to drive innovation.

- ***Dr. Tony Yantao ZHANG***. Dr. Zhang earned his Ph.D. from Purdue University under the mentorship of Nobel Chemistry Prize Winner Professor Ei-ichi Negishi, and has over 25 years of experience at Eli Lilly where he served multiple roles, including member of portfolio review committees, Sr. Research Fellow for Small Molecule Design and Development, Founding Managing Director for Eli Lilly China R&D Center, and Vice President, External R&D, Asia. During his career at Lilly, Dr. Zhang had successfully led product and process design and commercialization for multiple drugs, was an inventor for numerous patents and a recipient of Lilly's Chairman's Ovation Award for his contribution to R&D productivity.

- ***Dr. Boyu ZHONG***. Dr. Zhong obtained his Ph.D. from Northwestern University and completed his postdoctoral training at California Institute of Technology and Harvard University. He has over ten years of medicinal chemistry experience at Eli Lilly, where he engaged in oncology drug discovery, advancing multiple compounds into clinical stages. Dr. Zhong is the inventor of bozitinib which has been approved in China and is in phase 3 clinical trial in the United States.

We have been growing our pipeline and capabilities with support from renowned investors who share our passion for changing cancer therapies with innovation. Our investors not only fuel our growth with funding and vital industry insights but also bridge collaboration opportunities within the global biopharmaceutical community.

OUR STRATEGIES

Accelerate the Clinical Development and Commercialization of Our Core Product TSN1611

We have established a focused development strategy centered on our Core Product, TSN1611, an oral KRAS G12D inhibitor. Building on its differentiated mechanism of actions and combination therapy potentials, we aim to advance the clinical trials of TSN1611 efficiently across major solid tumor indications as monotherapy and combination therapy and seek product registration in the United States and China.

- ***Monotherapy***. Our current development plan primarily focuses on advancing TSN1611 as monotherapy in second- and later-line NSCLC. In the United States, we have obtained confirmation from the FDA that we may proceed with phase 2 monotherapy clinical trial with TSN1611 for the treatment of solid tumors and had initiated such phase 2 monotherapy clinical trial as of the Latest Practicable Date. We are in communications with, and have obtained feedbacks from the FDA regarding the clinical development plan of TSN1611, including the requirement for the initiation of a registrational phase 3 MRCT of TSN1611 as a monotherapy for the second- and later-line treatment of

NSCLC, and intend to communicate with the NMPA to seek clearance for registrational trial in China. We plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the R&D of TSN1611 as monotherapy for the phase 3 clinical trial of TSN1611 in 2L NSCLC. For details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

- ***Combination Therapy***. We plan to initiate a Phase III clinical trial with TSN1611 in combination therapy with GnP for the treatment of first-line PDAC. Specifically, we plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the Phase III combination therapy with GnP for the treatment of PDAC in China. We are also conducting a phase 1b/2 clinical trial in the United States and China with TSN1611 in combination therapy with cetuximab, GnP and cetuximab+mFOLFOX6 for the treatment of solid tumors. Specifically, we plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the phase 1b/2 combination therapy with cetuximab/EGFR inhibitors in the treatment of CRC in China. For details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

Our commercialization strategy for TSN1611 prioritizes China and the U.S. markets, initially targeting solid tumors such as 2L+ NSCLC with KRAS G12D mutations. Our current commercialization strategy is to retain the marketing authorization holder of TSN1611. To support this, we are progressively building a lean in-house commercial management team responsible for top-level strategy, including pricing, securing inclusion in the NRDL and private commercial insurance, maintaining KOL networks, and formulating national marketing plans. We expect the core members of our in-house commercial management team to possess prior experience in the successful commercialization of oncology therapeutics at multinational pharmaceutical companies or leading domestic innovative pharmaceutical companies, with expertise in market access, NRDL price negotiations and compliance management in China. The team is expected to cover the key commercial functions, including (i) overall commercialization strategy and coordination, led by a commercial lead; (ii) sales management, focusing on sales force effectiveness, target setting, performance tracking and sales training for our internal regional managers and external CSO personnel; (iii) marketing and medical affairs, responsible for national marketing strategy, product positioning and the maintenance of top-tier KOL and academic networks; (iv) market access and pricing, responsible for NRDL applications and price negotiations, pharmacoeconomic analysis, hospital listing and the exploration of supplementary commercial insurance payment channels; and (v) external channel management, responsible for the selection, due diligence, compliance oversight and ongoing management of CSOs and distributors. We plan to size this team in line with the development and regulatory milestones of our Core Product, TSN1611, and anticipate that the in-house commercial management team will comprise approximately 5 to 15 core personnel around the initial period following approval. Following approval and inclusion in the NRDL, we expect to expand this in-house management and support team in a prudent and measured manner as the external CSO network is rolled out nationwide.

For the commercialization of TSN1611 in China, we plan to adopt a partnership-based commercial model by leveraging contract sales organization ("**CSO**") to support domestic market coverage. Under our "CSO-supported model," our internal team will manage and evaluate external CSOs, who will assist with on-the-ground sales and promotional execution. While we have not entered into negotiations with potential CSOs as of the Latest Practicable Date, we plan to select reputable CSOs in China with established sales and marketing capabilities, while retaining the key decision-making power for commercialization activities of TSN1611 in China. We believe this approach will accelerate market penetration after approval, optimize commercial efficiency and preserve organizational focus on execution of clinical development and pipeline progression, while keeping flexibility to evolve toward additional commercialization arrangements as TSN1611 expands across indications and treatment settings. We intend to seek the inclusion of TSN1611 in NRDL in the year of, or the year following, its approval and launch in China. Pursuant to relevant laws and regulations, drugs eligible for inclusion in the NRDL shall be clinically needed, safe and effective, and reasonably priced. In practice, the inclusion of new drugs in the NRDL is primarily achieved through NRDL negotiation and competitive bidding. Under this mechanism, exclusive drugs and originator drugs are subject to price negotiation with the National Healthcare Security Administration ("**NHSA**"), while non-exclusive drugs are subject to competitive bidding. The

process generally involves enterprise application and submission of supporting materials, expert review across multiple disciplines, determination of the NHSA's benchmark price, price negotiation or competitive bidding, and public announcement of the results, including the agreed payment price, applicable scope and reimbursement ratio. Based on the currently-applicable NRDL criteria, we do not anticipate material difficulties for TSN1611 to be included in the NRDL, if approved. As of the Latest Practicable Date, no similar drugs targeting the KRAS G12D mutation had been approved in China or included in the NRDL. Prior to its inclusion in the NRDL, we also plan to actively pursue the inclusion of TSN1611 in private insurance schemes in various provinces and cities, which we expect to serve as a key supplementary payment channel before the NRDL negotiation, and we do not anticipate material difficulties for TSN1611 to be included in any private insurance schemes, if approved. For the U.S. and other overseas markets, we plan to pursue out-licensing and partnerships with multinational corporations (MNCs) to leverage their established multi-regional clinical capabilities and commercial networks after TSN1611 approaches overseas pivotal clinical trial. When selecting potential partners or licensees for these markets, we expect to consider a range of factors, including (i) their past experience and capabilities in advancing and executing multi-regional clinical trials; (ii) the strength and reach of its established commercial and sales network in the relevant oncology markets; (iii) its regulatory and registration track record and its history of communications with the FDA, the EMA or other relevant authorities; and (iv) the degree of alignment between the partner's long-term strategic objectives and our own. To pursue our global strategy for TSN1611, we are evaluating potential partnerships with companies that possess multi-regional clinical development and commercialization capabilities and a proven track record of success. We believe that such collaborations would enable us to leverage established clinical infrastructure, regulatory expertise and commercial networks in major markets, while allowing us to focus our internal resources on our core execution priorities and differentiated innovation.

Advance Our Pipeline to Build a Portfolio Across Multiple Oncology Indications

Sustained pipeline advancement is one of the core drivers of our long-term growth. In addition to our Core Product, TSN1611, we aim to build and expand a differentiated portfolio across multiple oncology indications with unmet medical needs and to progressively advance selected programs toward registration-oriented development and potential commercialization. To do so, we plan to apply a disciplined portfolio management approach that prioritizes programs with clear therapeutic rationale and feasible development pathways, integrating clinical findings with translational medicine insights to inform indication selection and optimize dose and regimen, and allocates resources through milestone-based execution with a focus on probability-of-success — adjusted returns.

- **TSN222**. We plan to continue advancing TSN222, a clinical-stage small molecule program and a core component of our DATIA payload platform. Going forward, we plan to shape TSN222's development path based on emerging clinical and translational medicine results, including confirming dose and schedule, refining our route-of-administration strategy, prioritizing target indications, and evaluating opportunities to expand into additional tumor types and treatment settings. We plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the R&D of TSN222. For details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

- **ADC candidates**. In parallel, we plan to strengthen our preclinical pipeline to sustain medium- to long-term innovation output and to create follow-on clinical candidates. In particular, we intend to prioritize the advancement of TSNA1789 and TSNA3339, each representing a differentiated ADC program built on our platform capabilities, and to refine their development strategies prior to IND-enabling and submission activities. We plan to apply a structured evaluation process across these and other preclinical assets, including target and modality selection, translational hypothesis development, CMC feasibility assessment and patentability considerations, with the objective of systematically converting early-stage innovation into validated clinical-stage programs and generating multiple value inflection points over time. We plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the R&D of our ADC products. For details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

Expand Our ADC Platforms with a Focus on Payload Innovation

Moving forward, we plan to advance selected small molecules into clinical trials to obtain human pharmacokinetic and translational insights and then apply these learnings to design and optimize ADC payloads. Supported by our linker technologies and end-to-end capabilities spanning antibody screening, linker-payload matching and conjugation development, we will continue to develop our ADC-specific technology platforms to create a diversified and scalable ADC engine. We expect this platform engine to continuously generate and sustain multiple development candidates over time and support partnering opportunities across various antibodies and indications.

Across these platforms, we plan to actively pursue external collaborations to accelerate development and maximize global value. Over the next three to five years, we aim to advance selected ADC candidates namely, TSNA1789 and TSNA3339, through key preclinical and early clinical milestones, subject to data and resource allocation.

We plan to allocate [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] to the development of our technology platforms. For details, see "Future Plans and [**REDACTED**] — [**REDACTED**]."

Execute Our Global Strategy Through Potential Business Development Opportunities

We continuously evaluate business development opportunities in the global market and intend to pursue a diversified collaboration strategy that balances value maximization, speed of execution, and risk-sharing. As we advance our portfolio, we plan to leverage partnerships to expand our geographic reach, accelerate development and commercialization timelines, and expand the application of our technologies across indications and modalities. We expect to adopt flexible deal structures — including out-licensing arrangements, regional rights collaborations, and selective co-development partnerships — tailored to each asset based on the maturity of its data package, partners' strategic needs, and the commercial and regulatory landscape of target markets.

In the ADC field, we intend to explore collaborations with leading antibody innovators and other strategic partners to leverage complementary capabilities and accelerate the development of differentiated ADC candidates. We believe our proprietary payload and linker technologies can be applied across multiple antibodies, creating scalable partnering opportunities that support pipeline expansion and value realization. As our pipeline matures, we will continue to refine our business development priorities based on clinical data readouts, competitive dynamics, and capital allocation considerations, pursuing collaborations that enhance the probability of clinical and commercial success. We intend to maintain a disciplined approach toward evaluating partnering options, with clear decision criteria around value, speed, control, and risk allocation, ensuring that collaboration decisions remain aligned with the common long-term strategic objectives of both parties.

Foster a Sustainable Corporate Culture and Strengthen Our Talent Pool

Our corporate governance philosophy is rooted in our founding team's dedication to science and our responsibility to our employees, collaborators, patients, the environment, and the society in general. We believe that a motivated workforce and a diverse team foster greater productivity and creativity, and we intend to cultivate a working environment that encourages innovation, enables employees to realize their potential, and promotes fairness, safety, and sustainability. We have established an executive committee, led by Dr. Tony Yantao ZHANG and Dr. Boyu ZHONG, responsible for formulating and overseeing the implementation of our sustainability strategy.

As we transition from a biotechnology company to a biopharmaceutical company with approved products, we recognize the need to strengthen our organizational capabilities across key functions. We plan to continue attracting, developing and retaining talents, particularly in clinical, manufacturing, CMC, regulatory affairs, and commercialization, to support our evolving business needs and pipeline progression. We intend to maintain a competitive compensation and incentive system benchmarked against industry standards, considering individual experience and capabilities, organizational needs, demonstrated effort, stage-based contributions to programs, and product milestone achievements. We are committed to a fair and transparent incentive framework that supports employee career development and aligns with our long-term growth objectives.

OUR SMALL MOLECULE DRUG PORTFOLIO

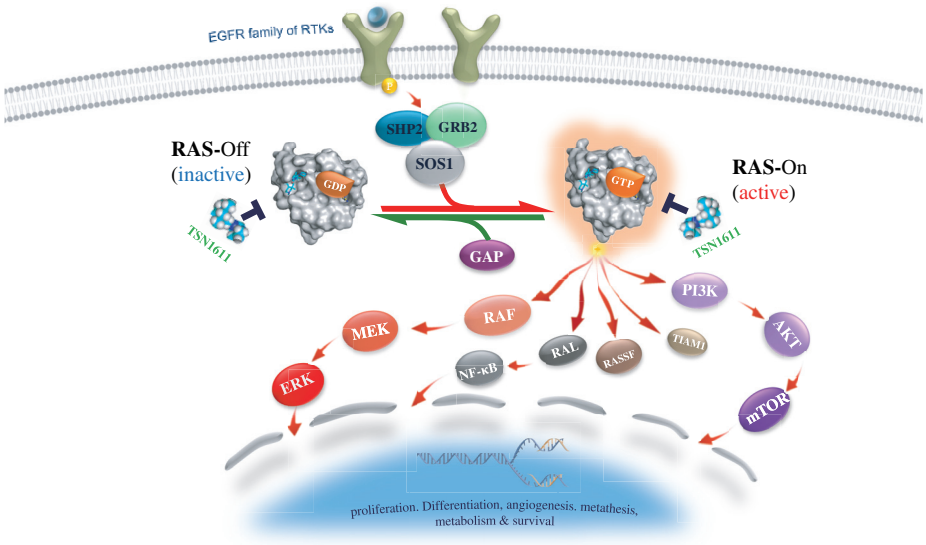
TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor

Our Core Product TSN1611 is an orally bioavailable KRAS G12D inhibitor. We have initiated our global phase 1/2 clinical trial and has completed the phase 1a and 1b stages for monotherapy. TSN1611 is designed to block both the active ("on," GTP-bound) and inactive ("off," GDP-bound) states of the KRAS G12D protein. This dual-state inhibition allows TSN1611 to more effectively and durably shut down KRAS signaling, and potentially slow the development of drug resistance. The high selectivity of TSN1611 toward KRAS G12D enzyme also offers the advantages of a lower rate of adverse events in the clinical settings.

We are currently developing TSN1611 both as monotherapy and in combination therapy with cetuximab, GnP and cetuximab+mFOLFOX6. As monotherapy, we have completed its phase 1 clinical trial in the United States and China and have obtained confirmation from the FDA that we may proceed with its phase 2 monotherapy clinical trial. TSN1611 is currently undergoing phase 2 clinical trials in the United States and China. We have also initiated communications with, and have obtained feedbacks from the FDA regarding the requirement for the initiation of the clinical development plan of TSN1611, including to initiate a registrational phase 3 MRCT for the treatment of NSCLC patients harboring KRAS G12D mutations. In combination therapy settings, we are conducting a phase 1b/2 combination therapy clinical trial of TSN1611 in combination with cetuximab, GnP and cetuximab+mFOLFOX6 in the United States and China, among which the cetuximab combination cohorts have advanced to phase 2.

Drug Design and Mechanism of Action

KRAS is one of the most frequently mutated oncogenes in human cancers, with the KRAS G12D mutation representing approximately 30% of all KRAS mutations — making it the most prevalent variant across tumor types. KRAS G12D is particularly common in PDAC (approximately 38%), colorectal cancer (approximately 12%), and non-small cell lung cancer (approximately 4%). Compared to the KRAS G12C mutation, the KRAS G12D mutation causes a more pronounced decrease of intrinsic GTPase activity, resulting in a higher proportion of constitutively active GTP-bound KRAS in tumor cells and driving aggressive tumor growth.



TSN1611 is a novel KRAS G12D inhibitor designed to target both the active "on" (GTP-bound) and inactive "off" (GDP-bound) states of KRAS G12D proteins. By binding to both conformational states, TSN1611 effectively blocks the GDP-GTP exchange cycle, preventing the activation of KRAS G12D and inhibiting its interaction with downstream effector proteins, including RAF kinases. This dual-state inhibition comprehensively suppresses KRAS G12D-driven oncogenic signaling, offering a promising therapeutic approach for patients with KRAS G12D-mutant malignancies.

Market Opportunity and Competition

RAS is a family of proteins that exhibits a GTPase activity and cycles between "on" (GTP-bound) and "off" (GDP-bound) states. Three RAS genes encode for protein isoforms, namely KRAS, HRAS and NRAS. KRAS is one of the most frequently mutated oncogenes in human cancers and it represents approximately 75% of all RAS isoforms contributing to cancer. KRAS mutations are detected in approximately 90% of pancreatic cancer, 30-40% of CRC, and 15- 20% of lung cancer patients. These mutations are often associated with resistance to targeted and poor outcomes in cancer patients. The KRAS G12D mutation represents approximately 30% of all KRAS mutations, making it the most prevalent KRAS variant in human cancers. With the anticipated commercialization of multiple drug pipelines, the global KRAS G12D inhibitor drug market is expected to increase from US$81.8 million in 2027 to US$3,481.6 million in 2035 at a CAGR of 59.8%. China's KRAS G12D inhibitor drug market is expected to increase from US$12.3 million in 2027 to US$446.5 million in 2035 at a CAGR of 56.7%.

As of the Latest Practicable Date, there was no approved KRAS G12D inhibitor drug globally. The following table sets forth the clinical-stage KRAS G12D inhibitor candidates globally.

Drug	Company	Binding State	Clinical Trials	Indications	Combination Therapy	Development Stages	First Posted Date of Current Clinical Stage	Regulatory Authority involved
HRS-4642	Hengrui Pharma	ON & OFF	CTR20254212	1L PDAC	Mono/AG	III	10/24/2025	CDE
			CTR20251407/ CTR20242710	Solid Tumor	Mono/SHR-A1921/A1904/ AG/Adebrelimab Injection/ Pemetrexed Disodium for Injection/Cisplatin Injection/Cetuximab Solution for Infusion	I/II	4/28/24	CDE
GFH375	GenFleet Therapeutics/ Verastem Oncology	ON & OFF	NCT07262567/ CTR20254503	2L+ PDAC	Mono	III	11/11/25	CDE/FDA
			CTR20253996	2L+ Solid Tumor	Mono/Cetuximab Solution/Gemcitabine Hydrochloride/Paclitaxel	I/II	7/1/24	CDE
INCB161734	Incyte Corporation	ON & OFF	NCT07522073	1L PDAC	Mono/mFOLFIRINOX/ GemNabP	III	2026-04-13	/
RNK08954	Ranok Therapeutics	OFF	CTR20254089	2L+ mPDAC	Mono	II	10/24/25	CDE
			CTR20254790	2L+ Solid Tumor	Mono/IN10018	I/II	12/9/25	CDE
Zoldonrasib	Revolution Medicines	ON	NCT07397338	1L Non-Squamous NSCLC, 2L+ CRC, 2L+ Solid Tumor	Mono/Daraxonrasib/Ivonescimab/ Elironrasib	I/II	2/9/2026	FDA
TSN1611	**Tyligand**	**ON & OFF**	**CTR20241863**	**2L+ Advanced solid tumors, CRC, NSCLC, PDAC**	**Mono/Cetuximab/Gemcitabine Hydrochloride/Paclitaxel**	**I/II**	**6/27/24**	**CDE/FDA**
DN022150	De Novo Pharmatech/ Kerui Pharmaceutical	N/A	CTR20242749	2L+ Advanced solid tumor, 2L+ NSCLC, 3L+ CRC, 2L+ PDAC	Mono	I/II	8/2/24	CDE
GDC-7035	Genentech	N/A	NCT06619587	Advanced or metastatic solid tumor	Mono/panitumumab	I/II	10/1/24	/
QLC1101	QILU PHARMACEUTICAL	N/A	CTR20251998	2L+ Advanced solid tumor	Mono/docetaxel/QL1203/QL2107/ QL1706	I/II	5/21/25	CDE
HBW-012336	Haibowei Pharmaceutical	N/A	CTR20252400	2L+ Advanced solid tumor, PDAC, CRC, Lung Cancer, Endometrial Cancer	Mono	I/II	6/18/25	CDE
ABSK141	Abbisko Therapeutics	N/A	CTR20260317	Advanced Solid Tumor	Mono	I/II	2/4/26	CDE/FDA
YL-17231	Yingli Pharmaceutical	N/A	CTR20233052	2L+ NSCLC, 3L+ CRC, 2L+ (Advanced) Solid Tumor	Mono	I	10/10/23	CDE/FDA
AST2169	Allist Pharmaceuticals	N/A	CTR20240981	2L+ NSCLC, CRC, PDAC, Advanced Solid tumor	Mono	I	4/2/24	CDE
QTX3046	Quanta Therapeutics	ON & OFF	NCT06428500	2L+ Solid tumor	Mono/cetuximab	I	5/24/24	/
LY3962673	Eli Lilly	OFF	NCT06586515	2L+ Solid Tumor	Mono/Cetuximab/Gemcitabine/ nabpaclitaxel/Oxaliplatin/ leucovorin/Irinotecan/5-fluorouracil	I	9/19/24	/
INCB186748	Incyte Corporation	N/A	NCT06818812	2L+ CRC, 2L PDAC, 2L+ Advanced solid tumor	Mono	I	2/10/25	/
HS-10529	Hansoh Pharma	N/A	CTR20251739	2L+ Solid Tumor	Mono	I	5/6/25	CDE
HRS-6093	Hengrui Pharma	ON & OFF	CTR20253307	2L+ Solid Tumor	Mono	I	8/28/25	CDE
KQB548	Bayer AG/Kumquat Biosciences	N/A	NCT07207707	2L+ PDAC, CRC, NSCLC	Mono	I	10/6/25	FDA
ZN-F-6418	Zion Pharma	N/A	CTR20254150	2L+ NSCLC, CRC, Advanced Solid Tumor	Mono	I	11/6/25	CDE
D3S-003	D3 Bio (Wuxi) Co.	ON & OFF	NCT07456046	2L+ Solid Tumor	Mono	I	3/6/26	FDA

Source: CDE, ClinicalTrials, company websites, and Frost & Sullivan Analysis

Note: As regulatory authorities such as the FDA and EMA do not publicly disclose whether a specific investigational product has obtained IND clearance or equivalent regulatory status in all cases, the involvement of the FDA or EMA in the competitive landscape is determined based on publicly available disclosures by the respective companies. N/A stands for no binding confirmation is disclosed in the available information. For clinical trials where the line of treatment is not specified, this is because the study eligibility criteria do not explicitly disclose requirements regarding patients' prior treatment history.

Summary of Clinical Trials

Global Phase 1/2 Clinical Trial

Trial Design.

We have initiated a global phase 1/2 clinical trial in the United States and China. The phase 1/2 clinical trial is a first-in-human, open-label, multi-center study to evaluate TSN1611, an oral KRAS G12D inhibitor, in patients with KRAS G12D-mutated advanced solid tumors. The clinical trial is designed to assess the safety, tolerability, PK, PD and preliminary anti-tumor activity of

TSN1611 as monotherapy and in combination with other anti-cancer agents. The clinical trial is further divided into four parts, namely monotherapy phase 1a dose escalation part, monotherapy phase 1b dose randomization part, monotherapy phase 2 dose expansion part and combination therapy phase 1b/2 part.

Our phase 1/2 clinical trial for TSN1611 serves as the foundation for future clinical development of TSN1611 for both monotherapy and combination therapy across multiple specific oncology indications. As advised by Frost & Sullivan, in the development of oncology drugs, sponsors frequently utilize a basket trial design, in the form of phase 1 or phase 1/2 clinical trials to support future development across multiple tumor types sharing a common molecular or biomarker profile, including both monotherapies and combination therapies. The rationale for this approach is to evaluate the safety, tolerability, pharmacokinetics, and preliminary anti-tumor activity of a drug candidate across multiple tumor types simultaneously under a single master protocol, thereby accelerating the clinical development timeline and identifying the most promising indications for subsequent late-stage trials. Typically, this clinical trial comprises a dose escalation phase and a dose expansion phase (which may include dose randomization) to determine the recommended phase 2 dose ("**RP2D**"), fulfilling the primary objectives of a conventional phase 1 clinical trial. Following the identification of the RP2D and the most promising indications, clinical development naturally progresses to a proof-of-concept ("**PoC**") study. Representing a critical inflection point in the clinical development paradigm, a PoC study is typically conducted as an early phase 2 (Phase 2a) trial. Its primary objective is to establish preliminary clinical evidence that the drug candidate exerts its intended biological effect and demonstrates initial efficacy signals within the targeted patient population. By evaluating key pharmacodynamic biomarkers, objective response rates, or other early clinical endpoints alongside ongoing safety assessments, a well-designed PoC study validates the underlying therapeutic hypothesis. Ultimately, achieving clinical proof of concept provides sponsors with the essential data required to make informed decisions on whether to initiate pivotal or registrational clinical trials and justifying the substantial resource allocation necessary for subsequent large-scale, late-stage clinical trials.

Based on the clinical trial protocol, a safety review committee ("**SRC**") is established. The SRC is comprised of the PIs, our medical monitor and the CRO's medical monitor, and ad hoc experts when necessary. The SRC regularly reviews clinical data to ensure patient safety and guide trial progression across all study phases. During the phase 1a dose escalation, the SRC meets after each cohort to dictate dose escalation, de-escalation, or the addition of intermediate doses, ultimately recommending doses for further study. In phase 1b, the SRC evaluates accumulated data after the last patient completes at least one cycle to determine the optimal Recommended Phase 2 Dose (RP2D). Usually during phase 2, the SRC conducts periodic reviews (e.g., every three months or at 25% enrollment milestones) to monitor cumulative safety data, manage emerging risks, and communicate serious issues, holding the authority to pause enrollment, de-escalate doses, or terminate the trial entirely if the selected dose proves intolerable.

Monotherapy — phase 1a dose escalation part started in May 2024 and reached primary endpoints in June 2025. The phase 1a portion is designed to evaluate the safety and tolerability of escalating doses of TSN1611 and to identify the maximum tolerated dose ("**MTD**") and RP2D. This portion employs an accelerated titration approach for the initial dose level (50 mg BID), followed by a Bayesian Optimal Interval ("**BOIN**") design for subsequent dose levels (100, 200, 400, 600, 800, and 1,200 mg BID). Under the BOIN design, cohorts of 3 to 12 patients are enrolled at each dose level, and dose escalation or de-escalation decisions are made based on the observed incidence of dose-limiting toxicities ("**DLTs**") during the DLT observation period. To characterize single-dose PK, patients undergo a single-dose run-in period prior to continuous dosing, during which pharmacokinetic blood samples are collected. Based on cumulative safety and pharmacokinetic data, the SRC selected 1,200 mg BID as the RP2D for further evaluation in subsequent study phases in June 2025. The **primary endpoints** for this portion across all dosing levels include DLT during the single-dose period or the first cycle of multiple-dose period. **Secondary endpoints** across all dosing levels include pharmacokinetic parameters (such as C_{max}, T_{max}, AUC, and half-life), pharmacodynamic biomarkers, and preliminary anti-tumor activity as assessed by ORR and DCR per RECIST v1.1 criteria.

Monotherapy — phase 1b dose randomization part started in June 2025 and reached primary endpoints in November 2025. The phase 1b portion is designed to further evaluate and optimize the dosing regimen of TSN1611 by comparing safety, tolerability, PK, PD, and anti-tumor activity at two dose levels. Approximately 30 patients with KRAS G12D-mutated advanced solid tumors — including PDAC, CRC, and NSCLC — were randomized in a 1:1 ratio to receive TSN1611 at either 800 mg BID or 1,200 mg BID, stratified by tumor type. Patients continue treatment until disease progression or unacceptable toxicity. Upon completion of at least one treatment cycle by all enrolled patients, the SRC reviewed cumulative data and confirmed the optimal dose for phase 2 expansion in November 2025. The **primary endpoints** across all cohorts for this portion include incidence and severity of AEs and changes in laboratory parameters. **Secondary endpoints** across all cohorts include pharmacokinetic and pharmacodynamic parameters, as well as preliminary efficacy measures including ORR, DCR, duration of response ("**DOR**"), and progression-free survival ("**PFS**") per RECIST v1.1 criteria.

Monotherapy — phase 2 dose expansion part started in August 2025 and currently ongoing. The phase 2 monotherapy portion is designed to evaluate the preliminary efficacy and safety of TSN1611 at the RP2D (1,200 mg BID) in patients with KRAS G12D-mutated advanced solid tumors across four tumor-specific cohorts: Cohort 1 (PDAC), Cohort 2 (CRC), Cohort 3 (NSCLC), and Cohort 4 (other solid tumors). Each cohort initially plans to enroll approximately 20 patients, and cohorts demonstrating promising clinical activity may be expanded by an additional 10 to 20 patients to further characterize the efficacy signal. Patients receive TSN1611 at the RP2D and continue treatment until disease progression or unacceptable toxicity. The **primary endpoint** for this portion is ORR as assessed by the investigator per RECIST v1.1 criteria. **Secondary endpoints** include DCR, DOR, PFS, overall survival, safety and tolerability, and pharmacokinetic/pharmacodynamic parameters. Exploratory endpoints include evaluation of predictive biomarkers and correlation of biomarker status with clinical outcomes. To date, positive preliminary efficacy results have been observed in both the NSCLC and PDAC cohorts, which have enrolled approximately 40 and 20, respectively. We currently expect this portion will reach its primary endpoints by the end of 2026.

Combination therapy — Phase 1b/2 part started in December 2025 and currently ongoing. The combination therapy portion is designed to evaluate the safety, tolerability, PK, and preliminary efficacy of TSN1611 in combination with established anti-cancer regimens in patients with KRAS G12D-mutated advanced solid tumors. This portion includes three combination cohorts: Cohort A evaluates TSN1611 in combination with cetuximab in previously treated patients with PDAC (Cohort A1), CRC (Cohort A2), and NSCLC (Cohort A3); Cohort B evaluates TSN1611 in combination with gemcitabine and nab-paclitaxel ("**GnP**") in first-line PDAC patients; and Cohort C evaluates TSN1611 in combination with cetuximab and mFOLFOX6 in first-line CRC patients. Each cohort includes a phase 1b safety run-in period utilizing BOIN design to establish the recommended dose of TSN1611 in combination, starting at 800 mg BID with potential escalation to 1,200 mg BID or de-escalation to 600 mg BID based on observed DLTs. Once the recommended combination dose is confirmed, the study proceeds to phase 2 expansion to enroll additional patients and assess efficacy. In the phase 2 expansion, Cohorts A1, A2, and A3 each enroll approximately 20 patients initially, with potential expansion of 10 to 20 additional patients in cohorts demonstrating promising clinical activity while Cohorts B and C each enroll approximately 30 patients. The primary endpoints for the safety run-in period include incidence and severity of DLTs, while the **primary endpoint** for the expansion period is ORR per RECIST v1.1 criteria. **Secondary endpoints** include DCR, DOR, PFS, overall survival, safety and tolerability, and pharmacokinetic/pharmacodynamic parameters. Specifically, Cohorts A1, A2 and A3 (in combination with cetuximab) have completed dose escalation at 800 mg BID and 1,200 mg BID with no dose-limiting toxicities (DLTs) reported; the SRC has recommended both doses for further evaluation, and the cetuximab combination cohorts have advanced to the phase 2 portion for further dose optimization. As of the Latest Practicable Date, dose escalation is ongoing in phase 1b part of Cohort B and C. We currently expect this portion will reach its primary endpoints by the first half of 2027.

Trials Status. As of the Latest Practicable Date, we had completed the phase 1a and phase 1b monotherapy clinical trials, which, as confirmed by the FDA, are broadly equivalent to a typical standalone phase 1 clinical trial. We have initiated phase 2 monotherapy clinical trial and phase 1b/2 combination therapy clinical trial in the United States and China. For the combination therapy clinical trial, the cetuximab combination cohorts have advanced to phase 2. For the monotherapy phase 2 clinical trial, we expect it will reach its primary endpoints by the end of 2026. For the combination therapy clinical trial, we expect it will reach its primary endpoints by the first half of 2027. As of the Latest Practicable Date, more than 200 subjects have been enrolled in the global phase 1/2 clinical trial of TSN1611, including over 80 subjects in the phase 2 monotherapy trial, as well as more than 20 subjects in the phase 2 cohort evaluating the combination of TSN1611 and cetuximab for advanced solid tumors.

Efficacy Data

NSCLC

TSN1611 demonstrated promising efficacy in KRAS G12D-mutated NSCLC patients receiving monotherapy at 600–1,200 mg BID. As of April 10, 2026, 27 NSCLC patients in the 600 to 1,200 mg BID dose cohorts had post-baseline tumor evaluations, with an overall ORR of 44.4% (12/27) and DCR of 88.9% (24/27). In five first-line NSCLC patients, TSN1611 achieved an ORR of 80% (4/5) and DCR of 100% (5/5). These early results warrant further validation in a larger patient population. Notably, TSN1611 demonstrated rapid intracranial partial response in a KRAS G12D-mutant NSCLC patient with brain metastases, supporting its potential utility in addressing an unmet need in this population. In a 71-year-old Asian female patient with heavily pretreated stage IV NSCLC harboring a KRAS G12D mutation, a dose of 1,200 mg TSN1611 BID induced rapid regression of both intracranial and extracranial lesions. The above data was selected for presentation at the American Society of Clinical Oncology (ASCO) Annual Meeting held in May 2026, and was presented in the Rapid Oral Abstract Session.

*Pancreatic Ductal Adenocarcinoma ("**PDAC**")*

The topline efficacy results were particularly notable in second- and third-line PDAC patients as of January 8, 2026, where TSN1611 achieved an ORR of 34.8% and a DCR of 82.6% at the RP2D of 1,200 mg BID. Among 23 evaluable second- and third-line PDAC patients, eight achieved PR, 11 achieved stable disease ("**SD**"), and only four experienced progressive disease.

Pharmacokinetic analysis revealed a median T_{max} of 1-6 hours across all dose levels, with a geometric mean half-life of approximately 14-18 hours following single dosing. TSN1611 plasma concentrations reached steady state after 8 days with no significant accumulation observed. The 1,200 mg BID dose achieved the highest exposure with relatively lower inter-individual variability, and the steady-state trough concentration at this dose was approximately seven times higher than the IC90, demonstrating sustained target inhibition. While median PFS and DOR data are still maturing, these initial results reinforce the therapeutic potential of TSN1611, with longer-term efficacy outcomes pending further follow-up.

Safety Data

As of December 11, 2025, TSN1611 exhibited a well-characterized and manageable safety profile across 111 patients enrolled in the clinical trials. TRAEs were reported in 91.9% of patients, including diarrhea (50.5%), nausea (45.9%), and vomiting (44.1%), WBC count decreased (17.1%), neutrophil count decreased (15.3%), and platelet count decreased (11.7%), as well as ALT increase (12.6%). Importantly, Grade 3 TRAEs occurred in only 6.3% of patients, with anemia being the most frequently reported (1.8%); other Grade 3 events including WBC and neutrophil count decrease, asthenia, ketoacidosis, diarrhea, and hypokalemia were each observed in single patients (0.9%). Notably, no Grade 4 or 5 TRAEs were reported, and no TRAEs led to treatment discontinuation.

At the RP2D of 1,200 mg BID (N=57), TSN1611 maintained a consistent safety profile with high treatment adherence. Grade 3 TRAEs occurred in 8.8% of patients, which led to dose interruption in 17.5% and dose reduction in 7.0% of patients. These findings support the favorable tolerability of TSN1611 at the RP2D, warranting continued clinical development in KRAS G12D-mutant solid tumors.

Material Communication with Competent Authority

The following table summarizes our major communications with competent authorities in chronological order. As of the Latest Practicable Date, we had received no objections to our clinical development plans with respect to the regulatory review or approval process of TSN1611 and no material adverse change had occurred with respect to the regulatory review or approval process of TSN1611.

Nature of the event	Event	Time	Implications for Clinical Development
FDA Communication	We submitted the IND application for TSN1611 to the FDA, which includes the phase 1/2 clinical trial protocol as part of the application material.	January 2024	Initiated regulatory engagement with the FDA for TSN1611 clinical development in the United States.
FDA Communication	We obtained the IND approval for TSN1611 from the FDA	February 2024	Enabled initiation of phase 1/2 clinical trial of TSN1611 in the United States. No further FDA confirmation required prior to initiation of phase 2 monotherapy or phase 1b/2 combination therapy portions.
NMPA Communication	We submitted the IND application for TSN1611's monotherapy to the NMPA	February 2024	Initiated regulatory engagement with the CDE for TSN1611 clinical development in China.
NMPA Communication	We obtained the IND approval from the CDE for TSN1611's monotherapy.	April 2024	Enabled initiation of the China arm of the phase 1/2 clinical trial. No further CDE confirmation required prior to initiation of phase 2 monotherapy or phase 1b/2 combination therapy portions.
Clinical Trial Progress	Monotherapy phase 1a clinical trial was initiated in China and the United States and reached primary endpoints.	May 2024 – June 2025	Established safety and preliminary efficacy data to support advancement to phase 1b and phase 2 portions of clinical development.

Nature of the event	Event	Time	Implications for Clinical Development
Clinical Trial Progress	Monotherapy phase 1b clinical trial was initiated and reached primary endpoints.	June 2025 – November 2025	Further validated safety profile and efficacy signals.
FDA Communication	We submitted then-available clinical data across all cohorts, along with the phase 2 monotherapy clinical trial protocol and phase 1b/2 combination therapy clinical trial protocol to the FDA.	July 2025	Sought FDA further alignment on clinical trial design for phase 2 monotherapy and phase 1b/2 combination therapy trial, as well as our conclusion that phase 1a and 1b parts have reached their primary endpoints.
Clinical Trial Progress	Monotherapy phase 2 clinical trial was initiated.	August 2025	Advanced TSN1611 development into efficacy evaluation stage
NMPA Communication	We submitted request to initiate next-phase clinical trial, including the possibility of a pivotal clinical trial, for TSN1611 in China for NSCLC, which, if successfully completed, can be used to support its NDA application.	December 2025	Initiated engagement with the CDE to support potential NDA submission for TSN1611 in China for NSCLC indication.
FDA Communication	The FDA acknowledged no objection to proceeding with the ongoing phase 2 monotherapy portion of TSN1611 and the phase 1b/2 combination therapy trial, following review of phase 1a monotherapy data and confirmation that both phase 1a and 1b monotherapy studies met their primary endpoints.	January 2026	FDA confirmed no objection to ongoing phase 2 monotherapy and phase 1b/2 combination therapy clinical development; phase 1a and phase 1b trials broadly equivalent to a completed standalone phase 1 clinical trial.

Nature of the event	Event	Time	Implications for Clinical Development
NMPA Communication	The CDE raised no objections to our conclusion that phase 1a and phase 1b clinical trials successfully met their respective primary endpoints and requested additional clinical trial data from the NSCLC cohorts.	February 2026	CDE acknowledged successful completion of phase 1a and phase 1b primary endpoints.
FDA Communication	We submitted request to initiate pivotal clinical trial for TSN1611 in the United States for NSCLC, which, if successfully completed, can be used to support its marketing application.	March 2026	Initiated engagement with the FDA to support potential NDA submission for TSN1611 in USA for NSCLC indication.
FDA Communication	We entered into communications with the FDA regarding the phase 3 pivotal clinical study design to support the registration of TSN1611 in the United States. The initiation of such phase 3 clinical trial is expected to take place upon completion of the ongoing phase 2 clinical trial of TSN1611 in the United States.	May 2026	Enabled initiation of clinical trial of TSN1611 after the full clinical protocol reviewed by FDA to support its marketing application in the United States.

FDA

We submitted the phase 1/2 clinical trial protocol as part of the IND application to the FDA and obtained the IND approval for TSN1611's phase 1/2 clinical trial in February 2024 for its multicenter phase 1/2 clinical trial. The phase 1/2 clinical trial consisted of the following separate parts: its phase 1a, phase 1b and phase 2 monotherapy parts, and its phase 1b/2 combination therapy part. We reached the primary endpoints for phase 1a monotherapy clinical trial in June 2025, as confirmed by the SRC meeting. Pursuant to the original phase 1/2 clinical trial protocol, once the SRC meeting confirms that we have reached the primary endpoints for its phase 1a monotherapy part, we may initiate the phase 1b monotherapy part and the phase 2 monotherapy part and do not need to seek the FDA's further confirmation or obtain a new IND approval. Accordingly, we initiated the phase 1b monotherapy part in June 2025, and subsequently phase 2 monotherapy part in August 2025. In November 2025, we reached the primary endpoints for phase 1b monotherapy part, as confirmed by the SRC meeting.

In order to seek further confirmation and guidance from the FDA, we submitted the then-available clinical data across all the cohorts, together with the phase 2 monotherapy clinical trial protocol and phase 1b/2 combination therapy clinical trial protocol to the FDA in July 2025.

The FDA responded in November 2025, requesting us to align the eligibility criteria for phase 1b/2 combination therapy clinical trial, with our phase 2 monotherapy clinical trial. We responded in November 2025, agreeing to incorporate the requested revisions. In December 2025, following a review of clinical data from our phase 1a monotherapy trial — and noting that both our phase 1a and 1b monotherapy studies met their primary endpoints — the FDA acknowledged they had no objection to us proceeding with the ongoing phase 2 monotherapy portion of TSN1611, as well as the phase 1b/2 combination therapy trial. In January 2026, the FDA also confirmed with us that the completed phase 1a and phase 1b monotherapy clinical trials of TSN1611 are broadly equivalent to a completed standalone phase 1 clinical trial. Specifically, the FDA raised no objections to our conclusion that the phase 1a and phase 1b clinical trials have successfully met their respective primary endpoints. Furthermore, we communicated with the FDA in the first half of 2026 regarding a registrational trial of TSN1611 for the treatment of 2L+ NSCLC. Pursuant to the communications, we were preparing the protocol of a registrational phase 3 MRCT.

NMPA

In April 2024, we obtained IND approval from the CDE for TSN1611 as monotherapy for the treatment of KRAS G12D-mutated advanced solid tumors and subsequently initiated the China arm of the phase 1/2 clinical trial. The IND submission included a comprehensive phase 1/2 clinical trial protocol as its application material. Based on the IND approval, we are not required to seek the CDE's confirmation again prior to the initiation of phase 2 monotherapy part of this clinical trial or the phase 1b/2 combination therapy part of this trial. However, we are recommended to seek the CDE's confirmation prior to the initiation of any next-phase clinical trial that will be used to support future NDA submission. This phase 1/2 clinical trial serves as the foundation for all future monotherapy or combination therapy development of TSN1611 for specific tumor type. Following the completion of the phase 1a and phase 1b monotherapy portions, we progressed the phase 1/2 clinical trial into its phase 2 part. As of the Latest Practicable Date, we had submitted the global phase 1a and phase 1b clinical data, as well as available data from the ongoing phase 2 monotherapy clinical trial. During the communications, the CDE raised no objections to our conclusion that the phase 1a and phase 1b clinical trials have successfully met their respective primary endpoints. As of the Latest Practicable Date, we were in the process of finalizing the next-phase clinical trial protocols and regulatory pathways. Our current plan is to develop TSN1611 as monotherapy for NSCLC, and as combination therapy for CRC and PDAC. Specifically, for TSN1611's monotherapy in treatment of NSCLC, we plan to apply to the NMPA to include clinical sites and participants in China in the MRCT evaluating TSN1611 monotherapy for the treatment of 2L+ NSCLC.

In October 2025, we obtained IND approval from the CDE for TSN1611 in combination with cetuximab, GnP and cetuximab+mFOLFOX6 for the treatment of KRAS G12D-mutated advanced solid tumors. We had initiated this combination therapy clinical trial in the United States and China and had enrolled over 60 subjects as of the Latest Practicable Date. For the purpose of advancing clinical trial, we purchased Cetuximab injection (Erbitux) from Merck Healthcare KGaA, Gemcitabine Hydrochloride for Injection from Qilu Pharmaceutical (Hainan) Co., Ltd., and Paclitaxel for Injection (Albumin Bound) from Jiangsu Hengrui Pharmaceuticals Co., Ltd.

Next Steps

We are currently prioritizing next-phase clinical trials, including the possibility of pivotal clinical trials, (e.g. clinical trial to support the NDA application) and product registration in both the United States and China, with NSCLC being the most advanced indication. We expect to obtain the proof-of-concept data of the ongoing phase 2 clinical trials of TSN1611 in both the United States and China before proceeding to initiate phase 3 clinical trials in either jurisdiction.

United States

We are in communications with, and have obtained feedbacks from the FDA regarding the clinical development plan of TSN1611, including the requirement for the initiation of a registrational Phase 3 MRCT of TSN1611 for the treatment of second- and later-line NSCLC, which is expected to include a head-to-head comparison against chemotherapy. Following our communications with the FDA in the first half of 2026, we have aligned with the FDA on the clinical development plan for TSN1611 monotherapy in previously treated KRAS G12D-mutant NSCLC. The planned registration-enabling trial is expected to be a phase 3 randomized study comparing TSN1611 monotherapy against docetaxel in patients with unresectable or metastatic KRAS G12D-mutant NSCLC who have been previously treated with platinum-based chemotherapy and anti-PD-1/PD-L1 therapy. We also expect to incorporate dose optimization into the registration trial. We anticipate to obtain approval for the clinical trial from the FDA by the end of 2026. The initiation of such phase 3 clinical trial is expected to take place upon completion of the ongoing phase 2 clinical trial of TSN1611 in the United States.

China

We intend to seek clearance for participation in the registrational phase 3 MRCT of TSN1611 for treatment of 2L+ NSCLC in China. In particular, we plan to communicate with the NMPA following the FDA approval of the phase 3 MRCT by the end of 2026, and we currently expect to obtain the NMPA clearance in the fourth quarter of 2026. We intend to pursue China participation in the registrational phase 3 MRCT of TSN1611 for previously treated KRAS G12D-mutant NSCLC, subject to further regulatory communications and clearance from the NMPA.

