
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 risks involved in [REDACTED] in the [REDACTED] are set out in the “Risk Factors” section of this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. In particular, we are a biotechnology company seeking to [REDACTED] on the [REDACTED] of the [REDACTED] under Chapter 18A of the Listing Rules as we do not meet the requirements under Rule 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with [REDACTED] in companies like ours. Our Core 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. We may continue to incur substantial costs and expenses in relation to research and development activities for the Core Product, sebaloxavir marboxil tablets, for its indication expansion, and such indication expansion may not be successfully developed or marketed. Your [REDACTED] decision should be made in light of these considerations.

OVERVIEW

Founded in 2018, we are a commercial stage biopharmaceutical company dedicated to discovering, developing and commercializing innovative therapeutics that address medical needs with limited available therapies across viral infectious diseases, oncology, and inflammatory disorders. We have one Core Product, sebaloxavir marboxil tablets, which is an inhibitor targeting the influenza virus polymerase acidic protein (“PA”) endonuclease. It has obtained its new drug application (“NDA”) approval from National Medical Products Administration of the PRC (“NMPA”) in July 2025 for the treatment of adult influenza and subsequently obtained NDA approval for the treatment of adolescent patients in June 2026; and we are also developing prevention of influenza in individuals who have been exposed to the virus. The market of development and commercialization of innovative antiviral drugs is highly competitive. For details, please see “Risk Factors — “Risks Relating to the Development of Our Drug Candidates — We may face intense competition and rapid technological change and the possibility that our competitors may develop drugs and 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”.

As of the Latest Practicable Date, we have developed a pipeline of six proprietary small molecule drug assets, including our commercialized anti-viral sebaloxavir marboxil tablets, a late clinical stage sebaloxavir marboxil for suspension (in the form of granules-for-suspension) targeting pediatric influenza patients, a phase 1 stage selective ectonucleotide pyrophosphatase/phosphodiesterase 1 (“ENPP1”) inhibitor ZX-8177 for the treatment of solid tumors, with an IND application submitted to the NMPA in August 2026, subsequent to the Latest Practicable Date, for the treatment of hypophosphatasia (“HPP”), and an IND-enabling stage DNA polymerase inhibitor ZX-12042B for the treatment of human papillomavirus (“HPV”) infections. We also have two preclinical stage drug candidates targeting herpes simplex virus (“HSV”) infections and autoimmune diseases.

WE MAY NOT SUCCESSFULLY DEVELOP AND COMMERCIALIZE OUR CORE PRODUCT, SEBALOXAVIR MARBOXIL TABLETS, OR OTHER DRUG CANDIDATES.

OUR DRUG PORTFOLIO

As of the Latest Practicable Date, we had a drug portfolio consisting of six drug assets. The following chart illustrates our pipeline and development stage as of the Latest Practicable Date.

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Category	Pipeline	Target	Indication	Commercial Rights	Preclinical	Phase 1	Phase 2	Phase 3	NDA	Commercialization	Competent Authority	Source	Next milestone	Target Jurisdiction
Viral Infectious Disease	Sebaloxavir marboxil tablets	Viral PA protein	Uncomplicated type A and B influenza treatment in adults ⁽⁷⁾								NMPA	Internally developed		
			Uncomplicated type A and B influenza treatment in adolescents ⁽⁵⁾								NMPA	Internally developed		
	Sebaloxavir marboxil for suspension	Viral PA protein	Uncomplicated type A and B influenza post-exposure prophylaxis ⁽⁸⁾								NMPA	Internally developed	Phase 3 completion in 2028	China and Middle East and North Africa
			Uncomplicated type A and B influenza treatment for children ⁽⁹⁾								NMPA	Internally developed	NDA approval in 2027 Phase 3 completion in 2028	
Oncology	ZX-12042B	DNA polymerase	HPV infection								NMPA	Internally developed	IND submission in 2027	China
	ZX-15002	Helicase-primease	HSV infection								NMPA	Internally developed	IND submission in 2027	China
	ZX-8177	ENPP1	Advanced cancer in solid tumor ⁽⁶⁾								NMPA	Internally developed	Phase 1 dose escalation part completion in 2026	China
Inflammatory Disorders	ZX-14000	STAT6	HPP								NMPA	Internally developed	IND approval	China
			Autoimmune diseases								NMPA	Internally developed	IND submission in 2027	China

★ Core product

Notes:

- (1) Sebaloxavir marboxil tablets were approved by the NMPA in July 2025.
- (2) Based on communications with Center for Drug Evaluation (“CDE”), we did not conduct phase 1 and phase 2 clinical trials. For details, see “Business — Our Drug Portfolio — Sebaloxavir Marboxil (ZX-7101A): An Anti-Influenza Therapy Featuring Dual Formulations including our Commercialized Core Product — Sebaloxavir Marboxil Tablets — Formulations — Sebaloxavir Marboxil Tablets — Our Core Product — Material Communications with Competent Authority.” We have completed a phase 3 clinical trial and submitted the NDA to expand the target patient age of sebaloxavir marboxil tablets to adolescents, which was accepted by the NMPA in April 2025. The NDA was approved in June 2026.
- (3) Influenza post-exposure prophylaxis refers to the preventive administration of influenza antiviral medications to individuals who have been exposed to confirmed or suspected influenza cases but have not yet developed symptoms.
- (4) We have obtained an IND approval from CDE to initiate phase 3 clinical trial for influenza post-exposure prophylaxis with sebaloxavir marboxil tablets in April 2025. The target age group for this IND comprises adults, adolescents, and children aged 5 years and older. Considering the difficulty that younger pediatric patients have with swallowing solid oral dosage forms and the need for weight-based dosing flexibility in children, we are developing sebaloxavir marboxil for suspension specifically for pediatric patients, and we obtained an IND from the NMPA in May 2026. We plan to initiate this phase 3 clinical trial in 2026. For details, see “Business — Our Drug Portfolio — Sebaloxavir Marboxil (ZX-7101A): An Anti-Influenza Therapy Featuring Dual Formulations including our Commercialized Core Product — Sebaloxavir Marboxil Tablets — Formulations — Sebaloxavir Marboxil Tablets — Our Core Product — Material Communications with Competent Authority.”

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- (5) Following a series of regulatory communications with the NMPA, we completed (i) a phase 1 bridging pharmacokinetics study with sebaloxavir marboxil for suspension in adults; and (ii) a clinical study of sebaloxavir marboxil tablets in patients aged 5 to 11 years, for the development of sebaloxavir marboxil for suspension. In July 2025, the NMPA confirmed that they had no objections for us to proceed with a phase 3 pivotal clinical trial with sebaloxavir marboxil for suspension in pediatric patients. For details, see “Business — Our Drug Portfolio — Sebaloxavir Marboxil (ZX-7101A): An Anti-Influenza Therapy Featuring Dual Formulations including our Commercialized Core Product — Sebaloxavir Marboxil Tablets — Formulations — Sebaloxavir Marboxil for Suspension — Development Strategy and Communications with Competent Authority.” We have completed this clinical trial and submitted the NDA application to the NMPA in June 2026, which was accepted by the NMPA in July 2026 and is currently under review.
- (6) We plan to expand the indication of sebaloxavir marboxil for suspension to post-exposure prophylaxis in children and to initiate its phase 3 clinical trial in 2026, without conducting phase 1 and phase 2 clinical trials, taking into account (i) CDE did not require us to conduct separate phase 1 and phase 2 clinical trials for the indication expansion to post-exposure prophylaxis for sebaloxavir marboxil tablets; and (ii) we have completed the phase 3 clinical trial for sebaloxavir marboxil for suspension for influenza treatment in children in China and submitted the NDA application to the NMPA prior to the planned phase 3 clinical trial for post-exposure prophylaxis in children. In May 2026, we obtained the IND approval for sebaloxavir marboxil tablets and sebaloxavir marboxil for suspension for a combined phase 3 clinical trial for patients aged 2 years and older.
- (7) As of the Latest Practicable Date, we hold the commercial rights to our Core Product in China. In August 2023, we entered into an exclusive sales and promotion agreement with Jumpean Pharmaceutical for sebaloxavir marboxil oral formulations in China. In July 2025, we entered into a license and distribution agreement with Cigalah Medpharm Trading LLC in relation to the distribution of sebaloxavir marboxil oral formulations, with Saudi Arabia and the UAE being our immediate target markets. In particular, our immediate commercialization focus is primarily concentrated on Saudi Arabia and the United Arab Emirates (UAE). These two markets represent our strategic priorities due to their favorable business environments, robust healthcare infrastructure, and strong patient affordability. For details, please see “Business — China Market — Relationship with CSO — China Sales and Promotion Agreement” and “Overseas Markets — MENA License and Distribution Agreement with Cigalah Medpharm for Sebaloxavir Marboxil Oral Formulations.”
- (8) Advanced cancer refers to malignant tumors that have progressed (including local progression and distant metastasis) following standard treatments recommended by The Chinese Society of Clinical Oncology (“CSCO”) guidelines, are unresectable, or for which there are currently no standard treatments available or the patient is intolerant to standard therapies.