TSN222 — A Phase 1 Stage STING Agonist

Overview

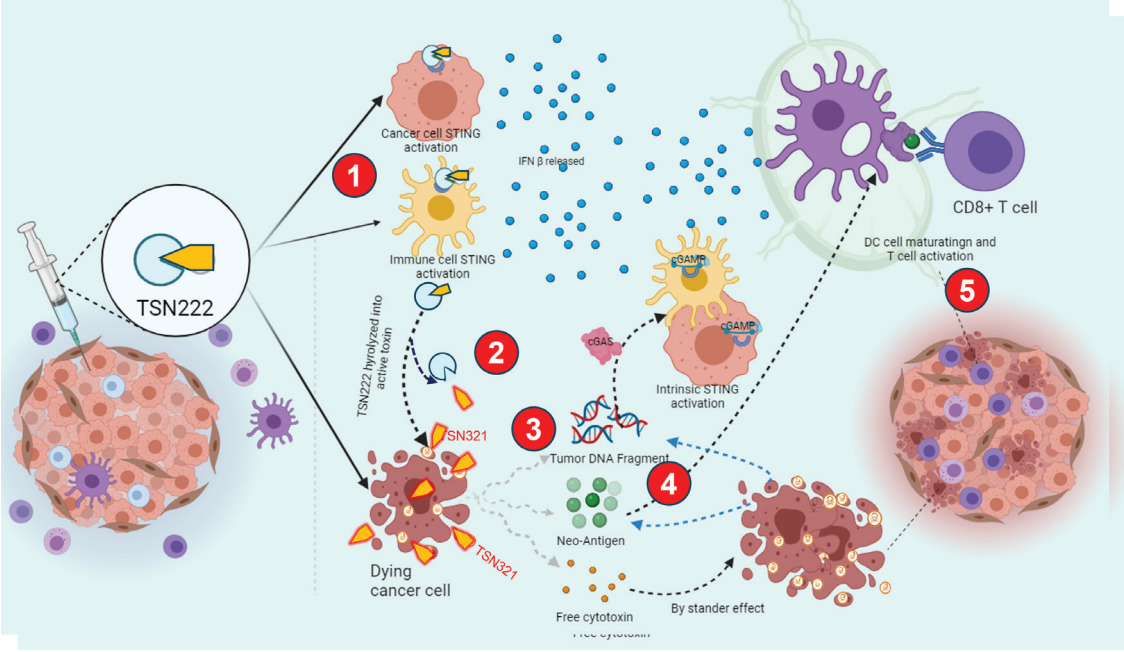
TSN222 is a major product in our oncology pipeline and represents a novel approach in cancer treatment. TSN222 is a small molecule drug designed to leverage the power of the immune stimulation for cancer immunotherapy. It acts through a dual-function mechanism, distinguishing it from conventional immune agonists and ADCs. TSN222 is engineered to provide sequential dual functionality by initially stimulating the STING pathway to activate the immune system, followed by the unleashing of the cytotoxic activity to kill tumor cells.

TSN222's mechanism provides advantages in the treatment of various cancers, enabling the stimulation of the immune system followed by direct tumor cell killing. This offers the potential to overcome many limitations associated with traditional cancer therapies. The compound is currently undergoing phase 1 clinical trial in China, showing favorable safety and early signs of efficacy, including PRs in heavily pretreated patients. In addition, we are using TSN222 as a novel payload for our ADC drug candidates. For details, see "— Our ADC Drug Portfolio — TSNA1789 — A Preclinical DATIA Payload ADC."

Drug Design and Mechanism of Action

In the stage of its action, TSN222 functions as a potent and highly penetrant STING agonist. Upon administration, TSN222 activates the STING pathway, leading to the production of interferons ("**IFN**") within tumor cells. The interferons are secreted into the tumor microenvironment, where they initiate an immune response and inflammation. This immune activation sensitizes the tumor and primes the tumor for more effective treatment by enhancing immune surveillance.

Following the initial immune activation, TSN222 is metabolized intracellularly into an active metabolite TSN321 by phosphatases. TSN321 is a metabolite of TSN222 and is not a separate drug candidate in our pipeline. This transitions the effect of the drug from that of immune activation to direct cytotoxic activity. TSN321 induces apoptosis in tumor cells by promoting DNA damage and disrupting the integrity of the tumor cell membrane. The apoptotic protein fragments released from these cells serve as neoantigens, which are captured by antigen-presenting cells already activated by interferon induced by TSN222, leading to the generation of T-cell-mediated adaptive immune responses. The apoptotic DNA of neighboring cells further amplifies STING pathway activation, creating a feedback loop that enhances the immune response. This sequential activation — first immune stimulation followed by direct cytotoxicity — provides efficacy *in vivo* compared to therapies that simply combine immune agonists with cytotoxic drugs or radiotherapy. TSN222's ability to deliver these two effects in sequence allows for better control of tumor growth and reduces the likelihood of immune resistance, a common issue in cancer treatment.



Notes:

1. *Upon injection into the tumor tissue, TSN222 stimulates interferon production in both tumor and immune cells*
2. *TSN222 gets hydrolyzed by cytosolic phosphatase, releasing the cytotoxic metabolite TSN321*
3. *As a nucleoside synthesis inhibitor, free TSN321 kills cancer cells, releases tumor apoptotic DNA, which further aggregates the STING signaling*
4. *Protein fragments from the dying cell serve as potential neoantigens for CD8+ T cells*
5. *Immune memory is established and growth of distal tumors is curbed*

Summary of Clinical Trials

Phase 1/2 Monotherapy Clinical Trial in China

Trial Design

We are currently conducting a phase 1/2 clinical trial (TSN222-101CH) in China to evaluate TSN222, a novel STING agonist, in patients with advanced malignancy. This is a first-in-human, open-label, multi-center study designed to assess the safety, tolerability, PK, PD, and preliminary anti-tumor activity of TSN222, which is ongoing in China. We expect to enroll up to a total of 162 subjects for this clinical trial. We adopt a seamless phase 1/2 clinical trial design, primarily because, as is standard practice in the development of oncology drugs, this approach allows us to transition directly from phase 1 to phase 2 under a single, unified clinical protocol. Upon completing the phase 1 dose escalation and confirmation portion to evaluate safety and establish the RP2D, we can immediately proceed to the phase 2 dose expansion portion to evaluate efficacy in indication-specific cohorts. Ultimately, this seamless model significantly accelerates our overall research and development timeline and optimizes our capital efficiency.

Phase 1 Dose Escalation. The phase 1 portion is designed to evaluate the safety and tolerability of escalating doses of TSN222. The trial will begin with a 3+3 dose escalation mode, starting at 100 μg and escalating through predetermined dose levels of 200, 400, 800, 1,600, 3,200 and 6,400 μg. The primary objective is to determine the MTD and the RP2D. Patients will receive TSN222 via intratumoral injection on Day 1, 8 and 15 of each cycle, every 28 days as a cycle, until disease progression or intolerable toxicity during the dose escalation phase. The escalation will be guided by observed dose-limiting toxicities (DLTs) and PK parameters. The primary endpoints include DLTs and incidences of adverse events and the secondary endpoints primarily include PK profile and objective response rate. As of the Latest Practicable Date, we were recruiting subjects for the phase 1 part of this clinical trial. We currently expect to complete the phase 1 part by the end of 2026.

Phase 2 Dose Expansion. After determining the RP2D, the phase 2 portion will evaluate the efficacy and safety of TSN222 in patients with advanced solid tumors. Phase 2 portion of the trial comprises three distinct patient cohorts: Cohort 1 for advanced head and neck squamous cell carcinoma (HNSCC), Cohort 2 for advanced melanoma, and Cohort 3 for other advanced solid tumors or lymphomas. The primary endpoint across all cohorts is ORR. Secondary endpoints across all cohorts will include DCR, PFS, overall survival, and PK parameters to assess the drug's behavior within the body. We currently expect the phase 2 part will be completed in the next two to three years.

Efficacy Data

As of September 12, 2025, 22 subjects were enrolled and dosed with TSN222. Three patients achieved PR, including two with sarcoma and one with breast cancer, while seven patients achieved SD. Among the six efficacy evaluable patients diagnosed with sarcoma, two (33.3%) experienced PR and one (16.7%) SD. The ORR was 33.3% and the DCR was 50.0% in this sarcoma group. Notably, abscopal effects were observed in non-injected lesions among patients achieving PR, suggesting systemic immune activation. Paired biopsy analysis from one responding patient confirmed the mechanism of action, demonstrating STING pathway activation, increased CD4+ and CD8+ T cell infiltration within the tumor microenvironment, and upregulation of PD-L1 expression. These mechanistic findings and clinical outcomes distinguish TSN222 from prior STING agonists and support continued development both as an intratumoral agent and as a potential ADC payload.

Safety Data

As of September 12, 2025, TSN222 demonstrated a favorable safety profile with no dose-limiting toxicities observed and the MTD not yet reached. All TRAEs reported were Grade 1-2 in severity. The most common TRAEs occurring in ≥10% of patients included pyrexia (36.4%), anemia and injection site pain (27.3% each), and asthenia (13.6%). Pharmacokinetic analysis revealed that TSN222 and its cytotoxic metabolite reached median peak plasma concentrations (T_{max}) at 0.25 hours and 1 hour, respectively, with mean half-lives ($t_{1/2}$) of 0.8 hours and 7 hours, respectively. Both peak concentration (C_{max}) and area under the curve ("**AUC**") increased proportionally with dose, indicating predictable and linear pharmacokinetic characteristics.

OUR ADC DRUG PORTFOLIO

TSNA3339 — A Preclinical EGFR-Based KRAS G12D ADC

Since most of the KRAS G12D-driven cancers overexpress EGFR on the cell surface, EGFR-based ADCs provide a delivery vehicle for the KRAS payload. Moreover, the EGFR targeting ADC serves to block or cause the endocytosis of the cell surface receptors, achieving dual inhibition of the vertical cancer growth signaling pathway, aiming to achieve deep responses and curb resistance.

TSNA3339 is an ADC comprising an EGFR-based antibody conjugated to a potent KRAS G12D inhibitor, specifically designed to overcome limitations in existing KRAS inhibitors, especially drug resistance. Unlike traditional toxin-based ADC, TSNA3339 carries a highly potent KRAS G12D inhibitor as its payload. In extensive testing across engineered and tumor-derived KRAS-mutant cell lines, the payload has demonstrated selective activity against KRAS G12D mutants while showing only minimal activity against wild-type KRAS, NRAS, HRAS, and other tested KRAS mutants. By directly delivering the KRAS inhibitor selectively to tumor cells, TSNA3339 aims to achieve more potent and durable tumor suppression, delay or overcome KRAS inhibitor resistance, mitigate gastrointestinal toxicity associated with oral agents, improve PK through targeted delivery, and realize deep combination therapy potential, indicative of safety advantages.

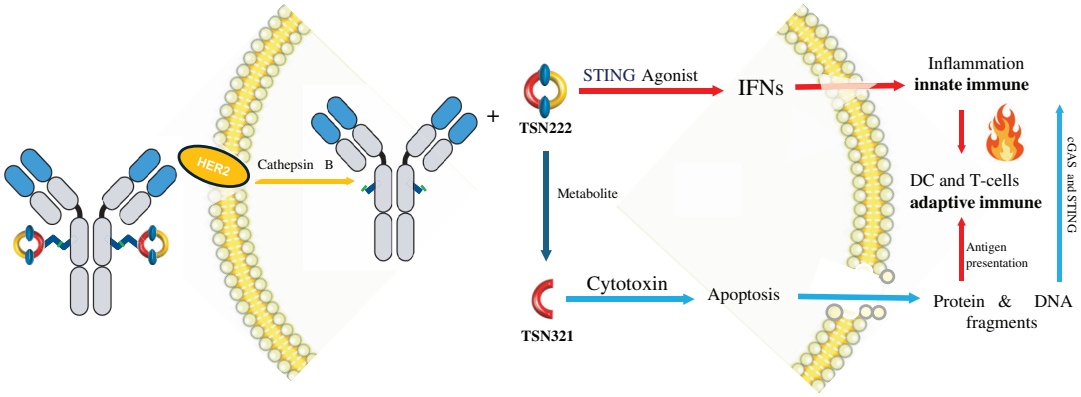
TSNA3339 demonstrated stability both *in vitro* in plasma and *in vivo*. In KRAS G12D-mutant xenograft models, TSNA3339 induced durable tumor growth inhibition without causing weight loss. In preliminary toxicity studies in non-human primates, TSNA3339 demonstrated favorable tolerability with a no-observed-adverse-effect-level comparable to the naked antibody and no additional safety concerns identified. We are in the process of optimizing the antibody part of the ADC and are expected to submit its IND application in the first quarter of 2027.

TSNA1789 — A Preclinical DATIA Payload ADC

TSNA1789 is an ADC based on our DATIA platform utilizing TSN222 as the payload. As a new class of immune-stimulating ADC, it incorporates cytotoxic and immunostimulatory function in one molecule as payload. The goal is to transform "cold" tumors with minimal immune cell infiltration into "hot" tumors characterized by active immune engagement, ultimately establishing tumor-specific adaptive immunity that efficiently recognizes and attacks malignancies. Unlike traditional ADCs that deliver cytotoxic payloads, these new class of ADCs release immune agonists upon binding to tumor cell targets, activating interferon secretion and triggering cytokine and chemokine production that activates myeloid cells such as macrophages and dendritic cells. This cascade recruits adaptive immune cells including T-cells, establishing a positive feedback loop of cytokine and chemokine release, inducing immune memory, building durable anti-tumor immunity, and potentially preventing tumor recurrence and overcoming resistance. These ADCs offer a potential solution to the inherent resistance encountered with traditional ICIs such as PD-1 inhibitors.

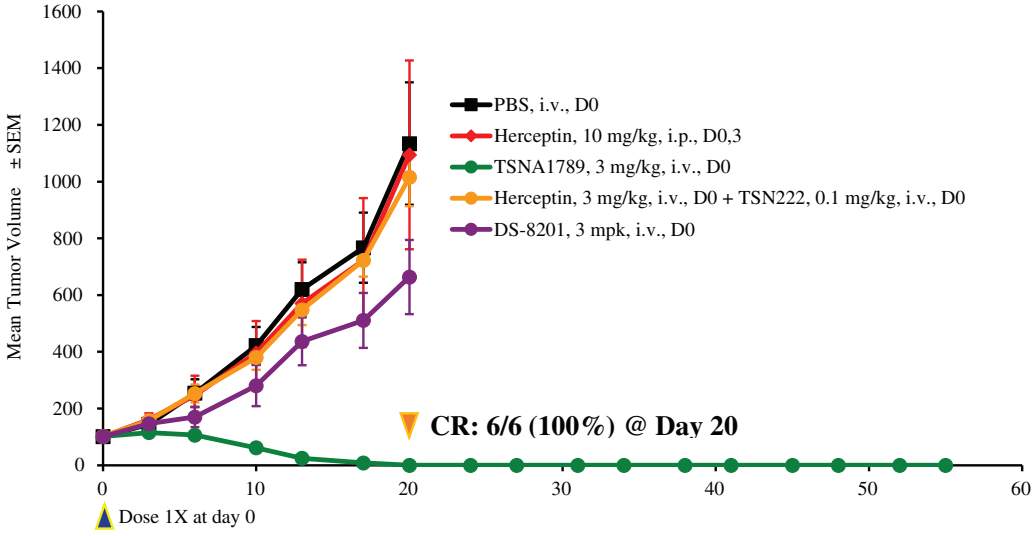
TSNA1789 incorporates TSN222, a pharmacokinetically controlled payload with a dual mechanism of action. TSN222 functions as both a STING agonist and a cytotoxic prodrug that, upon cleavage, yields a metabolite exhibiting moderate cytotoxicity. This process is designed to trigger immunogenic cell death, thereby releasing tumor-associated neoantigens and fostering an adaptive immune response. Furthermore, TSN222 demonstrates a preferential retention profile, maintaining a prolonged half-life within the tumor relative to systemic circulation. This characteristic allows for sustained intratumoral drug concentrations and persistent effects. We are currently advancing TSNA1789 through preclinical development and plan to submit its IND application in the second half of 2027.

The following figure illustrates the mechanism of action of TSNA1789.



Dual Action Tumor Immune Agonist ("DATIA")

As illustrated below, in mouse model, with one dose (3 mg/kg) of TSNA1789, tumors were eliminated completely at day 20 and all animals remained tumor free at day 55.



RESEARCH AND DEVELOPMENT

We believe research and development is critical to our future growth and our ability to remain competitive in the global biopharmaceutical market. Our in-house R&D capabilities were built on our clinically validated and proprietary technology platforms, giving us control and visibility over our R&D process, and ensuring the efficiency of our drug development programs.

Technology Platforms

We have established three core in-house developed technology platforms, namely the T^3LP Platform, the DATIA Platform, and the Dual Payload Platform, which collectively form the foundation of our competitive advantage in small molecule and ADC development. These platforms form a strategic technology continuum, from addressing historically undruggable targets such as KRAS, to enhancing therapeutic potency through our DATIA payload technology, and to pioneering combination mechanisms via our dual payload approach. This integrated platform framework enables us to compete effectively in the rapidly evolving ADC landscape while providing the flexibility to expand into emerging areas of precision oncology therapeutics. We primarily rely on proprietary know-how and trade secrets to protect our technology platforms, and have also filed patent applications for these platforms, which are pending examination and approval.

T^3LP ADC Platform

The T^3LP ADC Platform is designed to address limitations of toxin-based ADCs, namely limited therapeutics window and rapid emergence of drug resistance. Utilizing cytotoxic payloads such as tubulin inhibitors and topoisomerase inhibitors has been the mainstay of ADC development, with recent advances in the field focusing on antibody variations. Application of nontoxic and target therapy inhibitors have been thwarted by the lower efficacy and hydrophobicity of these compounds. We have leveraged our small molecule engineering capabilities and design insights for the linker and payload design to overcome these obstacles. A front runner off the T^3LP ADC platform is our KRAS ADC program represented by TSNA3339.

This program aims to achieve dual or multiple growth signal inhibition by an EGFR based antibody which serves the dual purpose of inhibiting the membrane bound receptor and delivering the KRAS inhibitor payloads selectively inside the cancer cells. Our KRAS ADC programs are supported by two classes of targeted payloads: (i) G12Di payloads, which are designed to achieve high selectivity, potent *in vivo* activity, and a favorable safety profile; and (ii) pan-KRAS payloads, which are intended to target multiple KRAS mutations.

Through systematic structure optimization conjugation strategies, we have developed ADCs capable of selectively inhibiting KRAS-mutant tumors. Our linker assembly technology integrates three critical components: a self-immolative linker, a cleavable linker, a connector and ancillary groups to afford high conjugated efficiency and optimal biophysical properties. Our ADCs show favorable pharmacokinetic profiles, low free payload levels in serum, and substantial payload accumulation within tumor tissue, suggesting the potential for an improved therapeutic index.

The platform's key competitive strengths lie in our high-efficiency antibody-linker-payload screening capabilities and proprietary conjugation chemistry know-how, which enable vertical and multi-pathway inhibition of tumor growth signals integrating functions of both large and small molecules. This approach has the potential to enhance therapeutic efficacy while reducing systemic side effects and extending treatment durability compared to conventional therapies. We believe our proprietary technologies position us to develop differentiated ADC therapies that offer clinical benefits to patients with KRAS-mutant cancers and capable of extending into other target therapy classes.

DATIA Payload Platform

Our DATIA Payload Platform is a dual-function payload technology designed for application across ADC drug development and serves as one of our foundational technology platforms. The platform features efficient, stable, and controllable payload release characteristics, with molecular design focused on optimizing the balance between potency and toxicity. Our technical barriers lie primarily in payload chemistry innovation and scalable manufacturing processes, with all chemical structures and synthetic routes developed entirely in-house, providing a high degree of proprietary advantage.

The platform demonstrates versatility across diverse antibody-antigen combinations and tumor types. Preclinical studies have validated the DATIA mechanism of action, showing that our DATIA-based ADC candidates achieve complete tumor regression with a single dose in relevant animal models, with treated animals demonstrating tumor-specific immune memory upon re-inoculation. This suggests the potential for sustained therapeutic benefit beyond the initial treatment period. TSN222, the first pillar of our DATIA Payload Platform, has demonstrated encouraging safety and efficacy profiles as monotherapy in heavily pretreated patients. In an ongoing phase 1/2 trial involving 22 patients who had failed multiple prior therapies, TSN222 showed no dose-limiting toxicity and MTD was not reached. Among six evaluable patients diagnosed with sarcoma, the ORR reached 33.3% - a response rate that compares favorably with standard chemotherapy (<10%).

Our DATIA Payload Platform's key competitive advantages lie in the platform's flexibility to tailor payload design to different targets and indications, optimizing the balance between efficacy, stability, and safety for each application. As the global ADC market continues its rapid expansion with projected compound annual growth rates exceeding 20% over the next five years, according to Frost & Sullivan, our DATIA Payload platform provides a fresh approach for both internal pipeline development and external partnerships.

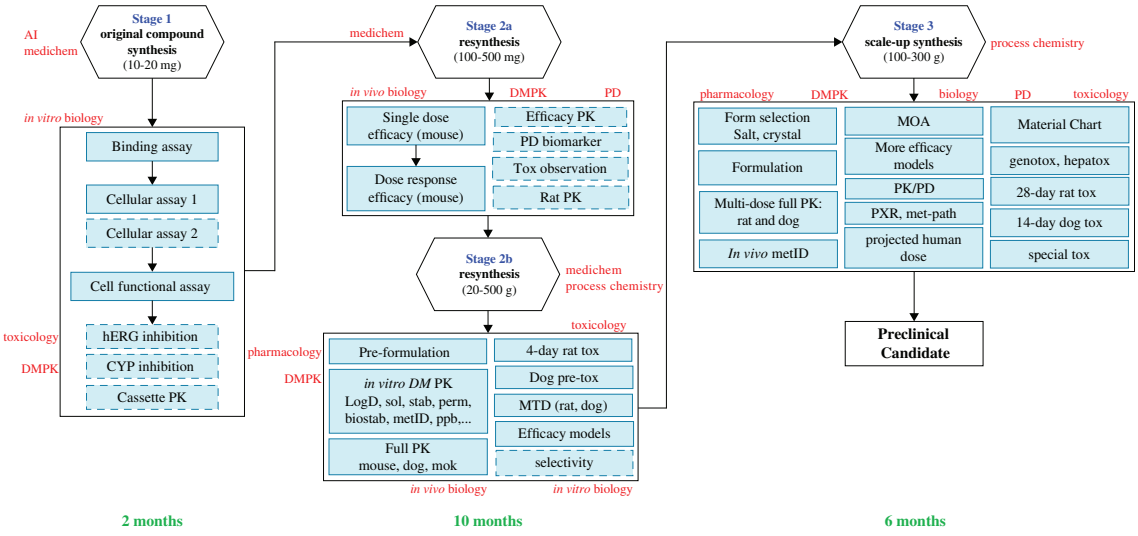
Dual Payload Platform

Our Dual Payload Platform is designed to address two critical challenges in oncology, which are tumor heterogeneity and drug resistance. This platform enables conjugation of two payloads onto a single antibody, offering potential advantages over single-payload ADCs by targeting multiple pathways within heterogeneous tumor populations and reducing the likelihood of resistance development. The platform's core technical innovation lies in our ability to precisely control conjugation sites and optimize payload ratios, ensuring coordinated release of both agents without mutual interference, while maintaining stability, affinity and hydrophilicity of the resulting ADC molecules. Our biological insights into the complex cancer growth networks and feedback mechanism proved invaluable at directing the molecule design.

The Dual Payload Platform primarily targets cancers characterized by high heterogeneity and propensity for resistance, including recalcitrant colorectal cancer, ovarian cancer, and non-small cell lung cancer. The platform's competitive advantage stems from our biological insights, proprietary chemistry capabilities, innovations in site-specific conjugation and controlled release mechanisms. This integration of clinical observations, mechanistic insights, and access to advanced technology tools at expedient molecules design and synthesis establishes technical advantage in an area where few companies globally have demonstrated comparable capabilities.

R&D Process

The following flowchart illustrates our R&D process.



R&D Strategy

We conduct our research and development design activities primarily through our experienced in-house R&D team, which provides us with integrated capabilities spanning the entire drug discovery process from target identification and lead optimization to candidate selection, as well as a dedicated team to oversee and manage our clinical trials across multiple therapeutic programs. We also engage CROs and CDMOs from time to time to support our preclinical research, development, manufacturing and clinical trials. In addition, we have established, and will continue to pursue, strategic partnerships to accelerate the development of our pipeline across key global markets, expand our multi-region clinical development capabilities, and fuel our future innovation and long-term growth. See "— Our Strategies" for details.

In 2024, 2025, and the six months ended June 30, 2025 and 2026, our research and development expenses were RMB72.8 million, RMB115.2 million, RMB43.2 million and RMB95.8 million, respectively, which accounted for 72.8%, 71.1%, 79.2% and 69.2% of our total operating expenses (which equals the sum of research and development expenses and administrative expenses), respectively. In 2024, 2025, and the six months ended June 30, 2025 and 2026, research and development expenses incurred for our Core Product were RMB36.5 million, RMB76.2 million, RMB26.4 million and RMB66.8 million, respectively. We expect that our research and development expenses will increase in line with the future growth of our business.

During the Track Record Period, we also undertook certain R&D projects for the development of third parties' products, none of which are included in our pipeline, through which we generated revenue to fund our operations. Set forth below are the details of major R&D project we undertook.

R&D services to U.S. based company.

We provide R&D services to a U.S.-based biopharmaceutical company, utilizing our proprietary linker and payload technology to design, synthesize and optimize an ADC candidate for its pre-clinical stage. These services include small molecule design and characterization, ADC preparation and characterization, immunogenicity assessment, process development, and in-house biological assays. Revenue generated from R&D services provided to this U.S.-based biopharmaceutical company amounted to RMB2.3 million, RMB8.4 million, RMB4.2 million and RMB4.1 million in 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively.

Joint Development Arrangement with a Suzhou-based Company.

On February 5, 2021, we entered into a joint discovery and development agreement with a Suzhou-based biotech company ("**Collaborator**") specializing in ADC development, pursuant to which both parties agree to discover a certain class of TOP1 inhibitor molecules ("**Payload**") suitable for incorporation into the Collaborator's ADC Products. We are responsible for the design, synthesize and delivery of the Payload for testing and for making into the Payload-based ADC products. The collaborator is responsible for the pre-clinical development and commercialization of the Payload-based ADC products. We are entitled to receive milestone payments upon the achievement of certain milestone events. In addition, if the Collaborator commercialize a Payload-based ADC product and become its marketing authorization holder, we are entitled to receive a low-single-digit percentage of the net sales of such product during the royalty term. Further, if the Collaborator out-licensed to a third party a Payload-based ADC product, Payload-based technologies or any non-ADC product combining the Payload and the collaborator's linker technology and know-how, we are entitled to receive a low-double-digit percentage of any upfront, milestone and royalty payments that the Collaborator receives from such out-license transactions. The Payload was not used in our pipeline products. Revenue generated from joint development arrangements with this Suzhou-based Company amounted to RMB5.5 million, RMB17.9 million, RMB5.0 million and nil in 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, all revenue derived from this Collaborator consisted entirely of out-licensing royalties, which resulted from out-licensing agreements entered into between the Collaborator and independent third parties.

Our R&D Team and Facilities

Our R&D activities were primarily conducted in China and the U.S., with our core R&D facilities located in Chinese Mainland. Our existing facilities include API research laboratories and pilot-scale manufacturing suites, drug product research laboratories and pilot-scale manufacturing suites, quality analytical laboratories, and stability testing laboratories. In addition, we are also equipped with capabilities to conduct clinical research in the U.S.

Our R&D team possesses extensive expertise, deep knowledge, and experience in drug development. As of June 30, 2026, more than 70% of the members of our R&D team had obtained master's or higher degrees. Our R&D team is led by scientists with extensive experience in drug development. The core R&D staff consists of seven professionals specializing in the fields of chemistry, biology, pharmacology, and medicine, each possessing over ten years of industrial experience. All key personnel involved in the development of the Core Product continue to be employed by the Company. The following table presents a detailed breakdown of the R&D team by function as of the Latest Practicable Date.

Functions	Number of employees by function
Clinical Development	6
Preclinical Research	8
Medicinal Chemistry and CMC	39
Total	**53**

The following table sets forth the identities, positions, and expertise of our core R&D personnel as of June 30, 2026, and their involvement and contributions to the R&D activities of our Core Product. We had not experienced any material difficulties due to personnel change in our R&D activities, including the research and development of our Core Product.

Name	Position	Expertise	Involvement and contributions to the R&D activities, including with regard to our Core Product	Time of joining our Group
Dr. Tony Yantao ZHANG	Founder and CEO	Medicinal chemistry, synthetic and process chemistry, product design, and corporate management. Please refer to "Directors and Senior Management" for his past experience.	Dr. Zhang is responsible for the optimization and selection of our drug candidates. His responsibilities also encompass preclinical development oversight, CMC development, pipeline management across our portfolio, and formulation of clinical development strategies to support regulatory submissions and commercialization objectives.	Since founding

Name	Position	Expertise	Involvement and contributions to the R&D activities, including with regard to our Core Product	Time of joining our Group
Dr. Boyu ZHONG	Co-founder and president	Organic synthesis, drug design, and R&D management. Please refer to "Directors and Senior Management" for his past experience.	Dr. Zhong leads the establishment and daily management of R&D projects, including development and implementation of project execution strategies to advance pipeline programs. He plays a critical role in resolving complex challenges in drug molecule design and synthesis, enabling progression of multiple candidates through development milestones. Dr. Zhong also led the design of our drug candidate molecule.	Since founding
Dr. Genshi ZHAO	Senior Vice President	Biology and Translational Science. Dr. Zhao received his Ph.D. from the University of Florida and completed his postdoctoral training at the University of Texas Medical School. Prior to joining Tyligand Bioscience, he spent more than 20 years at Eli Lilly and Company, where he advanced multiple clinical assets across cancer cell signaling, metabolism, and immuno-oncology.	Dr. Zhao is responsible for novel target discovery, biomarker strategy development, and PK/PD-based translational research. Since joining us, he has played a critical role in establishing our discovery strategies, identifying and managing the validation of drug targets, and supervising biological research functions to sustain and expand our product pipeline. He also represents our scientific capabilities and assets to potential partners and investors.	2025[(1)]
Dr. Jing LI	Vice President, Medical Science and Clinical Development	Clinical Trial Execution. Please refer to "Directors and Senior Management" for her past experience.	Dr. Li is responsible for medical strategy, clinical operation and played a pivotal role in the clinical trial execution of our drug candidates, including TSN1611.	2022
Dr. Erchang SHANG	Executive Director, Medicinal Chemistry	Medichem. Dr. Shang has over 12 years of experience in medicinal chemistry.	Dr. Shang is primarily responsible for the design, optimization and finalization of the chemical structure of TSN1611.	2019[(2)]

Name	Position	Expertise	Involvement and contributions to the R&D activities, including with regard to our Core Product	Time of joining our Group
Dr. Chunlan DONG	Executive Director, Biology	Biology. Dr. Dong has 17 years of experience in biology, and has served as a senior scientist at Crown Biosciences.	Dr. Dong has played a critical role in the development of our Core Product TSN1611 by conducting and overseeing *in vitro* and *in vivo* studies to evaluate the compound's pharmacological activity, selectivity and mechanism of action, and by providing biomarker support to inform and facilitate its clinical development.	2020
Dr. Anjiang YANG	Senior Director, Process Chemistry	Chemistry. Dr. Yang obtained his Ph.D degree in Medicinal Chemistry from the Shanghai Institute of Pharmaceutical Industry, with research expertise in the chemical process development of active pharmaceutical ingredients.	Dr. Yang has played a critical role in the CMC process design and development of our Core Product TSN1611, overseeing API and CMC development of TSN1611.	2020

Notes:

(1) Dr. Genshi Zhao was appointed to our Company in December 2025. He assumed the responsibilities previously held by Dr. Yanliang Zhang, who resigned from his position in October 2025 due to personal health reasons. We did not have any material disagreement with Dr. Yanliang Zhang.

(2) Dr. Erchang Shang resigned from our Company in March 2026. Given that TSN1611 has progressed to the Phase 2 clinical trial stage, the early-stage discovery work previously overseen by Dr.Shang—specifically the design, optimization, and finalization of the drug's chemical structure—has substantially concluded. Dr. Boyu Zhong has subsequently taken over Dr. Shang's remaining responsibilities.

CRO and CDMOs

During the Track Record Period, we engaged certain CRO and CDMO to assist our drug development. We only engage reputable CROs in China, all of which have abundant experience in novel drug R&D and manufacturing. Specifically, our engaged CROs primarily provide comprehensive clinical research services, including clinical trial design, project management, site monitoring, data management, and regulatory submission support, ensuring that our trials are conducted in strict compliance with Good Clinical Practice (GCP) standards. Concurrently, our CDMOs are responsible for the chemistry, manufacturing, and controls (CMC) aspects of our pipeline, offering specialized services such as process development, formulation optimization, analytical testing, and the GMP-compliant manufacturing of active pharmaceutical ingredients (APIs) and finished drug products for our clinical trials. The following table summarizes the number of CRO and CDMO and the expenses incurred during each year/period of the Track Record Period. These fees paid to CROs and CDMOs are recorded under preclinical and clinical expenses of our research and development expenses.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
			unaudited	
Number of CRO	23	28	14	13
Total CRO Expenses	RMB21.1 million	RMB34.1 million	RMB11.5 million	RMB25.5 million
CRO Expenses for the Core Product — TSN1611	RMB13.3 million	RMB24.7 million	RMB7.8 million	RMB16.6 million
Number of CDMO	5	7	10	11
Total CDMO Expenses	RMB7.7 million	RMB18.7 million	RMB10.6 million	RMB35.8 million
CDMO Expenses for the Core Product — TSN1611	RMB7.6 million	RMB18.6 million	RMB10.6 million	RMB32.9 million

Our CROs in 2024 are located in Beijing, Hangzhou, Suzhou, Shanghai, Chengdu or Hong Kong. Our CROs in 2025 are located in Beijing, Hangzhou, Suzhou, Shanghai, Chongqing, Chengdu, Taicang, Jiangyin or Zhengzhou. Our CROs in the six months ended June 30, 2026 are located in Beijing, Hangzhou, Shanghai, Chongqing, Chengdu, Taicang or Zhengzhou. Our CDMOs in 2024 are located in Beijing, Shanghai or Nantong. Our CDMOs in 2025 are located in Beijing, Shanghai, Nantong, Hangzhou or Weihai. Our CDMOs in the six months ended June 30, 2026 are located in Beijing, Shanghai, Chongqing, Hangzhou or Weihai. Sets forth below are the background information of our major CRO and CDMO companies during the Track Record Period, all of which were engaged to support the R&D of TSN1611.

- A reputable CRO company headquartered in Beijing, who is a wholly-owned subsidiary of a U.S. CRO company with over 30 years' experience in the CRO industry.

- A Hong Kong Stock Exchange and Shenzhen Stock Exchange listed CDMO and CRO company headquartered in Beijing, with over 20 years of experience in the CRO and CDMO industry.

- A Hong Kong Stock Exchange and Shenzhen Stock Exchange listed CRO company headquartered in Hangzhou, with over 20 years of experience in the clinical CRO industry.

- A Shenzhen Stock Exchange listed CDMO company headquartered in Chongqing, with over 20 years of experience in the CDMO industry.

Upon the regulatory approval and commercialization of our drug candidates, we plan to continue outsourcing our commercial-scale manufacturing to industry-leading, GMP-compliant CDMOs. As a clinical-stage biotechnology company, we believe this asset-light strategy optimizes our capital and internal resource allocation. By leveraging the established infrastructure, technical expertise, and economies of scale of our CDMO partners, we can ensure a cost-effective, high-quality, and reliable commercial supply without incurring the substantial capital expenditures and operational risks associated with building and maintaining our own manufacturing facilities.

Drug Discovery

We possess the full-chain integration capability from target validation to clinical proof of concept and validation, which enables us to efficiently advance drug candidates to IND submission and clinical trials through comprehensive preclinical work. Our drug discovery and preclinical team

is responsible for identifying and validating novel therapeutic targets, designing and optimizing drug candidates through our technology platforms, and conducting comprehensive preclinical evaluation to support IND submissions. Our drug discovery process follows a structured four-stage decision-making framework:

- ***Target identification and initial feasibility assessment.*** Before initiating a candidate R&D program, our cross-functional team, comprising R&D, clinical development, business development, and regulatory affairs personnel, conducts preliminary screening to identify promising targets based on several indicators, including mechanism of action, market potential, and competitive landscape. This initial assessment determines strategic fit, technical feasibility, and competitive positioning to identify candidates meriting further evaluation.

- ***Comprehensive evaluation.*** Candidates passing initial screening will undergo further Comprehensive Evaluation, including in-depth mechanistic studies, preclinical proof-of-concept through *in vitro* and *in vivo* models, assessment of unmet medical needs and market opportunity, biomarker strategy development for patient selection, and competitive differentiation analysis. In addition, the team will evaluate the IND filing feasibility, timeline, competitive positioning, and potential risks.

- ***Executive review and approval.*** After the comprehensive evaluation, the team will present an assessment to our Executive Committee (consisting of Dr. Tony Yantao ZHANG, Dr. Boyu ZHONG, Dr. LI Jing, Dr. XIAO Kai, as well as key personnel involved in our regulatory affairs and daily operations). Approval decisions are based on strategic alignment, mechanism validation, preclinical data, development feasibility, resource intensity, competitive positioning probability, and risk acceptability.

- ***Program initiation and portfolio management.*** Upon approval, each program shall be provided with a dedicated leader, a core team, and resources allocated according to project requirements and portfolio strategy.

Our drug discovery capability is built upon our highly integrated, multidisciplinary team, where our experts in biology, medicinal chemistry, pharmacology, DMPK, and CMC collaborate closely and seamlessly from the discovery and preclinical stage of a program. During target identification and comprehensive evaluation processes, we utilize multiple mechanisms, including preclinical proof-of-concept through *in vitro* and *in vivo* models, and biomarker strategy. This disciplined approach is designed to enhance the clinical predictability of our drug candidates, reduce the risks in subsequent development, and provide critical tools for indication selection and pharmacodynamic assessment once a program enters the clinical stage. Moreover, unlike many peers who rely solely on external CROs for laboratory work, our in-house laboratory capabilities in medicinal chemistry and biology allows for a more efficient and smooth connection between drug discovery and preclinical team and clinical development team.

Clinical Development

Clinical Development Team

Our clinical development team is led by Dr. Jing LI, Vice President for Medical Science and Clinical Development, who brings over ten years of clinical development experience from leading pharmaceutical companies and a track record of leading clinical development of cancer therapeutics from IND to successful global launch. As of June 30, 2026, our clinical development team consisted of six professionals with clinical and operational expertise. All the team members have direct clinical practice backgrounds and hands-on experience managing clinical trials. Our clinical development team is generally responsible for the clinical development of our Core Product and other pipeline products.

Clinical Trial Design and Implementation

Our clinical development team engages early in the interpretation and direction of preclinical research. Based on accumulated preclinical data, this team conducts evaluation for disease biology and translational data, to support IND submissions.

Concurrent with IND submission, we establish a core project team for trial initiation and execution. During clinical trials, we maintain close communication with CROs, suppliers, clinical sites, and principal investigators ("**PI**") to ensure adherence to study protocols and GCP guidelines. Our PIs are independent third-party physicians responsible for overseeing our clinical trials, ensuring compliance with clinical protocols and Good Clinical Practice (GCP), and managing patient safety and data integrity. As of the Latest Practicable Date, none of our PIs hold any directorship, employment, or managerial roles within the Company. We do not directly compensate the PIs. Pursuant to our clinical trial agreements, we pay research fees to the hospitals or research centers at which the PIs are employed (the "**Research Institutions**"), such as Beijing Cancer Hospital (北京腫瘤醫院) and Shanghai Chest Hospital (上海市胸科醫院), which are responsible for internally allocating the funds to their employed PIs and research staff. Such research fees are determined at fair market value based on unit-based fee schedules for discrete services (such as per-visit investigator fees, examination fees, and PI leadership fees payable in milestone tranches), with payments settled according to actual trial progress as evidenced by completed data entries. Importantly, this compensation is strictly for clinical research services rendered and is not contingent upon favorable trial outcomes. Accordingly, our Directors confirm that these compensation arrangements do not compromise the PIs' independence or impair the objectivity and scientific validity of our clinical trials. We hold regular project meetings to monitor progress, conduct real-time review and analysis of emerging data, and assess whether protocol amendments or AE management strategies require adjustment to ensure subject safety and data integrity. At critical development milestones, we engage with investigators and regulatory authorities to communicate our clinical plans and ensure compliance with applicable regulatory requirements.

Our clinical development team is also responsible for the selection of trial sites and PIs. The site selection is based on the quality and capability of the sites aligned with our development strategy. For example, for our priority programs such as TSN1611, we chose simultaneous initiation of clinical trials in both domestic and international markets to maintain its competitive advantage and accelerate its development timelines. In addition, we select PIs primarily based on their academic standing, prior clinical research experience, reputation within the industry, and our historical collaboration experience with them.

Furthermore, our clinical development is supported by a widespread network of PIs, who also serves as KOLs to guide our product candidate development. The KOLs with whom we collaborate are generally key academic leaders and PIs at leading tertiary hospitals and oncology specialty centers in China and overseas. We have collaborated with distinguished PIs across leading clinical institutions in our clinical trials. These leading investigators have provided in-depth professional guidance and decision-making support in critical aspects of our trials, such as trial protocol design, indication selection and dose determination during dose escalation. For instance, in the clinical development of our Core Product, TSN1611, the relevant PIs not only offered specific optimization recommendations on dosing at the protocol design stage but also provided pivotal input on indication positioning, which has substantively facilitated the formulation of subsequent clinical strategies. Ultimately, these collaborations help to ensure the scientific rigor of our trials, de-risk our clinical programs, and accelerate the overall advancement of our pipeline. Consistent with customary industry practice, we do not directly compensate PIs. Instead, we settle all clinical trial service fees directly with the participating clinical trial institutions, and our agreements do not specify or allocate any portion of these payments to individual PIs.

Our KOLs play a role across both the clinical development and the future commercialization of our drug candidates. During clinical development, our KOLs act as PI in our clinical development, as described above. In respect of future commercialization, our KOLs, as early adopters at the scientific frontier, may provide independent scientific validation of our products through the publication of clinical data in academic journals and presentations at academic conferences, which may in turn support the potential future inclusion of our products in industry treatment guidelines such as the CSCO guidelines. During the Track Record Period, we had

established a PI/KOL network covering several dozen core oncology clinical trial centers across China and the United States, which has supported the efficient patient enrollment for the clinical trials of our Core Product, TSN1611. As TSN1611 advances towards its next-phase clinical trials, we plan to further expand this network to include additional leading clinical centers and KOLs.

Regulatory Affairs

Our regulatory affairs team's responsibilities are structured to ensure efficient and compliant drug development and registration processes. Our team oversees the registration strategy and submission processes required by regulatory authorities, and monitors evolving global regulatory requirements to adjust strategies accordingly. Our team is also responsible for preparing, reviewing, and publishing registration dossiers in eCTD format for submission to regulatory authorities including the CDE and the FDA, ensuring compliance with applicable standards. In addition, our team maintains ongoing dialogue with relevant authorities to address questions and track approval progress, while proactively identifying and mitigating risks to ensure compliance throughout the development and registration lifecycle.

Collaboration with CROs

In addition to our in-house R&D activities, we also collaborate with reputable CROs to manage, conduct, and support our preclinical research and clinical trials. The services they provide under our oversight include toxicology studies in compliance with GLP, and clinical trial operations in compliance with GCP.

When selecting CRO partners, we consider a range of factors such as their technical capabilities, professional qualifications, quality systems, relevant experience, service quality and efficiency, industry reputation, and pricing competitiveness. Depending on the specific services required, we enter into project-based service agreements with our CROs that outline the detailed scope of work, sample size, procedures, deliverables, timelines, and payment terms. Many CROs we collaborate with are among the leading and well-recognized players in the industry, and repeat service providers.

We maintain close supervision of our CRO partners to ensure their performance fully complies with global industry standards, our protocols and all applicable regulations. We hold regular meetings with CROs to keep track of project progress and execution details and conduct periodic audits on them. This rigorous oversight helps maintain the quality of our research, integrity and authenticity of the data generated from our trials and studies.

Key terms of our agreements that we typically enter into with our CROs are set forth below.

- ***Services.*** The CRO provides us with ancillary services in the course of our preclinical studies and clinical trials, such as implementing animal studies, providing clinical support, record keeping and report preparation.

- ***Products.*** Primarily TSN1611, as well as other pipeline candidates.

- ***Term.*** The CRO is required to perform its services within the prescribed time limit set out in each work order, usually on a project basis.

- ***Payments.*** We are required to make payments to the CROs in accordance with a payment schedule agreed by the parties. Normally, the payment schedule consists of (i) initial payment upon execution, (ii) monthly or bi-monthly payments during the service period; and (iii) milestone service payments at certain key clinical trial event, such as first patient enrolled, completion of patient enrollment, and 100% close-out visit. We have been able to negotiate with our CROs to reduce the percentage of initial payments during the Track Record Period.

- ***Credit Term.*** Normally 30 days.

- ***Service Standards.*** The CRO agreement normally contains a description of services, setting out the service scope of the CRO. The CRO is required to perform their services in accordance with generally accepted industry standards and in compliance with the GCP as well as our clinical trial protocol.

- ***Liability and Indemnification.*** In normal cases, we bear indemnification obligations covering, among other things, personal injury to study participants, safety issues relating to test materials, third-party intellectual property claims, and any failure to comply with applicable laws, while the CRO's indemnification obligations are limited to claims arising from its own negligence, willful misconduct, or breach of the agreement. Neither party is liable for indirect, consequential, or punitive damages.

- ***Intellectual property rights.*** We generally own the intellectual property rights arising from the projects conducted by the CROs within the stipulated work scope.

CHEMISTRY, MANUFACTURING & CONTROLS

As of June 30, 2026, our CMC team consisted of 39 professionals with extensive experience in process development, production and quality management. Each departmental leader of our CMC team possesses 10 to 15 years of experience and participates in the whole process of new drug development. Our CMC team specialized in preclinical and clinical support throughout the drug development process. It is responsible for developing safe, environmental friendly, and economically sound production processes for our drug substances and drug products, and ensuring their quality meets regulatory requirements. In addition, our CMC team operates in close coordination with other functional departments. During the preclinical stage, our CMC team provides experimental samples to pharmacology, toxicology, and PK teams. Subsequently, as programs advance to preclinical stage, our CMC team develops the process and manages toxicology and clinical trial material supply by CDMOs according to clinical development needs and project schedules.

Collaboration with CDMO Partners

To date, we outsource most manufacturing activities to reputable CDMOs to support our drug development process in order to enhance efficiency. We plan to continue to collaborate with CDMOs, as we believe it is cost-effective and efficient to engage CDMOs and enables us to focus on, and allocate our resources to, the discovery and clinical development of our candidates.

When selecting CDMOs to support our manufacturing needs, we evaluate potential partners based on multiple criteria: (i) technical capabilities, including successful track record in manufacturing similar products; (ii) quality management systems compliant with current GMP requirements; (iii) regulatory compliance history, prioritizing CDMOs that have successfully passed inspections by regulatory authorities such as the FDA, EMA, and PMDA; (iv) production capacity and scalability to accommodate our needs from early clinical stages through potential commercialization; and (v) continuity of partnership.

We typically enter into agreements with CDMOs on a project-by-project basis. Key terms of such agreements are set forth below.

- ***Services.*** The CDMOs provide us with manufacturing services according to the types of deliverables, specifications, location, unit price, volume and requested delivery date specified by us.

- ***Products.*** Primarily the compound and API of TSN1611, as well as APIs of other pipeline candidates.

- ***Quality control and inspections.*** We are entitled to conduct on-site audits and regular inspections to ensure compliance of our CDMOs with the relevant current good manufacturing practice ("**cGMP**") and regulatory requirements.

- ***Payments.*** We are required to make payments to the CDMOs in accordance with the payments schedule set forth in the agreement, which is typically linked to the stages of the manufacturing process and the deliverables we receive (e.g. contract execution and completion of certain manufacturing phases and accepted by us).

- ***Intellectual property rights.*** We own all intellectual property rights relating to our products arising from the outsourced manufacturing processes.

- ***Credit Term.*** Normally 30 days.

- ***Service Standards***. The CDMO shall complete the work in accordance with the agreed standards and timeframe as set forth in the agreement.

- ***Liability and Indemnification.*** Either party in breach of its obligations must compensate the non-breaching party for direct losses arising from such breach. If we terminate the agreement without legitimate cause, prepaid fees will not be returned. If the CDMO terminates without cause, it must return all collected fees and remaining experimental materials and bear the associated procurement costs.

- ***Remedies for non-conforming products.*** We are entitled to remedies for products that fail to conform to our specifications. The CDMOs are required to replace or modify the non-conforming products and compensate us for any direct losses.