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Sebaloxavir Marboxil (ZX-7101A): An Anti-Influenza Therapy Featuring Dual Formulations including our Commercialized Core Product – Sebaloxavir Marboxil Tablets

Sebaloxavir marboxil (ZX-7101A) is an in-house developed inhibitor targeting the influenza virus PA endonuclease. We are currently developing two different formulations of sebaloxavir marboxil, which are registered and regulated as two separate products by the NMPA, namely our Core Product — the sebaloxavir marboxil tablets and sebaloxavir marboxil for suspension. The tablet formulation represents sebaloxavir marboxil’s most advanced development program, for which we have obtained its NDA approval from NMPA in July 2025 for the treatment of adult influenza. The NDA for sebaloxavir marboxil tablets for the treatment of influenza in adolescent patients was approved by the NMPA in June 2026. In addition, we are developing a suspension formulation of sebaloxavir marboxil, to offer a dosage form to improve medication adherence in pediatric patients. We completed its phase 3 clinical trial and submitted the NDA to the NMPA in June 2026. For both formulations, we submitted an IND application for a combined phase 3 clinical trial for influenza post-exposure prophylaxis in February 2026, which was approved by the NMPA in May 2026. We are currently preparing for subject enrollment for the combined phase 3 clinical trial.

We believe sebaloxavir marboxil tablets have the following advantages:

- **Broad-Spectrum Activity.** Sebaloxavir marboxil specifically inhibits the replication process of influenza virus by blocking a key enzyme required for the virus to reproduce its genetic material, thereby exerting potent and sustained antiviral activity. This broad-spectrum profile positions sebaloxavir marboxil tablets not only as a therapeutic option for seasonal influenza but also as a strategic reserve against potential future pandemic threats from novel or mutated viral strains, addressing the limitations in the current antiviral drug market.
- **Efficacy Profile.** Phase 3 clinical trials demonstrated that sebaloxavir marboxil significantly reduced both the duration of influenza symptoms and the time to viral clearance in adults and adolescents with uncomplicated influenza. The treatment exhibited consistent efficacy across all weight categories, with no requirement for dose adjustment.
- **Safety Profile.** Sebaloxavir marboxil showed a favorable safety profile in phase 3 trials, with adverse event rates similar to placebo. Gastrointestinal adverse drug reactions (“ADRs”) were rare — 0.3% in adults and none in adolescents — addressing common tolerability issues seen with traditional flu treatments. Its metabolism independent of CYP450 enzymes also minimizes drug-drug interaction (“DDI”) risks, making it a safer option for patients on multiple medications.
- **Drug design.** Sebaloxavir marboxil’s selenium-based molecular design enhances potency, selectivity and metabolic stability, resulting in improved pharmacokinetic performance. Preclinical studies showed substantially higher oral bioavailability than baloxavir marboxil in both rats and monkeys, along with superior therapeutic effects in ferret influenza models. Phase 1 clinical data in humans confirmed these advantages, demonstrating a 34–45% longer half-life and over 14% higher systemic exposure, suggesting potential for improved clinical efficacy.

Market Opportunity and Competition

In China, influenza prevalence shows marked seasonality and regional variation due to the country’s vast geographic span and diverse climates. Based on national surveillance and epidemiological studies, the average annual excess mortality rate associated with respiratory and circulatory diseases attributable to influenza is estimated at approximately 12.4 per 100,000 population in northern cities and 8.8 per 100,000 in southern cities. The elderly, children and patients with chronic underlying conditions account for a higher proportion of severe cases. The

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management and prevention of influenza are typically stratified based on disease severity and seasonal risk. PA inhibitors represent a subset of the broader influenza antiviral drug market. The influenza anti-viral drug market in China was RMB13.7 billion in 2025, including RMB10.4 billion from neuraminidase inhibitors (“NAIs”) and other antivirals and RMB3.3 billion from PA inhibitors, representing 75.8% and 24.2% of the anti-viral drug market in China in 2025. The market is expected to reach RMB14.2 billion by 2035, with PA inhibitors accounting for RMB13.6 billion and NAIs and other antivirals accounting for RMB0.6 billion.

Influenza antivirals have evolved through several generations of development. The latest class, PA inhibitors, offers single-dose oral administration with symptom-relief efficacy comparable to neuraminidase inhibitors, while providing superior reductions in viral load and duration of viral shedding. These advantages enhance patient adherence and support faster interruption of transmission chains, establishing PA inhibitors as a promising new therapeutic category in influenza treatment. The following tables set forth an overview of the approved originator antiviral influenza drugs in the world as of the Latest Practicable Date.

Global Competitive Landscape of Antiviral Drugs, as of the Latest Practicable Date

Generic/Trade Name	MoA	Company	Initial Approval Date	Median Time to Symptom Alleviation	Elimination Half-life	China Indication	U.S. Treatment/ Prophylaxis	Treatment Cost in China (RMB)
Baloxavir marboxil/ 速福達/Xofluza . .	PA inhibitor	Roche	Tablets: CN 2021-04; US 2018-10; Suspension: CN 2023-12; US 2020-11	53.7 h vs. 80.2 h (33.0% reduction)	79.1 h	Tablets: Acute uncomplicated influenza A or B in patients aged ≥5 years Suspension: Uncomplicated influenza A or B in children aged 1 to <12 years, including otherwise healthy patients and those at high risk of influenza-related complications	Treatment: ≥5 years old Prophylaxis: ≥5 years old	Suspension 193; Tablets 222
Suraxavir marboxil/ 伊達達	PA inhibitor	QingFeng Pharmaceutical	CN: 2025-03	42.0 h vs. 63.0 h (33.3% reduction)	58.1-75.9 h	Uncomplicated influenza A/B in patients aged ≥12 years	Not approved	175
Sebaloxavir marboxil/濟可舒 . .	PA inhibitor	Zenshine Pharmaceutical/Our Company	CN: 2025-07	39.4 h vs. 62.9 h (37.4% reduction)	83-126 h	Uncomplicated influenza A/B in patients aged ≥12 years	Not approved	222
Pixavir marboxil /壹立康	PA inhibitor	Joincare Pharmaceutical	CN: 2025-12	60.9 h vs. 87.9 h (30.7% reduction)	33.8-39.4 h	Uncomplicated influenza A/B in patients aged ≥12 years	Not approved	198
Favipiravir/海復康 . .	PB1 inhibitor	Hisun Pharmaceutical	CN: 2020-02	84.2 h vs. 98.6 h (14.6% reduction)	2.5-5 h	Novel or re-emerging influenza in adults, for use when other anti-influenza antivirals are ineffective or insufficient	Not approved	N/A
Onradivir/安睿威 . .	PB2 inhibitor	Zhongsheng Pharmaceutical	CN: 2025-05	38.8 h vs. 63.4 h (38.8% reduction)	12-35 h	Uncomplicated influenza A in adults	Not approved	N/A
Oseltamivir phosphate/達菲/ Tamiflu	NAI	Roche	Capsule: CN 2001-01; US 1999-10; Suspension: US 2000-12	53.8 h vs. 80.2 h (32.9% reduction)	6-10 h	Treatment of influenza A/B in patients aged ≥1 year, initiate within 48 hours of symptom onset Prophylaxis of influenza A/B in patients aged ≥13 years	Treatment: ≥2 weeks Prophylaxis: ≥1 year old	Capsule 172
Zanamivir/依樂韋/ Relenza	NAI	GSK	CN: 2009-07; US: 1999-07	120 h vs. 144 h (16.7% reduction)	2.5-5.1 h	Treatment of influenza A/B in adults and children aged ≥7 years	Treatment: ≥7 years old Prophylaxis: ≥5 years old	N/A
Peramivir Rapiwab/瑞 貝塔/Rapiacta . .	NAI	BioCryst	US: 2014-12; not approved in mainland China	59.1 h (300 mg)/59.9 h (600 mg) vs. 81.8 h (27.8%/26.8% reduction)	20 h	Not approved in mainland China	Treatment of acute uncomplicated influenza in patients aged ≥6 months; prophylaxis not approved	N/A

Source: Public Information; Annual Reports; the Lancet; NEJM; CIC

Notes: 1. Only showing originator drugs; 2. Treatment cost is calculated based on an adult weighing 75 kg; children’s treatment cost is calculated based on an average body weight of 28.75 kg for boys and girls aged 5–11 years based on 2014 National Physical Fitness Monitoring Bulletin

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As a PA inhibitor, Sebaloxavir Marboxil demonstrates clear advantages over neuraminidase inhibitors (e.g., Oseltamivir) in terms of compliance, efficacy, and safety, among other aspects. The following table sets forth a summary of the competitive advantages of Sebaloxavir Marboxil compared to products targeting the same indication.