Quality Assurance

We maintain a comprehensive quality management system which is developed and continuously refined to meet the stringent regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions. We closely monitor the evolving cGMP standards and regulatory changes in these key markets, updating our internal procedures accordingly. Our quality management procedures span all key development stages of the clinical development process.

We carry out our R&D and manufacturing activities in compliance with detailed quality management procedures to comply with relevant regulatory requirements and our internal standards. We maintain documentation of our R&D and manufacturing activities to ensure proper records are maintained for regulatory submissions and audits. Working with our CDMOs, we conduct rigorous qualification and selection of raw material suppliers and ensure raw materials are tested and verified before entering the cGMP manufacturing process. We regularly audit and inspect CDMOs to verify that their processes align with our quality requirements and regulatory standards. Furthermore, we provide trainings for our quality and research and development teams to keep them updated on the latest quality standards and regulatory requirements.

BUSINESS DEVELOPMENT

We have a dedicated business development team led by Dr. XIAO Kai, our vice president, who brings over 10 years of experience in pharmaceutical research and business development. Our business development team operates in alignment with our core corporate strategy, identifying and engaging potential partners among leading pharmaceutical companies and biotech firms, with the objective of executing license-out agreements. Regarding our ADC programs, we actively seek collaborations with top-tier antibody companies to maximize the value of our platform technologies and drug candidates.

We will continue to implement our synergistic model of external collaboration and internal development to maximize the clinical and commercial value of our research and development assets and platforms. For details, see "— Our Strategies — Execute our global strategy through potential business development opportunities."

COMMERCIALIZATION

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales. In anticipation of the commercialization of our drug candidates in the coming years, we plan to maximize the value of our drug candidates by selecting the optimal commercial model, including building our in-house commercialization capabilities, and/or collaboration with third parties such as distributors, contract sales organizations ("**CSOs**"), and licensing partners. We expect to impose stringent qualification requirements when selecting distributors, to ensure the integrity and efficiency of our supply chain and market reach, including: (i) the possession of nationally compliant GSP certificates; (ii) a mature distribution network covering key tertiary hospitals; (iii) comprehensive cold chain and special pharmaceutical storage and logistics management capabilities; and (iv) a demonstration of financial standing and a compliance record free from material violations. The roles of CSOs and distributors differ in certain key respects. CSOs are generally engaged to provide sales and marketing support services, such as product promotion, physician education, hospital coverage and other on-the-ground commercial execution support, and do not primarily undertake product warehousing or logistics functions. Distributors, in contrast, are generally engaged to support the distribution and delivery of products through their pharmaceutical distribution networks, including warehousing, logistics, order fulfillment, channel coverage and other distribution-related services, and are expected to possess the requisite qualifications and capabilities to comply with applicable GSP and other regulatory requirements.

For our most advanced drug development program, our Core Product TSN1611, our commercialization strategy prioritizes China and the U.S. markets, initially targeting solid tumors such as 2L+ NSCLC with KRAS G12D mutations. Prior to commercialization, the Core Product must complete pivotal clinical trials, secure NDA approvals from the NMPA and FDA, and comply with GMP and GSP standards. In China, we will retain Market Authorization Holder (MAH) status and full control over pricing and commercialization rights. In determining the future pricing of TSN1611, we expect to take into account a range of factors, including the clinical value and differentiated profile of TSN1611, patient affordability and accessibility, and our research and development investment in the drug product. To support this, we are progressively building a lean in-house commercial management team responsible for top-level strategy, including pricing, securing inclusion in the National Reimbursement Drug List and private commercial insurance, maintaining KOL networks, and formulating national marketing plans. In addition, we plan to establish our commercialization capabilities in the China market through a CSO-supported model, which we believe provides operational flexibility and capital efficiency for a biopharmaceutical company such as ours. Under our "CSO-supported model," our internal team will manage and evaluate external CSOs who will assist with on-the-ground sales and promotional execution. As of the Latest Practicable Date, we had not entered into negotiations with any specific CSOs. In addition, we will continue to evaluate opportunities for global partnership for TSN1611 in overseas markets, which would allow us to benefit from our partners' regulatory expertise, market access capabilities and established sales networks.

INTELLECTUAL PROPERTY

Intellectual property rights are crucial to our business success. Our future depends on acquiring and protecting patents, inventions, and trade secrets, while avoiding infringement on others' rights. This protection underpins our competitive advantage and growth. Therefore, in terms of intellectual property management, we have a specialized intellectual property team that collaborates with professional agencies to oversee all stages of our patents and patent applications. This includes laboratory operations, result documentation and preservation, and patent filing, examination, and maintenance.

As of the Latest Practicable Date, we held 13 issued patents including five in China, one in the U.S., and seven in other jurisdictions including Australia, Japan, Korea, Taiwan, Macau and Hong Kong, and 93 pending patent applications, including 18 in China, five in the U.S. (of which one has received a notice of allowance), six under the PCT, and 64 in other jurisdictions. As of the Latest Practicable Date, with respect to our Core Product TSN1611, we held 26 pending patent applications, including one in China, two in the U.S. (of which one has received a notice of allowance), and 23 in other jurisdictions. We do not have joint intellectual property arrangements with any third parties. We do not have joint intellectual property arrangements with any third parties. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that make us believe that any of the pending patent applications will be rejected. The following table sets forth an overview of our material granted patents and filed patent applications in connection with our Core Product and other products as of the Latest Practicable Date.

Product	Technology	Name of Patent/ Patent Application[(1)]	Patent/Patent Application Number	Jurisdiction	Status	Patent Holder/ Applicant[(2)]	Inventor	Application Date	Date of Grant	Expiration Date[(3)]
TSN1611	Composition of matter	Compounds with anti-KRAS mutant tumor activity (具有抗KRAS突變腫瘤活性的化合物) ("**TSN1611 Patent Application**")	P2025-00973	United Arab Emirates	Under review[(4)]	Our Company	Erchang SHANG, Boyu ZHONG, Tony Yantao ZHANG, Fuliang HOU, Guanglin SONG, Shuai LIU, Aijun ZHENG, Ruixiang WANG, Longfei WANG, Jun JIANG, Chunlan DONG	2023-09-27	N/A	N/A
			2023349002	Australia						
			112025006208-5	Brazil						
			3269203	Canada						
			202311258434.7	PRC						
			202590757	Eurasian						
			371/2025	Egypt						
			23870941.4	EU						
			P00202503868	Indonesia						
			319953	Israel						
			202517039127	India						
			20255192021	Japan						
			1020257014326	South Korea						
			MXA2025/003821	Mexico						
			PI2025002001	Malaysia						
			820225	New Zealand						
			1-2025-550819	The Philippines						
			1120252126	Saudi Arabia						
			11202502142S	Singapore						
			112137145	Taiwan						
			2501002042	Thailand						
			19/094,924	U.S.						
			1-2025-02964	Vietnam						
			2025/03653	South Africa						
			42024097183.8	Hong Kong						

Product	Technology	Name of Patent/ Patent Application[1]	Patent/Patent Application Number	Jurisdiction	Status	Patent Holder/ Applicant[2]	Inventor	Application Date	Date of Grant	Expiration Date[3]
TSN222 . .	Composition of matter	Multifunctional cyclic dinucleotide and use thereof (多功能環二核苷酸及其用途)	110138718	Taiwan	Granted	Our Company	Tony Yantao ZHANG, Li QU, Liang LOU, Puji ZHENG, Fei LV	2021-10-19	2025-10-21	2041-10-19
			202111201201.4	PRC	Under review			2021-10-15	N/A	N/A
			42023068680.0	Hong Kong				2021-10-19		
			1120230072182	Brazil						
			2023-547737	Japan						
			3,198,956	Canada						
			18/032,663	U.S.						
			21882000.9	EU						
			1020237016770	South Korea						
			2021363267	Australia						

Notes:

(1) Unless otherwise indicated, the technology covered by the patents/patent applications within the same family is the same and is therefore disclosed once.

(2) The patents and patent applications are solely owned by our Company. In particular, we have valid rights to the intellectual property related to our Core Product. As of the Latest Practicable Date, we had not been aware of any third party (including any inventor) asserting or having any legitimate claim to such rights. The relevant inventors are not entitled to claim any ownership or interest in the intellectual property of our Core Product. To the best of our knowledge, there had been no disputes, litigations or claims in relation to the intellectual property of our Core Product as of the same date.

(3) The patent expiration date is estimated based on current filing status, without taking into account any possible patent term adjustments or extensions and assuming payment of all appropriate maintenance, renewal, annuity and other government fees.

(4) No prior art documents disclosing the chemical structure of TSN1611 before the filing date of the TSN1611 Patent Application were identified. TSN1611 possesses a distinct moiety compared to the structurally closest compound disclosed in the prior art, and such structural modifications confers clinical activity to TSN1611. Such structure-activity relationship is neither disclosed nor suggested in the prior art. Accordingly, TSN1611 demonstrates novelty and inventiveness over the prior art, and our IP Counsel is of the view that TSN1611 has a favorable prospect for patent grant.

The term of a patent varies depending on the country or region where it is granted. The protection a patent offers is determined on a claim-by-claim and jurisdiction-by-jurisdiction basis and depends on factors such as the type of patent, scope of coverage, availability of term extensions or adjustments, available legal remedies, and the patent's validity and enforceability. Any pending or future patent applications will be granted, nor that any of our owned or licensed patents will effectively protect our drug candidates or manufacturing methods commercially.

We have engaged JunHe LLP, Shanghai Office and Junhe Law Office, P.C., as our PRC intellectual property law and U.S. intellectual property law counsels for the purpose of this [**REDACTED**] (collectively, "**IP Counsel**"). For the purpose of the [**REDACTED**], our IP Counsel conducted a freedom-to-operate analysis on TSN1611, our Core Product, in the United States and China, and concluded that:

- No prior art documents disclosing the chemical structure of TSN1611 before the filing date of the TSN1611 Patent Application were identified. TSN1611 possesses a distinct moiety compared to the structurally closest compound disclosed in the prior art, and such structural modification confers clinical activity to TSN1611. TSN1611 is distinct from the structurally closest compound disclosed in the prior art in a specific substituted ring moiety which is linked to the core structure. The differences lie in the size of the ring and the substitution mode on the ring. These structural modifications lead to significantly enhanced KRAS G12D inhibitory activity of TSN1611. Such structure-activity relationship is neither disclosed nor suggested in the prior art. Despite TSN1611

and the third-party prior art are both directed to KRAS G12D inhibitor and medical use relating to KRAS G12D inhibition in a general sense, in essence, compared to the prior art, TSN1611 has a distinct chemical structure (i.e., distinct composition-of-matter), which is neither disclosed nor suggested in the prior art, and accordingly the formulation, dose, manufacture process and therapy of TSN1611 are substantially distinct from the prior art. Accordingly, TSN1611 demonstrates novelty and inventiveness over the prior art, and our IP Counsel is of the view that TSN1611 has a favorable prospect for patent grant.

- No granted patents in the United States or China owned by third parties were identified that may impact the freedom to operate for TSN1611 in the United States and China.

- As of the Latest Practicable Date, the third-party's patent applications were still at the early stage of prosecution and will not pose any impact on the freedom to operate of TSN1611 in China and the U.S. because the patent applications have not been issued by the patent offices. Accordingly, as of the Latest Practicable Date, we enjoyed the freedom-to-operate TSN1611 in the United States and China in all material respects and existing patents or patent applications of third parties only pose a low risk of impacting the freedom to operate for TSN1611 in the United States and China.

Notwithstanding the above, in the worst case scenario where any newly granted patents of third parties overlaps with TSN1611 and TSN1611 is found to infringe third-party patent rights in the U.S. or China, we may be subject to preliminary or permanent injunctions that would halt the manufacturing or commercialization of TSN1611 in these key markets. Despite the remote nature of the risk, such an event may lead to immediate supply chain disruptions, an inability to fulfill existing commercial contracts, and potential reputational damage. Furthermore, defending against such claims could divert management's attention and resources, resulting in substantial legal fees. If an adverse ruling is reached, we could be ordered to pay compensatory damages and royalties for past sales, if any. Alternatively, we might be forced to accept territory or clinical indication carve-outs, which would restrict our ability to market the drug for certain treatments or in specific regions, thereby reducing its market potential. We could also be held liable for substantial monetary damages for past infringement. To continue our operations, we may be required to obtain licenses from third parties, which may not be available on commercially reasonable terms, or at all. Furthermore, if an infringement finding relates to our manufacturing methods, we could be forced to undertake a costly and time-consuming process redesign, which would inevitably lead to severe supply disruptions and delay in our clinical trials or commercial launch.

Despite the remote nature of this risk, in the unlikely event that such risk materializes, we may consider adopting contingency and remedial measures, which includes (i) attempting to negotiate a commercially reasonable licensing agreement with IP holders; and (ii) initiating R&D pivot to engineer a non-infringing "workaround" that avoids the claim of the third party patent. In addition, if a manufacturing process redesign is necessary as a remedial manner, we would execute a structured transition, which involves of (i) technical assessment and freedom-to-operate analysis; (ii) lab-scale testing; (iii) regulatory approval; and (iv) production scale-up.

We may rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our drug candidates. We seek to protect our proprietary drug candidates and processes, in part, by entering into confidentiality agreements with consultants, scientific advisors and contractors, and invention assignment agreements with our employees. We have entered into confidentiality agreements with our senior management and key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we used to employ each of our employees, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee's work.

These agreements may not provide sufficient protection of our trade secrets and/or confidential information. These agreements may also be breached, resulting in the misappropriation of our trade secrets and/or confidential information, and we may not have an adequate remedy for any such breach. In addition, our trade secret and/or confidential information may become known or be independently developed by a third party, or misused by any collaborator to whom we disclose such information. Despite any measures taken to protect our intellectual property, unauthorized parties may attempt to or successfully copy aspects of our products or to obtain or use information that we regard as proprietary without our consent. As a result, we may be unable to sufficiently protect our trade secrets and proprietary information.

We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. Despite any measures taken to protect our data and intellectual property, unauthorized parties may attempt to or successfully gain access to and use information that we regard as proprietary. For details, please see "Risk Factors — Risks Relating to Our Intellectual Property Rights — If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed."

We conduct our business under the brand name of Tyligand. As of the Latest Practicable Date, we held nine registered trademarks in Chinese Mainland. We are also the owner of one domain name.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of, third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our drug candidates in which we may be a claimant or a respondent.

OUR CUSTOMERS

During the Track Record Period, we generated revenue from two customers through (i) providing research and development services, and (ii) joint development arrangements. The transactions with the two customers did not involve our Core Product and other drug candidates. For details, see "Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Revenue." We generally grant our customers a credit term within 30 days. Neither of them is our supplier.

To the best of our knowledge, the two customers during the Track Record Period are Independent Third Parties. None of our Directors, their respective associates or any shareholder who, to the knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of these two customers during the Track Record Period.

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of CROs and CDMOs. During the Track Record Period, we did not experience any material disputes with our suppliers. In addition, we believe that adequate alternative sources for such supplies exist, and we have developed alternative sourcing strategies for these supplies. We will establish necessary relationships with alternative sources based on supply continuity risk assessment. We generally have credit periods ranging from 10 days to 60 days.

In 2024, 2025, and the six months ended June 30, 2026, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB21.9 million, RMB47.2 million, and RMB34.5 million, representing 39.1%, 46.3% and 39.6% of our total purchases,

respectively. Purchases from the largest supplier in each year during the Track Record Period amounted to RMB6.4 million, RMB21.1 million, and RMB13.2 million, representing 11.5%, 20.7% and 15.2% of our total purchases, respectively. We consider our arrangements with suppliers to be conducted in the ordinary course of business and have not experienced any material adverse impact arising from such arrangements. For details, please see "Risk Factors — Risks Relating to Collaboration with Third Parties — We collaborated with a limited number of suppliers during the Track Record Period."

The following table sets forth details of our five largest suppliers in each year during the Track Record Period.

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	
For the six months ended June 30, 2026						
Supplier A	A public company listed on the Shanghai Stock Exchange and headquartered in Shanghai, China, primarily engaged in provision of CRO and CDMO services	Outsourced R&D services	60 days	2024	13,218	15.2
Supplier B	A public company listed on the Shenzhen Stock Exchange with global presence, primarily engaged in provision of CDMO services	Outsourced R&D services	10/30 days	2023	7,889	9.0
Supplier C	A specialty hospital located in the U.S., specializing in cancer diagnosis and treatment	New drug development support	30 days	2022	5,465	6.3
Supplier D	A private company incorporated in Beijing, China, primarily engaged in provision of digital solutions and technology services for clinical research	Purchasing trial medications on behalf	Prepay	2025	4,137	4.7

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	
Supplier E.	A private company incorporated in Shanghai, China, which is a wholly-owned subsidiary of a public company listed on the Shenzhen Stock Exchange. The group is primarily engaged in provision of CRO and CDMO services	Outsourced R&D services	30 days	2024	3,811	4.4
Total					**34,520**	**39.6**

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	
For the year ended December 31, 2025						
Supplier F.	A private company incorporated in Beijing, China, primarily engaged in provision of CRO services	New drug development support	30 days	2024	21,093	20.7
Supplier B	A public company listed on the Shenzhen Stock Exchange with global presence, primarily engaged in provision of CDMO services	Outsourced R&D services	10/30 days	2023	8,852	8.7
Supplier A	A public company listed on the Shanghai Stock Exchange and headquartered in Shanghai, China, primarily engaged in provision of CRO and CDMO services	Outsourced R&D services	60 days	2024	6,403	6.3

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	
Supplier G	A private company incorporated in Shanghai, China, primarily engaged in scientific research and technical services	Leasing services as the landlord for our offices and R&D facilities in Shanghai	10 days	2019	5,637	5.5
Supplier H	A private company incorporated in the U.S., primarily engaged in oncology development	New drug development support	45 days	2024	5,232	5.1
Total					**47,217**	**46.3**

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	*(%)*
For the year ended December 31, 2024						
Supplier F	A private company incorporated in Beijing, China, primarily engaged in provision of CRO services	New drug development support	30 days	2024	6,424	11.5
Supplier G	A private company incorporated in Shanghai, China, primarily engaged in scientific research and technical services	Leasing services	10 days	2019	5,797	10.3
Supplier I	A public company listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange with global presence. The group is mainly engaged in provision of R&D solutions	Outsourced R&D services	30 days	2021	3,852	6.9

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period/Year
					(RMB in thousand)	*(%)*
Supplier J	A public company listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange with global presence. The group is mainly engaged in provision of CRO services	New drug development support	30 days	2021	3,551	6.3
Supplier C	A specialty hospital located in the U.S., specializing in cancer diagnosis and treatment	New drug development support	30 days	2022	2,306	4.1
Total					**21,930**	**39.1**

None of our Directors, their respective associates or any Shareholders who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest suppliers for each year during the Track Record Period.

COMPETITION

The pharmaceutical industry is a dynamic and highly competitive landscape, characterized by rapid advancements and evolving market demands. While we are confident that our fully integrated platform, laddered pipeline of drug candidates, and experienced team provide us with a competitive edge, we recognize the challenges inherent in this dynamic environment. We focus on leveraging our industry experience and established R&D capabilities for the discovery and development of therapies in the field of oncology. We face fierce competition from existing products and product candidates under development in the market. We face uncertainties in clinical trial development which are subject to a variety of factors, including satisfactory safety and efficacy results from clinical trials, successful enrollment of patients, and performance of CROs, CDMOs and other parties involved in clinical trial development. See "Industry Overview" for more details on the competitive landscape of the various markets in which we compete.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. Our principal insurance policies include comprehensive clinical trial liability insurance for its clinical trial projects, and personal accident insurance for our employees. We currently do not maintain insurance for environmental liability or property loss. Please refer to "Risk Factors — Risks Relating to our Operations — We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources."

We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with the industry norm. During the Track Record Period, we had not made or been the subject of any material insurance claims.

EMPLOYEES

As of June 30, 2026, we had 69 employees in total, and all of our employees were located in Chinese Mainland. The following table sets forth the number of our employees categorized by function as of June 30, 2026.

Functions	Number of employees by function	Percentage
Research and Development	53	76.8%
Business Strategy and Corporate Development	1	1.4%
General and Administration	6	8.7%
Management	8	11.6%
Quality Assurance	1	1.4%
Total	**69**	**100.0%**

We recruit our employees through recruiters and internal referrals. For all of our employees, we will provide onboarding training, and we will also provide periodic training to ensure their career development. The remuneration package of our employees includes salary and bonus, which are generally based on their qualifications, industry experience, position and performance. We may also provide share-based incentives to selected employees from time to time. We consider the remuneration package of our employees to be competitive among our domestic competitors. We make contributions to social insurance and housing provident funds as required by the PRC laws and regulations.

In compliance with the relevant PRC laws and regulations, we entered into employment contracts with our employees to cover matters such as wages, benefits and grounds for termination. We enter into standard confidentiality agreements with all of our employees. We enter into non-compete agreements with employees of the departments that we consider crucial to our business, such as research and development. Such non-compete agreements prohibit employees from conducting any business competing with us for twelve months following the termination of their employment.

We have not established a labor union. During the Track Record Period and as of the Latest Practicable Date, we did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations.

PROPERTIES

We are headquartered in Suzhou. As of the Latest Practicable Date, we did not own any real property. As of the same date, we leased three premises in Chinese Mainland. We believe our current facilities are sufficient to meet our near-term needs, and additional space can be obtained on commercially reasonable terms to meet our future needs. For our leases expiring in 2026, we plan to renew such lease upon their expiry and we do not foresee any material impediments to renew such leases, considering our relationship with these landlords.

The following table sets forth the details of our leased properties as of the Latest Practicable Date.

Usage	Location	GFA (sq.m)	Expiry Date
Office and R&D	Shanghai	2,692.4	2028-08-09
Office	Hainan	8.7	2026-09-30
Office and R&D	Suzhou	412	2026-09-21

As of the Latest Practicable Date, two of our lease agreements in China had not been registered. While the lack of registration will not affect the validity of the leases under PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant leases within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. As such, the maximum exposure for such non-registration of leases is RMB20,000. As of the Latest Practicable Date, we had not been subject to any penalties arising from the non-registration of lease agreements.

As of the Latest Practicable Date, no single property interest that formed part of non-property activities had a carrying amount of 15%, and no single property interest that formed part of property activities had a carrying amount of 1%, of our total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to our Group's interests in land or buildings.

DATA PRIVACY AND SECURITY

In the course of our business operations, particularly in conducting clinical trials and carrying out pharmacovigilance activities, we collect, process and store certain personal information, primarily including personal information of trial subjects (i.e., patients), such as demographic information, medical history, genetic information, and clinical trial data.

Given the nature of our business and the sensitivity of the personal information involved, we place significant emphasis on lawful and secure data handling. Particularly, we strictly adhere to the principle of informed consent. Prior to any collection of personal information, all trial participants, or their legal guardians, are required to sign an informed consent form ("ICF"), which explicitly details the purpose, scope and method of data processing, the storage duration, and the rights of the participants, including the right to withdraw consent. Based on our internal review, consent had been duly obtained for all personal information processed by us during the Track Record Period.

Data entered into the electronic data capture ("EDC") systems used by us and our CROs, whose database servers are located both in China and overseas, undergo strict de-identification and pseudonymization in compliance with applicable laws and regulations and GCP requirements. In particular, clinical research institutions replace directly identifying personal information with a unique subject identification code, thereby fully segregating personal identity from clinical research and medical data. Accordingly, the data transmitted to and stored on our database servers in China and overseas consists only of clinical research data that cannot be directly associated with any specific individual. Original medical records containing directly identifying information remain securely maintained by the relevant local clinical research institutions.

To support compliant data handling throughout the entire data lifecycle, we have established a comprehensive data governance framework in accordance with the Personal Information Protection Law of the PRC, the Data Security Law of the PRC, and other applicable laws, regulations and standards. Under this framework, data collection and usage are strictly limited to the minimum extent necessary for clinical trial protocols and regulatory reporting purposes. Under our clinical service agreements with third-party service providers, including our CROs, we expressly require them to act as data processors and to process protected personal data on our behalf only to the minimum extent necessary to perform their services. We employ advanced systems, implement stringent role-based access controls, and encrypt data both at rest and in transit using industry-standard algorithms. We also impose legally binding contractual obligations on our CROs to adopt reasonable technical and organizational security measures to prevent unauthorized or unlawful processing, access or disclosure of personal data, and to notify us promptly of any personal data breach.

Furthermore, the clinical trial data transmitted to overseas databases or partners has been thoroughly de-identified and pseudonymized and does not involve the export of physical human genetic resources materials. As such, such transmission complies with applicable data export regulations. In addition, the volume of personal information we process is well below the statutory threshold for a mandatory cybersecurity assessment in connection with cross-border data transfers. Accordingly, as advised by our PRC Legal Advisor, our cross-border data transmission is in compliance with applicable PRC laws and regulations.

During the Track Record Period and up to the Latest Practicable Date, as advised by our PRC Legal Advisor, we had complied in all material respects with all applicable laws and regulations relating to data privacy and security in China. Our Directors are of the view that, during the Track Record Period and up to the Latest Practicable Date, we had complied in all material respects with all applicable laws and regulations relating to data privacy and security in all overseas jurisdictions where we operate or conduct clinical trials. In addition, during the Track Record Period and up to the Latest Practicable Date, to the best of our knowledge, none of the CROs, PIs, or KOLs engaged by us were involved in any material data breaches or data leakage incidents. In addition, there had been no material data leakage, unauthorized access, or security breach involving personal information or important data during the Track Record Period and up to the Latest Practicable Date that would have a material adverse effect on our business operations or reputation.

We have also assessed whether our business operations and data processing activities would trigger any cybersecurity review requirements under PRC law. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any review (including proactive declaration review and regulatory-initiated review) by the Cyberspace Administration of China or its local counterparts. In accordance with the Cybersecurity Review Measures, the obligation to declare cybersecurity review applies to network platform operators that control more than one million users' personal information and intend to [**REDACTED**] overseas, which does not apply to [**REDACTED**] in Hong Kong. In addition, our business does not involve operating a network platform, and the total number of individuals whose personal information is collected (including clinical trial subjects, employees and business partners) is far less than one million. As such, our business operations and data processing activities do not fall within the scope of cybersecurity review as stipulated by relevant PRC regulations, and no obligation to declare cybersecurity review exists.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We believe our sustained growth lies in our contribution to society. Since our inception, we have adopted as our long-term strategic goal to promote environmental sustainability, support and participate in socially responsible projects, and adhere to a high standard of corporate governance.

ESG Governance

We prioritize Environmental, Social, and Governance ("**ESG**") practices and have implemented a comprehensive ESG reporting process. We have established a double-layered ESG governance structure. The Board holds full responsibility for establishing ESG policies and strategies, evaluating risks associated with daily operations, and monitoring progress to ensure effectiveness. It also fosters a culture aligned with our core ESG values. To bolster sustainability, improve governance, and enhance ESG performance, we have set up an ESG working team. This team comprises senior executives, department heads, and staff knowledgeable about current and emerging ESG issues. Reporting directly to the Board, they execute the ESG strategies.

The ESG working team's duties include developing and implementing an ESG framework and policies aligned with our long-term strategies while regularly reviewing and adjusting them. They ensure compliance with evolving ESG laws and promptly update policies accordingly. The team identifies, assesses, and manages material ESG risks on an ongoing basis and takes timely measures

to reduce potential impacts. When necessary, they engage external ESG experts to offer professional guidance and contribute to meeting our ESG goals. The team also evaluates stakeholder communication effectiveness and incorporates feedback to optimize strategies.

Moreover, the working team organizes ongoing ESG training for directors and senior management, ensuring awareness of the latest ESG trends and compliance requirements. They closely monitor and evaluate our performance against ESG targets and provide regular reports to the Board. Through these coordinated efforts, we aim to embed responsible, sustainable business practices deeply into our corporate culture and operations, positioning the company for long-term success.

Environmental Protection

As a biopharmaceutical company, we recognize the environmental responsibilities that come with our operations. Environmental responsibility is deeply ingrained in our corporate values, guiding our efforts to reduce ecological impact at every stage of the value chain. We are focused on ongoing improvement, striving to lower our environmental footprint while advancing sustainable growth in alignment with our commitment to planetary stewardship. To translate our commitment into action, we strictly comply with applicable environmental laws and regulations, with a focus on the proper treatment and disposal of laboratory waste liquids, solid wastes, and hazardous wastes generated during our operating activities. For the years ended December 31, 2024 and 2025, and the six months ended June 30, 2026, our historical environmental compliance costs were approximately RMB0.3 million, RMB0.2 million and RMB0.2 million, respectively.

GHG Emissions and Resource Consumption Management

Our greenhouse gas ("**GHG**") emissions during the Track Record Period were relatively limited, as the major sources of our GHG emissions and energy consumption were primarily attributable to electricity usage in the ordinary course of our business operations. We have not engaged in any commercial manufacturing activities to date, as we remain in the process of exploring various manufacturing arrangements in preparation of the future commercial launch.

We closely monitor water consumption levels at our offices and laboratories and have implemented various policies and measures to conserve water resources. These include timely repairing any dripping faucets to minimize water wastage and posting reminder stickers in restrooms to raise employees' awareness on water conservation. Through these efforts, we aim to further promote water-saving practices and reduce overall water usage.

The following table sets forth the amount of our GHG Emissions, electricity and water consumption for the year indicated.

		For the year ended December 31,		For the six months ended June 30,
	Unit	2024	2025	2026
Electricity Consumption	MWh	951	1,129	382
Water Consumption	cubic meters	1,545	1,645	677
Scope 1 GHG emissions [(1)]	metric ton	nil	nil	nil
Scope 2 GHG emissions	metric ton	569.8	676.5	209.6

Note:

(1) During the Track Record Period, we did not record any Scope 1 GHG emissions, as we did not own or control any direct emission sources, including onsite fuel-combustion equipment or company-owned vehicles, and did not undertake any activities that would result in direct emissions, such as fuel combustion or refrigerant recharging.

Waste Management

We implement comprehensive policies to minimize our environmental impact through responsible waste management, energy efficiency, and water conservation.

For waste handling, we strictly comply with environmental regulations by properly sorting and disposing of domestic non-hazardous waste through licensed providers, while qualified third parties manage all hazardous materials from R&D and clinical trials through rigorous procedures to ensure safety and compliance.

The following table sets forth our waste emissions for the year indicated.

		For the year ended December 31,		For the six months ended June 30,
	Unit	2024	2025	2026
Hazardous Waste	tons	32.5	30.0	14.8
Non-hazardous Waste	tons	2.4	2.5	1.4

As our business grows and our drug candidates move closer to commercialization, we anticipate an increase in resource consumption and emissions. Nonetheless, we are dedicated to implementing a variety of measures to optimize resource use and reduce emissions. Simultaneously, we strive to cultivate a corporate culture that prioritizes environmental protection and work closely with our business partners to establish an eco-friendly ecosystem. Our commitment includes enhancing the environmental performance across our entire value chain, which encompasses office operations, supplier selection, laboratory activities, and waste management. Looking forward, we have set an intensity-based target to reduce our per capita GHG emissions, electricity consumption, water consumption and non-hazardous waste generation each by 3% by 2030 as compared to 2025 levels. For hazardous waste, we target to maintain a 100% compliant classification and collection rate, and a 100% safe disposal rate through qualified third-party environmental agencies by 2030.

To implement these targets, we have undertaken the following key measures: (i) building an ESG data collection and monitoring system and actively integrating ESG factors into our daily management and decision-making processes, (ii) formulating specific mitigation measures and emergency plans for identified high-risk areas, and (iii) improving energy efficiency and promoting the recycling and reuse of resources.

Social Responsibility

Workplace Safety and Diversity

We have established and maintain a comprehensive set of rules, standard operating procedures, and measures, to ensure a healthy, safe, and inclusive environment for our employees and clinical trial participants. Our safety program emphasizes three core pillars: implementing clear guidelines for safe workplace practices, maintaining rigorous training and accident prevention protocols, and establishing transparent reporting procedures. For clinical trials, we require participants to demonstrate their understanding of all safety considerations both during initial enrollment and throughout their continued participation. These systematic protections reflect our fundamental commitment to fostering both physical safety and psychological well-being across all aspects of our operations.

We have also adopted a board diversity policy, which sets out the approach to achieve diversity within the Board composition. We recognize and embrace the benefits of having a diverse Board, including gender diversity, as an essential element in maintaining our competitive advantage and enhancing our ability to attract, retain and motivate employees from the widest possible pool of available talent. As of the Latest Practicable Date, around 30% of our total employees are female. After the [**REDACTED**], we will continue to take steps to promote gender diversity at the Board

and management level. Specifically, we will actively identify female individuals suitably qualified to become our Board members. To further ensure gender diversity in the long run, our Nomination Committee will periodically review our board diversity policy and its implementation to ensure its implementation and monitor its continued effectiveness.

In addition, we are dedicated to fostering an inclusive and open workplace that values equality. Our recruitment practices are strictly merit-based, ensuring that all employees are provided with equal opportunities regardless of gender, age, race, religion, or any other social or personal attributes. We are committed to maintaining a fair and transparent employee management system and continuously strive to enhance the gender and age diversity of our workforce.

Occupational Health and Safety

To ensure compliance with various health, workplace safety, and environmental regulations, and to facilitate regular inspections by local authorities, we have implemented a series of measures to mitigate the risks of accidental contamination, as well as biological and chemical hazards at our facilities. We are committed to providing a safe work environment through company-wide safety guidelines that cover best practices, accident prevention, and reporting procedures. To protect our employees from the risks of accidental contamination, biological and chemical hazards, we have established emergency response plans and conduct safety training to cultivate a safety-first culture. Employees in laboratories hold necessary qualifications and use appropriate safety gear. We also perform regular safety inspections and maintenance of our R&D facilities to ensure ongoing compliance and risk management. Furthermore, to strengthen our risk management of accidental contamination, as well as biological and chemical hazards, we regularly monitor our hazardous waste generation and disposal levels. We have also engaged qualified third parties to safely handle and dispose of our hazardous materials and wastes. During the Track Record Period and up to the Latest Practicable Date, we had complied with health, work safety and environmental laws and regulations applicable to our operations in all material respects, and we did not encounter any environmental or occupational health-related incidents or complaints that would materially and adversely affect our business, financial condition or results of operations during the same period.

Ethics of Clinical Trials

In the realm of pharmaceutical R&D, we consider safeguarding human welfare and guaranteeing the quality of clinical trials to be crucial. We strictly abide by Good Clinical Practice (**GCP**) and manage clinical trial projects through a full-cycle approach. By requiring regular progress reports from our CROs, we closely monitor trial processes, identify execution risks, and promptly rectify any identified issues. More importantly, we prioritize the legitimate rights and welfare of our clinical trial subjects. All clinical trials are strictly conducted on the premise of comprehensive informed consent. Furthermore, to thoroughly ensure patient safety and welfare, we have implemented rigorous pharmacovigilance system to continuously monitor, record, and evaluate any adverse events throughout the entire clinical development process.

Animal Welfare

In addition to clinical trial quality, ethics is also an essential part of pharmaceutical R&D management framework. We strictly comply with laws, regulations, and ethical standards such as the Regulations for the Administration of Laboratory Animals. We typically engage CROs to conduct animal studies, and the CROs we engaged are obliged to obtain certification from the Association for Assessment and Accreditation of Laboratory Animal Care. This certification promotes compliance with key regulations regarding animal welfare, including the humane treatment of all animals, the promotion of psychological well-being, access to adequate veterinary care, ethical reviews of research protocols, proper training for personnel involved in animal care, and ongoing compliance monitoring to uphold high standards of animal welfare throughout the research process.

Corporate Governance

We uphold rigorous corporate governance standards as the foundation of our sustainable growth and long-term success. Our governance framework is structured to ensure oversight, transparency in decision-making, and value creation for all stakeholders. The Board of Directors serves as the guiding force in shaping our strategic direction, overseeing comprehensive risk management, and maintaining accountability throughout the organization.

Patient Data Protection and Prevention of Data Manipulation

We are committed to protecting sensitive patient information and ensuring the confidentiality of clinical trial participant data in compliance with all relevant laws, regulations, and industry standards. We require our CROs to maintain strict confidentiality of all documents, data, and records generated during clinical trials, and to bind their employees and consultants to these same confidentiality obligations. Without our prior written consent, CROs are prohibited from sharing any confidential information with third parties. They must also implement security measures equivalent to those they use for their own confidential data to prevent unauthorized access or data breaches. Additionally, all our employees sign confidentiality agreements to further secure sensitive information.

To ensure data integrity and prevent manipulation, we have established comprehensive internal policies for detecting and addressing data breaches, tampering, and data loss, with clear consequences for any violations. Together, these measures create a framework to protect the accuracy and reliability of our clinical trial data, uphold confidentiality, and maintain high standards of data protection throughout the trial process.

Business Ethics and Integrity

We are committed to upholding high standards of corporate governance and fostering a healthy corporate culture. We believe that governance and ethical values are essential to the well-being of our employees and the sustainable development of our business. To this end, we have put in place a series of internal regulations to set forth the guidelines for compliance with laws and regulations and promote honest and ethical conduct, prevent corruption practices and conflicts of interest, and maintain operational transparency and fairness, including our code of business conduct and ethics, anti-corruption compliance policy, and internal control manual. To further embed compliance awareness across the company and ensure all employees fully understand and adhere to these standards, we also arrange trainings for all staff regarding the aforementioned topics. These measures foster an ethical and transparent business environment while safeguarding our interests and those of all stakeholders.

Supply Chain Management

Our suppliers primarily include CROs and CDMOs. To effectively manage potential risks related to our supply chain, particularly concerning environmental and safety compliance, we have formally integrated ESG factors into our supplier selection and management criteria. When selecting and auditing suppliers, we rigorously evaluate their qualifications for hazardous waste treatment and their historical environmental compliance records. To ensure the proper and safe management of hazardous materials and chemical wastes, we strictly require that all hazardous wastes generated from our clinical R&D activities must be handled, stored, and disposed of exclusively by third-party contractors equipped with the requisite and valid regulatory qualifications.

Furthermore, we are committed to promoting supply chain transparency and responsibility traceability. We provide necessary guidance and support to our contractors to actively supervise their procedures for the handling, usage, storage, and disposal of hazardous materials, thereby effectively mitigating ESG risks across our supply chain. In addition to environmental considerations, we have also implemented strict anti-corruption and anti-bribery policies to prevent collusion and ensure ethical procurement practices.

Product Usage Safety and Healthcare Accessibility

We currently have no products approved for commercial sale and have not generated any revenue in relation to our Core Product and other drug candidates. Consequently, we are not currently exposed to historical risks associated with commercial product pricing or improper usage by the general public. However, as we progress towards the commercialization of our pipeline, we proactively recognize these potential social risks and will establish robust internal controls to mitigate them. To prevent the abuse and off-label use of our future commercialized products, we will strictly comply with the relevant laws and regulations of the NMPA, the FDA, and other applicable regulatory authorities regarding drug labeling, package inserts, and the compliant promotion of prescription drugs. In addition, we are deeply committed to improving patient access to our innovative oncology therapies. While we do not currently face historical pricing risks, our future pricing strategies will take into full consideration socioeconomic dynamics, patient affordability, and the overall clinical value of the drugs. We also plan to actively participate in the negotiations for inclusion in China's National Reimbursement Drug List. By doing so, we aim to enhance the affordability and accessibility of our innovative oncology drugs for a broader patient population.

PERMITS AND LICENSES

We are subject to regular inspections, examinations and audits by local regulators and are required to maintain or renew the necessary permits and licenses for our business. As of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations and such permits and licenses all remain in full effect. For more details regarding the laws and regulations to which we are subject, see "Regulatory Overview" in this document. We had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates during the Track Record Period and up to the Latest Practicable Date, and we currently did not expect to have any material difficulty in renewing them when they expire, if applicable.

The following table sets forth the details of our material permits and licenses as of the Latest Practicable Date.

License/Permit	Holder	Grant Date	Expiration Date
China Human Genetic Resources International Scientific Research Cooperation Review and Approval Decision (中國人類遺傳資源國際科學研究合作審批決定書)	Suzhou Tyligand	2025-12-31	2029-06
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Suzhou Tyligand	2025-10-27	N/A
China Human Genetic Resources International Scientific Research Cooperation Review and Approval Decision (中國人類遺傳資源國際科學研究合作審批決定書)	Suzhou Tyligand	2025-04-27	2029-06
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Suzhou Tyligand	2025-02-05	N/A
China Human Genetic Resources International Scientific Research Cooperation Review and Approval Decision (中國人類遺傳資源國際科學研究合作審批決定書)	Shanghai Tyligand	2024-08-18	2029-06

License/Permit	Holder	Grant Date	Expiration Date
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Shanghai Tyligand	2024-04-26	N/A
Environment Impact Assessment Report (建設項目環境影響評價審批)	Suzhou Tyligand	2024-04-15	2029-04-15
Clinical Trial Approval (臨床試驗批件)	Shanghai Tyligand	2024-02-14	N/A
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Shanghai Tyligand	2023-02-13	N/A
Clinical Trial Approval (臨床試驗批件)	Shanghai Tyligand	2022-12-20	N/A
Clinical Trial Approval (臨床試驗批件)	Shanghai Tyligand	2022-10-04	N/A
Shanghai Pathogenic Microorganism Laboratory Certificate (上海市病原微生物實驗室備案憑證)	Shanghai Tyligand	2022-09-03	N/A
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Shanghai Tyligand	2022-06-28	N/A
Drug Clinical Trial Approval Notice (藥物臨床試驗批准通知書)	Shanghai Tyligand	2022-01-17	N/A
Clinical Trial Approval (臨床試驗批件)	Shanghai Tyligand	2021-10-15	N/A
Permit for Purchase of Highly Toxic Chemicals (劇毒化學品購買憑證)	Shanghai Tyligand	2021-09-28	N/A

LEGAL PROCEEDINGS AND NON-COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material legal or administrative proceedings that could significantly impact our operations, financial position, growth prospects, or reputation. While we maintain this clean litigation record, like all companies in our industry, we may occasionally face routine claims or proceedings arising from normal business activities. For details, see "Risk Factor — Risks Relating to Our Operations — We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business."

Compliance

We maintain rigorous compliance with all applicable laws and regulations governing our operations. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operation. As advised by our PRC Legal Advisor, we had been in compliance with all PRC laws and regulations in all material aspects during the Track Record Period and up to the Latest Practicable Date. Our Directors are of the view that we had been in compliance with all applicable overseas laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. Our Directors oversee and manage the overall risks associated with our operations. We have prepared written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [**REDACTED**], we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an Audit Committee to review and supervise our financial reporting process and internal control system;
- adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;
- provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations; and
- attend training sessions by our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies [**REDACTED**] in Hong Kong.

As a crucial part of our internal control procedures, we value the protection of the personal data of the patients enrolled for our clinical trials. In accordance with the relevant laws and regulations in China, we have formulated a detailed internal procedure with respect to the protection of patients' data. Our clinical operations department is responsible for supervising the data protection practice during clinical trials. We have also formed a data protection team, which is responsible for analyzing the latest laws and regulations in these areas and upgrading and managing our private data protection system. In particular, when collecting any patient's private data, we will inform them the types of personal data collected, purpose, processing method, the storage period and whether the data may be transferred abroad. We strive to only collect personal data and store them for the period necessary for our clinical purpose. We also provide on-board training with respect to the handling of personal data to all of our employees when they join us.

We have also formulated a series of anti-bribery compliance policy in accordance with the applicable laws and regulations as part of our internal control procedure. We have established an employee code of conduct, which covers anti-bribery compliance requirements in our business operations. Our employees involved in the accounting and finance function shall be alert to any suspicious transactions and are required to report any suspected violations they identified through our internal reporting and escalation mechanisms. We also encourage all employees to report any suspicious violations in this area.

We have employed an independent internal control consultant to assess our internal control system in connection with the [**REDACTED**]. The internal control consultant has conducted a review procedure on our internal control system in certain aspects, including financial reporting and disclosure controls, corporate level controls, information system control management and other procedures for our operations. We had improved our internal control system by adopting and implementing the corresponding enhanced internal control measures. Going forward, we will

continue to regularly review and improve these internal control policies, measures and procedures. As of the Latest Practicable Date, there was no material issue remaining based on our internal control review procedure in relation to the internal controls of our Group.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an independent internal control consultant, to perform certain agreed-upon procedures, in connection with the internal control of our Company and our major operating subsidiaries and to report factual findings on our Group's entity-level controls and internal controls of various processes, including financial reporting and disclosure controls, human resources and payroll management, general controls of IT system, taxation management, contract management, and other procedures of our operations. As of the Latest Practicable Date, there were no material outstanding issues relating to our Group's internal control.

During the Track Record Period, we regularly reviewed and enhanced our internal control system. Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement.

- We have implemented a range of measures and procedures covering various aspects of our business operations, including related party transactions, risk management, intellectual property protection, environmental protection, and occupational health and safety. For more information, see "— Intellectual Property" and "— Environmental, Social and Governance." As part of our employee training program, we regularly provide training on these measures and procedures to our staff.

- Our Directors, who are responsible for overseeing the corporate governance of our Group, will, with assistance from our legal advisers, periodically review our compliance status with all relevant laws and regulations following the [**REDACTED**].

BOARD OF DIRECTORS

As of the Latest Practicable Date, our Board consisted of five Directors, comprising two executive Directors and three non-executive Directors. Upon [**REDACTED**], (a) Dr. JIANG Fei (姜非) and Mr. GUO Hua (郭華) will cease to be our non-executive Directors, (b) the appointment of (i) Ms. LIU Yuwen (劉毓文) as a non-executive Director, and (ii) Mr. WANG Gang (王剛), Ms. Ling ZENG and Dr. CAI Xuejun (蔡學鈞) as independent non-executive Directors will become effective, and (c) our Board will consist of seven Directors, comprising two executive Directors, two non-executive Directors and three independent non-executive Directors.

The following table sets forth the key information about our Directors.

Name	Age	Positions	Roles and responsibilities	Date of first joining our Group	Date of first appointment as a Director
Dr. Tony Yantao ZHANG	[64]	Chairman of our Board, executive Director and chief executive officer	Overall management and operation of our Group, formulating development and business goals, and overall planning of R&D and financing strategies	December 1, 2017	December 1, 2017
Dr. Boyu ZHONG .	[63]	Executive Director, president and chief scientific officer	Leading R&D, overseeing the discovery, design and preclinical development of drug candidates	December 1, 2017	December 1, 2017
Dr. Hansen XU . .	[37]	Non-executive Director	Overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group	April 17, 2024	April 17, 2024
Ms. LIU Yuwen (劉毓文)[(1)]	[53]	Non-executive Director	Overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group	[**REDACTED**]	[**REDACTED**]
Dr. JIANG Fei (姜非)[(1)]	[50]	Non-executive Director	Overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group	April 17, 2024	April 17, 2024
Mr. GUO Hua (郭華)[(1)]	[45]	Non-executive Director	Overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group	November 23, 2022	November 23, 2022

Name	Age	Positions	Roles and responsibilities	Date of first joining our Group	Date of first appointment as a Director
Mr. WANG Gang (王剛)	[48]	Independent non-executive Director	Providing independent advice and judgment to our Board	[**REDACTED**]	[**REDACTED**]
Ms. Ling ZENG . .	[58]	Independent non-executive Director	Providing independent advice and judgment to our Board	[**REDACTED**]	[**REDACTED**]
Dr. CAI Xuejun (蔡學鈞)	[63]	Independent non-executive Director	Providing independent advice and judgment to our Board	[**REDACTED**]	[**REDACTED**]

Note:

(1) As of the Latest Practicable Date, each of Dr. JIANG Fei (姜非) (nominated by CMS Medical Venture Investment (HK) Limited) and Mr. GUO Hua (郭華) (nominated by Suzhou MING Bioventures Fund II Venture Capital, L.P.) was a non-executive Director. They will cease to be our Directors with effect from the [**REDACTED**] due to personal reasons and in connection with the Board's optimisation of its size and composition, with a view to avoiding overlapping membership and maintaining an appropriate balance of skills, experience and diversity in accordance with the corporate governance requirements under the Listing Rules. The appointment of Ms. LIU Yuwen (劉毓文) and the independent non-executive Directors will become effective at the same time. Therefore, upon [**REDACTED**], our Board will consist of seven Directors, including three independent non-executive Directors representing more than one-third of our Board. The structure of the Board upon [**REDACTED**] will meet the requirements under Rule 3.10A of the Listing Rules.

Executive Directors

Dr. Tony Yantao ZHANG, aged [64], is our founder, the chairman of our Board, an executive Director and our chief executive officer. He has been serving as our Director since December 2017 and was re-designated as an executive Director on January 26, 2026. He is mainly responsible for overall management and operation of our Group, formulating development and business goals, and overall planning of R&D and financing strategies.

Dr. Zhang has over 30 years of extensive experience in pharmaceutical industry, and has accumulated substantial expertise in biomedical research, clinical oncology, and drug research and development, demonstrating outstanding leadership capabilities and strategic vision.

From September 1992 to December 2017, Dr. Zhang held various positions at Eli Lilly and Company ("**Eli Lilly**"), a company whose shares are listed on the New York Stock Exchange (ticker symbol: LLY), including founding managing director of the China R&D center, senior research fellow of the Small Molecule Design and Development division, and the vice president of the Global External Research and Development for Asia. During his tenure at Eli Lilly, Dr. Zhang primarily focused on pharmaceutical process, drug discovery, portfolio management, and business development. In 2018, Dr. Zhang served as a senior advisor at Lilly Asia Venture (禮來亞洲基金). Dr. Zhang also served as the chairman for the Bayhelix Group, a non-profit professional organization of business leaders for the life science from 2010 to 2011.

Dr. Zhang obtained a bachelor's degree in organic chemistry from Shandong University (山東大學) in the PRC in July 1982 and a Ph.D. in chemistry from Purdue University in the United States in August 1989.

Dr. Zhang has received numerous awards and recognitions, including "Constellation Award" from Indiana Asian America Times in 2016, "Distinguished Science Alumni" from Purdue University in 2012, the "Creating the Future Award" and "Chairman's Ovation Award" from Eli Lilly in 2004 and 2006, the "Change the World Award" from Eli Lilly in 2000, 2001 and 2002, and "Research Accomplishment Award" from Purdue University in 1988.

Dr. Boyu ZHONG, aged [63], is our founder, an executive Director, our president and chief scientific officer. He has been serving as our Director since December 2017 and was re-designated as an executive Director on January 26, 2026. He is primarily responsible for leading R&D, overseeing the discovery, design and preclinical development of drug candidates.

Dr. Zhong served as a principal research scientist at Eli Lilly, a company whose shares are listed on the New York Stock Exchange (ticker symbol: LLY), where he was mainly responsible for molecular design, molecular synthesis, data analysis, and daily management of anticancer drug projects from June 2000 to March 2010. He then served as a vice president of chemistry department at Taicang CrownBio Analytical and Testing Company Limited (中美冠科生物技術(太倉)有限公司) from March 2010 to March 2014, focusing on formulating small molecule drug R&D strategy, establishing projects, and managing daily operations. From May 2014 to May 2016, Dr. Zhong worked at ImmuneSensor Therapeutics as a chief scientific officer. From June 2016 to December 2017, he served as a deputy general manager of medicinal chemistry at Gan & Lee Pharmaceuticals Co., Ltd (甘李藥業股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603087).

Dr. Zhong obtained a bachelor's degree in chemical engineering from Hefei University of Technology (合肥工業大學) in the PRC in July 1983, a master's degree in petrochemical engineering from Sinopec Research Institute of Petroleum Processing, Sinopec (中國石油天然氣股份有限公司石油化學研究院) in the PRC in July 1986, a master's degree in chemistry from Cleveland State University in the United States in September 1993 and a Ph.D. in chemistry from Northwestern University in the United States in June 1998. Dr. Zhong carried his post-doctoral studies at California Institute of Technology and Harvard University in the United States.

Non-executive Directors

Dr. Hansen XU, aged [37], joined our Group as a Director in April 2024 and was redesignated as a non-executive Director on January 26, 2026. He is primarily responsible for overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group.

Dr. Xu began his career at Boston Consulting Group from June 2018 to June 2021 with his last position as a project leader. Then he served as an investment manager at Lilly Asia Ventures from June 2021 to January 2024, responsible for sourcing, evaluating and investing in biotech companies. In addition to his directorship in our Company, Dr. Xu works as a senior investment manager at Lilly Asia Ventures since January 2024 and a non-executive director at Transcenta Holding Limited, a company whose shares are listed on the Stock Exchange (stock code: 6628) since June 2026.

Dr. Xu obtained a bachelor's degree in chemistry and a Ph.D. in molecular biology from Cornell University in the United States in July 2011 and December 2017, respectively.

Ms. LIU Yuwen (劉毓文), aged [53], has been appointed as a non-executive Director with effective from the [**REDACTED**]. She will be mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group.

Ms. Liu successively held numerous senior positions in certain companies since 2003. From February 2022 to April 2023, Ms. Liu served as a director to Adagene Inc., a clinical-stage biopharmaceutical company focused on antibody-based therapies for oncology and immunology whose shares are listed on the NASDAQ (ticker symbol: ADAG).

In addition to her directorship in our Company, Ms. Liu holds concurrent positions in certain companies, including: (i) an independent non-executive Director at Hangzhou Tigermed Consulting Co., Ltd., a company whose shares are listed on the Stock Exchange (stock code: 3347) and the Shenzhen Stock Exchange (stock code: 300347), since March 2024, and (ii) the legal representative and founding partner of Suzhou Industrial Park Bohe Venture Investment Management Co., Ltd. (蘇州工業園區薄荷創業投資管理有限公司) since August 2015.

Ms. Liu became a registered pharmacist in December 2000 and obtained a senior economist certificate from Jiangsu Provincial Department of Human Resources and Social Security in October 2013.

Ms. Liu obtained the bachelor's and master's degree in pharmacy from the China Pharmaceutical University (中國藥科大學) in the PRC in June 1994 and June 1997, respectively. She also obtained the master's degree in management from Fudan University/BI Norwegian School of Management in February 2006.

Dr. JIANG Fei (姜非), aged [50], joined our Group as a Director in April 2024 and was redesignated as a non-executive Director on January 26, 2026. He is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group and will cease to be a Director with effect from the [**REDACTED**].

Dr. Jiang has over 19 years of experience in R&D and business and investment management in several domestic and foreign pharmaceutical companies. From January 2007 to July 2009, he served as a process development scientist at Cell Genesys, Inc. He joined AlphaVax Inc. as a process development scientist in August 2009. From September 2010 to February 2017, he held various positions, including a director of business development at 3SBio Inc., a company listed on the Main Board of the Stock Exchange (stock code: 1530). He served as the head of investment department at Hunan Jingfeng Pharmaceutical Co., Ltd. (湖南景峰醫藥股份有限公司) in February 2017, a company listed on the Shenzhen Stock Exchange (stock code: 000908). He then served as an executive director at Shanghai Zhongnuo VentureCapital Co., Ltd. (上海中諾創業投資有限公司) until January 2019. From January 2019 to August 2020, he served as an executive director at Sinopharm Capital Co., Ltd. (國藥資本管理有限公司), which has now been renamed as Shanghai Jianyi Private Equity Fund Management Co., Ltd. (上海健壹私募基金管理有限公司). From August 2020 to January 2022, Dr. Jiang served as a managing director at Beijing Hongtai Tongchuang Investment Management Co., Ltd. (北京洪泰同創投資管理有限公司).

In addition to his directorship in our Company, Dr. Jiang holds concurrent positions in numerous companies, including a chief investment officer for greater China at China Medical System Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0867) and the Singapore Exchange (ticker symbol: 8A8), since January 2022.

Dr. Jiang obtained a bachelor's degree in chemical engineering from East China University of Science and Technology (華東理工大學) in the PRC in June 1998 and a Ph.D. in chemical engineering from Syracuse University in the United States in December 2006.

Mr. GUO Hua (郭華), aged [45], was appointed as a Director in November 2022 and redesignated as a non-executive Director of our Group on January 26, 2026. He is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the business operations of our Group and will cease to be a Director with effect from the [**REDACTED**].

In addition to his directorship at our Company, Mr. Guo holds concurrent positions in numerous companies, including: (i) a director at Suzhou Zhongtian Medical Device Technology Co., Ltd. (蘇州中天醫療器械科技有限公司), a company specializing in the research, development, production, and sales of pan-vascular interventional therapy devices, since November 2018; (ii) a director at Suzhou Xinmai Medical Technology Co., Ltd. (蘇州信邁醫療科技股份有限公司), a company focused on the research, development, production, and sales of groundbreaking innovative minimally invasive interventional products in the cardiovascular and respiratory fields, since December 2018; (iii) a director at Innovo Therapeutics Holdings, a biotechnology focused on developing novel protein degrader drugs for cancer treatment, since September 2021; and (iv) a director at Suzhou Huiliao Biomedical Technology Co., Ltd. (蘇州慧療生物醫藥科技有限公司), a company engaged in the research, development and production of mRNA drugs, since March 2023.

Mr. Guo obtained a bachelor's degree in biotechnology and a master's degree in biochemical and microbial pharmaceuticals from China Pharmaceutical University (中國藥科大學) in June 2003 and July 2006, respectively. He also obtained an MBA from Fudan University in March 2014.

Independent Non-executive Directors

Mr. WANG Gang (王剛), aged [48], has been appointed as an independent non-executive Director with effective from the [**REDACTED**] and will be mainly responsible for providing independent advice and judgment to our Board.

Mr. Wang was a senior manager at PriceWaterhouseCoopers from August 2003 to August 2012. From September 2012 to March 2021, he served as a director and president in Dalian Jiuxin Fine Chemical Co., Ltd. (大連九信精細化工有限公司), a company focusing on research, development, and production of pharmaceutical and pesticide intermediates and fine chemicals.

In addition to his directorship at our Company, Mr. Wang holds concurrent positions in numerous companies, including: (i) a partner of Beijing Hepu Langrun Accounting Firm (北京合普朗潤會計師事務所) since August 2020; (ii) a director at Zhejiang Palco New Materials Co., Ltd. (浙江帕爾科新材料有限公司), a company focusing on research, development and production of specialty engineering plastics, since July 2023; and (iii) an independent director at Zhejiang Jinhua New Materials Co., Ltd. (浙江錦華新材料股份有限公司) since July 2026.

Mr. Wang obtained a master's degree in chemical engineering from Dalian University of Technology (大連理工大學) in the PRC in July 2003. Mr. Wang obtained the certificate of Certified Public Accountant (中國註冊會計師證書) in July 2007.

Ms. Ling ZENG, aged [58], has been appointed as an independent non-executive Director with effective from the [**REDACTED**] and will be mainly responsible for providing independent advice and judgment to our Board.

In August 2017, Ms. Zeng served as deputy head, M&A Legal in Novartis AG, a company whose shares are listed on the SIX Swiss Exchange (ticker symbol: NOVN). She then served as a chief legal officer at Dicerna Pharmaceuticals, Inc. from September 2020 to February 2022. From February 2022 to May 2024, Ms. Zeng served as the chief legal and administrative officer at Omega Therapeutics, a clinical-stage biotechnology company. Since November 2024, she has been with Ottimo Therapeutics as an executive vice president.

Ms. Zeng obtained a bachelor's degree in physics from Peking University (北京大學) in the PRC in May 1990 and a Juris Doctor degree from Georgetown University in the United States in May 1999.

Dr. CAI Xuejun (蔡學鈞), aged [63], has been appointed as an independent non-executive Director with effective from the [**REDACTED**] and will be mainly responsible for providing independent advice and judgment to our Board.

Dr. Cai worked as an external affairs and HIV franchise director at Merck Sharp & Dohme China and then a medical director at Pfizer Inc., a company whose shares are listed on the New York Stock Exchange (ticker symbol: PFE). He then joined AstraZeneca Pharmaceutical Co., Ltd., a subsidiary of AstraZeneca plc, a company whose shares are listed on the London Stock Exchange (ticker symbol: ZAN), where he established the research and development organization in China and was responsible for clinical research, medical-marketing, regulatory affairs and patient safety. In March 2009, he worked as a senior vice president of the clinical development department at aTyr Pharma, Inc., a company whose shares are listed on NASDAQ (ticker symbol: ATYR). He then worked as a vice president of medical affairs at F. Hoffmann-La Roche Ltd., a global pharmaceutical and diagnostics company, listed on the SIX Swiss Exchange (ticker symbol: ROG), in the PRC. In 2014, Dr. Cai served as a vice president at Amgen Inc., a global biotechnology

company focused on innovative human therapeutics whose shares are listed on the NASDAQ (ticker symbol: AMGN). In 2020, he worked as a vice president of the global research and development department and the head of research and development department in China at Bristol Myers Squibb Co., a global biopharmaceutical company focused on oncology, hematology, immunology and cardiovascular disease whose shares are listed on the New York Stock Exchange (ticker symbol: BMY). Since October 2024, Dr. Cai has been serving as the chief scientific officer of the central research institute of Shanghai Pharmaceuticals Holding Co., Ltd. (上海醫藥集團股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 601607) and the Stock Exchange (stock code: 2607).

Dr. Cai obtained a bachelor's degree in medicine from Shanghai Jiao Tong University (上海交通大學) in the PRC in August 1986.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Positions	Roles and responsibilities	Date of first joining our Group	Date of first appointment as a senior management
Dr. Tony Yantao ZHANG	[64]	Chairman of our Board, executive Director and chief executive officer	Overall management and operation of our Group, formulating development and business goals, and overall planning of R&D and financing strategies	December 1, 2017	December 1, 2017
Dr. Boyu ZHONG	[63]	Executive Director, president and chief scientific officer	Leading R&D, overseeing the discovery, design and preclinical development of drug candidates	December 1, 2017	December 1, 2017
Dr. XIAO Kai (肖凱)	[41]	Vice president	Business development, investor relations, and corporate strategy and financing	September 1, 2021	September 1, 2021
Ms. LI Jing (李靜)	[44]	Vice president of medical science and clinical development	Clinical strategy and development	September 28, 2022	September 28, 2022

Dr. Tony Yantao ZHANG, aged [64], is our founder, the chairman of the Board, an executive Director and our chief executive officer. For his biography, see "— Board of Directors — Executive Directors" in this section.

Dr. Boyu ZHONG, aged [63], is our founder, an executive Director, our president and chief scientific officer. For his biography, see "— Board of Directors — Executive Directors" in this section.

Dr. XIAO Kai (肖凱), aged [41], joined our Group since September 2021 as our vice president and has since been responsible for business development, investor relations, and corporate strategy and financing.

Dr. Xiao has extensive experience within the pharmaceutical and business management industry. From June 2014 to April 2016, he served as a scientist at China Innovation Center of Roche (羅氏研發(中國)有限公司). He then worked as a manager of business department of Genor Biopharma Holdings Limited, a company listed on the Stock Exchange (stock code: 6998), from May 2016 to February 2017. From March 2017 to March 2018, he served as a senior manager of business department of 3SBIO Inc., a company listed on the Stock Exchange (stock code: 1530). After that, Dr. Xiao served as a vice president at Shanghai Pharmaceuticals (Hong Kong) Investment Co., Ltd. (上海醫藥(香港)投資有限公司) from March 2018 to August 2021.

Dr. Xiao obtained a bachelor's degree in biotechnology from Sun Yat-sen University (中山大學) in the PRC in August 2007, a master's degree in management and a Ph.D. in genetics and genomics from University of Florida in the United States in June 2012 and in December 2012, respectively.

Ms. LI Jing (李靜), aged [44], joined our Group as the head of medical and translational science in September 2022 and has been serving as the vice president of medical science and clinical development since September 2025. She is responsible for clinical strategy and development.

Ms. Li possesses extensive experience in clinical research and development of innovative drugs. From July 2010 to January 2012, she served as a clinical physician at the Shanghai Cancer Hospital, Fudan University. She then worked at Sanofi (China) Investment Co., Ltd. in Shanghai from January 2012 to October 2012. From July 2014 to March 2021, she worked at Hutchison MediPharma (Shanghai) Co., Ltd. (和記黃埔醫藥(上海)有限公司), a company whose shares are listed on the Stock Exchange (stock code: 0013), with her most recent position being a medical director. From March 2021 to September 2022, she worked at Transcenta Biopharma (Shanghai) Co., Ltd. (創勝生物醫藥(上海)有限公司)), a subsidiary of Transcenta Holding Limited, a company whose shares are listed on the Stock Exchange (stock code: 6628), with her most recent position being a senior medical director.

Ms. Li obtained a bachelor's degree in clinical medicine from Huazhong University of Science and Technology (華中科技大學) in the PRC in July 2005. She subsequently completed the master's program in oncology and received the master's graduation certificate at Fudan University in the PRC in June 2010.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS AND SENIOR MANAGEMENT

As of the Latest Practicable Date, save as disclosed in "Substantial Shareholders" and "Appendix IV — Statutory and General Information — C. Further Information about Our Directors, Chief Executive and Substantial Shareholders — 1. Disclosure of Interests," each of our Directors did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there are no material matters relating to their appointment as a Director that need to be brought to the attention of our Shareholders and there is no other information in relation to their appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date.

Save as disclosed above, none of our Directors and senior management held any directorship in any company [**REDACTED**] in Hong Kong or overseas during the three years immediately preceding the date of this document.

None of our Directors and senior management is related to other Directors, senior management or substantial Shareholders of our Company.

KEY TERMS OF EMPLOYMENT AGREEMENTS

We normally enter into employment agreements and confidentiality agreements with our senior management members and other key personnel, the key terms of which are set forth below.

Confidentiality

The employee shall keep confidential and shall not disclose our trade secrets, including but not limited to our business strategy and approaches, marketing or pricing activities, business development plans, customer information, financial information, research data, other information that is deemed as confidential by our Group or our business partners and should be kept confidential by our Group, and other information that is disclosed to or obtained by such employee directly or indirectly from our Company or other members of our Group during the term of his employment.

Service Invention

The intellectual property rights in any invention, work, design, copyrights or any other intellectual property that is (i) resulted from performing employee duties, (ii) produced from other tasks assigned by our Company, (iii) developed within one year from the date of the employee's departure and related to his/her previous duties or tasks in our Group, or (iv) developed mainly using our material, technologies and information, shall belong to our Group.

JOINT COMPANY SECRETARIES

Dr. XIAO Kai (肖凱), has been appointed as one of the joint company secretaries of the Company with effect from the [**REDACTED**]. Dr. Xiao is a vice president of our Company. For his biography, see "— Senior Management" in this section.

Ms. PUN Ka Ying (盤嘉盈) has been appointed as one of the joint company secretaries of the Company with effect from the [**REDACTED**].

Ms. Pun is a senior manager of company secretarial services of Tricor Services Limited, and she possesses more than 15 years of experience in the company secretary profession. She is familiar with the Listing Rules, the Companies Ordinance as well as compliance work for offshore companies. She has been providing corporate secretarial, corporate governance and compliance services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Pun is a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Company has established three committees under the Board pursuant the corporate governance practice requirements under the Listing Rules, including the Audit Committee, Remuneration Committee and Nomination Committee.

Audit Committee

We [have established] an Audit Committee in compliance with Rule 3.21 of the Listing Rules and paragraphs D.3.3 and D.3.7 of Part 2 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to (i) review and supervise our financial reporting process and internal control system, risk management and internal audit of our Group; (ii) provide advice and comments to our Board in respect of financial risk, risk management and internal control matters; and (iii) perform other duties and responsibilities as may be assigned by the Board.

The Audit Committee comprises two independent non-executive Directors and one non-executive Director, namely, Mr. WANG Gang (王剛), Ms. Ling ZENG and Ms. LIU Yuwen (劉毓文). Mr. WANG Gang (王剛) is the chairperson of the Audit Committee. He holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration Committee

We [have established] a Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and code provision E.1.2 of Part 2 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration Committee include: (i) making recommendations to our Board on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining the specific remuneration packages of all Directors and senior management members; and (iii) reviewing and approving matters relating to share schemes of our Company.

The Remuneration Committee comprises one executive Director and two independent non-executive Directors, namely, Dr. Zhang, Mr. WANG Gang (王剛) and Ms. Ling ZENG. Mr. WANG Gang (王剛) is the chairperson of the Remuneration Committee.

Nomination Committee

We [have established] a Nomination Committee in compliance with Rule 3.27A of the Listing Rules and code provision of B.3.1 of Part 2 of the Corporate Governance Code. The primary duties of the Nomination Committee include: (i) reviewing the structure, size and composition of our Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of our Board; (ii) identifying, selecting or making recommendations to our Board on the selection of individuals nominated for directorship, and ensuring the diversity of our Board members; (iii) performing review on the contributions made by our Directors (including our independent non-executive Directors) and the sufficiency of time devoted to perform their duties; (iv) assessing the independence of our independent non-executive Directors; and (v) making recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of our Directors.

The Nomination Committee comprises one executive Director and two independent non-executive Directors, namely, Dr. Zhang, Mr. WANG Gang (王剛) and Ms. Ling ZENG. Dr. Zhang is the chairperson of the Nomination Committee.

REMUNERATION OF OUR DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Our Directors and senior management receive remuneration, including fees, salaries, allowances and benefits in kind, performance related bonuses and other emoluments.

The aggregate amount of remuneration for our Directors for the two years ended December 31, 2025 and the six months ended June 30, 2026 was approximately RMB3.74 million, RMB6.72 million and RMB13.12 million, respectively.

The five highest paid employees for the two years ended December 31, 2025 and the six months ended June 30, 2026 included two, two and two Directors, respectively. The aggregate amount of remuneration for the remaining three, three and three highest paid individuals of our Group, who is neither a director nor chief executive of our Company, for the two years ended December 31, 2025 and the six months ended June 30, 2026 was approximately RMB6.91 million, RMB8.15 million and RMB9.78 million, respectively.

According to existing effective arrangements, the total amount of remuneration (excluding any possible payment of discretionary bonus) shall be paid by us to Directors for the financial year ending December 31, 2026 is expected to be RMB2.67 million.

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group, (ii) no compensation was paid to, or receivable by, our Directors or past Directors or the five highest paid individuals for the loss of office as director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group, and (iii) none of our Directors waived any emoluments.

Our Board will review and determine the remuneration and compensation package of our Directors and senior management members and will, following the [**REDACTED**], receive recommendation from the Remuneration Committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

Save as disclosed above and in Appendix I to this document, no other payments have been made or are payable in respect of the two years ended December 31, 2025 and the six months ended June 30, 2026 by our Group to the Directors and senior management members.

COMPLIANCE ADVISOR

We have appointed Somerley Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular, or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases; and

(c) where we propose to use the [**REDACTED**] of the [**REDACTED**] in a manner different from that detailed in this document or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this document; and where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the [**REDACTED**] or [**REDACTED**] of its [**REDACTED**] securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of appointment of our Compliance Advisor shall commence on the [**REDACTED**] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [**REDACTED**].

CORPORATE GOVERNANCE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability. We have adopted the code provisions stated in the Corporate Governance Code. We are committed to the view that the Board should include a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors so that there is a strong independent element on the Board that can effectively exercise independent judgment.

To accomplish the high standards of corporate governance, our Company expects to comply with the Corporate Governance Code and the associated Listing Rules after the [**REDACTED**] save for the deviation as mentioned below. Any deviation from the Corporate Governance Code shall be carefully considered, and the reasons for any deviation and explanation of how good corporate governance was achieved by means other than strict compliance with the code provisions shall be given in the interim report and the annual report in respect of relevant period.

The roles of chairman of the Board and chief executive officer of our Company are currently performed by Dr. Zhang. In view of Dr. Zhang's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Dr. Zhang acting as both our chairperson of the Board and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Dr. Zhang continues to act as both the chairman of our Board and chief executive officer after the [**REDACTED**], and therefore currently do not propose to separate the functions of chairperson of the Board and chief executive officer. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Dr. Zhang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairperson of the Board and chief executive officer is necessary.

MANAGEMENT PRESENCE

According to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Since the principal business operations of our Group are conducted in the Chinese Mainland, our senior management members are, and are expected to continue to be, based in the Chinese Mainland. Further, as our executive Directors have a vital role in our Group's operations, it is crucial for them to remain in close proximity to our Group's central management located in Chinese Mainland. Our Company does not, and for the foreseeable future will not, have a sufficient management presence in Hong Kong. We have applied for, and the Stock Exchange [has granted], a waiver from compliance with Rule 8.12 of the Listing Rules. For further details, see "Waivers and Exemptions — Management Presence in Hong Kong."

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will select potential Board candidates based on merit and his/her potential contribution to our Board while taking into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Upon [**REDACTED**], our Board will consist of two female Directors and five male Directors, featuring a balanced mix of gender, knowledge, skills, and experience. Our Directors possess diverse educational backgrounds and professional expertise in various fields, including chemistry, organic chemistry, pharmacy, management, accounting and finance, among others. We have three independent non-executive Directors who have different industry backgrounds. Furthermore, our Directors are of a wide range of age, from [37] to [64] years old. Taking into account our business model and specific needs as well as the presence of two female Directors out of a total of seven Board members, we consider that the composition of our Board satisfies our board diversity policy.

We recognize the particular importance of gender diversity on our Board. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. Our board diversity policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim of increasing the proportion of female members over time after [**REDACTED**], and make sure the Board has at least one female Director, in compliance with the B.3.5 of part 2 of the Corporate Governance Code. In particular, taking into account the business needs of our Group and changing circumstances that may affect our business plans, we will actively identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be periodically reviewed by our Nomination Committee in order to develop a pipeline of potential successors to our Board and promote gender diversity. Additionally, female representatives of our investors are also considered as potential candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at the mid to senior levels so that we have a pipeline of female senior management and potential successors to our Board going forward. We plan to offer well-rounded trainings to female employees whom we consider have the requisite experience, skills and knowledge of our operation and business, on topics including but not limited to business operation, management, accounting and finance, and legal compliance. We are of the view that such strategies will provide our Board with ample opportunities to identify capable female employees to be nominated as Directors in the future, fulfilling our aim to develop a pipeline of female candidates to achieve greater gender diversity in our Board in the long run. We believe that such a merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders' expectations and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After [**REDACTED**], our Nomination Committee will review our board diversity policy and its implementation annually to monitor its continued effectiveness, and we will disclose the implementation of our board diversity policy, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives, in our corporate governance report on an annual basis.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on January 26, 2026, and (ii) understands his or her obligations as a director of a [**REDACTED**] issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) that he/she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment.

Rule 8.10 of the Listing Rules

Each of our Directors (other than our independent non-executive Directors) confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business which requires disclosure under Rule 8.10 of the Listing Rules.

So far as our Directors are aware, immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), the following persons are expected to have an interest and/or short positions in our Shares or underlying Shares which would fall to be disclosed to us and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company:

		Shares held immediately before completion of the [REDACTED]		Shares held immediately following completion of the Share Subdivision and the [REDACTED]	
Name	**Nature of interest[1]**	**Number of Shares**	**Approximate percentage of interest in our Company**	**Number of Shares (as adjusted by the Share Subdivision)**	**Approximate percentage of interest in our Company**
Dr. Zhang[2]	Beneficial owner	153,463	0.35%	767,315	[**REDACTED**]%
	Interest in controlled corporation	10,250,000	23.66%	51,250,000	[**REDACTED**]%
Dr. Zhong[2]	Interest in controlled corporation	10,250,000	23.66%	51,250,000	[**REDACTED**]%
Tyligand Holdings[2]	Beneficial owner	10,250,000	23.66%	51,250,000	[**REDACTED**]%
Dr. SHI Yi ("**Dr. Shi**")[3]	Interest in controlled corporation	7,011,080	16.18%	35,055,400	[**REDACTED**]%
LAV Fund VI, L.P. ("**LAV VI**")[3]	Beneficial owner	3,505,540	8.09%	17,527,700	[**REDACTED**]%
LAV Fund VI Opportunities, L.P. ("**LAV Opportunities**")[3]	Beneficial owner	3,505,540	8.09%	17,527,700	[**REDACTED**]%
Tencent Holdings Limited[4]	Interest in controlled corporation	4,883,027	11.27%	24,415,135	[**REDACTED**]%
Tencent Mobility[4]	Beneficial owner	4,883,027	11.27%	24,415,135	[**REDACTED**]%
China Medical System Holdings Limited (康哲藥業控股有限公司)[5]	Interest in controlled corporation	3,597,306	8.30%	17,986,530	[**REDACTED**]%
CMS Medical[5]	Beneficial owner	3,597,306	8.30%	17,986,530	[**REDACTED**]%
Dr. CHEN Fei[6]	Interest in controlled corporation	3,505,540	8.09%	17,527,700	[**REDACTED**]%
Shanghai Lizhe[6]	Beneficial owner	3,505,540	8.09%	17,527,700	[**REDACTED**]%

Notes:

(1) All interests stated are long positions.

(2) As of the Latest Practicable Date, Tyligand Holdings is held as to 48.75%, 41.25%, and 10.00% by Dr. Zhang, Dr. Zhong and Dr. ZY. Zhang. Therefore, each of Dr. Zhang and Dr. Zhong is deemed to be interested in the Shares held by Tyligand Holdings under the SFO.

(3) Each of LAV VI and LAV Opportunities is a Cayman Islands exempted limited partnership. As of the Latest Practicable Date, the general partner of LAV VI is LAV GP VI, L.P., whose general partner is LAV Corporate VI GP, Ltd., a Cayman Islands exempted company wholly owned by Dr. Shi.

As of the Latest Practicable Date, the general partner of LAV Opportunities is LAV GP VI Opportunities, L.P., whose general partner is LAV Corporate VI GP Opportunities, Ltd., a Cayman Islands exempted company wholly owned by Dr. Shi.

Therefore, each of LAV GP VI, L.P., LAV Corporate VI GP, Ltd. and Dr. Shi is deemed to be interested in the Shares held by LAV VI, and each of LAV GP VI Opportunities, L.P., LAV Corporate VI GP Opportunities, Ltd. and Dr. Shi is deemed to be interested in the Shares held by LAV Opportunities under the SFO.

(4) As of the Latest Practicable Date, Tencent Mobility is wholly owned by Tencent Holdings Limited (騰訊控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00700 (HKD Counter) and 80700 (RMB Counter)). Therefore, Tencent Holdings Limited is deemed to be interested in the Shares held by Tencent Mobility under the SFO.

(5) As of the Latest Practicable Date, CMS Medical is ultimately controlled by China Medical System Holdings Limited (康哲藥業控股有限公司), a company listed on the Stock Exchange (stock code: 867) and on the Singapore Stock Exchange (stock code: 8A8). Therefore, China Medical System Holdings Limited is deemed to be interested in the Shares held by CMS Medical under the SFO.

(6) As of the Latest Practicable Date, the general partner of Shanghai Lizhe is Shanghai Likun Enterprise Management Partnership (Limited Partnership) (上海禮堃企業管理合夥企業(有限合夥)) ("**Shanghai Likun**"). The general partner of Likun is Shanghai Liyao Investment Management Co., Ltd. (上海禮曜投資管理有限公司) ("**Shanghai Liyao**"), which is in turn wholly owned by Dr. CHEN Fei. The sole limited partner of Shanghai Lizhe is Suzhou Lirun Equity Investment Centre (LP) (蘇州禮潤股權投資中心(有限合夥)) ("**Suzhou Lirun**"). The general partner of Suzhou Lirun is Shanghai Likun. No limited partner of Suzhou Lirun holds more than 30% interests. The general partner of Shanghai Likun is Shanghai Liyao. Therefore, each of Shanghai Likun, Suzhou Lirun, Shanghai Liyao, and Dr. CHEN Fei is deemed to be interested in the Shares held by Shanghai Lizhe under the SFO.

Save as otherwise disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), have any interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company.

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized share capital of our Company as of the Latest Practicable Date and the issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately before and after completion of the Share Subdivision and the [**REDACTED**]. All Preferred Shares shall be automatically and immediately converted into Ordinary Shares on a one-to-one basis upon the [**REDACTED**] becoming unconditional.

1. Share Capital immediately prior to the Completion of the Share Subdivision and the [REDACTED]

(i) Authorized Share Capital

Description of Shares	Number of Shares	Approximate aggregate nominal value of Shares	Approximate percentage of authorized share capital
		(US$)	*(%)*
Ordinary Shares of par value US$0.001 each	466,919,870	466,919.87	93.38%
Series Pre-A Preferred Shares of par value US$0.001 each	5,500,000	5,500.00	1.10%
Series A Preferred Shares of par value US$0.001 each	6,642,825	6,642.83	1.33%
Series A+ Preferred Shares of par value US$0.001 each	5,692,051	5,692.05	1.14%
Series A++ Preferred Shares of par value US$0.001 each	7,554,574	7,554.57	1.51%
Series B Preferred Shares of par value US$0.001 each	7,690,680	7,690.68	1.54%
Total	**500,000,000**	**500,000.00**	**100%**

(ii) Issued Share Capital

Description of Shares	Number of Shares	Approximate aggregate nominal value of Shares	Approximate percentage of authorized share capital
		(US$)	*(%)*
Ordinary Shares of par value US$0.001 each	10,250,000	10,250.00	23.66%
Series Pre-A Preferred Shares of par value US$0.001 each	5,500,000	5,500.00	12.69%
Series A Preferred Shares of par value US$0.001 each	6,642,825	6,642.83	15.33%
Series A+ Preferred Shares of par value US$0.001 each	5,692,051	5,692.05	13.14%
Series A++ Preferred Shares of par value US$0.001 each	7,554,574	7,554.57	17.43%
Series B Preferred Shares of par value US$0.001 each	7,690,680	7,690.68	17.75%
Total	**43,330,130**	**43,330.13**	**100%**

2. Share Capital Immediately Following the Completion of the Share Subdivision and the [REDACTED] (assuming [REDACTED] is not exercised)

(i) Authorized Share Capital

Description of Shares	Number of Shares	Approximate aggregate nominal value of Shares	Approximate percentage of authorized share capital
		(US$)	*(%)*
Ordinary Shares of par value US$0.0002 each	2,500,000,000	500,000	100.00%

(ii) Issued Share Capital

Assuming the [**REDACTED**] is not exercised, the issued share capital of our Company immediately following completion of the Share Subdivision and the [**REDACTED**] will be as follows:

Description of Shares	Number of Shares	Approximate aggregate nominal value of Shares	Approximate percentage of authorized share capital
		(US$)	*(%)*
Shares in issue	216,650,650	43,330.13	[**REDACTED**]%
Shares to be [**REDACTED**] under the [**REDACTED**] (excluding Shares that may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**])	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	[**REDACTED**]	**100.00%**

Assuming the [**REDACTED**] is exercised in full, the issued share capital of our Company immediately following completion of the Share Subdivision and the [**REDACTED**] will be as follows:

Description of Shares	Number of Shares	Approximate aggregate nominal value of Shares	Approximate percentage of authorized share capital
		(US$)	*(%)*
Shares in issue	216,650,650	43,330.13	[**REDACTED**]%
Shares to be [**REDACTED**] under the [**REDACTED**] (excluding Shares that may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**])	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Shares to be [**REDACTED**] pursuant to the exercise of the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	[**REDACTED**]	**100.00%**

ASSUMPTIONS

The above tables assume that the [**REDACTED**] becomes unconditional, that Shares are [**REDACTED**] pursuant to the [**REDACTED**], and that the Preferred Shares are converted into Shares on a one-to-one basis. The above tables do not take into account any Shares which may be issued or repurchased by the Company under the general mandates granted to our Directors as referred to below.

RANKING

The [**REDACTED**] are Shares in the share capital of our Company and rank *pari passu* in all respects with all Shares currently in issue or to be issued (including all Preferred Shares to be converted into Ordinary Shares upon the [**REDACTED**] becoming unconditional) and, in particular, will rank *pari passu* for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this document.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Upon [**REDACTED**], our Company will have only one class of shares, namely Ordinary Shares, each of which ranks *pari passu* with the other Shares.

Our Company may, by an ordinary resolution of its members, if so authorized by Memorandum of Association and Articles of Association, alter the conditions of its memorandum of association to (a) increase its authorized share capital; (b) consolidate and divide all or any of its share capital into shares of larger amount; (c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination; (d) subdivide its shares into smaller amount; (e) cancel shares which have not been taken; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and/or (h) reduce its share premium account in any manner authorised, and subject to any conditions prescribed by law. Subject to the provisions of the Cayman Companies Act and to confirmation by the Cayman Islands Court, a company limited by shares may, if so authorized by its articles of association, by special resolution, reduce its share capital in any way. For details, see "Appendix III — Summary of the Constitution of the Company and the Company Laws of the Cayman Islands" to this document.

GENERAL MANDATE TO ISSUE SHARES

Subject to the [**REDACTED**] becoming unconditional, our Directors [have been granted] a general mandate to allot, issue and deal with any Shares or securities convertible into Shares (including the sale or transfer of Treasury Shares) of not more than the sum of:

(a) 20% of the total number of Shares in issue (excluding Treasury Shares) immediately following completion of the [**REDACTED**] (but excluding any Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**]); and

(b) the total number of Shares repurchased by our Company pursuant to the authority referred to in "— General Mandate to Repurchase Shares" below.

This general mandate to issue Shares will remain in effect until the earliest of:

(a) the conclusion of the next annual general meeting of our Company unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to condition;

(b) the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws of the Cayman Islands or the Memorandum and Articles of Association; or

(c) the passing of an ordinary resolution by Shareholders in a general meeting revoking or varying the authority.

See "Appendix IV — Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Shareholders of Our Company Passed on [●]" to this document for further details of the general mandate to issue Shares.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the [**REDACTED**] becoming unconditional, our Directors [have been granted] a general mandate to repurchase our own Shares up to 10% of the total number of Shares in issue (excluding Treasury Shares) immediately following completion of the [**REDACTED**] (excluding any Shares which may be [**REDACTED**] and [**REDACTED**] pursuant to the exercise of the [**REDACTED**], if any).

This repurchase mandate only relates to repurchases on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [**REDACTED**] and which is recognized by the SFC and the Stock Exchange for this purpose, and in accordance with all applicable laws and the requirements under the Listing Rules or equivalent rules or regulations of any other stock exchange as amended from time to time.

This general mandate to repurchase Shares will remain in effect until the earliest of:

(a) the conclusion of the next annual general meeting of our Company unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to condition;

(b) the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws of the Cayman Islands or the Memorandum and Articles of Association; or

(c) the passing of an ordinary resolution by our Shareholders in a general meeting revoking or varying the authority.

See "Appendix IV — Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Shareholders of Our Company Passed on [●]" to this document for further details of the general mandate to repurchase Shares.

You should read the following discussion and analysis in conjunction with our historical financial information, together with the accompanying notes, included in the Accountants' Report set out in Appendix I to this document. Our consolidated financial information has been prepared in accordance with IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not rely solely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, our actual performance may differ materially from those anticipated in these forward-looking statements, as a result of various risks and uncertainties over which we do not have full control. For details, see "Forward-looking Statements" and "Risk Factors."

OVERVIEW

We are a clinical-stage biopharmaceutical company focusing on the discovery and development of cancer therapeutics. We have established technology platforms spanning both small molecule and ADC development, positioning us to address multiple oncological targets. Our Core Product, TSN1611, is an orally bioavailable inhibitor of KRAS G12D. TSN1611 is currently under phase 2 clinical trials in both the United States and China. We are in communications with, and have obtained feedbacks from the FDA regarding the clinical development plan to TSN1611, including to initiate a registrational phase 3 MRCT of TSN1611 as a monotherapy for the second- and later-line treatment of NSCLC, and intend to communicate with the NMPA to seek clearance for participation in the MRCT in China.

We currently have no products approved for commercial sales and have not generated any revenue from product sales. We incurred losses of RMB70.5 million, RMB183.7 million, RMB77.6 million and RMB116.6 million for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively, which primarily resulted from the research and development expenses incurred to advance our pipeline and our technology platforms. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026 we recognized revenue of RMB7.9 million, RMB26.3 million, RMB9.2 million and RMB4.1 million, respectively, which were derived from the provision of research and development services and joint development arrangements.

We expect to incur significant expenses for at least the next several years/periods as we continue to advance our clinical development plans and preclinical research, and to prepare for the commercialization of our drug candidates. Subsequent to the [**REDACTED**], our financial performance may fluctuate from year to year due to, among other factors, the development status of our drug candidates, regulatory approval timeline, commercialization of our drug candidates after approval, and our licensing and collaboration arrangements.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with IFRS Accounting Standards ("**IFRSs**"), which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). For the purpose of preparing and presenting the historical financial information for the Track Record Period, we have consistently applied the accounting policies which conform with IFRSs, which are effective for the accounting period beginning on January 1, 2026 throughout the Track Record Period. The historical financial information includes the applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance. For details, see Note 2 to the Accountants' Report set out in Appendix I to this document.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the most significant factors affecting our results of operations and financial condition include the following.

Our Ability to Successfully Develop and Commercialize Our Drug Candidates

Our business, results of operations and financial condition depend on our ability to advance our drug candidates through clinical development, obtain regulatory approvals and, if approved, successfully commercialize them on a timely and economically viable basis.

Our Core Product TSN1611, with its differentiated mechanism of actions and combination therapy potentials, aims to address large markets with significant unmet medical needs and have generated clinical data supporting their differentiated profiles. Our Core Product, TSN1611, is an orally bioavailable KRAS G12D inhibitor, which is currently under phase 2 clinical trials in both the United States and China and is advancing toward a next-phase clinical trial as monotherapy for the treatment of NSCLC. Designed to address the substantial unmet medical needs of patients with KRAS G12D-driven cancers — including lung, pancreatic, and colorectal malignancies, TSN1611 has demonstrated early clinical efficacy, along with a favorable safety and tolerability profile that compares favorably with, and in key aspects exceeds, existing competitor molecules. Its differentiated mechanism of action and clinical profile support advancement of the product from later-line settings to second-line and, potentially first-line breakthrough treatment across these major solid tumor indications.

Beyond our Core Product TSN1611, we have also established a differentiated and comprehensive product portfolio targeting advanced solid tumors, hematologic malignancies, and mutation-driven cancers. Our product portfolio includes small molecule drug candidate TSN222, as well as ADC drug candidates, TSNA1789 and TSNA3339. Leveraging our expertise in small molecule design and ADC payload engineering, we have built a pipeline through multiple development modalities and molecular formats, with sustained capability for expansion.

Although we currently have no product approved for commercial sale and have not generated any revenue from product sales, we expect to commercialize one or more of our drug candidates over the coming years as they progress through late-stage development. Our ability to generate revenue from our pipeline depends on a number of factors, including obtaining regulatory approvals, securing reliable and scalable manufacturing capabilities, forming effective collaborations with third-party commercialization partners, and ensuring our therapies are accessible, affordable, and well-accepted by patients in need of differentiated solutions for treating solid tumors. For details, see "Risk Factors — Risks Relating to The Development of Our Drug Candidates" and "Risk Factors — Risks Relating to Manufacturing and Commercialization of Our Drug Candidates."

Our Cost Structure

Our results of operations are significantly affected by our cost structure, which consists of research and development expenses, administrative expenses and cost of services. We believe that our ability to successfully develop drug candidates is fundamental to our long-term competitiveness and is a key driver of our future growth. However, developing drug candidates requires substantial financial investments over an extended period. As part of our core strategy, we are committed to ongoing investment in research and development to support the advancement and expansion of our pipeline and our technology platforms. Consequently, we have dedicated considerable financial resources to advancing the research and development of our clinical- and preclinical-stage drug candidates.

For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, we recorded operating expenses, comprising research and development expenses and administrative expenses, of RMB100.0 million and RMB162.1 million, RMB54.6 million and RMB138.5 million, respectively. During the same periods, we recorded research and development expenses of RMB72.8 million, RMB115.2 million, RMB43.2 million and RMB95.8 million, respectively, which accounted for 72.8%, 71.1%, 79.2% and 69.2% of our operating expenses for the respective periods. In particular, we recorded research and development expenses in relation to our Core Product, TSN1611, of RMB36.5 million, RMB76.2 million, RMB26.4 million and RMB66.8 million, respectively, representing 50.2%, 66.1%, 61.1% and 69.7% of our research and development expenses, and 36.5%, 47.0%, 48.4% and 48.2% of our total operating expenses, for the respective periods. For details, see "— Description of Selected Components of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Research and Development Expenses."

Going forward, we expect to continue to incur more research and development expenses as we advance our drug candidates through clinical development and toward commercialization. In addition, we expect to incur administrative, legal, compliance, accounting, insurance and investor and public relations expenses associated with being a [**REDACTED**] company in Hong Kong. We expect our cost structure to evolve as we continue to develop and expand our business.

Funding for Our Operations

During the Track Record Period, we funded our operations primarily through equity financing and revenue from the provision of research and development services and joint development arrangements. Upon the successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with future revenue generated from sales of our commercialized drug products. As our business continues to expand, we may require further funding through equity offerings, debt financing, out-license and collaboration arrangements, and other sources. Any fluctuation in the funding for our operations will impact our cash flow plan and our results of operations. For details, see "Risk Factors — Risks Relating to Our Financial Position and Need for Additional Capital — We may need to obtain substantial additional financing to fund our operations and expansion, and if we are unable to obtain sufficient financing, we may be unable to complete the research, development and commercialization of our drug candidates."

MATERIAL ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of historical financial information in conformity with IFRSs requires our management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Our estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. See Note 2, Note 3, and other notes to the relevant financial line items or transactions to the Accountants' Report set out in Appendix I to this document for a detailed description of our material accounting policies, judgments and estimates.

DESCRIPTION OF SELECTED COMPONENTS OF THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Revenue	**7,856**	**26,320**	**9,216**	**4,058**
Cost of services	(735)	(3,694)	(1,593)	(2,668)
Gross Profit	**7,121**	**22,626**	**7,623**	**1,390**
Other income and gains	8,345	4,935	2,006	2,801
Changes in fair value of financial liabilities at FVTPL	14,776	(45,985)	(32,298)	22,983
Research and development expenses	(72,813)	(115,239)	(43,207)	(95,830)
Administrative expenses	(27,233)	(46,896)	(11,372)	(42,694)
Other expenses	–	(2,927)	(241)	(5,049)
Finance costs	(657)	(237)	(76)	(160)
Loss Before Tax	**(70,461)**	**(183,723)**	**(77,565)**	**(116,559)**
Income tax expense	–	–	–	–
Loss and total comprehensive loss for the year/period	**(70,461)**	**(183,723)**	**(77,565)**	**(116,559)**

Revenue

During the Track Record Period, we generated revenue primarily from (i) research and development services, as we provided preclinical support services to a U.S.-based biopharmaceutical company to design, synthesize, and optimize its pre-clinical ADC candidate, including small molecule design and characterization, ADC preparation and characterization, immunogenicity assessment, process development, and in-house biological assays services, and (ii) payments received under a joint discovery and development agreement entered into on February 5, 2021 with a Suzhou-based pharmaceutical company specializing in ADC products (the "Collaborator"), pursuant to which the Collaborator and we agreed to jointly discover a certain class of TOP1 inhibitor molecules (the "Payloads") suitable for incorporation into the Collaborator's ADC products ("Payload-based ADCs"). During the Track Record Period, payments received from the Collaborator comprised of royalties, representing a low-double-digit percentage of any upfront, milestone, and royalty payments that the Collaborator receives when it out-licenses to a third party a Payload-based ADC, Payload-based technologies, or any non-ADC product combining a Payload with the Collaborator's linker technology and know-how. Our revenue during the Track Record Period was not related to our Core Product or any other pipeline drug candidates.