Comparative Analysis of Sebaloxavir Marboxil vs. Competing Antiviral Agents

	Summary of Sebaloxavir Marboxil's Advantages	Sebaloxavir Marboxil	Baloxavir Marboxil	Suraxavir Marboxil	Pixavir Marboxil	Oseltamivir
Mechanism of Action	Targets the PA subunit of viral RNA polymerase, inhibiting viral RNA transcription and replication	RNA polymerase PA subunit inhibitor	RNA polymerase PA subunit inhibitor	RNA polymerase PA subunit inhibitor	RNA polymerase PA subunit inhibitor	Neuraminidase inhibitor
Half-life¹	Long duration of action, supporting a single-dose treatment regimen	83 — 126 h	79.1 h	58.1 — 75.9 h	33.8 — 39.4 h	6 — 10 h
Dosage and Administration . .	Single-dose regimen with no weight-based dose adjustment in adults, providing greater treatment convenience	Single dose: 80 mg (adults), 40 mg (adolescents)	Single dose: ≥20 kg and <80 kg: 40 mg; ≥80 kg: 80 mg	Single dose: 40 mg	Single dose: <80 kg: 40 mg; ≥80 kg: 80 mg	75 mg BID × 5 days
Median Time to Symptom Alleviation vs. Placebo²	Shortest median time to symptom alleviation and greatest percentage reduction versus placebo among the selected agents, based on their respective clinical trials	39.4 h vs. 62.9 h; reduced by 37.4%	53.7 h vs. 80.2 h; reduced by 33.0%	42.0 h vs. 63.0 h; reduced by 33.3%	60.9 h vs. 87.9 h; reduced by 30.7%	53.8 h vs. 80.2 h; reduced by 32.9%
Drug-Drug Interactions/ Metabolism	No CYP450 involvement in the metabolism of sebaloxavir marboxil or sebaloxavir, indicating relatively low potential for CYP-mediated drug-drug interactions	Hydrolyzed by carboxylesterases to active sebaloxavir, which can be further metabolized via UGT2B7; CYP450 enzymes are not involved in its metabolism	Primarily metabolized via UGT1A3, with minor contribution from CYP3A4	Active metabolite is primarily metabolized via CYP3A4; potential interactions with CYP3A4 inhibitors should be considered	UGT1A3-mediated glucuronidation and oxidative metabolism; no dedicated clinical DDI study has been publicly reported	Extensively converted by hepatic esterases to active oseltamivir carboxylate; low potential for CYP-mediated DDIs
Safety Profile	Low incidence of gastrointestinal adverse reactions reported in clinical studies	GI ADRs: 0.3% in adults	Diarrhea: 3%; Nausea: 2%	Diarrhea: 6.1%; Sinus arrhythmia: 4.8%; Sinus bradycardia: 2.5%	Overall AEs: 25.0%; Hyperuricemia: 2.0%; Sinus arrhythmia: 1.2%	Nausea: 10%; Vomiting: 8%; Headache: 2%

ZX-8177 — Potent and Selective ENPP1 Inhibitor

ZX-8177 is our in-house-developed potent and selective ENPP1 inhibitor being developed for oncology and HPP indications. We are currently conducting a phase 1 clinical trial of ZX-8177 for the treatment of solid tumors in China and are also developing ZX-8177 for HPP. Subsequent to the Latest Practicable Date, we submitted an IND application to the NMPA for the treatment of HPP in August 2026.

Phase 1 Stage Oncology Indication

ZX-8177 demonstrates promising single-agent anti-tumor activity in preclinical models by enhancing stimulator of interferon genes (“**STING**”) pathway activation and immune cell-mediated tumor killing. The compound shows synergistic effects when combined with chemotherapy, radiotherapy, poly (ADP-ribose) polymerization (“**PARP**”) inhibitor and PD-L1 antibodies, positioning it as a potential immunotherapeutic agent for cancer treatment. We are currently conducting a phase 1 clinical trial of ZX-8177 for the treatment of solid tumors in China. We expect to complete the dose escalation part of the phase 1 clinical trial in 2026.

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We believe ZX-8177 has the following advantages.

- **Consistent activity regardless of pH levels.** Many ENPP1 inhibitors under development lose potency at physiological pH, limiting their binding affinity. ZX-8177 overcomes this challenge through a phosphate-based terminal group that preserves charge and zinc-binding capacity across a broad pH range. This design ensures sustained inhibitory activity under physiological and acidic conditions, effectively maintaining *in vitro* potency and translating it into *in vivo* therapeutic efficacy.
- **Extracellular targeting with carefully controlled membrane impermeability.** ZX-8177 is purposefully designed as a membrane-impermeable ENPP1 inhibitor to improve therapeutic efficacy while reducing safety risks. ZX-8177 acts exclusively in the extracellular space to prevent 2',3'-cyclic GMP-AMP (cGAMP) degradation after its natural export from tumor cells. This selective mechanism enhances the accumulation of cGAMP (a naturally occurring immune signaling molecule) outside the cell, promotes localized STING activation in immune cells and reduces off-target effects, supporting a favorable safety profile validated by preclinical studies.
- **Strong anti-tumor activity as monotherapy in preclinical studies.** Preclinical studies demonstrate that ZX-8177 monotherapy drives reprogramming of the tumor microenvironment, markedly enhancing anti-tumor immune activation. Treatment increases CD8⁺ T cells, functional CD8⁺GrB⁺ T cells (“**T cells**”) and natural killer cells (“**NK cells**”), while promoting a shift toward immunostimulatory M1 macrophages and reducing immunosuppressive M2 populations. By enriching key immune effector cells, ZX-8177 establishes a pro-inflammatory, tumor-suppressive environment, enabling strong single-agent efficacy and differentiating it from immunotherapies that depend on combination approaches.
- **Combination therapy potential.** Preclinical studies demonstrate that ZX-8177 enhances the efficacy of standard cancer therapies through complementary mechanisms. When combined with cisplatin, ZX-8177 produced significantly greater tumor inhibition than cisplatin (“**cisplatin**”) alone, validating its ability to amplify chemotherapy-induced immune activation by preventing cGAMP degradation. Similarly, in BRCA1-mutant gastric cancer models, the combination of ZX-8177 with the PARP inhibitor olaparib resulted in marked tumor suppression, whereas either agent alone showed limited effect. These findings highlight ZX-8177’s potential as a synergistic partner to established treatments, improving outcomes and enabling dose optimization in difficult-to-treat cancers.