The following table sets forth the breakdown of our revenue by types of services, both in absolute amount and as a percentage of our total revenue, for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2024		2025		2025		2026	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*
					(unaudited)			
Research and development services	2,342	29.8	8,416	32.0	4,234	45.9	4,058	100.0
Joint development arrangements	5,514	70.2	17,904	68.0	4,982	54.1	–	–
Total	**7,856**	**100.0**	**26,320**	**100.0**	**9,216**	**100.0**	**4,058**	**100.0**

Cost of Services

During the Track Record Period, our cost of services comprised costs related to the provision of research and development services to a U.S.-based biopharmaceutical company, mainly including staff costs of our research and development personnel and depreciation of our research and development equipment. During the Track Record Period, we did not incur cost of services for the joint development arrangements. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, our cost of services amounted to RMB0.7 million, RMB3.7 million, RMB1.6 million and RMB2.7 million, respectively.

Gross Profit and Gross Profit Margin

For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, our gross profit was RMB7.1 million, RMB22.6 million, RMB7.6 million and RMB1.4 million, respectively, representing a gross profit margin of 90.6%, 86.0%, 82.7%, and 34.3%, respectively. The fluctuation in our gross profit and gross profit margin was primarily driven by variations in the revenue from the provision of research and development services.

Other Income and Gains

During the Track Record Period, our other income primarily consisted of (i) bank interest income, representing interest income generated from our bank deposits, (ii) government grants, which primarily comprised subsidies received from local government authorities to encourage and support our operating activities and were generally one-off in nature and not subject to any material unfulfilled conditions or contingencies at the time of recognition, (iii) others, which primarily comprised individual income tax refunds and income derived from non-recurring technology advisory services provided to a Shanghai-based biopharmaceutical company in 2025. During the same periods, our gains primarily consisted of (i) foreign exchange gains arising from fluctuations relating to a portion of our equity financing denominated in U.S. dollars, (ii) gains on lease termination arising from the early termination of certain lease agreements, (iii) fair value gains on financial assets at FVTPL, representing interest income from structured deposits acquired from reputable commercial banks, and (iv) others, which primarily comprised refunds in connection with certain financing arrangements, together with the related foreign exchange differences.

The following table sets forth a breakdown of our other income and gains, both in absolute amount and as a percentage of the total other income and gains, for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2024		2025		2025		2026	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*
					(unaudited)			
Other Income:								
Bank interest income	2,127	25.5	2,844	57.6	944	47.1	1,250	44.6
Government grants	801	9.6	204	4.1	200	10.0	1,054	37.6
Others	63	0.8	979	19.8	324	16.2	296	10.6
Total other income	**2,991**	**35.8**	**4,027**	**81.6**	**1,468**	**73.2**	**2,600**	**92.8**
Gains:								
Foreign exchange gains, net	3,339	40.0	–	–	–	–	–	–
Gains on lease termination	890	10.7	–	–	–	–	–	–
Fair value gains on financial assets at FVTPL	854	10.2	773	15.7	403	20.1	201	7.2
Others	271	3.2	135	2.7	135	6.7	–	–
Total gains	**5,354**	**64.2**	**908**	**18.4**	**538**	**26.8**	**201**	**7.2**
Total	**8,345**	**100.0**	**4,935**	**100.0**	**2,006**	**100.0**	**2,801**	**100.0**

Change in Fair Value of Financial Liabilities at FVTPL

Change in fair value of financial liabilities at FVTPL represents the changes in fair value of (i) the convertible redeemable preferred shares issued by us to the Pre-[**REDACTED**] Investors and (ii) loans with warrants to purchase preferred shares.

We used the back-solved method to determine the underlying equity value of us and adopted the equity allocation model to determine the fair value of the financial liabilities at FVTPL. For additional information, see Note 23 to the Accountants' Report set out in Appendix I to this document.

Upon the [**REDACTED**], we do not expect to recognize any further change in fair value of financial liabilities at FVTPL, as the redemption right and the related compulsory liquidation rights will be automatically terminated upon the [**REDACTED**].

Research and Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) preclinical and clinical expenses, representing fees incurred for preclinical support and clinical trials for our drug candidates, (ii) staff costs, primarily representing salaries, bonuses, and other employee welfare and benefits for our research and development personnel, (iii) depreciation fees, primarily relating to the depreciation of property, plant and equipment and right-of-use assets, (iv) raw material costs, primarily incurred for the development of our drug candidates, (v) share-based payment expenses, representing share-based compensation granted to our research and development team, and (vi) others, mainly including costs related to patent filing and maintenance, utilities and office expenses. The following table sets forth a breakdown of our research and development expenses, both in absolute amount and as a percentage of our total research and development expenses, for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2024		2025		2025		2026	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
Preclinical and clinical expenses	36,402	50.0	74,755	64.9	24,685	57.1	72,772	75.9
Staff costs	22,045	30.3	25,920	22.5	11,348	26.3	12,909	13.5
Depreciation fees	5,763	7.9	5,089	4.4	2,027	4.7	2,518	2.6
Raw material costs	4,024	5.5	3,113	2.7	1,236	2.9	1,437	1.5
Share-based payment expenses	1,320	1.8	1,441	1.3	550	1.3	3,927	4.1
Others	3,259	4.5	4,921	4.2	3,361	7.8	2,267	2.4
Total	**72,813**	**100.0**	**115,239**	**100.0**	**43,207**	**100.0**	**95,830**	**100.0**

The following table sets forth a breakdown of our research and development expenses incurred for our pipeline drug candidates by development stage, and technology platforms, both in absolute amount and as a percentage of our total operating expenses, for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2024		2025		2025		2026	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* *(unaudited)*	*%*	*(RMB'000)*	*%*
TSN1611								
Preclinical	5,250	5.2	–	–	–	–	–	–
Phase 1	31,282	31.3	55,624	34.3	26,403	48.4	10,510	7.6
Phase 2	–	–	20,598	12.7	–	–	31,245	22.7
Phase 3 [(1)]	–	–	–	–	–	–	25,070	18.1
TSN222								
Phase 1	4,401	4.4	6,924	4.3	3,688	6.8	10,583	7.6
Other products [(2)]								
Preclinical	5,554	5.6	7,761	4.8	3,650	6.7	1,384	1.0
Phase 1	8,486	8.5	2,926	1.8	1,767	3.2	870	0.6
T^3LP Platform								
TSNA3339								
Preclinical	3,168	3.2	8,220	5.1	3,068	5.6	4,328	3.1
Other exploratory R&D work	10,827	10.8	6,791	4.2	2,739	5.0	4,874	3.5
DATIA Platform								
TSNA1789								
Preclinical	3,845	3.8	5,351	3.2	1,892	3.5	3,697	2.7
Other exploratory R&D work	–	–	91	0.1	–	–	27	0.0
Dual-payload Platform	–	–	953	0.6	–	–	3,242	2.3
Total	**72,813**	**72.8**	**115,239**	**71.1**	**43,207**	**79.2**	**95,830**	**69.2**

Note:

(1) The phase 3 expenses of TSN1611 primarily represented preparatory costs incurred for the planned registrational phase 3 MRCT.

(2) Other products primarily consisted of other certain exploratory programs.

During the Track Record Period, we prioritized the research and development activities for our Core Product. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, our research and development expenses attributable to our Core Product TSN1611 were RMB36.5 million, RMB76.2 million, RMB26.4 million and RMB66.8 million, respectively, accounting for 36.5%, 47.0%, 48.4% and 48.2% of our total operating expenses for the corresponding periods. The research and development expenses of TSN1611 increased during the Track Record Period, primarily because we initiated the phase 1b monotherapy clinical trial in July 2025 and the phase 2 monotherapy clinical trial in August 2025 of our Core Product TSN1611, and continued to advance the clinical trial of our Core Product TSN1611, resulting in higher related costs as our Core Product progressed into later-stage clinical development.

All of our research and development expenses incurred during the Track Record Period were charged to profit or loss as incurred. Expenditures incurred on projects to develop new products are capitalized and deferred only when we can demonstrate (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale, (ii) our intention to complete and our ability to use or sell the asset, (iii) how the asset will generate probable future economic benefits, (iv) the availability of resources to complete the project, and (v) our ability to measure reliably the expenditure during the development. Product development expenditures that do not meet these criteria are expensed as incurred.

Administrative Expenses

During the Track Record Period, our administrative expenses primarily consisted of (i) staff costs, representing salaries, bonuses, and employee welfare and benefits of our administrative personnel, (ii) [**REDACTED**], (iii) professional service fees, mainly representing service fees paid to legal advisors, auditors, and other consultants for financing-related services and IT services to support our operations, (iv) travel and business support expenses, representing costs in relation to business travel and other business support activities, (v) depreciation and amortization, which represents depreciation of property, plant and equipment, depreciation of right-of-use assets, and amortization of leasehold improvements, (vi) share-based payment expenses, representing share-based compensation granted to our administrative personnel, and (vii) others, mainly representing miscellaneous fees for employee training and meetings. The following table sets forth a breakdown of our administrative expenses, both in absolute amount and as a percentage of the total administrative expenses, for the periods indicated.

	For the year ended December 31,				For the six months ended June 30,			
	2024		2025		2025		2026	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*	*(RMB'000)*	*%*
					(unaudited)			
Staff costs	15,747	57.8	15,607	33.3	7,067	62.1	9,805	23.0
[**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Professional service fees	3,258	12.0	7,715	16.5	437	3.8	1,040	2.4
Travel and business support expenses	2,813	10.3	2,966	6.3	1,173	10.3	1,149	2.7
Depreciation and amortization	2,450	9.0	1,645	3.5	824	7.3	840	2.0
Share-based payment expenses	2,553	9.4	6,841	14.6	965	8.5	20,346	47.7
Others	412	1.5	1,429	3.0	906	8.0	207	0.4
Total	**27,233**	**100.0**	**46,896**	**100.0**	**11,372**	**100.0**	**42,694**	**100.0**

Finance Costs

Our finance costs primarily consisted of (i) interest on lease liabilities, representing interests charged to profit or loss over the lease period for the lease of properties for which we made fixed or minimum rental payments, and (ii) non-current portion of payroll payables, representing the long-term compensation obligations owed to our senior management. For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, our finance costs amounted to RMB0.7 million, RMB0.2 million, RMB0.1 million and RMB0.2 million, respectively.

Loss for the Year/Period

As a result of the foregoing, we incurred losses of RMB70.5 million, RMB183.7 million, RMB77.6 million and RMB116.6 million for the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, our losses mainly resulted from research and development expenses and administrative expenses.

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Revenue

Our revenue decreased from RMB9.2 million for the six months ended June 30, 2025 to RMB4.1 million for the six months ended June 30, 2026.

Our revenue generated from research and development services remained relatively stable at RMB4.2 million for the six months ended June 30, 2025 and RMB4.1 million for the six months ended June 30, 2026, with the slight decrease primarily attributable to the impact of foreign exchange rate fluctuations on our USD-denominated service revenue.

We recorded a decrease of RMB5.0 million in the royalty income from the licensing of intellectual property, as we did not receive any royalty payments under our joint development arrangement with the Collaborator during the six months ended June 30, 2026.

Cost of Services

Our cost of services was related to our research and development services and increased from RMB1.6 million for the six months ended June 30, 2025 to RMB2.7 million for the six months ended June 30, 2026, primarily due to an increase in the trials during the six months ended June 30, 2026.

Gross Profit and Gross Profit Margin

Our gross profit decreased from RMB7.6 million for the six months ended June 30, 2025 to RMB1.4 million for the six months ended June 30, 2026. We recorded gross profit margin of 82.7% for the six months ended June 30, 2025 and 34.3% for the six months ended June 30, 2026. The fluctuation in our gross profit and gross profit margin was primarily due to the absence of royalty income from the licensing of intellectual property during the six months ended June 30, 2026, combined with the increase in cost of services attributable to higher labor hours allocated to research and development service projects.

Other Income and Gains

Our other income and gains increased from RMB2.0 million for the six months ended June 30, 2025 to RMB2.8 million for the six months ended June 30, 2026, primarily due to an increase of RMB0.9 million in government grants received from local government authorities to encourage and support our operating activities.

Changes in Fair Value of Financial Liabilities at FVTPL

We recorded loss from changes in fair value of financial liabilities at FVTPL of RMB32.3 million for the six months ended June 30, 2025, while we recorded gains of RMB23.0 million for the six months ended June 30, 2026. The shift was primarily because the fair value of our convertible redeemable preferred shares decreased during the six months ended June 30, 2026, resulting in fair value gains, whereas during the six months ended June 30, 2025, the fair value of our preferred shares increased following the Series B Financing and the revaluation of the equity value of our Company, resulting in fair value losses. Upon the [**REDACTED**], all of our preferred shares will be automatically converted to Ordinary Shares. For details, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments."

Research and Development Expenses

Our research and development expenses increased from RMB43.2 million for the six months ended June 30, 2025 to RMB95.8 million for the six months ended June 30, 2026, primarily driven by the continued advancement of the clinical development of TSN1611 and TSN222.

Administrative Expenses

Our administrative expenses increased from RMB11.4 million for the six months ended June 30, 2025 to RMB42.7 million for the six months ended June 30, 2026, primarily attributable to an increase in share-based payment expenses, an increase in [**REDACTED**] incurred in connection with our [**REDACTED**], and an increase in staff costs, primarily resulting from the expansion of our administrative team and an increase in employee benefits.

Other Expenses

Our other expenses increased from RMB0.2 million for the six months ended June 30, 2025 to RMB5.0 million for the six months ended June 30, 2026, primarily due to net foreign exchange losses during the period.

Finance Costs

Our finance costs increased from RMB0.1 million for the six months ended June 30, 2025 to RMB0.2 million for the six months ended June 30, 2026, primarily due to an increase of RMB0.1 million in interest on lease liabilities resulting from the renewal of our office lease in August 2025.

Loss for the Period

As a result of the foregoing, we recorded loss of RMB116.6 million for the six months ended June 30, 2026, as compared to RMB77.6 million for the six months ended June 30, 2025.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased from RMB7.9 million for the year ended December 31, 2024 to RMB26.3 million for the year ended December 31, 2025.

Our revenue generated from research and development services increased from RMB2.3 million for the year ended December 31, 2024, to RMB8.4 million for the year ended December 31, 2025, because we only commenced the provision of the research and development services in the fourth quarter of 2024.

Our revenue generated from joint development arrangements increased from RMB5.5 million for the year ended December 31, 2024 to RMB17.9 million for the year ended December 31, 2025, because we received royalty payments under our joint development with a Suzhou-based customer specializing in ADC products during the year ended December 31, 2025.

Cost of Services

Our cost of services increased from RMB0.7 million for the year ended December 31, 2024 to RMB3.7 million for the year ended December 31, 2025, because we only commenced the provision of the research and development services in the fourth quarter of 2024.

Gross Profit and Gross Profit Margin

Our gross profit increased from RMB7.1 million for the year ended December 31, 2024 to RMB22.6 million for the year ended December 31, 2025. We recorded gross profit margin of 90.6% for the year ended December 31, 2024 and 86.0% for the year ended December 31, 2025. The fluctuation in our gross profit and gross profit margin was primarily caused by variations in the revenue from research and development services.

Other Income and Gains

Our other income and gains decreased from RMB8.3 million for the year ended December 31, 2024 to RMB4.9 million for the year ended December 31, 2025, primarily due to a decrease of RMB3.3 million in net foreign exchange gains arising from exchange rate fluctuations associated with a portion of our Series B Financing denominated in USD.

Changes in Fair Value of Financial Liabilities at FVTPL

We recorded gains from changes in fair value of financial liabilities at FVTPL of RMB14.8 million for the year ended December 31, 2024, while we recorded loss of RMB46.0 million for the year ended December 31, 2025, primarily due to our Series B Financing and the value increase of our preferred shares to our Pre-[**REDACTED**] Investors. Upon the [**REDACTED**], all of our preferred shares will be automatically converted to Ordinary Shares. For details, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments."

Research and Development Expenses

Our research and development expenses increased from RMB72.8 million for the year ended December 31, 2024 to RMB115.2 million for the year ended December 31, 2025, primarily because we initiated the phase 1b monotherapy clinical trial in July 2025 and the phase 2 monotherapy clinical trial in August 2025 of our Core Product TSN1611, and incurred the related costs in 2025.

Administrative Expenses

Our administrative expenses increased from RMB27.2 million for the year ended December 31, 2024 to RMB46.9 million for the year ended December 31, 2025, primarily attributable to an increase of RMB10.7 million in [**REDACTED**], an increase of RMB4.5 million in professional service fees, and an increase of RMB4.3 million in share-based payment expenses.

Finance Costs

Our finance costs decreased from RMB0.7 million for the year ended December 31, 2024 to RMB0.2 million for the year ended December 31, 2025, primarily due to a decrease of RMB0.2 million in interest on lease liabilities.

Loss for the Year

As a result of the foregoing, we recorded loss of RMB183.7 million for the year ended December 31, 2025, as compared to RMB70.5 million for the year ended December 31, 2024.

DESCRIPTION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Non-current assets			
Property, plant and equipment	18,831	15,647	14,068
Right-of-use assets	2,484	10,798	8,794
Deposits and other receivables	6,146	10,632	14,820
Total non-current assets	**27,461**	**37,077**	**37,682**
Current assets			
Trade receivables	6,107	23,744	12,332
Prepayments, deposits and other receivables	4,906	9,068	11,880
Financial assets at FVTPL	27,000	48,000	38,000
Cash and cash equivalents	145,209	163,305	165,906
Total current assets	**183,222**	**244,117**	**228,118**
Current liabilities			
Trade payables	318	639	14,054
Other payables and accruals	24,485	42,705	47,313
Deferred income	2,000	3,000	3,000
Lease liabilities	2,541	4,190	4,412
Financial liabilities at FVTPL	525,184	743,746	804,617
Total current liabilities	**554,528**	**794,280**	**873,396**
Net current liabilities	**(371,306)**	**(550,163)**	**(645,278)**
Total assets less current liabilities	**(343,845)**	**(513,086)**	**(607,596)**
Non-current liabilities			
Lease liabilities	141	6,341	4,116
Total non-current liabilities	**141**	**6,341**	**4,116**
Net liabilities	**(343,986)**	**(519,427)**	**(611,712)**

Property, Plant and Equipment

During the Track Record Period, our property, plant and equipment primarily consisted of leasehold improvements, office equipment, machinery and equipment, and electronic equipment. Our property, plant and equipment decreased from RMB18.8 million as of December 31, 2024 to RMB15.6 million as of December 31, 2025, and further decreased to RMB14.1 million as of June 30, 2026, primarily due to the depreciation incurred during our ordinary course of business.

Right-of-use Assets

During the Track Record Period, our right-of-use assets represented leased properties used as our laboratory and office premises. Our right-of-use assets increased from RMB2.5 million as of December 31, 2024 to RMB10.8 million as of December 31, 2025, primarily due to the renewal of our office lease in August 2025. Our right-of-use assets decreased from RMB10.8 million as of December 31, 2025 to RMB8.8 million as of June 30, 2026, primarily due to the depreciation incurred during our ordinary course of business.

Prepayments, Deposits and Other Receivables

The following table sets forth the details of our prepayments, deposits and other receivables as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Non-current:			
Rental and other deposits	90	1,223	1,223
Value-added tax recoverable	6,056	9,409	13,597
Subtotal	**6,146**	**10,632**	**14,820**
Current:			
Prepayments	2,790	4,126	5,128
Deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Rental and other deposits	1,184	52	52
Value-added tax recoverable	886	393	388
Other receivables	46	961	41
Subtotal	**4,906**	**9,068**	**11,880**
Total	**11,052**	**19,700**	**26,700**

During the Track Record Period, our non-current portion of deposits and other receivables consisted of (i) rental and other deposits, representing deposits for our leased office and laboratory space, and (ii) value-added tax recoverable, representing value-added tax paid by us on purchases that are deductible against future value-added tax payable. Our non-current portion of prepayments, deposits and other receivables increased from RMB6.1 million as of December 31, 2024 to RMB10.6 million as of December 31, 2025, and further increased to RMB14.8 million as of June 30, 2026, primarily due to an increase in value-added tax recoverable. This increase resulted from higher value-added tax paid on the procurement of raw materials and preclinical services to support our research and development activities, which will be recoverable over time when we generate taxable sales.

During the Track Record Period, our current portion of prepayments, deposits and other receivables consisted of (i) prepayments, mainly representing the expenses in relation to preclinical studies and clinical trials of our drug candidates, and prepayments for [**REDACTED**], (ii) deferred [**REDACTED**], (iii) rental and other deposits in relation to our leased property due within twelve months, (iv) value-added tax recoverable representing input value-added tax expected to be recovered within twelve months based on our projected taxable sales, and (v) other receivables, primarily representing operating expenses and other miscellaneous items. Specifically, while we do not anticipate commercializing our product candidates in the next twelve months, we generate taxable income from other sources, such as revenue from research and development services and licensing of our intellectual properties. The output value-added tax from these revenue streams allows us to gradually recover and offset the current value-added tax recoverable. Our current portion of prepayments, deposits and other receivables increased from RMB4.9 million as of December 31, 2024 to RMB9.1 million as of December 31, 2025, primarily due to an increase of RMB1.3 million in prepayments for research and development expenses, which was generally in line with the development progress of our Core Product. Our current portion of prepayments, deposits and other receivables further increased from RMB9.1 million as of December 31, 2025 to RMB11.9 million as of June 30, 2026, primarily due to (i) an increase of RMB2.7 million in deferred [**REDACTED**] as we continued to incur costs in connection with our [**REDACTED**], and (ii) an increase of RMB1.0 million in prepayments for research and development expenses, which was generally in line with the development progress of our drug candidates. As our long-term research and development collaborations with CROs and CDMOs continue to progress, our contractual payment terms in relation to the purchase of third-party research and development services shift from large-amount initial prepayments to progress-based payables.

Trade Receivables

Our trade receivables mainly consisted of the receivables from our collaboration partners for payment obligations set out in the relevant agreements. We generally grant our customers a credit term within 30 days. Our trade receivables increased from RMB6.1 million as of December 31, 2024 to RMB23.7 million as of December 31, 2025, which were affected by the fluctuation of revenue recognized due to the payment schedule stipulated in the relevant agreements. Our trade receivables then decreased from RMB23.7 million as of December 31, 2025 to RMB12.3 million as of June 30, 2026, primarily due to the receipt of partial payments according to the relevant agreements during the period.

The following table sets forth an aging analysis of our trade receivables based on the revenue recognition date and net of loss allowance as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Within 1 year	6,107	19,008	12,332
1 to 2 years	–	4,736	–
Total	**6,107**	**23,744**	**12,332**

As of July 31, 2026, RMB1.1 million, or 8.9%, of our trade receivables as of June 30, 2026 had been subsequently settled. This relatively low subsequent settlement rate was primarily attributable to the fact that we did not have any commercialized products and our revenue was highly concentrated in two key customers. Our transactions with these customers primarily consisted of R&D services and joint development arrangements, which typically involve large, lump-sum milestone payments. Consequently, the specific timing of these substantial settlements disproportionately impacts our overall trade receivables collection rate at any given financial cut-off date. Notwithstanding the above, our Directors are of the view that there is no material recoverability issue or heightened credit risk associated with these balances. We maintain regular and effective communication with these customers regarding their settlement schedules. Given the nature of these collaborative arrangements, the creditworthiness of the counterparties, and the successful subsequent collection of RMB1.1 million as of July 31, 2026, our Directors are of the view that the expected credit loss in respect of the balance of trade receivables is minimal.

Financial Assets at FVTPL

During the Track Record Period, our financial assets at FVTPL mainly represented our investments in structured deposits. In accordance with our risk management and investment strategy, we manage and evaluate the performance of these investments on a fair value basis and therefore these investments are designated as financial assets at FVTPL.

Our financial assets at FVTPL increased from RMB27.0 million as of December 31, 2024 to RMB48.0 million as of December 31, 2025, primarily due to the purchase of structured deposits in the third quarter of 2025 from reputable commercial banks. Our financial assets at FVTPL decreased from RMB48.0 million as of December 31, 2025 to RMB38.0 million as of June 30, 2026, primarily due to the withdrawal of certain structured deposits as we reallocated a portion of our funds to USD-denominated time deposits. The expected return rates of these structured deposits ranged from 1.30% to 2.25% per annum during the year ended December 31, 2024, from 0.60% to 2.30% per annum during the year ended December 31, 2025, and from 0.35% to 2.70% per annum during the six months ended June 30, 2026.

To monitor and control the investment risks associated with our financial assets at FVTPL portfolio, we have adopted a comprehensive set of internal policies and guidelines to monitor and control the investment risks regarding our financial assets measured at FVTPL. We make investment decisions based on our estimated capital requirements and our annual budget, taking into account the duration, expected returns and risks of the wealth management product to better utilize excess cash when our cash sufficiently covers our ordinary course of business. We generally limit our purchases to low-risk and short-term products which are redeemable on demand from reputable commercial risks. Our finance department is responsible for proposing, analyzing and evaluating potential investment in financial products and led by our financial manager with requisite expertise and experience for this purpose. Investment proposals are subject to review and approval by our chief executive officer.

After the [**REDACTED**], we may continue to purchase low-risk wealth management products based on our operational needs, strictly in accordance with our internal policies and measures, as well as the requirements under Chapter 14 of the Listing Rules.

Cash and Cash Equivalents

During the Track Record Period, our cash and cash equivalents primarily represented cash balances at bank. Our cash and cash equivalents increased from RMB145.2 million as of December 31, 2024 to RMB163.3 million as of December 31, 2025, primarily due to receipt of proceeds from equity financing. Our cash and cash equivalents remained relatively stable at RMB163.3 million as of December 31, 2025 and RMB165.9 million as of June 30, 2026. For an analysis on cash flows during the Track Record Period, see "— Liquidity and Capital Resources" below. The following table sets forth a breakdown of our cash and cash equivalents by currency type as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Denominated in:			
– RMB	95,233	31,812	58,469
– USD	49,976	131,493	107,437
Total	**145,209**	**163,305**	**165,906**

Trade Payables

During the Track Record Period, our trade payables primarily consisted of payables in relation to our research and development activities. Our trade payables remained relatively stable at RMB0.3 million as of December 31, 2024 and RMB0.6 million as of December 31, 2025. Our trade payables increased significantly from RMB0.6 million as of December 31, 2025 to RMB14.1 million as of June 30, 2026, which was generally in line with the development progress of our drug candidates. The aging of all our trade payables as of December 31, 2024, 2025 and June 30, 2026 was within three months.

As of July 31, 2026, RMB13.4 million, or 95.2%, of our trade payables as of June 30, 2026 had been subsequently settled.

Our Directors confirm that there has not been any material default on our part in the payment of trade payables during the Track Record Period and up to the Latest Practicable Date.

Other Payables and Accruals

During the Track Record Period, our other payables and accruals consisted of (i) accrued expenses for research and development expenses, (ii) payroll payables in relation to staff salaries and other employee welfare and benefits, (iii) accrued [**REDACTED**], (iv) other payables, representing reimbursement payable to employees and consultation fees payable to professional parties, (v) other tax payables, which primarily represent individual income tax withheld from our employees' salaries to be remitted to the relevant tax authorities in the following month, and (vi) contract liabilities related to prepayments for our ongoing technology advisory services for one year under a consultation agreement signed in February 2025. The following table sets forth the details of our other payables and accruals as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Accrued expenses for research and development expenses	15,061	26,575	36,231
Payroll payables	7,004	3,975	4,961
Accrued [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Other payables	2,107	2,225	1,604
Other tax payables	313	537	305
Contract liabilities	–	280	–
Total	**24,485**	**42,705**	**47,313**

Our other payables and accruals increased from RMB24.5 million as of December 31, 2024 to RMB42.7 million as of December 31, 2025, primarily because we initiated the phase 1b monotherapy clinical trial in July 2025 and the phase 2 monotherapy clinical trial in August 2025 of our Core Product TSN1611, and incurred the related costs in the year ended December 31, 2025. Our other payables and accruals further increased from RMB42.7 million as of December 31, 2025 to RMB47.3 million as of June 30, 2026, primarily due to an increase of RMB9.7 million in accrued expenses for research and development, driven by the continued advancement of clinical trials for our Core Product TSN1611, partially offset by a decrease of RMB4.9 million in accrued [**REDACTED**].

Our Directors confirm that there has not been any material default on our part in the payment of other payables and accruals during the Track Record Period and up to the Latest Practicable Date.

As of July 31, 2026, RMB[5.0] million, or [10.6]%, of our other payables and accruals as of June 30, 2026 had been subsequently settled.

Deferred Income

During the Track Record Period, our deferred income mainly represented the government grants received that are subject to conditions which have not yet been fulfilled. Our deferred income increased from RMB2.0 million as of December 31, 2024 to RMB3.0 million as of December 31, 2025, and remained relatively stable at RMB3.0 million as of June 30, 2026.

Lease Liabilities

During the Track Record Period, our lease liabilities represented leased properties used as our laboratory and office premises. Our lease liabilities increased from RMB2.7 million as of December 31, 2024 to RMB10.5 million as of December 31, 2025, primarily due to the renewal of our office lease in August 2025. Our lease liabilities then decreased from RMB10.5 million as of December 31, 2025 to RMB8.5 million as of June 30, 2026, primarily due to lease payments made during the period.

Financial Liabilities at FVTPL

Our financial liabilities at FVTPL primarily consisted of (i) convertible redeemable preferred shares, and (ii) loans with warrants to purchase preferred shares. Our financial liabilities at FVTPL increased from RMB525.2 million as of December 31, 2024 to RMB743.7 million as of December 31, 2025, and further to RMB804.6 million as of June 30, 2026, mainly due to an increase in convertible redeemable preferred shares, partially offset by a decrease in loans with warrants to purchase shares. For details, see Note 23 to the Accountants' Report set out in Appendix I to this document.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash during the Track Record Period were to fund our continued research and development efforts for our drug candidates and our business operations. We recorded net cash used in operating activities of RMB77.4 million, RMB127.5 million, RMB53.4 million and RMB80.1 million for the years/periods ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, we funded our operations primarily through equity financing and revenue from the provision of research and development services and joint development arrangements. As of June 30, 2026, we had cash and cash equivalents and financial assets measured at FVTPL of RMB203.9 million. As of June 30, 2026, we have RMB50.0 million unutilized banking facilities.

Current Assets and Liabilities

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Current assets			
Trade receivables	6,107	23,744	12,332
Prepayments, deposits and other receivables	4,906	9,068	11,880
Financial assets at FVTPL	27,000	48,000	38,000
Cash and cash equivalents	145,209	163,305	165,906
Total current assets	**183,222**	**244,117**	**228,118**
Current liabilities			
Trade payables	318	639	14,054
Other payables and accruals	24,485	42,705	47,313
Deferred income	2,000	3,000	3,000
Lease liabilities	2,541	4,190	4,412
Financial liabilities at FVTPL	525,184	743,746	804,617
Total current liabilities	**554,528**	**794,280**	**873,396**
Net current liabilities	**(371,306)**	**(550,163)**	**(645,278)**

We recorded net current liabilities during the Track Record Period, primarily due to the financial liabilities at FVTPL, representing our convertible redeemable preferred shares and loans with warrants to purchase preferred shares. Our convertible redeemable preferred shares will be converted into Ordinary Shares upon the [**REDACTED**] becoming unconditional. For details, see "Financial Information — Description of Selected Items from the Consolidated Statements of Financial Position — Financial Liabilities at FVTPL."

Our net current liabilities increased from RMB371.3 million as of December 31, 2024 to RMB550.2 million as of December 31, 2025, primarily due to an increase in financial liabilities at FVTPL of RMB218.6 million, partially offset by an increase in our cash and cash equivalents of RMB18.1 million and an increase in our financial assets at FVTPL of RMB21.0 million. Our net current liabilities further increased from RMB550.2 million as of December 31, 2025 to RMB645.3 million as of June 30, 2026, primarily due to an increase in financial liabilities at FVTPL of RMB60.9 million, an increase in trade payables of RMB13.4 million, a decrease in trade receivables of RMB11.4 million and a decrease in our financial assets at FVTPL of RMB10.0 million.

We expect to continue to incur significant expenses for the foreseeable future as we advance our drug candidates, which will be funded by a combination of our cash and cash equivalents and [**REDACTED**] from the [**REDACTED**].

Working Capital Sufficiency

Although we recorded significant net current liabilities during the Track Record Period, our Directors are of the view that we have sufficient working capital to cover at least 125% of our costs, including research and development expenses and administrative expenses (including any production costs), for at least the next 12 months from the date of this document, primarily for the reasons set out below.

- ***Cash on hand and cash inflow from our operations.*** As of June 30, 2026, we had (i) cash and cash equivalents of RMB165.9 million, and (ii) financial assets at FVTPL of RMB38.0 million (collectively, "**Financial Resources**"). As of the Latest Practicable Date, approximately 20% of the net proceeds from our Pre-[**REDACTED**] Investments remained unutilized, which will further support our working capital. See "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments — Series B Financing." In addition, we have unutilized banking facilities of RMB50.0 million. Upon the successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with income generated from sales of our commercialized drugs.

- ***Cash burn rate.*** Our cash burn rate refers to the average monthly amount of net cash used in operating activities, payment for property, plant and equipment, and principal and interest of lease payments. For the six months ended June 30, 2026, our average monthly cash used amounted to approximately RMB13.8 million. Going forward, we forecast an average cash burn of RMB27.8 million per month for the 18-month period from July 1, 2026 to December 31, 2027, which represents approximately 2.0 times the level for the six months ended June 30, 2026. This expected increase in cash burn rate is primarily attributable to the following assumptions: (i) the expected increase in research and development expenses associated with pipeline advancement including the ongoing advancement of clinical trials for our Core Product, TSN1611, covering multiple indications, dual regions, and combination therapies. For details, see "Business — Our Small Molecule Drug Portfolio — TSN1611 — Our Core Product — A Phase 2 Stage KRAS G12D Inhibitor"; (ii) the expected increase in expenses associated with early-stage research and development, the advancement of our other pipeline products, and the further enhancement of our ADC and payload technology platforms; and (iii) the expected increase in staff costs due to headcount expansion. These assumptions are in line with our overall expansion plan and intended [**REDACTED**], pursuant to which we plan to allocate [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of our [**REDACTED**] for the development of our Core Product, TSN1611, the preclinical studies and clinical trials of our other pipeline products, and the further enhancement of technology platforms, respectively, over the next three years.

  We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] in the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range stated in this document.

Assuming an average cash burn rate going forward of 2.0 times the level for the six months ended June 30, 2026, we estimate that (i) our Financial Resources as of June 30, 2026, without taking into account the estimated [**REDACTED**] from the [**REDACTED**], will be sufficient to maintain our financial viability for over 7 months, assuming our research and development progress remains unchange, or, (ii) if we take into account all estimated [**REDACTED**] from the [**REDACTED**], over [**REDACTED**] months with such resources expected to be fully utilized by around [**REDACTED**]. Our Directors and management team will continue to monitor our working capital, cash flows and our business development progress. We expect we will seek the next round of financing at least twelve months after the [**REDACTED**].

Cash Flows

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

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Operating cash flows before movement in working capital	(79,580)	(122,447)	(41,168)	(107,690)
Changes in working capital	1,513	(5,478)	(12,391)	27,292
Interest received	663	441	192	306
Net cash flows used in operating activities	(77,404)	(127,484)	(53,367)	(80,092)
Net cash flows (used in)/from investing activities	(25,302)	(18,044)	(6,951)	11,105
Net cash flows from/(used in) financing activities	185,435	166,551	(2,609)	76,182
Net increase/(decrease) in cash and cash equivalents	82,729	21,023	(62,927)	7,195
Cash and cash equivalents at the beginning of the year/period	59,144	145,209	145,209	163,305
Effect of foreign exchange rate changes, net	3,336	(2,927)	(241)	(4,594)
Cash and cash equivalents at the end of the year/period	145,209	163,305	82,041	165,906

Net Cash Flows Used in Operating Activities

For the six months ended June 30, 2026, we had net cash used in operating activities of RMB80.1 million, which was primarily attributable to our loss before taxation of RMB116.6 million, as adjusted by (i) certain non-cash and non-operating items, primarily including share-based payment expenses of RMB24.3 million and fair value gains on financial liabilities at FVTPL of RMB23.0 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in trade payables of RMB13.4 million and a decrease in trade receivables of RMB11.0 million; partially offset by changes in working capital that negatively affected our cash flows, primarily including an increase in prepayments, deposits and other receivables of RMB0.6 million.

For the year ended December 31, 2025, we had net cash used in operating activities of RMB127.5 million, which was primarily attributable to our loss before taxation of RMB183.7 million, as adjusted by (i) certain non-cash and non-operating items, primarily including fair value losses on financial liabilities at FVTPL of RMB46.0 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in other payables and accruals of RMB15.9 million; partially offset by changes in working capital that negatively affected our cash flows, primarily including an increase in trade receivables of RMB17.6 million and an increase in prepayments, deposits and other receivables of RMB5.1 million.

For the year ended December 31, 2024, we had net cash used in operating activities of RMB77.4 million, which was primarily attributable to our loss before taxation of RMB70.5 million, as adjusted by (i) certain non-cash and non-operating items, primarily including fair value gains on financial liabilities at FVTPL of RMB14.8 million and depreciation of right-of-use assets of RMB5.0 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in other payables and accruals of RMB9.3 million; partially offset by changes in working capital that negatively affected our cash flows, primarily including an increase in trade receivables of RMB6.1 million and an increase in prepayments, deposits and other receivables of RMB2.9 million.

We monitor and maintain a level of cash and cash equivalents that we consider sufficient to fund our operations and mitigate the impact of fluctuations in cash flows. In view of our net operating cash outflows throughout the Track Record Period, we plan to improve our liquidity position by: (i) advancing our pipeline candidates towards commercialization to generate revenue from product sales, (ii) receiving corresponding payments pursuant to joint development arrangements with our partners and provision of R&D services, and actively pursue business development opportunities for entering into additional license and collaboration arrangements with major pharmaceutical companies to further diversify our revenue streams, (iii) enhancing our working capital management, and (iv) further improving our operational efficiency to enhance our working capital position through regular review and updates of our liquidity and funding policies to ensure alignment with our business strategies and financial position, and regular preparation of cash flow and funding summaries to monitor our cash flows.

Net Cash Flows Used in/(from) Investing Activities

For the six months ended June 30, 2026, we had net cash generated from investing activities of RMB11.1 million, primarily attributable to the withdrawal of financial assets at FVTPL of RMB165.2 million, partially offset by the purchase of financial assets at FVTPL of RMB155.0 million.

For the year ended December 31, 2025, we had net cash used in investing activities of RMB18.0 million, primarily attributable to the purchase of financial assets at FVTPL of RMB226.0 million, partially offset by the withdrawal of financial assets at FVTPL of RMB205.8 million.

For the year ended December 31, 2024, we had net cash used in investing activities of RMB25.3 million, primarily attributable to the purchase of financial assets at FVTPL of RMB382.0 million, partially offset by the withdrawal of financial assets at FVTPL of RMB355.9 million.

Net Cash Flows Generated from Financing Activities

For the six months ended June 30, 2026, we had net cash generated from financing activities of RMB76.2 million, primarily attributable to the proceeds from issue of convertible redeemable preferred shares and loans with warrants to purchase preferred shares of RMB141.9 million, partially offset by the repayments of loans with warrants to purchase preferred shares of RMB58.0 million.

For the year ended December 31, 2025, we had net cash generated from financing activities of RMB166.6 million, primarily attributable to the proceeds from issue of convertible redeemable preferred shares and loans with warrants to purchase preferred shares of RMB291.0 million, partially offset by the repayments of loans with warrants to purchase preferred shares of RMB118.4 million.

For the year ended December 31, 2024, we had net cash generated from financing activities of RMB185.4 million, primarily attributable to the proceeds from issue of convertible preferred shares and loans with warrants to purchase preferred shares of RMB287.6 million, partially offset by the repayments of loans with warrants to purchase convertible preferred shares of RMB96.1 million.

CASH OPERATING COSTS

The following table sets forth our cash operating costs for the periods indicated.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)* unaudited	*(RMB'000)*
Costs relating to research and development of our Core Product				
Clinical and preclinical expenses	10,371	25,841	12,323	59,430
Entrusted R&D expenses	8,647	19,294	5,320	2,687
Staff costs	7,256	10,020	3,404	3,855
Cost of materials	2,264	784	246	114
Others	2,425	3,665	2,482	999
Subtotal	**30,963**	**59,604**	**23,775**	**67,085**
Costs relating to research and development of our other drug candidates				
Clinical and preclinical expenses	4,566	8,631	6,365	12,354
Entrusted R&D expenses	2,951	4,858	1,089	2,714
Staff costs	15,269	15,329	8,659	8,746
Cost of materials	2,004	2,985	1,232	1,652
Others	4,898	5,167	2,519	3,006
Subtotal	**29,688**	**36,970**	**19,864**	**28,472**
Other cash operating costs				
Staff costs	12,421	13,739	6,598	7,987
Professional service fees	3,442	7,695	1,320	1,131
Office travel and business operation expense	2,626	3,758	1,218	957
Others	3,088	2,055	796	924
Subtotal	**21,577**	**27,247**	**9,932**	**10,999**
Total	**82,228**	**123,821**	**53,571**	**106,556**

INDEBTEDNESS

As of December 31, 2024, 2025 and June 30, 2026, except as disclosed in the table below, we did not have any material indebtedness.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Current			
Financial liabilities at FVTPL	525,184	743,746	804,617
Lease liabilities	2,541	4,190	4,412
Non-current			
Lease liabilities	141	6,341	4,116
Total	**527,866**	**754,277**	**813,145**

Except as discussed above, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of the Latest Practicable Date. Our Directors further confirm that our Group did not experience any difficulty in obtaining additional debt or equity financing during the Track Record Period and up to the Latest Practicable Date.

As of June 30, 2026, we have RMB50.0 million unutilized banking facilities. Our Directors confirm that there have been no material changes in our indebtedness since June 30, 2026, up to the date of this document.

CAPITAL EXPENDITURES

For the years ended December 31, 2024, 2025, and for the six months ended June 30, 2025 and 2026, we incurred capital expenditures of RMB620,000, RMB220,000, RMB106,000 and RMB40,000, respectively, all of which were the payments for property, plant and equipment. These payments were primarily incurred for our research and development activities and business operations.

We plan to finance our future capital expenditures primarily with our existing cash and cash equivalents as well as [**REDACTED**] from the [**REDACTED**]. For further details, see "Future Plans and [**REDACTED**]" in this document. We may reallocate the funds to be utilized on capital expenditures based on our ongoing business needs.

CAPITAL COMMITMENTS

As of December 31, 2024, December 31, 2025 and June 30, 2026, we did not have any material capital commitments.

CONTINGENT LIABILITIES

As of December 31, 2024, December 31, 2025 and June 30, 2026, we did not have any contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities since June 30, 2026 to the date of this document.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We did not have, during the years/periods presented, and we do not currently have, any off-balance sheet arrangements such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our balance sheets.

KEY FINANCIAL RATIO

The following table sets forth our key financial ratio as of the dates indicated.

	As of December 31,		As of June 30,
	2024	2025	2026
Current ratio[(1)]	0.33	0.31	0.26

Note:

(1) Current ratio equals current assets divided by current liabilities as of the end of the year/period.

MATERIAL RELATED PARTY TRANSACTIONS

We did not have any material related party transactions during the Track Record Period. See Note 29 to the Accountants' Report set out in Appendix I to this document for details on our transactions with related parties during the Track Record Period.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Our activities expose us to a variety of financial risks, including foreign currency risks, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Risk management is carried out by our management. For further details, see Note 32 to the Accountants' Report set out in Appendix I to this document.

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and Cayman Islands law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Currently, we do not have any dividend policy or a fixed dividend payout ratio. As confirmed by our legal advisor as to Cayman Islands law, notwithstanding that the Company may have accumulated losses, the Company may declare dividend (a) out of profits of the Company if the Company has sufficient profits, realized or unrealized, unless such is contrary to the accounting principles adopted by the Company or (b) out of the share premium of the Company if following the date on which the dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business. In determining whether to declare a dividend, our Board will need to be satisfied that the declaration of dividend is in the best interest of the Company and may make provision for losses. In light of our accumulated losses as disclosed in this document, it is unlikely that we will be eligible to pay a dividend out of our profits in the foreseeable future.

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), representing approximately [**REDACTED**]% of the estimated [**REDACTED**] from the [**REDACTED**] assuming no Shares are issued pursuant to the [**REDACTED**]. The [**REDACTED**] consist of (i) [**REDACTED**]-related expenses, including [**REDACTED**], of approximately HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. In 2024, 2025 and the six months ended June 30, 2026, we incurred [**REDACTED**] of [**REDACTED**], respectively. Approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss before or upon completion of the [**REDACTED**]. Approximately HK$[**REDACTED**] of the estimated [**REDACTED**] is directly attributable to the [**REDACTED**] of new Shares to the [**REDACTED**] and will be accounted for as a deduction from equity upon completion of the [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE LIABILITIES

The unaudited [**REDACTED**] statement of adjusted consolidated net tangible liabilities of us prepared in accordance with Rule 4.29 of the Listing Rules is to illustrate the effect of the [**REDACTED**] on the net tangible assets of us attributable to the owners of our Company as of June 30, 2026 as if the [**REDACTED**] had taken place on that date. This unaudited [**REDACTED**] statement of adjusted consolidated net tangible liabilities has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of us as of June 30, 2026, or at any future dates following the [**REDACTED**]. For details, see Appendix II to this document.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that up to the date of this document, there has been no material adverse change in our financial or [**REDACTED**] position or prospects since June 30, 2026, which is the end date of the periods reported on in the Accountants' Report included in Appendix I to this document, and there is no event since June 30, 2026 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

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

FUTURE PLANS AND PROSPECTS

See "Business — Our Strategies" for a detailed description of our future plans.

[**REDACTED**]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document.

We currently intend to apply these [**REDACTED**] for the following purposes:

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of our Core Product, TSN1611, which we believe to be sufficient to fund the near- to mid-term development activities of our Core Product, of which:

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the phase 3 clinical trial of TSN1611 as monotherapy for the treatment of NSCLC and its NDA filing in China for the next two years; The clinical trial is expected to be a part of the registrational phase 3 MRCT of TSN1611 as a monotherapy for the treatment of 2L+ NSCLC, involving a substantial number of NSCLC patients in China. We expect to obtain the NMPA clearance for participating in this registrational MRCT in China by the end of 2026. We intend to communicate with the NMPA on this trial by the end of 2026, following the FDA approval of it in the U.S.;

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the phase 3 clinical trial of TSN1611 as monotherapy for the treatment of 2L+ NSCLC in the United States for the next two years; This is expected to be a registrational phase 3 MRCT involving a substantial number of NSCLC patients in the United States. We anticipate to obtain the approval from the FDA by the end of 2026. As an industry norm, clinical data derived solely from the PRC is generally insufficient to support an NDA in the United States. Although we intend to submit clinical data generated from our trials in China to the FDA as supportive evidence, the FDA may require us to conduct clinical trials within the U.S. to evaluate the safety, efficacy, and pharmacokinetic profiles of our drug candidates specifically within the U.S. patient population. Consequently, we expect that we will need to initiate and execute U.S.-based clinical trials to satisfy these regulatory requirements. The allocation of [**REDACTED**]% of the [**REDACTED**] to U.S. clinical trials is commensurate with the substantial capital requirements of conducting clinical research in the United States;

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the phase 3 clinical trial of TSN1611 in combination with GnP for the treatment of first-line PDAC in China for the next three years. This is expected to be a phase 3 clinical trial. We expect to initiate such clinical trial in the second quarter of 2027, subject to regulatory communications and clearance, as well as to support the relevant future registration application in China; and

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the phase 1b/2 combination therapy clinical trial of TSN1611 in combination therapy with cetuximab/EGFR inhibitors in the treatment of CRC in China for the next three years. This clinical trial is expected to enroll approximately 100 subjects, which we plan to initiate in 2027.

Details of the above allocations on our Core Product are summarized in the table below.

% of [REDACTED]	Jurisdiction	Indication	Activities	Nature	% of [REDACTED] by nature
[REDACTED]% .	China	NSCLC	Phase 3 monotherapy MRCT	CRO expenses	[REDACTED]%
				CDMO expenses	[REDACTED]%
				Trial site related expenses	[REDACTED]%
[REDACTED]% .	United States	NSCLC	Phase 3 monotherapy MRCT	CRO expenses	[REDACTED]%
				CDMO expenses	[REDACTED]%
				Trial site related expenses	[REDACTED]%
[REDACTED]% .	China	PDAC	Phase 3 combination clinical trial	CRO expenses	[REDACTED]%
				CDMO expenses	[REDACTED]%
				Trial site related expenses	[REDACTED]%
				Combination Drugs	[REDACTED]%
[REDACTED]% .	China	CRC	Phase 1b/2 combination clinical trial	CRO expenses	[REDACTED]%
				CDMO expenses	[REDACTED]%
				Trial site related expenses	[REDACTED]%
				Combination Drugs	[REDACTED]%

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the preclinical studies and clinical trials of our other pipeline products for the treatment of solid tumors for the next three years, of which:

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated to fund the continued research and development activities of TSNA3339, including its IND enabling studies in 2026 and its phase 1 clinical trial involving approximately 47 subjects in China from 2027 to 2029, including [**REDACTED**]% for CRO expenses, [**REDACTED**]% for CDMO expenses and [**REDACTED**]% for trial site related expenses;

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated to fund the continued research and development activities of TSNA1789, including its IND enabling studies in 2026 and its phase 1 clinical trial involving approximately 47 subjects in China from 2027 to 2029, including [**REDACTED**]% for CRO expenses, [**REDACTED**]% for CDMO expenses and [**REDACTED**]% for trial site related expenses; and

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated to fund the continued research and development activities of TSN222, primarily including its phase 1 and 2 clinical trials in China as monotherapy for the treatment of solid tumors from 2026 to 2029. In particular, [**REDACTED**]% of the [**REDACTED**] will be allocated to CRO fees, [**REDACTED**]% of the [**REDACTED**] will be allocated to fund the payments to trial sites, and [**REDACTED**]% of the [**REDACTED**] will be allocated to CDMO fees.

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to further enhance our technology platforms, primarily including preclinical studies to identify new drug candidates and enhance our technology platform capabilities. Through this investment, we expect to identify and support the development of two to three new drug candidates at the preclinical stage. While the specific compound codes for these candidates have not yet been determined, our research and development efforts will primarily focus on novel ADC products targeting the RAS pathway, a critical driver in various oncology indications. To facilitate the discovery of these new candidates and strengthen our proprietary technology, we plan to enhance our ADC platform capabilities through the following targeted methodologies: (i) we will focus on the design and development of high-activity payloads specifically targeting the RAS pathway. Concurrently, we will optimize linker properties–including hydrophilicity, plasma stability, and tumor-specific cleavage and release capabilities. These enhancements are designed to maximize the targeted delivery of the payload, thereby improving the overall therapeutic index and safety profile of our future ADC candidates. (ii) We will actively screen for novel monoclonal antibodies targeting tumor surface receptors that are highly relevant to RAS-driven cancers. Furthermore, we will optimize our site-specific conjugation processes. This methodology aims to ensure a highly homogeneous drug-to-antibody ratio (DAR) and improve the physicochemical stability of the resulting ADC candidates during both circulation and storage; and

- approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated for working capital and other general corporate purposes.

The above allocation of the [**REDACTED**] from the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the mid-point of the indicative [**REDACTED**] range stated in this document. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the high end of the indicative [**REDACTED**] range, the [**REDACTED**] from the [**REDACTED**] will increase to be approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range, the [**REDACTED**] from the [**REDACTED**] will decrease to be approximately HK$[**REDACTED**].

If the [**REDACTED**] is exercised in full, the [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**] range). In the event that the [**REDACTED**] is exercised in full, we intend to apply the additional [**REDACTED**] to the above purposes in the proportions stated above.

To the extent that the [**REDACTED**] from the [**REDACTED**] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions).

We will issue an appropriate announcement if there is any material change to the above proposed [**REDACTED**].

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

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[To insert the firm's letterhead]

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF TYLIGAND BIOSCIENCE LTD. AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Tyligand Bioscience Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-[4] to I-[54], which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2024 and 2025 and the six months ended 30 June 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 2024 and 2025 and 30 June 2026 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-[4] to I-[54] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [**REDACTED**] (the "Document") in connection with the [**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 preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of 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 preparation set out in note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and 2025 and 30 June 2026 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

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 and other comprehensive income, statement of changes in equity and statement of cash flows for the six months ended 30 June 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 preparation set out in note 2.1 to the Historical Financial Information. 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 preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange 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 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods and the six months ended 30 June 2025.

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.

[●]
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 Hong Kong Institute of Certified Public Accountants ("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 AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December		Six months ended 30 June	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
REVENUE	*5*	7,856	26,320	9,216	4,058
Cost of services		(735)	(3,694)	(1,593)	(2,668)
Gross profit		7,121	22,626	7,623	1,390
Other income and gains	*5*	8,345	4,935	2,006	2,801
Changes in fair value of financial liabilities at fair value through profit or loss		14,776	(45,985)	(32,298)	22,983
Research and development expenses		(72,813)	(115,239)	(43,207)	(95,830)
Administrative expenses		(27,233)	(46,896)	(11,372)	(42,694)
Other expenses	*7*	–	(2,927)	(241)	(5,049)
Finance costs	*8*	(657)	(237)	(76)	(160)
LOSS BEFORE TAX	*6*	(70,461)	(183,723)	(77,565)	(116,559)
Income tax expense	*11*	–	–	–	–
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(70,461)	(183,723)	(77,565)	(116,559)
Attributable to:					
Ordinary equity holders of the parent		(70,461)	(183,723)	(77,565)	(116,559)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT					
Basic (RMB per share)	*13*	(6.87)	(17.92)	(7.57)	(11.37)
Diluted (RMB per share)	*13*	(6.87)	(17.92)	(7.57)	(11.37)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		As at 30 June
		2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*14*	18,831	15,647	14,068
Right-of-use assets	*15*	2,484	10,798	8,794
Deposits and other receivables	*17*	6,146	10,632	14,820
Total non-current assets		27,461	37,077	37,682
CURRENT ASSETS				
Trade receivables	*16*	6,107	23,744	12,332
Prepayments, deposits and other receivables	*17*	4,906	9,068	11,880
Financial assets at fair value through profit or loss	*18*	27,000	48,000	38,000
Cash and cash equivalents	*19*	145,209	163,305	165,906
Total current assets		183,222	244,117	228,118
CURRENT LIABILITIES				
Trade payables	*20*	318	639	14,054
Other payables and accruals	*21*	24,485	42,705	47,313
Deferred income	*22*	2,000	3,000	3,000
Lease liabilities	*15*	2,541	4,190	4,412
Financial liabilities at fair value through profit or loss	*23*	525,184	743,746	804,617
Total current liabilities		554,528	794,280	873,396
NET CURRENT LIABILITIES		(371,306)	(550,163)	(645,278)
TOTAL ASSETS LESS CURRENT LIABILITIES		(343,845)	(513,086)	(607,596)
NON-CURRENT LIABILITIES				
Lease liabilities	*15*	141	6,341	4,116
Total non-current liabilities		141	6,341	4,116
Net liabilities		(343,986)	(519,427)	(611,712)
EQUITY				
Equity attributable to ordinary equity holders of the parent				
Share capital	*25*	70	70	70
Share-based payment reserve	*26*	3,872	12,154	36,428
Accumulated losses	*26*	(347,928)	(531,651)	(648,210)
Deficiency in assets		(343,986)	(519,427)	(611,712)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2024

	Share capital	Share-based payment reserve	Accumulated losses	Deficiency in assets
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	70	–	(277,467)	(277,397)
Loss for the year	–	–	(70,461)	(70,461)
Equity-settled share-based payment expenses	–	3,872	–	3,872
At 31 December 2024	70	3,872	(347,928)	(343,986)

Year ended 31 December 2025

	Share capital	Share-based payment reserve	Accumulated losses	Deficiency in assets
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	70	3,872	(347,928)	(343,986)
Loss for the year	–	–	(183,723)	(183,723)
Equity-settled share-based payment expenses	–	8,282	–	8,282
At 31 December 2025	70	12,154	(531,651)	(519,427)

Six months ended 30 June 2025 (unaudited)

	Share capital	Share-based payment reserve	Accumulated losses	Deficiency in assets
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	70	3,872	(347,928)	(343,986)
Loss for the period (unaudited)	–	–	(77,565)	(77,565)
Equity-settled share-based payment expenses (unaudited)	–	1,516	–	1,516
At 30 June 2025 (unaudited)	70	5,388	(425,493)	(420,035)

Six months ended 30 June 2026

	Share capital	Share-based payment reserve	Accumulated losses	Deficiency in assets
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	70	12,154	(531,651)	(519,427)
Loss for the period	–	–	(116,559)	(116,559)
Equity-settled share-based payment expenses	–	24,274	–	24,274
At 30 June 2026	70	36,428	(648,210)	(611,712)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December		Six months ended 30 June	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		(70,461)	(183,723)	(77,565)	(116,559)
Adjustments for:					
Finance costs	*8*	657	237	76	160
Finance income	*5*	(2,127)	(2,844)	(944)	(1,250)
Fair value gains on financial assets at fair value through profit or loss	*5*	(854)	(773)	(403)	(201)
Fair value (gains)/losses on financial liabilities at fair value through profit or loss	*23*	(14,776)	45,985	32,298	(22,983)
Gain on lease termination	*15*	(890)	–	–	–
Foreign exchange (gains)/losses, net	*5/7*	(3,339)	2,927	241	5,049
Depreciation of property, plant and equipment	*14*	3,380	3,378	1,655	1,614
Depreciation of right-of-use assets	*15*	4,958	4,084	1,958	2,206
Share-based payment expenses	*27*	3,872	8,282	1,516	24,274
		(79,580)	(122,447)	(41,168)	(107,690)
(Increase)/decrease in trade receivables		(6,107)	(17,637)	(4,237)	10,957
(Increase)/decrease in prepayments, deposits and other receivables		(2,921)	(5,057)	302	(636)
Increase in deferred income		2,000	1,000	–	–
(Decrease)/increase in trade payables		(752)	321	(77)	13,415
(Increase)/decrease in other payables and accruals		9,293	15,895	(8,379)	3,556
Cash used in operations		(78,067)	(127,925)	(53,559)	(80,398)
Interest received		663	441	192	306
Net cash flows used in operating activities		(77,404)	(127,484)	(53,367)	(80,092)

continued/...

	Note	Year ended 31 December		Six months ended 30 June	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		1,464	2,403	752	944
Payments for property, plant and equipment		(620)	(220)	(106)	(40)
Purchase of financial assets at fair value through profit or loss		(382,000)	(226,000)	(108,000)	(155,000)
Withdrawal of financial assets at fair value through profit or loss		355,854	205,773	100,403	165,201
Net cash flows (used in)/from investing activities		(25,302)	(18,044)	(6,951)	11,105
CASH FLOWS FROM FINANCING ACTIVITIES					
Principal and interest of lease payments		(6,032)	(4,739)	(2,474)	(2,365)
Payments of [**REDACTED**]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Proceeds from issue of convertible redeemable preferred shares		212,258	260,976	102,096	113,854
Proceeds from loans with warrants to purchase preferred shares		75,305	30,000	–	28,006
Repayments of loans with warrants to purchase preferred shares		(96,096)	(118,399)	(102,231)	(58,006)
Net cash flows from/(used in) financing activities		185,435	166,551	(2,609)	76,182
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		82,729	21,023	(62,927)	7,195
Cash and cash equivalents at beginning of year/period		59,144	145,209	145,209	163,305
Effect of foreign exchange rate changes, net		3,336	(2,927)	(241)	(4,594)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	*19*	145,209	163,305	82,041	165,906

	Note	Year ended 31 December		Six months ended 30 June	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS					
Cash and bank balances		102,079	44,359	35,827	108,013
Non-pledged time deposits with original maturity of less than three months when acquired		43,130	118,946	46,214	57,893
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	*19*	145,209	163,305	82,041	165,906

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December		As at 30 June
		2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Investments in subsidiaries	*1*	348,108	560,943	740,582
Total non-current assets		348,108	560,943	740,582
CURRENT ASSETS				
Other receivables	*17*	288	423	408
Cash and cash equivalents	*19*	43,828	100,568	57,434
Total current assets		44,116	100,991	57,842
CURRENT LIABILITIES				
Other payables and accruals		7	7	7
Financial liabilities at fair value through profit or loss	*23*	409,751	714,052	804,617
Total current liabilities		409,758	714,059	804,624
NET CURRENT LIABILITIES		(365,642)	(613,068)	(746,782)
TOTAL ASSETS LESS CURRENT LIABILITIES		(17,534)	(52,125)	(6,200)
Net liabilities		(17,534)	(52,125)	(6,200)
EQUITY				
Share capital	*25*	70	70	70
Share-based payment reserve	*26*	3,872	12,154	36,428
Accumulated losses	*26*	(21,476)	(64,349)	(42,698)
Deficiency in assets		(17,534)	(52,125)	(6,200)

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Tyligand Bioscience Ltd. (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability on 1 December 2017 under the laws of the Cayman Islands. The registered office address of the Company is P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in the discovery and development of innovative cancer therapeutics.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies, and the particulars of which are as follows:

Name	Place and date of registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Tyligand Bioscience LLC ("Tyligand LLC") *(note a)*	United States of America ("USA") 27 August 2021	–	100%	–	Research and development of innovative drugs
Trasveda Ltd. *(note a)*	Cayman Islands 17 March 2025	United States Dollar ("USD") 50,000	100%	–	Research and development of innovative drugs
Tyligand Bioscience (HK) Limited ("Tyligand HK") *(note c)*	Hong Kong 5 December 2017	Hong Kong Dollar ("HKD") 1	100%	–	Investment holding
Tyligand Pharmaceuticals (Hainan) Limited* ("Tyligand Hainan") 泰勵生物醫藥(海南)有限公司 *(note a)*	The People's Republic of China ("PRC")/ Chinese mainland 14 April 2022	RMB1,000,000	–	100%	Research and development of innovative drugs
Tyligand Pharmaceuticals (Suzhou) Limited* ("Tyligand Suzhou") 泰勵生物醫藥(蘇州)有限公司 *(note b)*	PRC/Chinese mainland 13 September 2023	USD40,000,000	–	100%	Research and development of innovative drugs
Tyligand Bioscience (Shanghai) Limited* ("Tyligand Shanghai") 泰勵生物科技(上海)有限公司 *(note b)*	PRC/Chinese mainland 10 May 2018	RMB500,000,000	–	100%	Research and development of innovative drugs

* The English names of these companies registered in the PRC represent the best efforts made by the directors of the Company to directly translate their Chinese names as they did not register any official English names.

Notes:

a. No audited financial statements have been prepared for these entities for the years ended 31 December 2024 and 2025 as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdictions of incorporation.

b. The statutory financial statements of Tyligand Suzhou and Tyligand Shanghai for the years ended 31 December 2024 and 2025 prepared in accordance with PRC Generally Accepted Accounting Principles ("PRC GAAP") were audited by Shanghai Heyi Certified Public Accountants (General Partnership) (上海和頤會計師事務所(普通合夥)).

c. The statutory financial statements of Tyligand HK for the year ended 31 December 2024 prepared in accordance with Small and Medium-sized Entities Financial Reporting Standard and Hong Kong Companies Ordinance were audited by Cindy C. W. Lam CPA (Practising). No audited financial statements have been prepared for this entity for the year ended 31 December 2025.

The Company

The carrying amounts of the Company's investments in subsidiaries are as follows:

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Investments, at cost	348,108	560,943	740,582

The investment cost in subsidiaries includes capital contributions by the Company to the subsidiaries and the share-based payments in respect of the share options granted by the Company to certain employees (including directors) and consultants of the subsidiaries for their services rendered to the subsidiaries under the Company's share option plan as set out in note 27 to the Historical Financial Information. Since the Company grants share options directly to the employees and consultants of subsidiaries and settles them in its own equity, the share-based payment compensation related to those employees and consultants of subsidiaries is treated as a deemed capital contribution by the Company to the subsidiaries and is included in the Company's cost of investments in subsidiaries.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared on a going concern basis not withstanding that, as at 30 June 2026, the Group's current liabilities exceeded its current assets by RMB645,278,000 and had net liabilities of RMB611,712,000, primarily due to the significant balance of the financial liabilities at fair value through profit or loss of RMB804,617,000, which is a balance due to the holders of convertible redeemable preferred shares. The details of the financial liabilities at fair value through profit or loss are included in note 23 to the Historical Financial Information. Pursuant to the shareholders' resolution of the Company on 21 January 2026, the redemption rights shall be terminated in their entirety immediately before the first filing of the [**REDACTED**] by the Company with The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "First Filing"), provided that (1) the First Filing is completed no later than 30 June 2026; and (2) such redemption clauses shall be automatically reinstated and restored in their entirety to the fullest effect immediately after the earlier of the following events: (a) the Company's [**REDACTED**] is withdrawn by the Company, is rejected or returned by the Stock Exchange or the China Securities Regulatory Commission; (b) the Company's [**REDACTED**] for the First Filing lapses and has not been renewed within six months after the date of lapse; and (c) [**REDACTED**] is not consummated within eighteen months since the First Filing. In this regard, the directors of the Company are of the opinion that it is unlikely that the Company is required to settle or redeem the convertible redeemable preferred shares in the next twelve months from 30 June 2026.

The Company's directors have also reviewed the Group's cash flow projections, which cover a period of at least twelve months from 30 June 2026. The directors 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 and to sustain its operations for the next twelve months from 30 June 2026.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations, as issued by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been consistently applied by the Group in the preparation of the Historical Financial Information and Interim Comparative Financial Information.

The Historical Financial Information has been prepared under the historical cost convention, except for the structured deposits and certain financial liabilities which have been measured at fair value. The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries for the Relevant Periods. A subsidiary is an 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).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has 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 reporting period 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.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits/accumulated losses, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended 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 amended IFRS Accounting Standards, if applicable, when they become effective.

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

1 Effective for annual/reporting periods beginning on or after 1 January 2027

2 Effective for annual periods beginning on or after 1 January 2029

3 No mandatory effective date yet determined but available for adoption

IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation in the statement of profit or loss and other comprehensive income and disclosures of the Group's financial performance. The new standard is not expected to have any impact on the Group's results of operations and financial position but has impact on the presentation and disclosure of the Group's financial statements. Other than IFRS 18, so far, the Group considers that other new and amended IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Fair value measurement

The Group measures the structured deposits and certain financial liabilities 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.

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 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. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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 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 reporting period 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 years. A reversal of such an impairment loss is credited to 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 or 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 directors and consultants 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, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant 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, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to 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, plant 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, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	16.67%
Office equipment	19.40%
Machinery and equipment	9.70%
Electronic equipment	32.33%

Where parts of an item of property, plant 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 the end of each of the reporting periods.

An item of property, plant 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 profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

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.

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 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 as follows:

Equipment, laboratory and office premises	3 to 6 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.

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.

The Group's lease liabilities are presented as a separate line item in the consolidated statements of financial position.

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

The Group applies the short-term lease recognition exemption to its short-term leases (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 assets that are considered to be of low value.

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 and fair value through profit or loss ("FVTPL"), as appropriate.

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 Revenue from Contracts with Customers 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:

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 profit or loss when the asset is derecognised, modified or impaired.

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 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 statements 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.

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.

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 each reporting date, 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 reporting date 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 (except for trade receivables and contract assets) are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs.

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 reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

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 each reporting date. 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 at amortised cost or at fair value through profit or loss, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Group's financial liabilities mainly include trade payables, other payables and accruals and financial liabilities at fair value through profit or loss (which are comprised of convertible redeemable preferred shares and loans with warrants to purchase preferred shares).

Subsequent measurement

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

Financial liabilities at amortised cost (trade payables, other payables and accruals)

After initial recognition, trade and other payables 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 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 profit or loss.

Financial liabilities at fair value through profit or loss

Convertible redeemable preferred shares and loans with warrants to purchase preferred shares are designated as financial liabilities at FVTPL. Gains or losses on financial liabilities designated at FVTPL are recognised in 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 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 profit or loss.

Cash and cash equivalents

Cash and cash equivalents in the statements 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 statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less any 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 each 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 each 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 reporting period 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 reporting period 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 reporting period.

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.

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.

Collaboration revenue

At contract inception, the Group analyses the collaboration arrangements to assess whether they are within the scope of IFRS 11 *Joint Arrangements*. This assessment determines whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and are exposed to significant risks and rewards dependent on the commercial success of such activities. Based on the Group's assessment, no collaboration arrangement was within the scope of IFRS 11 during each of the reporting periods.

In determining the appropriate amount of revenue to be recognised as the Group fulfils its obligations under each of the collaboration agreements, the management of the Company applies the five-step model under IFRS 15.

The collaboration arrangements may contain more than one unit of account or performance obligation, including grants of licences to intellectual property rights, agreements to provide research and development services and other deliverables. The collaboration arrangements typically do not include a right of return for any deliverable. In general, the consideration allocated to each performance obligation is recognised when the obligation is satisfied either by delivering a good or rendering a service, and is limited to the consideration that is not constrained. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as contract liabilities.

The Group's revenue is generated from the collaboration agreements with third parties, which generally contain multiple performance obligations including (1) grants of licences to intellectual property rights and (2) the research and development services.

(a) Licences of intellectual property

Milestone payments

At the inception of each arrangement that includes development milestone payments and commercial milestone payments, the management of the Company evaluates whether the milestones are considered probable of being reached and estimates the amount to be included in the transaction price

using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestones related to development-based activities may include the initiation of various phases of clinical trials. Due to the uncertainty involved in meeting these development-based targets, they are generally fully constrained at contract inception. The management of the Company assesses whether the variable consideration is fully constrained for each reporting period based on the facts and circumstances surrounding the clinical trials. Upon changes to the constraint associated with the developmental milestones, variable consideration is included in the transaction price when a significant reversal of revenue recognised is not expected to occur and is allocated to the separate performance obligations. Due to the inherent uncertainty with the approval process, regulatory milestones are fully constrained until the period in which those regulatory approvals are achieved. Regulatory milestones are included in the transaction price in the period regulatory approval is obtained.

Royalties

For arrangements that include sales-based royalties or sublicence proceeds sharing royalties, the Group recognises revenue when the related sales or the event of related sublicence proceeds sharing occur.

(b) Research and development services

The Group provides a customer with a project team of scientists and technical staff dedicated to the customer's studies for a specific period of time and charges the customer at a fixed rate per employee and the Group has assessed that the customer simultaneously receives and consumes the benefit provided by the Group's performance. Therefore, the performance obligation for research and development services is satisfied over time and revenue is recognised over the service period.

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).

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 profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Share-based payments

The Company operates a share option scheme. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby employees and consultants render services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees and consultants are measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 27 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in "share-based payment reserve" 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

reporting period 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 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 employees (including directors) and consultants 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.

Other employee benefits

Pension scheme

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

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. 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 reporting period. Differences arising on settlement or translation of monetary items are recognised in 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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's 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

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Research and development expenses

All research costs are charged to profit or loss as incurred. Costs incurred on each pipeline to develop new products are capitalised and deferred in accordance with the accounting policy for research and development expenses in note 2.3 to the Historical Financial Information. Determining the amounts to be capitalised requires management to make judgments on the technical feasibility of existing pipelines being successfully commercialised and bringing economic benefits to the Group.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax 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.

Estimation uncertainty

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

Impairment of non-financial assets

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 reporting period. They 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.

As at 31 December 2024 and 2025 and 30 June 2026, in the opinion of the directors, no indicators of impairment for such non-financial assets were identified notwithstanding that the Group recorded a loss for the years ended 31 December 2024 and 2025 and the six months ended 30 June 2026, since (i) the assets' value have not declined significantly, and (ii) the assets are not obsolete or physically damaged.

Fair value measurement of financial liabilities at FVTPL

The fair value of the financial liabilities measured at FVTPL is determined using valuation techniques, including the back-solve method. Such valuation requires the Group to make estimates of the key assumptions including the risk-free rate, discount for lack of marketability ("DLOM") and volatility, which are subject to uncertainty.

Fair value of share-based payment transactions

Estimating the fair value of share-based payment transactions requires the determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of share-based payment transactions with employees (including directors) and consultants at the grant date, the Group uses a binomial model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 27 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the discovery and development of innovative cancer therapeutics, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Company's directors for purposes of resource allocation and performance assessment. Therefore, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Chinese mainland	5,514	17,904	4,982	–
Overseas	2,342	8,416	4,234	4,058
Total	7,856	26,320	9,216	4,058

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

(b) Non-current assets

During the Relevant Periods, nearly all of the Group's non-current assets were located in the Chinese mainland. No geographical information in accordance with IFRS 8 *Operating Segments* is presented.

Information about major customers

The revenue generated from sales to two customers during the Relevant Periods and the six months ended 30 June 2025 is set out below:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Customer A	2,342	8,416	4,234	4,058
Customer B	5,514	17,904	4,982	–
Total	7,856	26,320	9,216	4,058

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue from contracts with customers	7,856	26,320	9,216	4,058

(a) Disaggregated revenue information

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Types of services				
Research and development services	2,342	8,416	4,234	4,058
Royalty income from the licensing of intellectual property	5,514	17,904	4,982	–
Total	7,856	26,320	9,216	4,058
Timing of revenue recognition				
Over time	2,342	8,416	4,234	4,058
At a point in time	5,514	17,904	4,982	–
Total	7,856	26,320	9,216	4,058

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Research and development services

For research and development services, revenue is recognised over time at the amount to which the Group has the right to invoice for services performed. The Group has no unsatisfied performance obligations arising from revenue contracts that have an original expected duration of more than one year. Therefore, management of the Group applied the practical expedient under IFRS 15 and did not disclose the value of unsatisfied performance obligations.

Licensing of intellectual property

The performance obligation is satisfied at a point in time when the customer is able to use and benefit from the licence and payment is due within 30 days from the date of billing.

There were no transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and 2025 and 30 June 2026.

An analysis of other income and gains is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Other income				
Bank interest income	2,127	2,844	944	1,250
Government grants*	801	204	200	1,054
Others	63	979	324	296
Total other income	2,991	4,027	1,468	2,600

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Gains				
Foreign exchange gains, net	3,339	–	–	–
Gain on lease termination	890	–	–	–
Fair value gains on financial assets at FVTPL	854	773	403	201
Others	271	135	135	–
Total gains	5,354	908	538	201
Total	8,345	4,935	2,006	2,801

* The government grants have been received from the government authorities to support the Group's operating activities. There are no unfulfilled conditions relating to these government grants.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	Notes	Year ended 31 December		Six months ended 30 June	
		2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cost of services		735	3,694	1,593	2,668
Depreciation of property, plant and equipment*	*14*	3,380	3,378	1,655	1,614
Depreciation of right-of-use assets*	*15*	4,958	4,084	1,958	2,206
Research and development expenses*		72,813	115,239	43,207	95,830
[**REDACTED**]		[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Lease payments not included in the measurement of lease liabilities*		194	320	129	47
Employee benefit expense (including directors' and chief executive's remuneration *(note 9)*)*:					
Salaries, bonuses and allowances		36,580	40,504	16,789	18,877
Equity-settled share-based payment expenses		3,872	8,282	1,516	24,274
Pension scheme contributions and social welfare		3,069	3,049	1,674	1,711
Total		43,521	51,835	19,979	44,862

* Research and development expenses include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, lease payments not included in the measurement of lease liabilities and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

7. OTHER EXPENSES

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Foreign exchange differences, net	–	2,927	241	5,049

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest on lease liabilities	401	190	29	160
Interest accretion for non-current portion of payroll payables	256	47	47	–
Total	657	237	76	160

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the Relevant Periods and the six months ended 30 June 2025, disclosed pursuant to the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Fees	–	–	–	–
Other emoluments:				
Salaries, allowances and benefits in kind	3,543	3,582	1,783	1,814
Performance related bonuses	200	50	25	347
Equity-settled share-based payment expenses	–	3,083	–	10,961
Total	3,743	6,715	1,808	13,122

	Salaries, allowances and benefits in kind	Performance related bonuses	Total
	RMB'000	*RMB'000*	*RMB'000*
Year ended 31 December 2024			
Director and chief executive:			
Dr. Zhang Tony Yantao *(note (i))*	1,763	50	1,813
Directors:			
Dr. Zhong Boyu *(note (ii))*	1,780	150	1,930
Mr. Zhang Haiquan *(note (iii))*	–	–	–
Mr. Xu Tianhong *(note (iv))*	–	–	–
Mr. Zhao Qun *(note (v))*	–	–	–
Mr. Guo Hua *(note (vi))*	–	–	–
Dr. Jiang Fei *(note (vii))*	–	–	–
Dr. Xu Hansen *(note (viii))*	–	–	–
Total	3,543	200	3,743

	Salaries, allowances and benefits in kind	Performance related bonuses	Equity-settled share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025				
Director and chief executive:				
Dr. Zhang Tony Yantao *(note (i))*	1,765	30	1,743	3,538
Directors:				
Dr. Zhong Boyu *(note (ii))*	1,817	20	1,340	3,177
Mr. Guo Hua *(note (vi))*	–	–	–	–
Dr. Jiang Fei *(note (vii))*	–	–	–	–
Dr. Xu Hansen *(note (viii))*	–	–	–	–
Mr. Yan Shengfeng *(note (ix))*	–	–	–	–
Total	3,582	50	3,083	6,715

	Salaries, allowances and benefits in kind	Performance related bonuses	Equity-settled share-based payment expenses	Total
	RMB'000 (unaudited)	*RMB'000 (unaudited)*	*RMB'000 (unaudited)*	*RMB'000 (unaudited)*
Six months ended 30 June 2025 (unaudited)				
Director and chief executive:				
Dr. Zhang Tony Yantao *(note (i))*	885	15	–	900
Directors:				
Dr. Zhong Boyu *(note (ii))*	898	10	–	908
Mr. Guo Hua *(note (vi))*	–	–	–	–
Dr. Jiang Fei *(note (vii))*	–	–	–	–
Dr. Xu Hansen *(note (viii))*	–	–	–	–
Total	1,783	25	–	1,808

	Salaries, allowances and benefits in kind	Performance related bonuses	Equity-settled share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2026				
Director and chief executive:				
Dr. Zhang Tony Yantao *(note (i))*	903	176	6,195	7,274
Directors:				
Dr. Zhong Boyu *(note (ii))*	911	171	4,766	5,848
Mr. Guo Hua *(note (vi))*	–	–	–	–
Dr. Jiang Fei *(note (vii))*	–	–	–	–
Dr. Xu Hansen *(note (viii))*	–	–	–	–
Mr. Yan Shengfeng *(note (ix))*	–	–	–	–
Total	1,814	347	10,961	13,122

Notes:

(i) Dr. Zhang Tony Yantao was appointed as a director and the chief executive of the Company on 1 December 2017 and re-designated as an executive director of the Company on 26 January 2026.

(ii) Dr. Zhong Boyu was appointed as a director of the Company on 1 December 2017 and re-designated as an executive director of the Company on 26 January 2026.

(iii) Mr. Zhang Haiquan was appointed as a director of the Company on 19 April 2021 and resigned as a director of the Company on 17 April 2024.

(iv) Mr. Xu Tianhong was appointed as a director of the Company on 19 April 2021 and resigned as a director of the Company on 17 April 2024.

(v) Mr. Zhao Qun was appointed as a director of the Company on 19 April 2021 and resigned as a director of the Company on 17 April 2024.

(vi) Mr. Guo Hua was appointed as a director of the Company on 23 November 2022.

(vii) Dr. Jiang Fei was appointed as a director of the Company on 17 April 2024.

(viii) Dr. Xu Hansen was appointed as a director of the Company on 17 April 2024 and re-designated as a non-executive director of the Company on 26 January 2026.

(ix) Mr. Yan Shengfeng was appointed as a director of the Company on 13 August 2025 and resigned as a director of the Company on 26 January 2026.

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 six months ended 30 June 2025.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Relevant Periods and the six months ended 30 June 2025, included two, two, two and two (unaudited) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining highest paid employees who are neither a director nor chief executive of the Company are as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	4,019	3,948	2,185	2,086
Performance related bonuses	390	865	555	992
Pension scheme contributions	359	497	119	198
Equity-settled share-based payment expenses	2,137	2,838	678	6,502
Total	6,905	8,148	3,537	9,778

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

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
			(Unaudited)	
HKD500,001 to HKD1,000,000	–	–	1	–
HKD1,000,001 to HKD1,500,000	–	–	1	–
HKD1,500,001 to HKD2,000,000	1	–	1	–
HKD2,000,001 to HKD2,500,000	1	1	–	–
HKD3,000,001 to HKD3,500,000	1	1	–	1
HKD3,500,001 to HKD4,000,000	–	1	–	1
HKD4,000,001 to HKD4,500,000	–	–	–	1
Total	3	3	3	3

During the Relevant Periods and the six months ended 30 June 2025, share options were granted to three non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in note 27 to the Historical Financial Information. The fair values of such options, which have been recognised in profit or loss over the vesting periods, were determined as at the dates of grant and the amounts included in the Historical Financial Information for the Relevant Periods and the six months ended 30 June 2025 are included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

During the Relevant Periods and the six months ended 30 June 2025, no highest paid employees waived or agreed to waive any remuneration, and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11. INCOME TAX

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

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains.

Hong Kong

The subsidiary incorporated in Hong Kong was subject to Hong Kong profits tax at the statutory rate of 16.5% on any estimated assessable profits arising in Hong Kong during the Relevant Periods and the six months ended 30 June 2025. No Hong Kong profits tax was provided for as the Group did not generate any assessable profits arising in Hong Kong during the Relevant Periods and the six months ended 30 June 2025.

United States of America

The subsidiary which operates in the United States of America is subject to statutory U.S. federal corporate income tax at a rate of 21%. No provision for the United States profits tax has been made as the Group had no assessable profits derived from or earned in the United States of America during the Relevant Periods and the six months ended 30 June 2025.

Chinese mainland

Pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations (the "CIT Law"), the entities which operate in the Chinese mainland are subject to CIT at a rate of 25% on the taxable income during the Relevant Periods and the six months ended 30 June 2025.

Pursuant to Caishui [2023] No. 12 "Circular of the Ministry of Finance, the State Administration of Taxation Issued on the Further Support for Preferential Income Tax Policies for Small Low-profit Enterprises"(財政部税務總局關於進一步支持小微企業和個體工商戶發展有關税費政策的公告), certain subsidiaries whose annual taxable income is less than RMB1,000,000 will be included in the actual taxable income at 25%, based on which the enterprise income tax payable will be calculated at a reduced tax rate of 20%. This policy took effect on 1 January 2023 and will expire on 31 December 2027.

Pursuant to the relevant CIT Law, Tyligand Shanghai and Tyligand Suzhou were entitled to claim 200% of the qualified research and development expenses so incurred as tax-deductible expenses when determining the assessable profits for the Relevant Periods and the six months ended 30 June 2025.

Pillar Two income taxes

The Group is out of the scope of the Pillar Two model rules because the revenue for the years ended 31 December 2024 and 2025 and the six months ended 30 June 2025 and 2026 did not exceed Euro 750 million. The Group continues to closely monitor Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its financial statements.

A reconciliation of the tax credit applicable to loss before tax at the statutory rate for the jurisdictions in which the Company's major subsidiaries are domiciled and/or to the tax expense at the effective tax rate is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss before tax	(70,461)	(183,723)	(77,565)	(116,559)
Tax at the statutory tax rate (25%)	(17,615)	(45,931)	(19,391)	(29,140)
Effect of different tax rate operating in other jurisdictions	(1,896)	16,032	11,158	(4,407)
Gains not taxable for tax purposes	(1,300)	(116)	(59)	(930)
Expenses not deductible for tax purposes	993	2,292	662	6,088
Tax losses and temporary differences not recognised	29,792	46,709	18,556	49,749
Additional deductible allowance for qualified research and development expenses	(9,974)	(18,986)	(10,926)	(21,360)
Tax charge at the Group's effective rate	–	–	–	–

Deferred tax assets have not been recognised in respect of the losses and deductible temporary differences as the Company and its subsidiaries have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

12. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods and the six months ended 30 June 2025.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares outstanding during the Relevant Periods and the six months ended 30 June 2025.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods and the six months ended 30 June 2025 in respect of a dilution as the impact of the share options, the convertible redeemable preferred shares and the loans with warrants to purchase preferred shares outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

In calculating the basic loss per share amounts, the subdivision of the ordinary shares was not taken into consideration by the Company, where the Company will subdivide its ordinary share from one share of USD0.001 each into five shares of USD0.0002 each, which will become effective upon the conditions of the [**REDACTED**] of the Company's shares being fulfilled.

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

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
			(unaudited)	
Loss attributable to ordinary equity holders of the parent, used in the basic loss and diluted per share calculation (RMB'000)	(70,461)	(183,723)	(77,565)	(116,559)
Weighted average number of ordinary shares outstanding during the year/period used in the basic and diluted loss per share calculations	10,250,000	10,250,000	10,250,000	10,250,000

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Office equipment	Machinery and equipment	Electronic equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2024					
At 1 January 2024:					
Cost	8,639	108	18,610	2,191	29,548
Accumulated depreciation	(3,206)	(71)	(2,532)	(2,077)	(7,886)
Net carrying amount	5,433	37	16,078	114	21,662
At 1 January 2024, net of accumulated depreciation	5,433	37	16,078	114	21,662
Additions	478	–	63	8	549
Depreciation provided during the year	(1,438)	(21)	(1,854)	(67)	(3,380)
At 31 December 2024, net of accumulated depreciation	4,473	16	14,287	55	18,831
At 31 December 2024:					
Cost	9,117	108	18,673	2,199	30,097
Accumulated depreciation	(4,644)	(92)	(4,386)	(2,144)	(11,266)
Net carrying amount	4,473	16	14,287	55	18,831

	Leasehold improvements	Office equipment	Machinery and equipment	Electronic equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2025					
At 1 January 2025:					
Cost	9,117	108	18,673	2,199	30,097
Accumulated depreciation	(4,644)	(92)	(4,386)	(2,144)	(11,266)
Net carrying amount	4,473	16	14,287	55	18,831
At 1 January 2025, net of accumulated depreciation	4,473	16	14,287	55	18,831
Additions	80	–	49	65	194
Depreciation provided during the year	(1,457)	(13)	(1,889)	(19)	(3,378)
At 31 December 2025, net of accumulated depreciation	3,096	3	12,447	101	15,647
At 31 December 2025:					
Cost	9,197	108	18,722	2,264	30,291
Accumulated depreciation	(6,101)	(105)	(6,275)	(2,163)	(14,644)
Net carrying amount	3,096	3	12,447	101	15,647

	Leasehold improvements	Office equipment	Machinery and equipment	Electronic equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 30 June 2026					
At 1 January 2026:					
Cost	9,197	108	18,722	2,264	30,291
Accumulated depreciation	(6,101)	(105)	(6,275)	(2,163)	(14,644)
Net carrying amount	3,096	3	12,447	101	15,647
At 1 January 2026, net of accumulated depreciation	3,096	3	12,447	101	15,647
Additions	–	6	–	29	35
Depreciation provided during the period	(708)	–	(889)	(17)	(1,614)
At 30 June 2026, net of accumulated depreciation	2,388	9	11,558	113	14,068
At 30 June 2026:					
Cost	9,197	114	18,722	2,293	30,326
Accumulated depreciation	(6,809)	(105)	(7,164)	(2,180)	(16,258)
Net carrying amount	2,388	9	11,558	113	14,068

15. LEASES

The Group as a lessee

The Group has lease contracts for the equipment, laboratory and office premises used in its operations. The lease term of the equipment is 13 months, and leases of office premises and laboratory have lease terms of 3 to 6 years. In general, the Group is not permitted to transfer or sublease the leased assets outside the Group.

(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:

	Equipment	Laboratory and office premises	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
As at 1 January 2024	–	14,021	14,021
Depreciation charge	–	(4,958)	(4,958)
Lease termination	–	(6,579)	(6,579)
As at 31 December 2024	–	2,484	2,484
31 December 2025			
As at 1 January 2025	–	2,484	2,484
Additions	–	12,398	12,398
Depreciation charge	–	(4,084)	(4,084)
As at 31 December 2025	–	10,798	10,798
30 June 2026			
As at 1 January 2026	–	10,798	10,798
Additions	202	–	202
Depreciation charge	(47)	(2,159)	(2,206)
As at 30 June 2026	155	8,639	8,794

(b) Lease liabilities

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

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year/period	15,782	2,682	10,531
Additions	–	12,398	202
Lease termination	(7,469)	–	–
Accretion of interest recognised during the year/period	401	190	160
Payments	(6,032)	(4,739)	(2,365)
Carrying amount at the end of the year/period	2,682	10,531	8,528
Analysed into:			
Current portion	2,541	4,190	4,412
Non-current portion	141	6,341	4,116

The maturity analysis of lease liabilities is disclosed in note 32 to the Historical Financial Information.

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

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Depreciation expense of right-of-use assets	4,958	4,084	1,958	2,206
Gain on lease termination	(890)	–	–	–
Interest on lease liabilities	401	190	29	160
Expense relating to short-term and low-value leases	194	320	129	47
Total amount recognised in profit or loss	4,663	4,594	2,116	2,413

(d) The total cash outflows for leases are disclosed in note 28 (c) to the Historical Financial Information.

16. TRADE RECEIVABLES

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	6,107	23,744	12,332
Impairment	–	–	–
Total	6,107	23,744	12,332

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 days, depending on the contract terms. The Group does not hold any collateral or other credit enhancements on its accounts receivable balances. Trade receivables are not interest-bearing.

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the date of revenue recognition and net of loss allowance, is as follows:

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	6,107	19,008	12,332
1 to 2 years	–	4,736	–
Total	6,107	23,744	12,332

An impairment analysis is performed at each reporting date. The directors of the Company are of the opinion that the ECL in respect of the balance of trade receivables is minimal.

17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Rental and other deposits	90	1,223	1,223
Value-added tax recoverable	6,056	9,409	13,597
Total	6,146	10,632	14,820
Current:			
Prepayments	2,790	4,126	5,128
Deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Rental and other deposits	1,184	52	52
Value-added tax recoverable	886	393	388
Other receivables	46	961	41
Total	4,906	9,068	11,880

The Company

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current:			
Amount due from a subsidiary	271	407	408
Other receivables	17	16	–
Total	288	423	408

The Group's and the Company's financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. The above financial assets were categorised in Stage 1 at 31 December 2024 and 2025 and 30 June 2026. In calculating the ECL rate, the Group considers the historical loss rate and adjusts it for forward-looking macroeconomic data. During the Relevant Periods and the six months ended 30 June 2025, the Group estimated that the expected credit loss rate for them was minimal.

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Structured deposits	27,000	48,000	38,000

The amounts of structured deposits represented short-term investments issued by banks with no predetermined or guaranteed return, which are either principal-protected or non-principal-protected investments. The financial products have expected rates of return (not guaranteed), depending on the market prices of underlying financial instruments, including bonds, debentures and other financial assets. The expected return rates of structured deposits were 1.30% to 2.25% per annum during the year ended 31 December 2024, 0.60% to 2.30% per annum during the year ended 31 December 2025 and 0.35% to 2.70% per annum during the six months ended 30 June 2026.

19. CASH AND CASH EQUIVALENTS

The Group

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balances	102,079	44,359	108,013
Non-pledged time deposits with original maturity of less than three months when acquired	43,130	118,946	57,893
Cash and cash equivalents	145,209	163,305	165,906
Denominated in			
RMB	95,233	31,812	58,469
USD	49,976	131,493	107,437
Total cash and cash equivalents	145,209	163,305	165,906

The Company

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balances	698	9,194	16,569
Non-pledged time deposits with original maturity of less than three months when acquired	43,130	91,374	40,865
Cash and cash equivalents	43,828	100,568	57,434
Denominated in			
RMB	–	7	13
USD	43,828	100,561	57,421
Total cash and cash equivalents	43,828	100,568	57,434

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and 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 earn fixed interest in accordance with the deposit agreements. The bank balances and short-term time deposits are deposited with creditworthy banks with no recent history of default.

20. TRADE PAYABLES

An ageing analysis of the trade payables as at 31 December 2024 and 2025 and 30 June 2026, based on the invoice date, is as follows:

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Within 3 months	318	639	14,054
Total	318	639	14,054

Trade payables are non-interest-bearing and are generally settled on terms of 30 to 60 days.

21. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Current:			
Accrued expenses for research and development expenses	15,061	26,575	36,231
Payroll payables	7,004	3,975	4,961
Accrued [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Other payables	2,107	2,225	1,604
Other tax payables	313	537	305
Contract liabilities	–	280	–
Total	24,485	42,705	47,313

Other payables of the Group are non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at 31 December 2024 and 2025 and 30 June 2026 approximated to their fair values due to their short-term maturities.

22. DEFERRED INCOME

The Group

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Government grants	2,000	3,000	3,000

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

	Year ended 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year/period	–	2,000	3,000
Grants received during the year/period	2,000	1,000	–
At the end of the year/period	2,000	3,000	3,000

23. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

		As at 31 December		As at 30 June
	Notes	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	*(1)*	408,454	713,106	804,617
Loans with warrants to purchase preferred shares	*(2)*	116,730	30,640	–
Total		525,184	743,746	804,617

The Company

		As at 31 December		As at 30 June
	Notes	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*
Convertible redeemable preferred shares	*(1)*	408,454	713,106	804,617
Warrants to purchase preferred shares	*(2)*	1,297	946	–
Total		409,751	714,052	804,617

(1) Convertible redeemable preferred shares

In September 2018, the Company issued 5,500,000 Series pre-A preferred shares with a par value of USD0.001 per share ("Series pre-A Preferred Shares") to several independent investors for a total consideration of RMB55,000,000 or RMB10.00 per share.

In April 2021, the Company issued 4,142,825 Series A preferred shares with a par value of USD0.001 per share ("Series A Preferred Shares") to several independent offshore investors for a total consideration of USD12,609,000 or USD3.04 per share.

In April 2021, the Company issued 2,500,000 Series A preferred shares with a par value of USD0.001 per share ("Series A Preferred Shares") to several independent onshore investors for a total consideration of RMB50,000,000 or RMB20.00 per share.

In November 2022, the Company issued 3,069,263 Series A+ preferred shares with a par value of USD0.001 per share ("First Tranche of Series A+ Preferred Shares") to several independent investors for a total consideration of USD10,000,000 or USD3.26 per share.

In June 2023, the Company issued 2,622,788 Series A+ preferred shares with a par value of USD0.001 per share ("Second Tranche of Series A+ Preferred Shares") to several independent investors for a total consideration of USD8,995,000 or USD3.43 per share.

In April and November 2024, the Company issued 7,554,574 Series A++ preferred shares with a par value of USD0.001 per share ("Series A++ Preferred Shares") to several independent investors for a total consideration of USD27,273,000 or USD3.61 per share.

In August, September and October 2025, the Company issued 4,246,110 Series B preferred shares with a par value of USD0.001 per share ("Series B Preferred Shares") and 896,901 warrants to purchase Series B preferred shares to several independent investors for a total consideration of USD24,224,000 or USD4.71 per share.