IND Stage HPP Indication

HPP is a rare, genetically heterogeneous mineralization disorder caused by loss-of-function variants in ALPL, which result in the accumulation of inorganic pyrophosphate (“**PPi**”), leading to a clinical spectrum ranging from lethal perinatal disease to adult stress fractures, chronic pain and isolated dental disease. The current standard treatment for HPP, TNAP enzyme replacement therapy (“**ERT**”), improves survival and mineralization, but is injection-intensive, immunogenic, and approved primarily for perinatal/infantile- and juvenile-onset disease. ENPP1 inhibition represents a mechanistically attractive oral alternative for later-onset HPP because ENPP1 is the main extracellular source of PPi. In a proof-of-concept HPP mouse study, preliminary results demonstrated that ZX-8177 treatment significantly increased femur and tibia length.

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ZX-12042B — IND-Enabling Stage HPV Infection Drug

ZX-12042B is a proprietary prodrug that works by blocking a key enzyme (DNA polymerase) responsible for copying the virus’s genetic material, and ZX-12042B is metabolized to its active form PMEG-DP, which inhibits host cell DNA polymerase to block HPV replication while inducing apoptosis of infected cells to clear pathological lesions such as genital warts and cervical intraepithelial neoplasia (“CIN”). This dual mechanism — suppressing viral replication and eliminating HPV-induced proliferative tissue — positions ZX-12042B as a therapeutic, preventive and transmission-blocking strategy for HPV infections and associated diseases, particularly high-risk HPV-driven cervical precancerous lesions, persistent cervical high-risk HPV infection and viral warts. We are currently conducting IND-enabling studies for ZX-12042B for the treatment of CIN2/3 associated with high-risk HPV infection and we plan to submit the IND application to the NMPA in the second half of 2027.

Other Preclinical Drug Candidates

Our drug pipeline also consisted of two preclinical drug candidates, details of which are summarized as follows.

- **ZX-15002.** ZX-15002 is a proprietary drug that works by blocking the complex of enzymes (helicase-primase) involved in the virus’s replication process being developed for the treatment of herpes simplex virus (“HSV”) infections. ZX-15002 targets the viral helicase-primase complex, a critical component of viral DNA replication that has no known equivalent enzymes in the human body, offering a manageable safety profile. Preclinical studies demonstrate that ZX-15002 achieves potent antiviral activity against both HSV-1 and HSV-2 at nanomolar concentrations. The compound’s long half-life enables convenient potentially once-monthly oral dosing, making it particularly suitable for managing chronic and recurrent infections. We plan to submit its IND application to NMPA in 2027.
- **ZX-14000.** ZX-14000 is a proprietary oral STAT6 degrader being developed for the treatment of autoimmune diseases, including atopic dermatitis, asthma, chronic obstructive pulmonary disease, chronic spontaneous urticaria and eosinophilic esophagitis. ZX-14000 utilizes targeted protein degradation technology to selectively eliminate STAT6 protein, offering potential advantages over traditional small molecule inhibitors. Preclinical studies demonstrate that ZX-14000 achieves complete STAT6 degradation in peripheral blood mononuclear cells at picomolar concentrations, effectively suppresses T-helper type 2 (“Th2”) inflammatory biomarkers, exhibits high selectivity with minimal unintended effects on other STAT family members and displays favorable pharmacokinetic properties including low clearance and high exposure. Safety assessments indicate no significant human ether-a-go-go-related gene (“hERG”) potassium channel inhibition, suggesting a low risk of cardiac toxicity. We plan to submit its IND application to NMPA in 2027.

OUR BUSINESS MODEL

Our core business model centers on the research, development and commercialization of proprietary pharmaceutical products in the field of viral infectious diseases, oncology and inflammatory disorders. Our near-term priorities focus on accelerating commercialization of our Core Product, sebaloxavir marboxil tablets, as well as clinical advancement of indication expansion of sebaloxavir marboxil oral formulations (including tablets and suspension). In parallel, we will continue to advance our drug candidates to diversify our product portfolio, including ZX-8177 and ZX-12042B. As a commercial-stage biopharmaceutical company with an approved product, we are committed to strengthening our organizational capabilities across commercialization, R&D and regulatory affairs functions to support our evolving business needs and long-term growth objectives.