In January 2026, the Company issued 2,547,669 Series B Preferred Shares with a par value of USD0.001 per share to several independent investors for a total consideration of USD12,000,000 or USD4.71 per share.

Series pre-A, Series A, First and Second Tranche of Series A+, Series A++ and Series B preferred shares are collectively referred to as the Preferred Shares. The holders of these shares are collectively referred to as Preferred Shareholders.

The key terms of the Preferred Shares are summarised as follows:

Upon the occurrence of the earliest of the following events which cannot be controlled by the Company, the Preferred Shares shall be redeemed by the Company at the option of the Preferred Shareholders:

(i) the failure of the Company to complete a qualified [**REDACTED**] of the Company's ordinary shares ("Qualified [**REDACTED**]") by 31 December 2028;

(ii) any misrepresentation or fraud by any of the warrantors of any representations or warranties under the transaction documents, resulting in significant losses to the holders of Preferred Shares;

(iii) any material breach or non-compliance with any applicable laws by any of the warrantors (including, without limitation, the non-attainment of marketing authorisation approvals or permits), which, if curable, is not cured within thirty (30) business days after the receipt of written notice of such breach, resulting in significant losses to the holders of the Preferred Shares;

(iv) any management holder's commission of fraud (including having sales proceeds not recorded in the books of the Group or material internal control defects of the Group caused intentionally by any of the management holders) or conviction of any founder for a felony (or similar and/or equivalent criminal convictions under other jurisdictions) by the court, with the founder held criminally responsible, causing such founder to be unable to work for the Group for more than six (6) consecutive months;

(v) the voluntary termination of the employment of Dr. Zhang Tony Yantao or Dr. Zhong Boyu with the Group other than due to force majeure (including but not limited to disability, death or health reason), in violation of the transaction documents;

(vi) any breach or violation of the non-compete or non-solicitation agreements with the Group or the failure to perform the non-compete or non-solicitation undertakings and/or full time commitment by any founder, which, if curable, is not cured within thirty (30) business days after the receipt of written notice by any holder of the Preferred Shares, or any other breach by any warrantors under the transaction documents, resulting in significant losses to the holders of the Preferred Shares;

(vii) if the Company has satisfied all of the conditions of a Qualified [**REDACTED**], and each preferred director has voted in favour of the Qualified [**REDACTED**], but the holders of the ordinary shares (or the directors nominated by such holder) fail to approve such Qualified [**REDACTED**];

(viii) inability of the Group to obtain the ownership certificate for the key intellectual property rights of three or more of the key products or revocation or invalidation of such certificates after they are initially obtained, or a final non-appealable judgement by court of competent jurisdiction determining that the key intellectual property rights of three or more of the key products of the Group infringe the intellectual property of any third party, or if any dispute regarding the ownership of the key intellectual property rights of three or more of the key products of the Group, resulting in a final non-appealable judgement by court of competent jurisdiction that the Group does not own such intellectual property rights;

(ix) the exercise of the redemption rights held by any other holders of Preferred Shares; or

(x) any breach or violation of the restriction on transfer of shares by any management holder.

The redemption price for each Series pre-A and Series A Preferred Share redeemed shall be 100% of the respective issue price and any declared but unpaid dividends on such Series pre-A and Series A Preferred Share, plus an amount accruing thereon daily at a rate of twelve percent (12%) per annum of the respective issue price, compounding annually, beginning on the date of the applicable original issue date, and ending on the date that the Series pre-A and Series A redemption price is paid in full, minus any amounts previously received in respect of each Series B Preferred Share through any form of payment or distribution by the Company.

The redemption price for each Series A+, Series A++ and Series B Preferred Share redeemed shall be 100% of the respective issue price and any declared but unpaid dividends on such Series A+, Series A++ and Series B Preferred Share, plus an amount accruing thereon daily at a rate of ten percent (10%) per annum of the respective issue price, compounding annually, beginning on the date of the applicable original issue date, and ending on the date that the Series A+, Series A++ and Series B redemption price is paid in full, minus any amounts previously received in respect of each Series B Preferred Share through any form of payment or distribution by the Company.

Liquidation preference

In the event of any liquidation, dissolution or winding up of the Group, whether voluntary or involuntary, all assets and funds of the Group legally available for distribution to the shareholders shall be distributed to shareholders in the following order and manner:

The holders of the Series B, Series A++, Series A+, Series A and Series pre-A Preferred Shares shall be entitled to receive for each Preferred Share held by such holder, on parity with each other and prior and in preference to any distribution of any of the assets or funds of the Group to the holders of any previously issued preferred shares, ordinary shares and any other existing class or series of shares by reason of their ownership of such shares, an amount per share equal to the greater of (a) the aggregate of 100% of the issue price, and any and all accrued but unpaid dividends on such preferred share per share, plus an amount calculated at the simple rate of 10% of the issue price per annum accrued from the original issue date, minus any amounts previously received in respect of each preferred share through any form of dividend or other similar distribution by the Company; and (b) the amount such holder would be entitled to receive assuming that all the then issued and outstanding Preferred Shares held by such holder had been converted to ordinary shares of the Company and it accordingly participated in distributions with the holders of the Company's ordinary shares. If the assets and funds thus distributed among the holders of Preferred Shares shall be insufficient to permit the payment to such holders of the full the series of preference amount, then the entire assets and funds of the Group legally available for distribution shall be distributed on a pari passu, and pro rata basis among the holders of Preferred Shares in proportion to the aggregate series preference amount each such holder is otherwise entitled to receive.

Conversion

The holders of the Preferred Shares shall have the rights described below with respect to the conversion of the Preferred Shares into the Company's ordinary shares:

(a) Conversion ratio

Each Preferred Share shall be convertible at the option of the holder thereof, at any time after the date of issuance of such Preferred Share, into such number of fully paid and non-assessable ordinary shares as determined by dividing the issue price of such Preferred Share by the then-effective applicable conversion price for such Preferred Share. The "conversion price" for the preferred share shall initially be the applicable issue price for each Preferred Share, resulting in an initial conversion ratio for the Preferred Share of 1:1, and thereafter shall be subject to adjustment and readjustment from time to time as hereinafter provided, being no less than the par value.

(b) Optional conversion

Any Preferred Share may, at the option of the holder thereof, be converted at any time after the date of issuance of such Preferred Share, without the payment of any additional consideration, into fully paid and non-assessable ordinary shares based on the then-effective conversion price.

(c) Automatic conversion

Each Preferred Share shall automatically be converted, based on the then-effective conversion price, without the payment of any additional consideration, into fully paid and non-assessable ordinary shares immediately prior to the closing of an [**REDACTED**] approved by the majority of the preferred directors.

Presentation and classification

The Group and the Company have designated the convertible redeemable preferred shares as a whole as financial liabilities measured at FVTPL in the statements of financial position. The change in fair value of the convertible redeemable preferred shares is recognised in profit or loss except for the portion attributable to own credit risk change, which is charged to other comprehensive income with no subsequent reclassification to profit or loss. Management considered that the fair value change in the Preferred Shares attributable to changes in the Group's own credit risk was not significant.

As the Preferred Shareholders can convert the Preferred Shares to ordinary shares of the Company at any time, the Preferred Shares were classified as current liabilities as at 31 December 2024 and 2025 and 30 June 2026.

(2) Loans with warrants to purchase preferred shares

Prior to investing in the Company, onshore investors shall obtain requisite overseas direct investment approval ("ODI approval"). In the Preferred Shares financing, prior to obtaining ODI approval, these onshore investors entered into initial investment agreements with the Group in 2024 and 2025 and the six months ended 30 June 2026, whereby these onshore investors agreed to provide loans to Tyligand Shanghai (the "WFOE"), a subsidiary of the Company registered in the PRC, and the Company agreed to issue Preferred Share Purchase Warrants (the "Warrants") to these investors. Once these onshore investors obtain ODI approval, the WFOE shall return to these onshore investors the principal amounts of the initial investments, and such amounts shall be paid by these onshore investors to the Company as part of the purchase consideration for the Preferred Shares.

The abovementioned loans together with the warrants were designated as financial liabilities at fair value through profit or loss, which are initially recognised at fair value. The component of fair value changes relating to the Company's own credit risk is recognised in other comprehensive income. Amounts recorded in other comprehensive income related to credit risk are not subject to recycling in profit or loss but are transferred to retained earnings/accumulated losses when realised. Fair value changes relating to market risk are recognised in profit or loss.

Presentation and classification

The movements of the financial liabilities at fair value through profit or loss are set out below:

	Convertible redeemable preferred shares	Loans with warrants to purchase preferred shares	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	206,091	142,402	348,493
Issuance of convertible redeemable preferred shares	212,258	–	212,258
Addition to loans with warrants to purchase preferred shares	–	75,305	75,305
Repayments of loans with warrants to purchase preferred shares	–	(96,096)	(96,096)
Changes in fair value	(9,895)	(4,881)	(14,776)
At 31 December 2024 and 1 January 2025	408,454	116,730	525,184
Issuance of convertible redeemable preferred shares	260,976	–	260,976
Addition to loans with warrants to purchase preferred shares	–	30,000	30,000

	Convertible redeemable preferred shares	Loans with warrants to purchase preferred shares	Total
	RMB'000	*RMB'000*	*RMB'000*
Repayments of loans with warrants to purchase preferred shares	–	(118,399)	(118,399)
Changes in fair value	43,676	2,309	45,985
At 31 December 2025 and 1 January 2026	713,106	30,640	743,746
Issuance of convertible redeemable preferred shares	113,854	–	113,854
Addition to loans with warrants to purchase preferred shares	–	28,006	28,006
Repayment of loans with warrants to purchase preferred shares	–	(58,006)	(58,006)
Changes in fair value	(22,343)	(640)	(22,983)
At 30 June 2026	804,617	–	804,617

The Group has used the back-solve method to determine the underlying equity value of the Group and adopted the equity allocation model to determine the fair value of the above financial liabilities at fair value through profit or loss.

The key valuation assumptions used to determine the fair values of the above financial liabilities at fair value through profit or loss are as follows:

	As at 31 December		As at 30 June
	2024	2025	2026
Risk-free rate	4.27%	3.55%	4.15%
DLOM	24.47%	19.18%	17.06%
Volatility	74.64%	70.63%	75.57%

The Group estimated the risk-free rate based on the yield of the US Government Bond with maturity close to the expected exit timing as of the valuation date. The DLOM was estimated based on the option-pricing method. Under the option-pricing method, the cost of a put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the discount for lack of marketability. Volatility was estimated based on daily stock prices of comparable companies for a period equal to the expected terms for a liquidation or redemption event as of the valuation date.

Set out below is a summary of significant unobservable inputs to the valuation of financial liabilities categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2024 and 2025 and 30 June 2026.

		(Decrease)/increase in the fair value		
Significant unobservable input	Increase/(decrease) in the input	As at 31 December		As at 30 June
		2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*
Risk-free rate	5%/(5%)	(36)/93	(25)/48	(39)/46
DLOM	5%/(5%)	(4,774)/4,774	(6,389)/6,389	(7,063)/7,063
Volatility	5%/(5%)	(211)/213	(273)/275	(421)/482

24. DEFERRED TAX

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax liabilities

	Right-of-use assets
	RMB'000
At 1 January 2024	3,505
Deferred tax credited to profit or loss during the year	(2,883)
At 31 December 2024 and 1 January 2025	622
Deferred tax charged to profit or loss during the year	2,078
At 31 December 2025 and 1 January 2026	2,700
Deferred tax credited to profit or loss during the period	(501)
At 30 June 2026	2,199

Deferred tax assets

	Tax losses	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	–	3,505	3,505
Deferred tax credited/(charged) to profit or loss during the year	391	(3,274)	(2,883)
At 31 December 2024 and 1 January 2025	391	231	622
Deferred tax (charged)/credited to profit or loss during the year	(391)	2,469	2,078
At 31 December 2025 and 1 January 2026	–	2,700	2,700
Deferred tax charged to profit or loss during the period	–	(501)	(501)
At 30 June 2026	–	2,199	2,199

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

The Group has accumulated tax losses in Chinese mainland of RMB439,951,000, RMB653,210,000 and RMB845,458,000 as at 31 December 2024 and 2025 and 30 June 2026, respectively, which will expire within one to five years for offsetting against future taxable profits of the companies in which the losses arose.

The Group has unrecognised deductible temporary differences of RMB3,166,000, RMB465,000 and RMB1,000 as at 31 December 2024 and 2025 and 30 June 2026, respectively.

Deferred tax assets have not been recognised in respect of these losses and temporary differences as they have arisen in the Company and a subsidiary that have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

25. SHARE CAPITAL

The Group and the Company

The Company was incorporated in the Cayman Islands on 1 December 2017 with authorised share capital of USD500,000 divided into 500,000,000 shares with a par value of USD0.001 each, consisting of ordinary shares and preferred shares.

Issued and fully paid

	Number of ordinary shares in issue	Share capital
		RMB'000
As at 1 January 2024, 31 December 2024 and 2025 and 30 June 2026	10,250,000	70

There was no movement in the issued share capital of the Company during the Relevant Periods.

26. RESERVES

The Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statements of changes in equity.

The Company

	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	–	(38,703)	(38,703)
Profit and total comprehensive income for the year	–	17,227	17,227
Equity-settled share-based payment expenses	3,872	–	3,872
At 31 December 2024 and 1 January 2025	3,872	(21,476)	(17,604)
Loss and total comprehensive loss for the year	–	(42,873)	(42,873)
Equity-settled share-based payment expenses	8,282	–	8,282
At 31 December 2025 and 1 January 2026	12,154	(64,349)	(52,195)
Profit and total comprehensive income for the period	–	21,651	21,651
Equity-settled share-based payment expenses	24,274	–	24,274
At 30 June 2026	36,428	(42,698)	(6,270)

27. SHARE-BASED PAYMENTS

Share incentive scheme

The Company established a share incentive scheme for core employees, directors and consultants which was adopted pursuant to a resolution passed in June 2023 (the "2023 Scheme") for the purpose of providing incentives and rewards to eligible employees (including directors) and consultants who contribute to the success of the Group's operations. The 2023 Scheme will expire in 10 years.

Under the 2023 Scheme, the directors of the Company approved to grant up to 3,849,376 share options. Each share option represents one ordinary share (being five ordinary shares upon successful [**REDACTED**] of the Company's ordinary shares).

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the 2023 Scheme as an equity-settled plan. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings. The 2023 Scheme includes a service condition under which 50% of the share options will vest on the third anniversary, and 25% each on the fourth and fifth anniversaries, of the vesting commencement date. Specifically, 200,000 share options granted in 2025 are subject to graded vesting of 25% annually on the second through fifth anniversaries of the employment date, with accelerated vesting permissible upon achievement of non-market performance conditions prescribed in the share option agreement, and 4,000 share options granted in 2026 shall be vested 100% upon [**REDACTED**].

The fair value of services received in return for share options granted to employees (including directors) and consultants were measured by reference to the fair value of the share options. During the Relevant Periods, the Company granted 673,143, 2,965,957 and 306,576 share options, respectively, with average fair values of USD2.09, USD2.08 and USD2.67 (equivalent to RMB14.86, RMB14.68 and RMB18.16) per share, respectively.

The following numbers of share options were outstanding under the 2023 Scheme during the Relevant Periods and the six months ended 30 June 2025:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
			(unaudited)	
At the beginning of the year/period	–	673,143	673,143	3,619,100
Granted during the year/period	673,143	2,965,957	–	306,576
Forfeited during the year/period	–	(20,000)	–	(76,300)
At the end of the year/period	673,143	3,619,100	673,143	3,849,376

			Number of share options		
		Exercise price	As at 31 December		As at 30 June
Grant Year	Expiry Year	USD per share	2024	2025	2026
2024	2033	USD0.001	673,143	653,143	603,143
2025	2033	USD0.001-USD1.53	–	2,965,957	2,939,657
2026	2033	USD0.001	–	–	306,576
			673,143	3,619,100	3,849,376

During the Relevant Periods, equity-settled share-based payment expenses of RMB3,872,000, RMB8,282,000 and RMB24,274,000 were charged to profit or loss, respectively.

The fair value of equity-settled share options granted as at 31 December 2024 and 2025 and 30 June 2026 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	At grant date		
	As at 31 December		As at 30 June
	2024	2025	2026
Expected volatility	67.0%	67.6%	67.30%
Risk-free interest rate	4.51%	4.17%	4.23%
Discount for lack of marketability	25.71%	19.18%	18.87%

28. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2024 and 2025 and the six months ended 30 June 2026, the Group had non-cash additions to right-of-use assets of nil, RMB12,398,000 and RMB202,000, and non-cash additions to lease liabilities of nil, RMB12,398,000 and RMB202,000 in the consolidated statements of financial position, respectively.

(b) Changes in liabilities arising from financing activities

	Lease liabilities	Financial liabilities at FVTPL	Accrued [REDACTED] in other payables and accruals	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	15,782	348,493	[**REDACTED**]	364,275
Cash flows (used in)/from financing activities	(6,032)	191,467	[**REDACTED**]	185,435
Non-cash changes:				
Changes in fair value	–	(14,776)	[**REDACTED**]	(14,776)
Lease termination	(7,469)	–	[**REDACTED**]	(7,469)
Accretion of interest	401	–	[**REDACTED**]	401
At 31 December 2024 and 1 January 2025	2,682	525,184	[**REDACTED**]	527,866
Cash flows (used in)/from financing activities	(4,739)	172,577	[**REDACTED**]	166,551
Cash flows used in operating activities	–	–	[**REDACTED**]	(3,829)
Non-cash changes:				
New leases	12,398	–	[**REDACTED**]	12,398
Addition in deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
[**REDACTED**] charged to profit or loss	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Changes in fair value	–	45,985	[**REDACTED**]	45,985
Accretion of interest	190	–	[**REDACTED**]	190
At 31 December 2025 and 1 January 2026	10,531	743,746	[**REDACTED**]	763,390
Cash flows (used in)/from financing activities	(2,365)	83,854	[**REDACTED**]	76,182
Cash flows used in operating activities	–	–	[**REDACTED**]	(11,636)
Non-cash changes:				
New leases	202	–	[**REDACTED**]	202
Addition in deferred [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
[**REDACTED**] charged to profit or loss	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Changes in fair value	–	(22,983)	[**REDACTED**]	(22,983)
Accretion of interest	160	–	[**REDACTED**]	160
At 30 June 2026	8,528	804,617	[**REDACTED**]	817,357

(c) Total cash outflows for leases

The total cash outflows for leases included in the consolidated statements of cash flows are as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Within operating activities	194	320	129	47
Within financing activities	6,032	4,739	2,474	2,365
Total	6,226	5,059	2,603	2,412

29. RELATED PARTY TRANSACTIONS

The Group has no related party transactions other than compensation of key management personnel of the Group.

An analysis of the compensation of key management personnel of the Group is as follows:

	Year ended 31 December		Six months ended 30 June	
	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	6,664	6,581	3,368	3,432
Performance related bonuses	440	840	420	1,198
Pension scheme contributions	248	377	119	136
Equity-settled share-based payment expenses	1,564	5,152	678	15,460
Total	8,916	12,950	4,585	20,226

30. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments of the Group as at 31 December 2024 and 2025 and 30 June 2026 are as follows:

Financial assets

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost:			
Trade receivables	6,107	23,744	12,332
Financial assets included in prepayments, deposits and other receivables	1,320	2,236	1,316
Cash and cash equivalents	145,209	163,305	165,906
Financial assets at FVTPL:			
Structured deposits	27,000	48,000	38,000
Total	179,636	237,285	217,554

Financial liabilities

	As at 31 December		As at 30 June
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities at amortised cost:			
Trade payables	318	639	14,054
Financial liabilities included in other payables and accruals	17,168	37,913	42,047
Financial liabilities at FVTPL:			
Convertible redeemable preferred shares	408,454	713,106	804,617
Loans with warrants to purchase preferred shares	116,730	30,640	–
Total	542,670	782,298	860,718

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts			Fair values		
	As at 31 December		As at 30 June	As at 31 December		As at 30 June
	2024	2025	2026	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:						
Rental and other deposits, non-current portion	90	1,223	1,223	90	1,223	1,223

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayments, deposits and other receivables, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

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 reporting period, 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 financial reporting.

The fair values of the financial assets and liabilities measured at FVTPL 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 financial assets included in prepayments, deposits and other receivables 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 fair value of the convertible redeemable preferred shares and that of the loans with warrants to purchase preferred shares are determined using the valuation techniques, including the back-solve method, and are within Level 3 fair value measurement. Further details are set out in note 23 to the Historical Financial Information.

Fair value hierarchy

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

Assets measured at fair value:

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*
Structured deposits	–	27,000	–	27,000

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*
Structured deposits	–	48,000	–	48,000

As at 30 June 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*
Structured deposits	–	38,000	–	38,000

Liabilities measured at fair value:

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 liabilities at FVTPL	–	–	525,184	525,184

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 liabilities at FVTPL	–	–	743,746	743,746

As at 30 June 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 liabilities at FVTPL	–	–	804,617	804,617

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

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, and financial liabilities at FVTPL. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, 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 Company's board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from financing activities of the Company and certain subsidiaries in currencies other than the Company's and the subsidiaries' functional currencies. The following table demonstrates the sensitivity at 31 December 2024 and 2025 and 30 June 2026 to a reasonably possible change in the USD/RMB exchange rate, with all other variables held constant, of the Group's loss before tax and equity (due to changes in the fair values of monetary assets and liabilities). For the purpose of internal foreign exchange rate risk management, the effect of foreign exchange on convertible redeemable preferred shares is excluded.

	Increase/(decrease) in rate of foreign currency	Increase/(decrease) in loss before tax	Increase/(decrease) in equity
	%	*RMB'000*	*RMB'000*
31 December 2024			
If RMB weakens against USD	5	(2,499)	2,499
If RMB strengthens against USD	(5)	2,499	(2,499)
31 December 2025			
If RMB weakens against USD	5	(6,575)	6,575
If RMB strengthens against USD	(5)	6,575	(6,575)
30 June 2026			
If RMB weakens against USD	5	(5,372)	5,372
If RMB strengthens against USD	(5)	5,372	(5,372)

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.

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, trade receivables and financial assets included in prepayments, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

There were concentrations of credit risk as the trade receivable balances as at 31 December 2024 and 2025 and 30 June 2026 were due from two customers.

Maximum exposure and staging as at 31 December 2024 and 2025 and 30 June 2026

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/period-end staging classification as at 31 December 2024 and 2025 and 30 June 2026.

The amounts presented are gross carrying amounts for financial assets.

The Group

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*
Trade receivables	–	–	–	6,107	6,107
Financial assets included in prepayments, deposits and other receivables*	1,320	–	–	–	1,320
Cash and cash equivalents	145,209	–	–	–	145,209
Total	146,529	–	–	6,107	152,636

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*
Trade receivables	–	–	–	23,744	23,744
Financial assets included in prepayments, deposits, other receivables and other assets*	2,236	–	–	–	2,236
Cash and cash equivalents	163,305	–	–	–	163,305
Total	165,541	–	–	23,744	189,285

As at 30 June 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*
Trade receivables	–	–	–	12,332	12,332
Financial assets included in prepayments, deposits, other receivables and other assets*	1,316	–	–	–	1,316
Cash and cash equivalents	165,906	–	–	–	165,906
Total	167,222	–	–	12,332	179,554

* The credit quality of the financial assets included in prepayments, deposits and other receivables 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. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows. The Group monitors its risk of a shortage of funds by considering the maturities of both its financial liabilities and financial assets.

The maturity profile of the Group's financial liabilities and lease liabilities as at 31 December 2024 and 2025 and 30 June 2026, based on the contractual undiscounted payments, is as follows:

The Group

	As at 31 December 2024		
	Less than 1 year or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	318	–	318
Financial liabilities included in other payables and accruals	17,168	–	17,168
Lease liabilities	2,575	152	2,727
Financial liabilities at FVTPL	629,311	–	629,311
Total	649,372	152	649,524

	As at 31 December 2025		
	Less than 1 year or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	639	–	639
Financial liabilities included in other payables and accruals	37,913	–	37,913
Lease liabilities	4,474	6,497	10,971
Financial liabilities at FVTPL	828,477	–	828,477
Total	871,503	6,497	878,000

	As at 30 June 2026		
	Less than 1 year or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	14,054	–	14,054
Financial liabilities included in other payables and accruals	42,047	–	42,047
Lease liabilities	4,477	4,331	8,808
Financial liabilities at FVTPL	1,569,809	–	1,569,809
Total	1,630,387	4,331	1,634,718

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

33. EVENTS AFTER RELEVANT PERIODS

There were no material subsequent events after the end of the Relevant Periods that require additional disclosure or adjustments.

34. 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 30 June 2026.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

Set out below is a summary of certain provisions of the constitution of the Company and certain aspects of the company laws of the Cayman Islands.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 1 December 2017 under the Companies Act. The Company's constitutional documents consist of the Memorandum of Association and the Articles of Association.

1. MEMORANDUM OF ASSOCIATION

The Memorandum provides, *inter alia*, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted (and therefore include acting as an investment holding company) and that the Company shall have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

2. ARTICLES OF ASSOCIATION

The Articles were conditionally adopted on [●] and will become effective on the [**REDACTED**]. A summary of certain provisions of the Articles is set out below.

2.1 Shares

(a) Classes of Shares

The share capital of the Company consists of a single class of ordinary shares.

(b) Variation of Rights of Existing Shares or Classes of Shares

If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights attached to any class of Shares for the time being issued (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of at least three-fourths of the issued Shares of that class, or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the Shares of that class present and voting in person (whether physically or by virtual attendance with the use of technology) or by proxy at a separate meeting of such holders. The provisions of the Articles relating to general meetings shall apply *mutatis mutandis* to every such separate meeting, except that the necessary quorum shall be two persons together holding (or, in the case of a member being a corporation, by its duly authorised representative), or representing by proxy, at least one-third of the issued Shares of that class. Every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him, and any holder of Shares of the class present in person (whether physically or by virtual attendance with the use of technology), or by proxy may demand a poll.

For the purposes of a separate class meeting, the Board may treat two or more classes of Shares as forming one class of Shares if the Board considers that such classes of Shares would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes of Shares.

Any rights conferred upon the holders of Shares of any class shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

(c) Alteration of Capital

The Company may by ordinary resolution:

(i) increase its share capital by the creation of new Shares of such amount and with such rights, priorities and privileges attached to such Shares as it may determine;

(ii) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares. On any consolidation of fully paid Shares and division into Shares of a larger amount, the Board may settle any difficulty which may arise as it thinks expedient and, in particular (but without prejudice to the generality of the foregoing), may as between the holders of Shares to be consolidated determine which particular Shares are to be consolidated into a consolidated Share, and if it shall happen that any person shall become entitled to fractions of a consolidated Share or Shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the Shares so sold to the purchaser(s) thereof and the validity of such transfer shall not be questioned, and the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated Share or Shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(iii) sub-divide its Shares or any of them into Shares of an amount smaller than that fixed by the Memorandum; and

(iv) cancel any Shares which, as at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

The Company may by special resolution reduce its share capital or any undistributable reserve, subject to the provisions of the Companies Act.

(d) Transfer of Shares

Subject to the terms of the Articles, any member of the Company may transfer all or any of his Shares by an instrument of transfer. If the Shares in question were issued in conjunction with rights, options, warrants or units issued pursuant to the Articles on terms that one cannot be transferred without the other, the Board shall refuse to register the transfer of any such Share without evidence satisfactory to it of the like transfer of such right, option, warrant or unit.

Subject to the Articles and the requirements of the Stock Exchange, all transfers of Shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and may be under hand or, if the transferor or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature, or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the register of members of the Company in respect of that Share.

Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Board thinks fit. The Board may, in its absolute discretion, at any time transfer any Share on the principal register to any branch register or any Share on any branch register to the principal register or any other branch register.

The Board may, in its absolute discretion, decline to register a transfer of any Share (not being a fully paid Share) to a person of whom it does not approve or on which the Company has a lien, or a transfer of any Share issued under any share option scheme upon which a restriction on transfer subsists or a transfer of any Share to more than four joint holders. It may also decline to recognise any instrument of transfer if the proposed transfer does not comply with the Articles or any requirements of the Listing Rules.

The Board may decline to recognise any instrument of transfer unless a certain fee, up to such maximum sum as the Stock Exchange may determine to be payable, is paid to the Company, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of Share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the Listing Rules and the relevant section of the Companies Ordinance, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine (or such longer period as the members of the Company may by ordinary resolution determine, provided that such period shall not be extended beyond 60 days in any year).

Fully paid Shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens.

(e) Redemption of Shares

Subject to the provisions of the Companies Act, the Listing Rules and any rights conferred on the holders of any Shares or attaching to any class of Shares, the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the members or the Company. The redemption of such Shares shall be effected in such manner and upon such other terms as the Company may by special resolution determine before the issue of such Shares.

(f) Power of the Company to Purchase its own Shares

Subject to the Companies Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares (which includes redeemable Shares), provided that the manner and terms of purchase have first been authorised by ordinary resolution and that any such purchase shall only be made in accordance with the relevant code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong from time to time in force.

(g) Power of any Subsidiary of the Company to own Shares in the Company

There are no provisions in the Articles relating to the ownership of Shares in the Company by a subsidiary.

(h) Calls on Shares and Forfeiture of Shares

Subject to the terms of allotment and issue of any Shares (if any), the Board may, from time to time, make such calls as it thinks fit upon the members in respect of any monies unpaid on the Shares held by them (whether in respect of par value or share premium). A member who is the subject of the call shall (subject to receiving at least 14 clear days' notice specifying the time or times for payment) pay to the Company at the time or times so specified the amount called on his Shares. A call may be made payable either in one sum or by instalments, and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. The joint holders of a Share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such Share.

If a call remains unpaid after it has become due and payable, the member from whom the sum is due shall pay interest on the unpaid amount at such rate as the Board shall determine (together with any expenses incurred by the Company as a result of such non-payment) from the day it became due and payable until it is paid, but the Board may waive payment of such interest or expenses in whole or in part.

If a member fails to pay any call or instalment of a call after it has become due and payable, the Board may, for so long as any part of the call or instalment remains unpaid, give to such member not less than 14 clear days' notice requiring payment of the unpaid amount together with any interest which may have accrued and which may still accrue up to the date of payment (together with any expenses incurred by the Company as a result of such non-payment). The notice shall specify a further day on or before which the payment required by the notice is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the Shares in respect of which the call was made will be liable to be forfeited.

If such notice is not complied with, any Share in respect of which the notice was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board. Such forfeiture shall include all dividends, other distributions and other monies payable in respect of the forfeited Share and not paid before the forfeiture.

A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, shall surrender to the Company for cancellation the certificate(s) for the Shares forfeited and shall remain liable to pay to the Company all monies which, as at the date of forfeiture, were payable by him to the Company in respect of the Shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of payment as the Board may determine and any expenses incurred by the Company as a result of such non-payment.

2.2 Directors

(a) Appointment, Retirement and Removal

The Company may by ordinary resolution of the members elect any person to be a Director. The Board may also appoint any person to be a Director at any time, either to fill a casual vacancy or as an additional Director subject to any maximum number fixed by the members in general meeting or the Articles. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The members may by ordinary resolution remove any Director (including a managing or executive Director) before the expiration of his term of office, notwithstanding anything in the Articles or any agreement between the Company and such Director, and may by ordinary resolution elect another person in his stead. Nothing shall be taken as depriving a Director so removed of any compensation or damages payable to such Director in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director.

The office of a Director shall be vacated if:

(i) the Director gives notice in writing to the Company that he resigns from his office as Director;

(ii) the Director is absent, without being represented by proxy or an alternate Director appointed by him, for a continuous period of 12 months without special leave of absence from the Board, and the Board passes a resolution that he has by reason of such absence vacated his office;

(iii) the Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(iv) the Director dies or an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

(v) the Director is prohibited from being or ceases to be a Director by operation of law;

(vi) the Director has been required by the Stock Exchange to cease to be a Director or no longer qualifies to be a Director pursuant to the Listing Rules; or

(vii) the Director is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

At each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. If the number of Directors is not a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire at each annual general meeting shall be those who have been in office longest since their last re-election or appointment and, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(b) Power to Allot and Issue Shares and other Securities

Subject to the provisions of the Companies Act, the Memorandum and Articles and, where applicable, the Listing Rules, and without prejudice to any rights or restrictions for the time being attached to any Shares, the Board may allot, issue, grant options over or otherwise dispose of Shares with or without preferred, deferred or other rights or restrictions, whether with regard to dividend, voting, return of capital or otherwise, to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, provided that no Shares shall be issued at a discount to their par value.

The Company may issue rights, options, warrants or convertible securities or securities of a similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of Shares or other securities in the Company on such terms as the Board may from time to time determine.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of Shares, to make, or make available, any such allotment, offer, option or Shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

(c) Power to Dispose of the Assets of the Company or any of its Subsidiaries

Subject to the provisions of the Companies Act and the Memorandum and Articles, the Board may exercise all powers and do all acts and things which may be exercised or done by the Company to dispose of the assets of the Company or any of its subsidiaries. No alteration to the Memorandum or Articles shall invalidate any prior act of the Board which would have been valid if such alteration or direction had not been made or given.

(d) Borrowing Powers

The Board may exercise all the powers of the Company to raise or borrow money, secure the payment of any sum or sums of money for the purposes of the Company, mortgage or charge all or any part of its undertaking, property and uncalled capital of the Company, and, subject to the Companies Act, issue debentures, debenture stock, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(e) Remuneration

A Director shall be entitled to receive such sums as shall from time to time be determined by the Board or the Company in general meetings. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in connection with attendance at meetings of the Board or committees of the Board, or general meetings of the Company or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company and the discharge of their duties as Directors, and/or to receive fixed allowances in respect thereof as may be determined by the Board.

The Board or the Company in general meetings may also approve additional remuneration to any Director for any services which in the opinion of the Board or the Company in general meetings go beyond such Director's ordinary routine work as a Director.

(f) Compensation or Payments for Loss of Office

There are no provisions in the Articles relating to compensation or payment for loss of office.

(g) Loans to Directors

There are no provisions in the Articles relating to making of loans to Directors.

(h) Disclosure of Interest in Contracts with the Company or any of its Subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director, officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company.

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, nor shall any such contract or any other contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director is in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding such office or of the fiduciary relationship established by it, provided that the nature of interest of any Director or alternate Director in any such contract or transaction shall be disclosed by such Director or alternate Director at or prior to the consideration and vote thereon.

A Director shall not vote on (or be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or other proposal in which he or any of his close associate(s) has a material interest, and if he shall do so his vote shall not be counted and he shall not be counted in the quorum for such resolution. This prohibition shall not apply to any of the following matters:

(i) the giving of any security or indemnity to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of Shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub- underwriting of the offer;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries, including the adoption, modification or operation of (A) any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit or (B) any pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of Shares, debentures or other securities of the Company by virtue only of his/their interest in those Shares, debentures or other securities.

2.3 Proceedings of the Board

The Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Unless otherwise determined, two Directors shall be a quorum. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.4 Alterations to the Constitutional Documents and the Company's Name

The Memorandum and Articles may only be altered or amended, and the name of the Company may only be changed, by special resolution of the Company.

2.5 Meetings of Members

(a) Special and Ordinary resolutions

A special resolution must be passed by a majority of not less than two-thirds (other than in relation to any resolution approving changes to the Company's constitutional documents or a voluntary winding up of the Company, in which case a special resolution must be passed by a majority of not less than three-fourths) of the voting rights held by such members as, being entitled so to do, vote in person (whether physically or by virtual attendance with the use of technology), or by proxy or, in the case of any members which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given. A special resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

An ordinary resolution, in contrast, is a resolution passed by a simple majority of the voting rights held by such members as, being entitled to do so, vote in person (whether physically or by virtual attendance with the use of technology), or by proxy or, in the case of any member which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting. An ordinary resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

The provisions of special resolutions and ordinary resolutions shall apply *mutatis mutandis* to any resolutions passed by the holders of any class of shares.

(b) Voting Rights and Right to Demand a Poll

Subject to any rights, restrictions or privileges as to voting for the time being attached to any class or classes of Shares, at any general meeting: (a) on a poll every member present in person (whether physically or by virtual attendance with the use of technology), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote for every Share and (b) on a show of hands every member who is present in person (whether physically or by virtual attendance with the use of technology), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote. For the avoidance of doubt, votes may be cast by members by electronic means, if such means are provided.

In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other join holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members of the Company.

No person shall be counted in a quorum or be entitled to vote at any general meeting unless he is registered as a member on the record date for such meeting, nor unless all calls or other monies then payable by him in respect of the relevant Shares have been paid.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands (whether physically or by virtual attendance with the use of technology).

Any corporation or other non-natural person which is a member of the Company may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members, and the person so authorised shall be entitled to exercise the same powers as the corporation or other non-natural person could exercise as if it were a natural person member of the Company.

If a recognised clearing house or its nominee(s) is a member of the Company, it may appoint proxies or authorise such person or persons as it thinks fit to act as its representative(s), who enjoy rights equivalent to the rights of other members, at any meeting of the Company (including but not limited to general meetings and creditors meetings) or at any meeting of any class of members of the Company, provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. A person so authorised shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house or its nominee(s) as if such person were a natural person member of the Company, including the right to speak and vote individually on a show of hands or on a poll (whether physically or by virtual attendance with the use of technology).

All members of the Company (including a member which is a recognised clearing house (or its nominee(s))) shall have the right to (i) speak at a general meeting and (ii) and vote at a general meeting (whether physically or by virtual attendance with the use of technology), except where a member is required by the Listing Rules to abstain from voting to approve the matter under consideration. Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(c) Annual General Meetings and Extraordinary General Meetings

The Company must hold a general meeting as its annual general meeting in each financial year. Such meeting shall be specified as such in the notices calling it, and must be held within six months after the end of the Company's financial year. A meeting of the members or any class thereof may be held by telephone, tele-conferencing or other electronic means, provided that all participants are able to communicate contemporaneously with one another, and participation in a meeting in such manner shall constitute presence at such meetings.

The Board may convene an extraordinary general meeting whenever it thinks fit. In addition, one or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per Share basis) in the share capital of the Company may make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition, which must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionists, shall be deposited at the principal place of business of the Company in Hong Kong or, in the event the Company ceases to have such a principal place of business, the registered office of the Company. If the Board does not within 21 days from the date of deposit of such requisition duly proceed to convene a general meeting to be held within the following 21 days, the requisitionists or any of them representing more than one-half of the total voting rights of all the requisitionists may themselves convene a general meeting, but any such meeting so convened shall be held no later than the day falling three months after the expiration of the said 21-day period. A general meeting convened by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by the Board, and all reasonable expenses incurred by the requisitionists shall be reimbursed to the requisitionists by the Company.

(d) Notices of Meetings and Business to be Conducted

An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and any other general meeting of the Company shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the date, time, place and agenda of the meeting, the particulars of the resolution(s) to be considered at the meeting, the general nature of the business to be considered at the meeting and details for members to attend the meeting virtually with the use of technology (if applicable).

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member personally, by post to such member's registered address, (to the extent permitted by the Listing Rules and all applicable laws and regulations) by electronic means or (in the case of a notice) by advertisement published in the manner prescribed under the Listing Rules.

Notwithstanding that a meeting of the Company is called by shorter notice than as specified above, if permitted by the Listing Rules, such meeting may be deemed to have been duly called if it is so agreed:

(i) in the case of an annual general meeting, by all members of the Company entitled to attend and vote thereat; and

(ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting holding not less than 95% of the total voting rights held by such members.

If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board in its absolute discretion consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and place.

The Board also has the power to provide in every notice calling a general meeting that in the event of a gale warning, a black rainstorm warning or extreme conditions is/are in force at any time on the day of the general meeting (unless such warning is cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date.

Where a general meeting is postponed:

(A) the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company's website and published on the Stock Exchange's website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting due to a gale warning, a black rainstorm warning or extreme conditions being in force on the day of the general meeting;

(B) the Board shall determine the date, time, place and details for members to attend virtually with the use of technology for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting. Such notice shall specify the date, time and place at which the postponed meeting will be reconvened, details for members to attend such postponed meeting virtually with the use of technology (if applicable) and the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and

(C) only the business set out in the notice of the original meeting shall be considered at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be considered at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be considered at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with the Articles.

(e) Quorum for Meetings and Separate Class Meetings

No business shall be considered at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (whether physically or by virtual attendance with the use of technology), or in the case of a member being a corporation, by its duly authorised representative or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to approve the variation of class rights, the necessary quorum shall be two persons holding or representing by proxy not less than one-third of the issued Shares of that class.

(f) Proxies

Any member of the Company (including a member which is a recognised clearing house (or its nominee(s))) entitled to attend and vote at a meeting of the Company is entitled to appoint another person (being a natural person) as his proxy to attend and vote in his place. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is a natural person and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were a natural person member present in person (whether physically or by virtual attendance with the use of technology) at any general meeting. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

The instrument appointing a proxy shall be in writing and executed under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation or other non-natural person, either under its seal or under the hand of a duly authorised representative. The appointor should be allowed to send the instrument appointing a proxy by electronic means.

The Board shall, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the manner by which the instrument appointing a proxy shall be sent by electronic means (if such means are provided) or deposited and the place and time (being no later than the time appointed for the commencement of the meeting or adjourned meeting to which the instrument of proxy relates) at which such instrument shall be deposited.

Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form that complies with the Listing Rules as the Board may from time to time approve. Any form issued to a member for appointing a proxy to attend and vote at a general meeting at which any business is to be considered shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise the discretion of the proxy in respect of) each resolution dealing with any such business.

2.6 Accounts and Audit

The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions in accordance with the Companies Act.

The books of accounts of the Company shall be kept at the principal place of business of the Company in Hong Kong or, subject to the provisions of the Companies Act, at such other place or places as the Board thinks fit and shall always be open to inspection by any Director. No member (not being a Director) or other person shall have any right to inspect any account, book or document of the Company except as conferred by the Companies Act or ordered by a court of competent jurisdiction or as authorised by the Board or the Company in general meeting.

The Board shall cause to be prepared and laid before the Company at every annual general meeting a profit and loss account for the period since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up, a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditors' report on such accounts and such other reports and accounts as may be required by law and the Listing Rules.

The members shall at each annual general meeting appoint auditor(s) to hold office by ordinary resolution of the members until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the members at the annual general meeting at which they are appointed by ordinary resolution of the members or in any other manner as specified in such ordinary resolution. The members may, at any general meeting convened and held in accordance with the Articles, remove the auditors by ordinary resolution at any time before the expiration of the term of office and shall, by ordinary resolution, at that meeting appoint new auditors in their place for the remainder of the term.

The accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

2.7 Dividends and other Methods of Distribution

Subject to the Companies Act and the Articles, the Company may by ordinary resolution resolve to declare dividends and other distributions on Shares in issue in any currency and authorise payment of the dividends or distributions out of the funds of the Company lawfully available therefor, provided that (i) no dividends shall exceed the amount recommended by the Board, and (ii) no dividends or distributions shall be paid except out of the realised or unrealised profits of the Company, out of the share premium account or as otherwise permitted by law.

The Board may from time to time pay to the members of the Company such interim dividends as appear to the Board to be justified by the financial conditions and the profits of the Company. In addition, the Board may from time to time declare and pay special dividends on Shares of such amounts and on such dates as it thinks fit.

Except as otherwise provided by the rights attached to any Shares, all dividends and other distributions shall be paid according to the amounts paid up on the Shares that a member holds during the period in respect of which the dividends and distributions are paid. No amount paid up on a Share in advance of calls shall for this purpose be treated as paid up on the Share.

The Board may deduct from any dividends or other distributions payable to any member of the Company all sums of money (if any) then payable by him to the Company on account of calls or otherwise. The Board may retain any dividends or distributions payable on or in respect of a Share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

No dividends or other distributions payable by the Company on or in respect of any Share shall carry interest against the Company.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared, the Board may further resolve:

(a) that such dividend be satisfied in whole or in part in the form of an allotment of Shares credited as fully paid on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(b) that the members entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid in lieu of the whole or such part of the dividend as the Board may think fit on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee.

Upon the recommendation of the Board, the Company may by ordinary resolution resolve in respect of any one particular dividend of the Company determine that notwithstanding the foregoing, a dividend may be satisfied wholly in the form of an allotment of Shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividends, distributions or other monies payable in cash in respect of Shares may be paid by wire transfer to the holder of such Shares or by cheque or warrant sent by post to the registered address of such holder, or in the case of joint holders, to the registered address of the holder who is first named on the register of members of the Company, or to such person and to such address as the holder or joint holders may in writing direct. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other monies payable in respect of the Shares held by them as joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied in whole or in part by the distribution of specific assets of any kind.

Any dividends or other distributions which remain unclaimed for six years from the date on which such dividends or distributions become payable shall be forfeited and shall revert to the Company.

2.8 Inspection of Corporate Records

For so long as any part of the share capital of the Company is [**REDACTED**] on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of members is closed in accordance with the Companies Ordinance) without charge and require the provision to him of copies or extracts of such register in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.

2.9 Rights of Minorities in relation to Fraud or Oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under the Cayman Islands laws, as summarised in paragraph 3.6 below.

2.10 Procedures on Liquidation

Subject to the Companies Act, the members of the Company may by special resolution resolve to wind up the Company voluntarily or by the court.

Subject to any rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of Shares:

(a) if the assets available for distribution among the members of the Company are more than sufficient to repay the whole of the Company's paid up capital at the commencement of the winding up, the surplus shall be distributed *pari passu* among such members in proportion to the amount paid up on the Shares held by them at the commencement of the winding up; and

(b) if the assets available for distribution among the members of the Company are insufficient to repay the whole of the Company's paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or ought to be paid up, on the Shares held by them at the commencement of the winding up.

If the Company is wound up (whether the liquidation is voluntary or compelled by the court), the liquidator may, with the approval of a special resolution and any other approval required by the Companies Act, divide among the members in kind the whole or any part of the assets of the Company, whether the assets consist of property of one kind or different kinds, and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be so divided and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like approval, vest any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator thinks fit, provided that no member shall be compelled to accept any shares or other property upon which there is a liability.

3. COMPANY LAWS OF THE CAYMAN ISLANDS

The Company was incorporated in the Cayman Islands as an exempted company on 1 December 2017 subject to the Companies Act. Certain provisions of the company laws of the Cayman Islands are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the company laws of the Cayman Islands, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

3.1 Company Operations

An exempted company such as the Company must conduct its operations mainly outside the Cayman Islands. An exempted company is also required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

3.2 Share Capital

Under the Companies Act, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account, to be called the share premium account. At the option of a company, these provisions may not apply to premium on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) any manner provided in section 37 of the Companies Act;

(d) writing-off the preliminary expenses of the company; and

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

Subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorised to do so by its articles of association, by special resolution reduce its share capital in any way.

3.3 Financial Assistance to Purchase Shares of a Company or its Holding Company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company, when proposing to grant such financial assistance, discharge their duties of care and act in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

3.4 Purchase of Shares and Warrants by a Company and its Subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares; an ordinary resolution of the company approving the manner and terms of the purchase will be required if the articles of association do not authorise the manner and terms of such purchase. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless, immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if held in compliance with the requirements of section 37A(1) of the Companies Act. Any such shares shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Companies Act.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under the Cayman Islands laws that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy, sell and deal in personal property of all kinds.

A subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

3.5 Dividends and Distributions

Subject to a solvency test, as prescribed in the Companies Act, and the provisions, if any, of the company's memorandum and articles of association, a company may pay dividends and distributions out of its share premium account. In addition, based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid out of profits.

For so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made, in respect of a treasury share.