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OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths have differentiated us from our competitors: (i) sebaloxavir marboxil (ZX-7101A); anti-influenza therapy with dual formulations addressing critical unmet medical and social needs; (ii) balanced and diverse pipeline combining innovation with manageable development risks to build our unique competitive edges; (iii) integrated small molecule drug R&D platform enabling sustained innovation across viral infectious diseases, oncology and inflammatory disorders; (iv) a flexible commercialization strategy to maximize our drug assets’ commercial value; and (v) leadership team with diverse background, supported by a strategic investor base. For details, see “Business — Competitive Strengths.”

OUR BUSINESS STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following development strategies: (i) advance clinical development and regulatory approval of sebaloxavir marboxil across multiple formulations; (ii) continue to advance our pipeline products to diversify our product portfolio; (iii) maximize commercial value through flexible partnership and commercialization models; (iv) strengthen supply chain infrastructure and enhance R&D capabilities. For details, see “Business — Business Strategies.”

COMPETITION

The biopharmaceutical industry is highly competitive and subject to rapid and significant change. While we believe that our pipeline of balanced and differentiated innovative drug and drug candidates, strong research and development capability and distinguished leadership team provide us with competitive advantages, we face potential competition from many different sources working to develop therapies targeting the same indications for which we develop our drug candidates, in particular in influenza disease, oncology and HPV. These include major pharmaceutical companies as well as specialty pharmaceutical companies of various sizes and academic research institutions. Any drug candidates that we successfully develop and commercialize will compete both with existing drugs, if any and with any new drugs that may become available in the future. For more information on the competitive landscape of our drug and drug candidates, see “Business — Our Drug Portfolio” and “Industry Overview.”

RESEARCH AND DEVELOPMENT

Our in-house R&D capabilities form the bedrock of our long-term growth, empowering our transformation into an innovation-driven pharmaceutical company with comprehensive expertise encompasses target discovery, lead optimization, translational science, preclinical studies and clinical development. Our research and development capabilities are exemplified by our highly skilled and experienced R&D team, which is led by distinguished scientists and medical experts, including our founders — Dr. Yang Jinfu and Dr. Hao Xiaolin, who spearhead research initiatives, drive drug development and provide strategic direction for both business operations and pipeline development. As of the Latest Practicable Date, 51 employees were actively engaged in R&D activities.

In line with our continuous R&D commitment, in 2024, 2025 and the six months ended June 30, 2025 and 2026, our research and development costs were RMB100.0 million, RMB112.1 million, RMB64.3 million and RMB42.8 million, respectively, representing 82.9%, 75.8%, 86.2% and 61.8% of our total operating expenses (including our research and development costs, selling expenses and administrative and other operating expenses) for the same periods. The increase in R&D costs in absolute terms in 2025 was primarily due to increased spending on the clinical development of our pipeline candidates, including the Phase I clinical trial of ZX-8177 and the preclinical development of ZX-12042B. The decrease in our research and development costs as a percentage of total operating expenses in 2025 was primarily attributable to the commencement of commercialization activities for our Core Product following its NDA approval in July 2025, which led to increased administrative and other operating expenses in connection with the commercialization and

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promotion of our Core Product, as well as our proposed [REDACTED]. In particular, in 2024, 2025 and the six months ended June 30, 2025 and 2026, our research and development costs incurred for our Core Product, sebaloxavir marboxil tablets, amounted to RMB82.3 million, RMB75.6 million, RMB57.7 million and RMB12.5 million, respectively, representing 82.3%, 67.4%, 89.7% and 29.3% of our total research and development costs for the same periods. The decrease in our research and development costs incurred for our Core Product from the six months ended June 30, 2025 to the six months ended June 30, 2026 was primarily attributable to the different stages of clinical development activities for the expansion of indications of sebaloxavir marboxil tablets. During the six months ended June 30, 2025, we incurred higher clinical trial expenses in relation to the adolescent indication expansion, as the relevant clinical trial was ongoing during such period. During the six months ended June 30, 2026, the clinical trial for the adolescent indication expansion had been completed, and the related clinical development activities and expenses decreased accordingly. The movement of our research and development costs incurred for our Core Product during the Track Record Period was primarily in line with the progress of its clinical development and indication expansion activities. We may continue to incur substantial costs and expenses in relation to R&D activities for our drug candidates. For details, see “Business — Research and Development.”

COMMERCIALIZATION

We have formulated flexible commercialization strategies for sebaloxavir marboxil across different formulations, taking into account the market conditions in different jurisdictions. In line with industry norm, we primarily promote and market sebaloxavir marboxil through contract sales organizations (“CSOs”) and distributors. As our sales gradually ramp up, we are building our in-house commercialization team to handle sales channel expansion, marketing and promotion, medical affairs, pricing and insurance inclusion.