3.6 Protection of Minorities and Shareholders' Suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss vs. Harbottle* and the exceptions to that rule) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge acts which are ultra vires, illegal, fraudulent (and performed by those in control of the company) against the minority, or represent an irregularity in the passing of a resolution which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report on such affairs. In addition, any member of a company may petition the court, which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

3.7 Disposal of Assets

There are no specific restrictions on the power of directors to dispose of assets of a company, however, the directors are expected to exercise certain duties of care, diligence and skill to the standard that a reasonably prudent person would exercise in comparable circumstances, in addition to fiduciary duties to act in good faith, for proper purpose and in the best interests of the company under English common law (which the Cayman Islands courts will ordinarily follow).

3.8 Accounting and Auditing Requirements

A company must cause proper records of accounts to be kept with respect to: (i) all sums of money received and expended by it; (ii) all sales and purchases of goods by it; and (iii) its assets and liabilities.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If a company keeps its books of account at any place other than at its registered office or any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

3.9 Exchange Control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

3.10 Taxation

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments.

3.11 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

3.12 Loans to Directors

There is no express provision prohibiting the making of loans by a company to any of its directors. However, the company's articles of association may provide for the prohibition of such loans under specific circumstances.

3.13 Inspection of Corporate Records

The members of a company have no general right to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

3.14 Register of Members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. There is no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands.

3.15 Register of Directors and Officers

Pursuant to the Companies Act, the Company is required to maintain at its registered office a register of directors, alternate directors and officers. The Registrar of Companies shall make available the list of the names of the current directors of the Company (and, where applicable, the current alternate directors of the Company) for inspection by any person upon payment of a fee by such person. A copy of the register of directors and officers must be filed with the Registrar of Companies in the Cayman Islands, and any change must be notified to the Registrar of Companies within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

3.16 Winding up

A Cayman Islands company may be wound up by: (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company (other than a limited duration company, for which specific rules apply) occurs where the company resolves by special resolution that it be wound up voluntarily or where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due. In the case of a voluntary winding up, the company is obliged to cease to carry on its business from the commencement

of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators are appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company disposed of, and call a general meeting of the company for the purposes of laying before it the account and giving an explanation of that account.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, one or more persons may be appointed to be called an official liquidator(s). The court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one person is appointed to such office, the court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

3.17 Mergers and Consolidations

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorised by (a) a special resolution of each constituent

company and (b) such other authorisation, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting members have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

3.18 Mergers and Consolidations involving a Foreign Company

Where the merger or consolidation involves a foreign company, the procedure is similar, save that with respect to the foreign company, the directors of the Cayman Islands exempted company are required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the merger or consolidation is permitted or not prohibited by the constitutional documents of the foreign company and by the laws of the jurisdiction in which the foreign company is incorporated, and that those laws and any requirements of those constitutional documents have been or will be complied with; (ii) that no petition or other similar proceeding has been filed and remains outstanding or order made or resolution adopted to wind up or liquidate the foreign company in any jurisdictions; (iii) that no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction and is acting in respect of the foreign company, its affairs or its property or any part thereof; and (iv) that no scheme, order, compromise or other similar arrangement has been entered into or made in any jurisdiction whereby the rights of creditors of the foreign company are and continue to be suspended or restricted.

Where the surviving company is the Cayman Islands exempted company, the directors of the Cayman Islands exempted company are further required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the foreign company is able to pay its debts as they fall due and that the merger or consolidated is bona fide and not intended to defraud unsecured creditors of the foreign company; (ii) that in respect of the transfer of any security interest granted by the foreign company to the surviving or consolidated company (a) consent or approval to the transfer has been obtained, released or waived; (b) the transfer is permitted by and has been approved in accordance with the constitutional documents of the foreign company; and (c) the laws of the jurisdiction of the foreign company with respect to the transfer have been or will be complied with; (iii) that the foreign company will, upon the merger or consolidation becoming effective, cease to be incorporated, registered or exist under the laws of the relevant foreign jurisdiction; and (iv) that there is no other reason why it would be against the public interest to permit the merger or consolidation.

3.19 Reconstructions and Amalgamations

Reconstructions and amalgamations may be approved by (i) 75% in value of the members or class of members or (ii) a majority in number representing 75% in value of the creditors or class of creditors, in each case depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting member has the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, it can be expected that the court would approve the transaction if it is satisfied that (i) the company is not proposing to act illegally or beyond the scope of our corporate authority and the statutory provisions as to majority vote have been complied with, (ii) the members have been fairly represented at the meeting in question, (iii) the transaction is such as a businessman would reasonable approve and (iv) the transaction is not one that would more properly be sanctioned under some other provisions of the Companies Act or that would amount to a "fraud on the minority".

If the transaction is approved, no dissenting member would have any rights comparable to the appraisal rights (namely the right to receive payment in cash for the judicially determined value of his shares), which may be available to dissenting members of corporations in other jurisdictions.

3.20 Takeovers

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may, at any time within two months after the expiration of that four-month period, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the Cayman Islands courts within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

3.21 Indemnification

The Cayman Islands laws do not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

3.22 Economic Substance

The Cayman Islands enacted the International Tax Co-operation (Economic Substance) Act (2024 Revision) together with the Guidance Notes published by the Cayman Islands Tax Information Authority from time to time. If a company is considered to be a "relevant entity" and is conducting one or more of the nine "relevant activities", then such company will be required to comply with the economic substance requirements in relation to the relevant activity from 1 July 2019. All companies whether a relevant entity or not is required to file an annual report with the Registrar of Companies of the Cayman Islands confirming whether or not it is carrying on any relevant activities.

4. GENERAL

Harney Westwood & Riegels, the Company's legal adviser on Cayman Islands laws, has sent to the Company a letter of advice summarising the aspects of the Companies Act set out in section 3 above. This letter, together with copies of the Companies Act, the Memorandum and the Articles, is on display on the websites of the Stock Exchange and the Company as referred to in the paragraph headed "Documents on display" in Appendix V. Any person wishing to have a detailed summary of the Companies Act or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on December 1, 2017. Our registered office is at the offices of Vistra (Cayman) Limited located at P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands. Accordingly, our corporate structure and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of certain aspects of the Cayman Islands company law and a summary of certain provisions of our Articles of Association are set out in "Appendix III — Summary of the Constitution of the Company and the Company Laws of the Cayman Islands" to this document.

Our registered place of business in Hong Kong is at Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. We registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance on February 9, 2026. Ms. PUN Ka Ying (盤嘉盈), one of our joint company secretaries, has been appointed as the authorized representative of our Company for the acceptance of the service of process on behalf of our Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

2. Changes in the Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure" in this document, there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this document.

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 1 to the Accountants' Report as set out in Appendix I to this document.

The following alterations in the share or registered capital of our subsidiaries have taken place within two years immediately preceding the date of this document.

Tyligand Shanghai

On August 14, 2024, the registered capital of Tyligand Shanghai was increased from RMB300 million to RMB400 million. On September 19, 2025, the registered capital of Tyligand Shanghai was increased from RMB400 million to RMB500 million.

Tyligand Suzhou

On August 13, 2024, the registered capital of Tyligand Suzhou was increased from US$3 million to US$20 million. On April 29, 2025, the registered capital of Tyligand Suzhou was increased from US$20 million to US$40 million. On January 22, 2026, the registered capital of Tyligand Suzhou was increased from US$40 million to US$60 million.

Tyligand Hainan

On October 28, 2024, the registered capital of Tyligand Hainan was decreased from RMB20 million to RMB1 million.

4. Resolutions of Shareholders of Our Company Passed on [●]

Written resolutions of our Shareholders were passed on [●], pursuant to which, among others:

(i) all of the Preferred Shares (whether issued or unissued) be re-designated and reclassified as Ordinary Shares of US$0.001 each on one-for-one basis before the [**REDACTED**] becoming unconditional was approved;

(ii) the Memorandum and Articles of Association was approved and adopted conditional upon [**REDACTED**];

(iii) conditional upon all the conditions set out in "Structure of the [**REDACTED**] — [**REDACTED**]" being fulfilled:

(a) each of the Share Subdivision, the [**REDACTED**] and the granting of the [**REDACTED**] [was approved];

(b) the Board (or any of its duly authorized committee or person thereof) [was authorized] to allot and issue the new Shares pursuant to the Share Subdivision, the [**REDACTED**] and the [**REDACTED**];

(c) the Board (or any of its duly authorized committee or person thereof) [was authorized] to agree to the [**REDACTED**] per [**REDACTED**] with the [**REDACTED**];

(d) a general unconditional mandate [was granted] to our Directors to allot, issue and deal with Shares (including the resale or transfer of Treasury Shares by our Company) or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities and to make or grant offers, agreements or options (including but not limited to warrants, bonds, debentures, notes and other securities convertible into Shares) which would or might require the exercise of such powers, provided that the

aggregate nominal value of Shares allotted or agreed conditionally or unconditionally to be allotted by our Directors other than pursuant to (i) a rights issue, (ii) any scrip dividend scheme or similar arrangement providing for the allotment and issuance of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association, (iii) the exercise of any subscription or conversion rights attaching to any warrants or securities which are convertible into Shares or in issue prior to the date of passing the relevant resolution or (iv) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of (1) 20% of the total nominal value of the share capital of our Company in issue (excluding Treasury Shares) immediately following the completion of and the [**REDACTED**] (assuming the [**REDACTED**] is not exercised) and (2) the total nominal value of the share capital of our Company repurchased by our Company (if any) under the general mandate to repurchase Shares referred to in paragraph (v) below, such mandate to remain in effect during the period from the passing of the resolution until the earliest of the conclusion of our next annual general meeting, the end of the period within which we are required by any applicable law or the Articles of Association to hold our next annual general meeting or the date on which the resolution is varied or revoked by an ordinary resolution of the Shareholders in general meeting (the "**Applicable Period**");

(e) a general unconditional mandate [was granted] to our Directors to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [**REDACTED**] and which is recognized by the SFC and the Stock Exchange for this purpose Shares with a total nominal value of not more than 10% of the total nominal value of the share capital of our Company in issue (excluding Treasury Shares, if any) immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), such mandate to remain in effect during the Applicable Period (the "**Repurchase Mandate**"); and

(f) the general unconditional mandate mentioned in paragraph (d) above be extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (e) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of our Company's share capital in issue (excluding Treasury Shares, if any) immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

5. Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this document concerning the repurchase of our own securities. Our Directors confirm that neither the explanatory statement of the Share Repurchase Mandate nor the proposed share repurchase has any unusual features.

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own Shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(i) Shareholders' Approval

All proposed repurchase of Shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our Shareholders on [●], the Repurchase Mandate was given to our Directors authorizing them to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be [**REDACTED**] and which is recognized by the SFC and the Stock Exchange for this purpose, with a total number up to 10% of the aggregate number of our Shares in issue immediately following the completion of the Share Subdivision and the [**REDACTED**] (excluding any Shares which may be issued pursuant to the exercise of the [**REDACTED**]) with such mandate to expire at the earliest of (i) the conclusion of the next annual general meeting of our Company (unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions), (ii) the expiration of the period within which our Company's next annual general meeting is required by the Articles of Association or any other applicable laws to be held, and (iii) the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

(ii) Source of Funds

Any repurchases of Shares by us must be funded out of funds legally available for the purpose in accordance with our Memorandum and Articles of Association, the Listing Rules and the applicable laws of Hong Kong and the Cayman Islands. We are not permitted to repurchase our Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. As a matter of Cayman law, any purchases by our Company may be made out of profits or out of proceeds of a new issue of shares made for the purpose of the purchase or from sums standing to the credit of our share premium account

or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act. Any premium payable on the purchase over the par value of the shares to be purchased must have been provided for out of profits or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act.

(iii) Trading Restrictions

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue (excluding Treasury Shares).

A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring our Company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A listed company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(iv) Status of Repurchased Shares

Pursuant to the Listing Rules, the shares repurchased by an issuer shall be held as Treasury Shares or cancelled. The listing of all shares which are held as Treasury Shares shall be retained. The issuer shall ensure that Treasury Shares are appropriately identified and segregated. The [**REDACTED**] of all repurchased securities (whether on the Stock Exchange or otherwise) but not held as Treasury Shares is automatically cancelled upon repurchase and our Company must apply for [**REDACTED**] of any further Shares in the normal way. The relative certificates must be cancelled and destroyed as soon as reasonably practicable following settlement of any such repurchase. However, the purchase of shares will not be taken as reducing the amount of the authorized share capital of our Company under the Cayman Companies Act.

(v) Suspension of Repurchase

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of results announcement, the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if the Stock Exchange considers the listed company has breached the Listing Rules.

(vi) Reporting Requirements

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following Business Day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such repurchases, where relevant, and the aggregate prices paid.

(vii) Core Connected Persons

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a "core connected person", that is, a director, chief executive or substantial shareholder of our Company or any of its subsidiaries or a close associate of any of them (as defined in the Listing Rules) and a core connected person shall not knowingly sell his securities to our Company.

(b) Reasons for Repurchase

Our Directors believe that it is in the best interest of our Company and Shareholders for our Directors to have general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where our Directors believe that such repurchases will benefit our Company and Shareholders.

(c) Funding of Repurchases

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands.

Our Directors may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, our Directors may make repurchases out of profits of the Company, out of the share premium account of the Company or out of the proceeds of a new issuance of shares made for the purpose of the repurchase and, in the case of any premium payable on the repurchase, out of profits of our Company or from sums standing to the credit of the share premium account of our Company. Subject to the Cayman Companies Act, a repurchase may also be made out of capital.

However, our Directors do not propose to exercise the general mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company.

(d) General

The exercise in full of the Repurchase Mandate, on the basis of [**REDACTED**] Shares in issue (excluding Treasury Shares) immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), could accordingly result in up to [**REDACTED**] Shares being repurchased by our Company during the period prior to: (i) the conclusion of the next annual general meeting of our Company; (ii) the expiry of the period within which our Company is required by the Articles of Association or any applicable law to hold our annual general meeting; or (iii) the variation or revocation by an ordinary resolution of the Shareholders passed in a general meeting, whichever is the earliest.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any Shares to us or our subsidiaries.

Our Directors [have undertaken] to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, the Articles of Association, the Cayman Companies Act or any other applicable laws of the Cayman Islands.

Subject to the applicable requirements under the Listing Rules, our Company may cancel the repurchased Shares following settlement of any such repurchase or hold them as Treasury Shares, subject to, for example, market conditions and its capital management needs at the relevant time of the repurchases.

Should our Company decide to hold repurchased Shares as Treasury Shares, we will, upon completion of the Share repurchase, withdraw the repurchased Shares from [**REDACTED**] and register the Treasury Shares in our Company's name. We may re-deposit its Treasury Shares into [**REDACTED**] only if it has an imminent plan to resell these Treasury Shares on the Stock Exchange and will complete such resale as soon as possible. We will have appropriate measures to ensure that it would not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the relevant laws with respect to Treasury Shares. These measures include, for example, an approval by the Board that (i) our Company should procure its [**REDACTED**] not to give any instructions to [**REDACTED**] to vote at general meetings for the Treasury Shares deposited with [**REDACTED**]; and (ii) in the case of dividends or distributions, our Company should withdraw the Treasury Shares from [**REDACTED**], and either re-register them in our Company's name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

Holders of Treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at our Company's general meetings.

If, as a result of a repurchase of our Shares pursuant to the repurchase mandate, a Shareholder's proportionate interest in our voting rights is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of us and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the repurchase mandate.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of our Shares than in issue could only implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No core connected person, as defined in the Listing Rules, has notified us that he/she/it has a present intention to sell their Shares to us, or has undertaken not to do so, if the repurchase mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contract(s)

We have entered into the following contract(s) (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document that are or may be material:

(i) the [**REDACTED**]; and

(ii) [●].

2. Intellectual Property Rights

(a) Trademarks

Registered Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Owner	Class	Place of registration	Expiry date	Registration number
1.	Tyligand	Tyligand Shanghai	44	PRC	January 13, 2030	38318048
2.	Tyligand	Tyligand Shanghai	42	PRC	January 13, 2030	38318049
3.	Tyligand	Tyligand Shanghai	35	PRC	January 13, 2030	38318050
4.	Tyligand	Tyligand Shanghai	10	PRC	January 13, 2030	38318051
5.	Tyligand	Tyligand Shanghai	5	PRC	January 13, 2030	38318052
6.	泰励	Tyligand Shanghai	42	PRC	January 13, 2030	38318043
7.	泰励	Tyligand Shanghai	44	PRC	January 13, 2030	38318044
8.	泰励	Tyligand Shanghai	5	PRC	April 20, 2030	38318045
9.	泰励	Tyligand Shanghai	35	PRC	April 20, 2030	38318047
10.	泰励医药	Tyligand Hainan	5, 10, 35, 40, 42, 44	PRC	January 20, 2034	71139816
11.	泰励生物	Tyligand Hainan	35, 40, 42	PRC	February 13, 2034	70919381
12.	泰励	Tyligand Hainan	10	PRC	March 20, 2034	74431653

No.	Trademark	Owner	Class	Place of registration	Expiry date	Registration number
13.	Tyligand Bioscience	Tyligand Hainan	10, 40, 42	PRC	February 27, 2034	70998300
14.	泰尔昌	Tyligand Hainan	5	PRC	June 27, 2033	67453787
15.	DATIA	Tyligand Hainan	1, 5, 42, 44	PRC	June 13, 2033	67720395
16.	久泰益	Tyligand Hainan	5	PRC	April 13, 2033	67707757
17.	久泽安	Tyligand Hainan	5	PRC	April 13, 2033	67718297
18.	欣尔力	Tyligand Hainan	5	PRC	April 13, 2033	67709914
19.	欣泰益	Tyligand Hainan	5	PRC	August 20, 2033	67718607
20.	Tyligand 泰励生物	Tyligand Suzhou	5, 35, 42	Hong Kong	March 16, 2036	307094458
21.	Tyligand	Tyligand Suzhou	5, 35, 42	Hong Kong	March 10, 2036	307086457
22.	Tyligand Bioscience	Tyligand Suzhou	5, 35, 42	Hong Kong	March 16, 2036	307094449
23.	泰勵 泰励	Tyligand Suzhou	5, 35, 42	Hong Kong	March 16, 2036	307094449

(b) Patents

Registered Patents

As of the Latest Practicable Date, we owned the following registered patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of registration	Patent number	Owner	Expiration date
1.	Multifunctional cyclic-dinucleotides and uses thereof（多功能環二核苷酸及其用途）	Invention	PRC	CN115160392B	Tyligand Shanghai	October 15, 2041
2.	Multifunctional cyclic-dinucleotides and uses thereof（多功能環二核苷酸及其用途）	Invention	Hong Kong	HK40079070B	Tyligand Shanghai	October 15, 2041

No.	Patent	Type of patent	Place of registration	Patent number	Owner	Expiration date
3. . .	Multifunctional cyclic-dinucleotides and uses thereof（多功能環二核苷酸及其用途）	Invention	Taiwan	TWI901793B	Tyligand Shanghai	October 19, 2041
4. . .	Multifunctional cyclic-dinucleotides and uses thereof（多功能環二核苷酸及其用途）	Invention	Japan	JP7875196B2	Tyligand Shanghai	October 19, 2041
5. . .	Multifunctional cyclicdinucleotides and uses thereof (多功能環二核苷酸及其用途)	Invention	Macao	MOJ/10250C	Tyligand Shanghai	October 19, 2041
6. . .	KRAS inhibitors for cancer treatment (用於癌症治療的KRAS抑制劑)	Invention	PRC	CN113637005B	Tyligand Shanghai	February 24, 2041
7. . .	KRas inhibitors for cancer treatment (用於癌症治療的KRas抑制劑)	Invention	PRC	CN114920738B	Tyligand Shanghai	November 1, 2041
8. . .	KRAS inhibitors for cancer treatment (用於癌症治療的KRAS抑制劑)	Invention	PRC	CN116867779B	Tyligand Shanghai	November 5, 2041

(c) Domain Names

As of the Latest Practicable Date, we had registered the following internet domain names which we consider to be or may be material to our business:

No.	Domain name	Owner	Expiry date
1. . .	www.tyligand.com.cn	Tyligand Shanghai	November 11, 2027
2. . .	www.tyligand.com	Our Company	November 11, 2026
3. . .	www.tyligand.net	Our Company	November 11, 2026
4. . .	www.tyligand.cn	Our Company	November 11, 2026

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents or other intellectual or industrial property rights which were material in relation to our Group's business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interest

(a) Interests and Short Positions of the Directors and Chief Executive of Our Company in the Shares, Underlying Shares and Debentures of Our Company and Our Associated Corporation

Save as disclosed in the section headed "Substantial Shareholders," immediately following completion of the Share Subdivision and the [**REDACTED**] (assuming the [**REDACTED**] is not exercised, the share options granted under the 2023 Incentive Plan are not exercised and each Preferred Share will be automatically converted to one Share upon the [**REDACTED**] becoming unconditional), the interests of our Directors and chief executive in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, are set out as follows.

(i) Long positions in the underlying Shares in our Company

		Immediately after the [REDACTED]	
Name	**Nature of interest**	**Number of Shares[(1)]**	**Approximate percentage of interest in our Company**
Dr. Zhang	Beneficial owner	4,251,000[(1)]	[**REDACTED**]%
Dr. Zhong	Beneficial owner	3,270,000[(1)]	[**REDACTED**]%

Note:

(1) Representing the shares (as adjusted after the Share Subdivision) underlying the Options granted to him under the 2023 Incentive Plan.

(b) Interests of the substantial Shareholders in the Shares and Underlying Shares of our Company

Save as disclosed below and in the section headed "Substantial Shareholders," immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised, the share options granted under the 2023 Incentive Plan are not exercised and

each Preferred Share will be automatically converted to one Share upon the [**REDACTED**] becoming unconditional), our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the voting power at any general meeting of our Company.

(c) Interests in Other Members of Our Group

As of the Latest Practicable Date, our Directors are not aware of any persons (excluding our Company and its subsidiaries) are directly and indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at any general meeting of any member of our Group (other than our Company).

2. Directors' Service Contracts and Letters of Appointment

(a) Executive Directors and Non-executive Directors

Each of the executive Directors and the non-executive Directors [has entered] into a service contract with our Company under which they agreed to act as an executive Director or a non-executive Director for an initial term of three years commencing from the date of his appointment as a Director and continue for a period of three years or until the third annual general meeting of the Company since the [**REDACTED**], whichever is earlier, which may be terminated by not less than [three months'] notice in writing served by either the executive Director or our Company.

The appointments of the executive Directors and the non-executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

(b) Independent non-executive Directors

Each of the independent non-executive Directors [has signed] an appointment letter with our Company for a term of three years with effect from the date of his appointment as a Director and continue for a period of three years or until the third annual general meeting of the Company since the [**REDACTED**], whichever is earlier. The appointments of the independent non-executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

3. Director's Remuneration

Save as disclosed in "Directors and Senior Management" of this document and Note 9 to the Accountants' Report as set out in Appendix I to this document, for the two financial years ended December 31, 2025 and the six months ended June 30, 2026, none of our Directors received other remunerations of benefits in kind from us.

There were no arrangements under which any Director has waived or agree to waive any emolument during the Track Record Period.

4. Disclaimers

(i) Save as disclosed in "— 2. Directors' Service Contracts and Letters of Appointment" in this Appendix above, there is no existing or proposed service contract (excluding any contract expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between our Directors and any member of our Group.

(ii) None of our Directors or the experts named in "— E. Other Information — 8. Qualifications and Consents of Experts" in this Appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group.

(iii) Save in connection with the [**REDACTED**], none of our Directors nor any of the experts named in "— E. Other Information — 8. Qualifications and Consents of Experts" in this Appendix is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group as a whole.

(iv) None of our Directors or their respective close associates or any Shareholders of our Company (who to the knowledge of our Directors owns more than 5% of the number of our issued shares) has any interest in our five largest suppliers or our five largest customers.

D. 2023 INCENTIVE PLAN

Summary of Principal Terms of the 2023 Incentive Plan

As of the Latest Practicable Date, we had one share incentive plan in effect, namely the 2023 Incentive Plan, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules.

The 2023 Incentive Plan was adopted on June 28, 2023 upon approval by our then Shareholders. A summary of the principal terms of the 2023 Incentive Plan is set out below:

(i) Purpose

The purposes of the 2023 Incentive Plan (the "**Plan**") is to enhance the long-term shareholder value of the Company by offering opportunities to Eligible Participants (as defined below) to participate in and benefit from the Company's growth and success, and to secure and retain the services of Eligible Participants.

(ii) Eligible Participants

Full-time employees or consultants that have entered into written employment agreements or consultant agreements with the Company or any of its subsidiaries are eligible to receive the Options; provided that service solely as a director, or payment of a fee for such services, will not cause a director to be considered an Employee for purposes of the Plan (the "**Eligible Participants**").

(iii) Administration

The Plan shall be subject to the administration of Dr. Zhang or any officer of the Company designated by Dr. Zhang (the "**Administrator**"). The Administrator has the power to (a) determine the provisions of the Option, provided that if Options granted to the same Eligible Participant in a single or series of grants exceeds 0.5% of the Company's then issued and outstanding share capital, the Administrator shall obtain the written consent of the Board prior to such grant; (b) construe and interpret the Plan and the Options granted, and establish, amend and revoke rules and regulations for administration of the 2023 Incentive Plan and the Options. The Administrator, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan, any share option award agreement or any grant notice, in a manner and to the extent it will deem necessary or expedient to make the Plan or an Option fully effective; (c) settle all controversies on behalf of the Company regarding the Plan and the Options granted under it; (d) approve and amend share option award agreement and grant notice, and amend the terms of any Option, subject to a few exceptions stipulated by the Plan; (e) exercise such powers and to perform such acts as the Administrator deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan; and (f) without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules, procedures and subplans, regarding, without limitation, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of share issuances, which may vary according to local requirements.

Notwithstanding the foregoing, any amendment to the Plan shall be approved by the Board, and for the avoidance of doubt, the Administrator reserves the right to confirm or amend the share option award agreement and the grant notice in any respect the Administrator deems necessary or advisable, subject to the limitations, if any, of applicable Law; provided, however, that (i) except as otherwise expressly provided in the Plan, an share option award agreement or a grant notice, no amendment of the Plan will impair a grantee's rights under an outstanding Option or Shares unless (a) the Company requests the consent of the affected grantee and (b)

such grantee consents in writing. Notwithstanding the foregoing, a grantee's rights will not be deemed to have been impaired by any such amendment if the Administrator, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the grantee's rights, and subject to the limitations of applicable law, if any, the Administrator may amend the terms of the Options without the affected grantee's consent (i) to maintain the tax qualification status of the Option, (ii) to comply with any applicable laws.

(iv) Shares Subject to the Plan

The maximum number of Shares that may be issued pursuant to the Option under the Plan shall not exceed 3,849,376 Shares (being 19,246,880 Shares upon the completion of the Share Subdivision) in the aggregate, representing [**REDACTED**]% of our total issued Shares upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

If an Option or any portion thereof expires or otherwise terminates without all of the Shares covered by such Option having been issued, such termination or expiration will not reduce (or otherwise offset) the number of Shares that may be available for issuance under the Plan. For the avoidance of doubt, (a) any Shares repurchased or reduced by the Company in satisfaction of tax withholding obligations on an Option or as consideration for the exercise or purchase price of an Option shall be no longer available for issuance under the Plan; and (b) if any Option or any portion thereof is purchased by the Company pursuant to scheme rules, the Option so purchased shall be cancelled, while the underlying Shares shall continue be available for issuance under the Plan.

The Shares issuable under the Plan can be satisfied by issuance of new Shares or repurchase of Shares by the Company.

(v) Grant of Share Option

The Option will be allocated and granted at the sole discretion of the Administrator. Subject to the terms of the 2023 Incentive Plan, each Option may contain such additional terms and conditions as the Administrator deems appropriate.

(vi) Condition to Exercise and Method of Exercise

Subject to other conditions set forth in the Plan, the share option award agreement and grant notice, the Option shall only be exercisable upon the occurrence of a trade sale or an [**REDACTED**] ("**Exit Event**").

In the event of a trade sale, the unvested Option will be accelerated and become vested and exercisable. If any grantee fails to exercise any portion of his Option within the applicable Exercise Period (as defined below), such grantee shall be deemed to have forfeited all such unexercised Option that he would have been entitled to exercise and any Share issuable pursuant thereto.

In the event of an [**REDACTED**], a grantee may exercise the vested Option. Any vested Option not exercised upon an [**REDACTED**] or unvested Option may be vested pursuant to the applicable vesting schedule and acceleration provision and may be exercised at any time after the [**REDACTED**], subject to the compliance of lock-up requirements under applicable laws or as the [**REDACTED**] or the Administrator reasonably request to facilitate the compliance with applicable laws.

In compliance with applicable law, the Company will notify the grantee of an Exit Event at least 30 days in advance (the "**Exercise Period**"). To exercise an Option, the grantee shall deliver a written notice of exercise during this period, specifying the number of ordinary shares and accompanied by full payment and the share option award agreement. If exercise or share issuance would violate applicable laws, the Administrator may extend the Exercise Period for a reasonable time. Subject to such legal compliance, the Company will promptly issue the ordinary shares upon exercise and update its register of members. For clarity, any Option not exercised during the Exercise Period in connection with an [**REDACTED**] may still be exercised post-[**REDACTED**], subject to the compliance of other provisions of 2023 Incentive Plan, award agreement, and grant notice.

(vii) Exercise Price

The exercise price per Share under each Option is specified in the share option award agreement or grant notice and is subject to capitalization adjustments as stipulated in the Plan. Unless otherwise approved by the Board, the exercise price is determined as a percentage of the per-share price in the Company's most recent equity financing as of the grant date: (i) 30% for Options granted before the series B financing; (ii) 50% for Options granted after series B financing but before series D financing; and (iii) 80% for Options granted after series D financing but prior to the [**REDACTED**].

(viii) Vesting Schedule

The Option shall be vested in accordance with the vesting schedule set forth in the share option award agreement and the grant notice, subject to other conditions set forth in the Plan. In addition, the Administrator may, at its sole discretion, accelerate vesting of any Option at any time, notwithstanding anything to the contrary in the Plan, the share option award agreement or the grant notice.

(ix) Clawback Mechanism

Bad Leave. If a grantee's employment is terminated (i) by the Group for cause, (ii) by the grantee, while the Group could have terminated his services for cause, or (iii) by either the grantee or the Group, and after the termination the grantee breaches his post-termination-of-service covenants to the group, all unvested Options will terminate and be forfeited immediately upon the termination of employment, and the grantee will be prohibited from exercising any of such unvested Options from and after such termination of employment; and the Company has the right, but not an obligation, at the sole discretion of the Administrator, to repurchase from such grantee all of his vested Option at the par value of the Ordinary Shares.

Good Leave. Save as otherwise provided above, if a grantee's employment is terminated by either the grantee or the Group, all unvested Options will terminate and be forfeited immediately upon the termination of employment, and such grantee will be prohibited from exercising any of such unvested Options from and after such termination of employment; such Participant may exercise the vested Option, and the Company has the right, but not an obligation, at the sole discretion of the Administrator, to repurchase from such grantee all of his vested Option which shall be priced based on the principles of the exercise price. Notwithstanding the foregoing, if the total number of Shares subject to the vested Options of such grantee exceeds 0.1% of the then issued and outstanding share capital of the Company, the Administrator shall obtain the written consent of the Board prior to such repurchase.

Death. In the event of the death of a grantee, to the extent that his vested Option is not repurchased by the Company pursuant to the Plan, the share option award agreement or the grant notice, such grantee's vested Option may be exercised by the grantee's estate, by a person who acquires the right to exercise the Option by bequest or inheritance or by a person designated to exercise the Option upon or after the grantee's death. If, after the grantee's death, the Option is not exercised in accordance with the foregoing, the Option will terminate and be forfeited.

(x) Call Rights

The repurchase events under the Plan include: (a) termination of the grantee's employment and (b) any other repurchase arrangements determined by the Board from time to time. Within 30 days of announcing a repurchase event, the Company may exercise its call right by delivering written notice to the relevant grantee, specifying the number of Options to be repurchased and a settlement date no later than the last day of the repurchase period. The repurchase price may be paid, at the Company's option, by (a) cash or check, (b) offset against any indebtedness owed by the grantee to the Company, or (c) a combination of both. Upon delivery of the notice and the Company making the payment available as described, the repurchase is deemed completed.

(xi) Shareholder Rights

A grantee shall not be deemed a shareholder or have any shareholder rights with respect to the ordinary shares subject to an Option unless and until: (a) all exercise and issuance requirements under the Option have been fully satisfied; and (b) the issuance of such shares has been recorded in the Company's books and its register of members has been updated accordingly. Notwithstanding any provision to the contrary, Options confer no shareholder rights of any kind.

(xii) Restriction on Transferability

Unless approved by the Administrator, (a) an Option may not be sold, transferred, assigned, pledged or otherwise disposed of by the grantee directly or indirectly, except by will or under the laws of descent and distribution, and any such transfer remains subject to all terms of the Option; and (b) the Option may be exercised only by the grantee during their lifetime or, by a permitted assignee or transferee of the grantee.

(xiii) Term

Unless terminated sooner by the Administrator, the term of each share option shall be specified in the offer notice but shall not exceed ten (10) years from the June 28, 2023, by which time all Options, vested or unvested, shall automatically terminate and be no longer exercisable. The Administrator may suspend or terminate the Plan at any time. No Options may be granted under the Plan while the Plan is suspended or after it is terminated. In the event that the exercise conditions based on the Exit Events have never been satisfied when the Plan is terminated, the Company and the Participants may negotiate a new employee share incentive plan in good faith.

Options Granted under 2023 Incentive Plan

We have conditionally granted 3,849,376 Options under the 2023 Incentive Plan (representing the right to subscribe for 19,246,880 Share immediately upon completion of the Share Subdivision) to 25 grantees, who are our current employees, former employees or external consultants, under the 2023 Incentive Plan, all of which remained outstanding as of the Latest Practicable Date (the "**Outstanding Pre-[REDACTED] Options**"). As of the Latest Practicable Date, no further Options are grantable under the 2023 Incentive Plan.

The number of Shares underlying the Outstanding Pre-[**REDACTED**] Options will only be issued by our Company after the [**REDACTED**]. Therefore, the Outstanding Pre-[**REDACTED**] Options may have a dilution effect on the Shares held by our Shareholders as of the [**REDACTED**]. No consideration is paid for grant of the Outstanding Pre-[**REDACTED**] Options.

The total number of Shares underlying the Outstanding Pre-[**REDACTED**] Options (i.e., 3,849,376 Shares) represented (a) 8.35% of the total issued Shares of our Company as of the Latest Practicable Date, and (b) [**REDACTED**]% of the total issued Shares immediately after completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised). The shareholding of our Shareholders upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised) will be diluted by approximately [**REDACTED**]% if the Outstanding Pre-[**REDACTED**] Options are fully vested and exercised.

The table below set out the details of the options granted under the 2023 Incentive Plan which remained outstanding as of the Latest Practicable Date.

Name	Title	Address	Grant date	Vesting schedule	Exercise price (US$)	Number of Shares underlying the outstanding Options[(1)]	Approximate percentage of total issued Shares upon completion the Share Subdivision and the [REDACTED]
Directors							
Dr. Zhang	Chairman of our Board, executive Director and chief executive officer	Room 2001, No. 12, Lane 1399, Dingxiang Road, Pudong New Area, Shanghai, PRC	December 22, 2025	Note 2	0.306	4,251,000	[**REDACTED**]%
Dr. Zhong	Executive Director, president, and chief scientific officer	Room 301, Unit 1, Building 6, Lane 3728, Jinke Road, Pudong New Area, Shanghai, PRC	December 22, 2025	Note 2	0.306	3,270,000	[**REDACTED**]%
Subtotal						7,521,000	[**REDACTED**]%
Senior management members							
Dr. XIAO Kai (肖凯)	Vice president	No. 777 Chuangxinzhong Road, Tangzhen, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025	Note 2	0.0002	965,715 1,003,685	[**REDACTED**]%
Ms. LI Jing (李靜)	Vice president of medical science and clinical development	Room 1704, Building 8, Lane 180, Tianyaoqiao Road, Xuhui District, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 2	0.0002	250,000 750,000 200,000	[**REDACTED**]%
Subtotal						3,169,400	[**REDACTED**]%
Employees and consultants							
Genshi ZHAO	Senior vice president of biology	2534 Dawn Ridge Drive, Carmel, Indiana 46074, USA	December 22, 2025	Note 3	0.306	1,000,000[(3)]	[**REDACTED**]%

Name	Title	Address	Grant date	Vesting schedule	Exercise price (US$)	Number of Shares underlying the outstanding Options[(1)]	Approximate percentage of total issued Shares upon completion the Share Subdivision and the [REDACTED]
LI Jie (李婕)	Head of operations	Room 602, Building 4, Lane 699, Jujiaqiao Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025	Note 2	0.0002	500,000 909,000	[**REDACTED**]%
MA Shengtang (馬生堂)	Head of regulatory affairs and project management	No. 3728, Jinke Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 2	0.0002	350,000 740,000 110,000	[**REDACTED**]%
SUN Ming (孫明)	Director of IT	Room 201, Building 41, Lane 1318, Changyang Road, Yangpu District, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 2	0.0002	200,000 661,400 66,080	[**REDACTED**]%
WANG Liang (王亮)	Associate director of clinical operation	Room 502, Building 102, Lane 580, Qianhui Road, Pudong New Area, Shanghai, PRC	December 22, 2025 March 16, 2026	Note 4	0.0002	163,500 50,000	[**REDACTED**]%
JIANG Zeyu (姜澤宇)	Associate director of investor relations	Room 205, No. 34, Wuning First Village, Putuo District, Shanghai, PRC	December 22, 2025	Note 4	0.0002	163,500	[**REDACTED**]%
SHANG Erchang (尚爾昌)	Former employee	No. 123, Lane 298, Puxiao Road, Minhang District, Shanghai, PRC	March 16, 2026	Note 6	0.0002	20,000	[**REDACTED**]%
DONG Chunlan (董春蘭)	Executive director of biology	Room 3502, Building 6, No. 3728, Jinke Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 5	0.0002	200,000 263,400 436,600	[**REDACTED**]%

Name	Title	Address	Grant date	Vesting schedule	Exercise price (US$)	Number of Shares underlying the outstanding Options[(1)]	Approximate percentage of total issued Shares upon completion the Share Subdivision and the [REDACTED]
CHEN Guangming (陳光明)	Director of medical chemistry	Room 401, Building 3, Lane 253, Fanghua Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 5	0.0002	200,000 236,400 63,600	[**REDACTED**]%
YANG Anjiang (楊安江)	Director of process chemistry	Room 204, Building 11, Lane 2328, Laiyang Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 5	0.0002	150,000 313,400 136,600	[**REDACTED**]%
DENG Zuyong (鄧祖勇)	Director of chemistry	Room 503, Building 4, Taifengli, Lane 399, Zhouyang Road, Pudong New Area, Shanghai	December 22, 2025 March 16, 2026	Note 4	0.0002	60,000 40,000	[**REDACTED**]%
SONG Baorong (宋寶榮)	Associate director of medical science	Room 602, No. 40, Lane 111, Sunyao Road, Pudong New Area, Shanghai, PRC	December 22, 2025	Note 4	0.0002	60,000	[**REDACTED**]%
WANG Ruixiang (汪瑞祥)	Research fellow	Room 601, Building 72, Lane 508, Kangda Road, Pudong New Area, Shanghai, PRC	December 22, 2025	Note 4	0.0002	60,000	[**REDACTED**]%
LV Fei (呂飛)	Research fellow	Room 101, Building 115, Lane 558, Jinping Road, Minhang District, Shanghai, PRC	December 22, 2025	Note 4	0.0002	60,000	[**REDACTED**]%

Name	Title	Address	Grant date	Vesting schedule	Exercise price (US$)	Number of Shares underlying the outstanding Options[(1)]	Approximate percentage of total issued Shares upon completion the Share Subdivision and the [REDACTED]
ZHANG Yanliang . . .	Consultant	Room 1302, Building 6, No. 3728, Jinke Road, Pudong New Area, Shanghai, PRC	December 22, 2025	Note 2	0.306	150,000	[**REDACTED**]%
ZHENG Renjuan (鄭仁娟)	Director of formulation	Room 603, Building 62, Lane 395, Changli East Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 5	0.0002	100,000 229,000 50,000	[**REDACTED**]%
JIA Ziyang (賈自陽)	Director of analytical chemistry	Room 403, Building 169, Lane 168, Guzong Road, Pudong New Area, Shanghai, PRC	May 31, 2024 December 22, 2025 March 16, 2026	Note 5	0.0002	100,000 229,000 50,000	[**REDACTED**]%
Thomas Dubensky . . .	Former consultant	25 Tanglewood Rd, Berkeley, CA 94705	December 22, 2025	Note 2	0.306	75,000	[**REDACTED**]%
Keith Devries	Consultant	14052 Staghorn Dr, Carmel, IN 46032	December 22, 2025	Note 2	0.306	50,000	[**REDACTED**]%
WANG Dongyu (王東宇)	Director of Medicinal Chemistry	28-402, Lane 10, Yanggaozhong Road, Pudong New Area, Shanghai	March 16, 2026	Note 2	0.0002	60,000	[**REDACTED**]%
CAO Bin (曹斌)	Consultant	Room 1302, Building 6, Lane 688, Fanjin Road, Pudong New Area, Shanghai	March 16, 2026	Note 2	0.0002	250,000	[**REDACTED**]%
Subtotal						8,556,480	[**REDACTED**]%
Total						**19,246,880**	[**REDACTED**]%

Notes:

(1) Taking into account the effect of the Share Subdivision.

(2) The vesting schedule is as follows: (i) 50% will be vested on the third anniversary of the employment date; (ii) 25% will be vested on the fourth anniversary of the employment date; and (iii) 25% will be vested on the fifth anniversary of the employment date. The grantees should also fulfil the relevant vesting conditions as stipulated in the Plan, share option award agreement and grant notice.

(3) The vesting schedule is as follows: (i) 25% will be vested after achieving of certain business milestones; (ii) 50% upon the earlier of the [**REDACTED**] or the third engagement anniversary; (iii) 75% upon the earlier of the achieving of certain R&D results or the fourth engagement anniversary; (iv) 100% upon the earlier of the achieving of certain R&D results or the fifth engagement anniversary. The grantees should also fulfill the relevant vesting conditions as stipulated in the Plan, share option award agreement and grant notice.

(4) The vesting schedule is as follows: (i) 50% will be vested on the third anniversary of grant date; (ii) 25% will be vested on the fourth anniversary of the grant date; and (iii) 25% will be vested on the fifth anniversary of the grant date. The grantees should also fulfill the relevant vesting conditions as stipulated in the Plan, share option award agreement and grant notice.

(5) The vesting schedule is as follows: (i) 50% will be vested on the third anniversary of May 31, 2024; (ii) 25% will be vested on the fourth anniversary of May 31, 2024; and (iii) 25% will be vested on the fifth anniversary of May 31, 2024. The grantees should also fulfill the relevant vesting conditions as stipulated in the Plan, share option award agreement and grant notice.

(6) The vesting schedule is that 100% will be vested upon the [**REDACTED**].

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or any of the subsidiaries of our Company.

2. Litigation

As of the Latest Practicable Date, we were not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that would have a material adverse effect on our financial condition or results of operations.

3. Sole Sponsor

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The fee paid and payable to the Sole Sponsor for acting as a sponsor for the [**REDACTED**] is US$500,000.

The Sole Sponsor has made an application on our Company's behalf to the Listing Committee of the Stock Exchange for the granting of the approval for the [**REDACTED**] of, and permission to [**REDACTED**], all the Shares in issue and to be issued as mentioned in this document. All necessary arrangements [have been made] for the Shares to be admitted into [**REDACTED**].

4. Preliminary Expenses

As of the Latest Practicable Date, our Company did not incur any material preliminary expenses.

5. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since June 30, 2026 (being the date to which the latest consolidated financial statements of our Group were prepared).

6. Promoter

Our Company has no promoter for the purpose of the [**REDACTED**]. Within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the [**REDACTED**] and the related transactions described in this document.

7. [REDACTED] or Commissions Paid and Payable

Save as disclosed in "Financial Information" and "[**REDACTED**]" in this document, within the two years immediately preceding the date of this document, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries.

8. Qualifications and Consents of Experts

The following are the qualifications of the experts who have given opinions or advice which are contained in this document:

Name	Qualification
CITIC Securities (Hong Kong) Limited	Licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor

Name	Qualification
Zhong Lun Law Firm	Legal advisors to our Company as to PRC law
JunHe LLP, Shanghai Office	Legal advisors to our Company as to PRC intellectual property laws
Junhe Law Office, P.C.	Legal advisors to our Company as to intellectual property laws of the United States
Harney Westwood & Riegels	Legal advisors to our Company as to Cayman Islands law
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant

Each of the experts named above has given and has not withdrawn its consent to the issue of this document with the inclusion of its report, letter, summary of valuations, valuation certificates and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.

Save as disclosed in "— E. Other Information — 3. Sole Sponsor" and in connection with the [**REDACTED**], none of the experts named above is interested legally or beneficially in any shares of any member of our Group or has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

9. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Bilingual Document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and Chinese language version of this document, the English language version shall prevail.

11. Miscellaneous

(i) Save as disclosed in "History, Development and Corporate Structure," "Financial Information" and this Appendix and in connection with the [**REDACTED**], within the two years immediately preceding the date of this document:

(a) no share or loan capital of our Company or any of our subsidiaries has been issued nor agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

(b) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and

(c) no commission has been paid or is payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions of any share in our Company or any of our subsidiaries.

(ii) There are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries.

(iii) There are no arrangements under which future dividends are waived or agreed to be waived.

(iv) There are no procedures for the exercise of any right of pre-emption or transferability of subscription rights.

(v) There have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months immediately preceding the date this document.

(vi) There are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong.

(vii) No part of the equity or debt securities of our Company, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such listing or permission to list on any stock exchange other than the Stock Exchange is currently being or agreed to be sought.

(viii) Our Company has no outstanding convertible debt securities or debentures.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) a copy of the material contract(s) referred to in "Appendix IV — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract(s)" to this document; and

(b) the written consents referred to in "Appendix IV — Statutory and General Information — E. Other Information — 8. Qualifications and Consents of Experts" in this document.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.tyligand.com.cn** during a period of 14 days from the date of this document:

(a) the Memorandum and Articles of Association;

(b) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I to this document;

(c) the audited financial statements of our Group for the two years ended December 31, 2025 and the six months ended June 30, 2026;

(d) the report on unaudited [**REDACTED**] financial information of our Group from Ernst & Young, the text of which is set out in Appendix II to this document;

(e) the PRC legal opinions issued by Zhong Lun Law Firm, our PRC Legal Advisor in respect of certain general corporate matters of our Group in the PRC;

(f) the legal opinions issued by JunHe LLP, Shanghai Office and Junhe Law Office, P.C., our legal advisors as to PRC and United States intellectual property laws, respectively, in respect of the intellectual property of our Group;

(g) the industry report prepared by Frost & Sullivan, the summary of which is set forth in the section headed "Industry Overview" in this document;

(h) the letter of advice prepared by Harney & Westwood & Riegels, our legal advisor as to Cayman Islands law, summarizing certain aspects of Cayman company law referred to in Appendix III to this document;

(i) the material contract(s) referred to in "Appendix IV — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract(s)" to this document;

(j) the written consents referred to in "Appendix IV — Statutory and General Information — E. Other Information — 8. Qualifications and Consents of Experts" to this document;

(k) the service contracts and letters of appointment referred to in "Appendix IV — Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Directors' Service Contracts and Letters of Appointment" to this document;

(l) 2023 Incentive Plan; and

(m) the Cayman Companies Act.