China Market

As sebaloxavir marboxil tablets, our Core Product, were only approved in China in July 2025 and officially launched in October 2025, this product is still under ramp-up stage in China. We primarily collaborate with a nationwide CSO, namely Jumpcan Pharmaceutical Group Co., Ltd (濟川藥業集團有限公司) (“**Jumpcan Pharmaceutical**”), and maintain a distribution network to grow market share by leveraging their established network. As of June 30, 2026, we have engaged 30 distributors in China. We believe this strategy can enable faster market access. For details, please see “Business — Commercialization — China Market.”

Overseas Markets

As of the Latest Practicable Date, sebaloxavir marboxil oral formulations have not been approved in overseas market. We are exploring its commercial potential in overseas markets through collaboration with local partners, and have engaged Cigalah Medpharm Trading LLC (“**Cigalah Medpharm**”), a fast-growing pharmaceutical company in the UAE, with an aim to commercialize sebaloxavir marboxil oral formulations across the MENA region. For details, please see “Business — Commercialization — Overseas Markets.”

INTELLECTUAL PROPERTY

As a company focusing on the research, development and commercialization of innovative drugs, we believe intellectual properties are crucial to our business. We actively seek patent protection for our drug candidates in China and major jurisdictions and file additional patent applications. We have developed a significant portfolio of intellectual property rights to protect our technologies and products. As of August 17, 2026, the Group had a total of 71 authorized patents and patent applications, including 35 authorized patents and 36 patent applications; the core product ZX-7101A had a total of 31 authorized patents and patent applications, including 17 authorized patents and 14 patent applications. 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. Our Directors are of the view that we

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own all required intellectual property rights to cover all key characteristics of our Core Product. Our Directors confirm that we were not involved in any proceedings in respect of, and we had not received notice of any claims of infringement of, any intellectual property rights that might be threatened or pending as claimant or respondent during the Track Record Period and up to the Latest Practicable Date. As advised by our IP counsel, as of the Latest Practicable Date, our Directors are of the view that our patents or patent applications are currently not subject to any claim or invalidation request from any other party on the underlying technology in respect of these patents or patent applications.

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of raw materials suppliers, contract research organizations (“CROs”) and other service suppliers. We did not experience any material disputes with our suppliers during the Track Record Period. 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. In 2024, 2025 and the six months ended June 30, 2026, our purchases from our five largest suppliers in each period, on a consolidated basis, amounted to RMB31.9 million, RMB32.8 million and RMB16.9 million, representing 38.5%, 31.6% and 42.1% of our total corresponding purchases in such period, respectively. In the same period, our purchases from the largest supplier amounted to RMB11.4 million, RMB7.6 million and RMB5.4 million, representing 13.8%, 7.3% and 13.5% of our total corresponding purchases in such period, respectively.

OUR CUSTOMERS

During the Track Record Period, our revenue primarily derived from the sales of our Core Product to distributors in Chinese mainland and drug registration assistance service for Cigalah Medpharm. In 2024, 2025 and the six months ended June 30, 2026, our revenue generated from our five largest customers, on a consolidated basis, were nil, RMB5.2 million and RMB2.5 million, respectively, representing nil, 98.8% and 97.7% of our total revenue for the corresponding period. Our revenue from our largest customer in 2024, 2025 and the six months ended June 30, 2026, on a consolidated basis, were nil, RMB2.3 million and RMB1.0 million, respectively, representing nil, 43.5% and 39.4% of our total revenue for the corresponding period.

To the best of our knowledge, each of our five largest customers in each year/period comprising the Track Record Period is an Independent Third Party. 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 such customer during the Track Record Period.

SUMMARY OF KEY FINANCIAL INFORMATION

The summary of the key financial information set forth below has been derived from and should be read in conjunction with our consolidated financial statements, including the accompanying notes, set forth in the Accountants’ Report in Appendix I to this document, as well as the information set forth in the section headed “Financial Information.”

SUMMARY

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future year.

	For the year ended December 31,		For the six months ended June 30,	
	2024	2025	2025	2026
		<i>(RMB in thousands)</i>		
		<i>(unaudited)</i>		
Revenue	—	5,314	—	2,514
Cost of sales	—	(479)	—	(756)
Gross profit	—	4,835	—	1,758
Other income	26,598	306	222	13,507
Other net gain	1,878	3,046	1,448	1,177
Selling expenses	(6,531)	(9,734)	(3,513)	(5,799)
Administrative and other operating expenses	(14,073)	(26,116)	(6,758)	(20,699)
Research and development costs	(100,003)	(112,121)	(64,325)	(42,789)
(Provision for)/reversal of impairment loss on receivables	(1)	(23)	2	18
Loss from operations	(92,132)	(139,807)	(72,924)	(52,827)
Finance income	214	416	166	207
Finance costs	(2,590)	(3,500)	(1,448)	(1,041)
Net finance costs	(2,376)	(3,084)	(1,282)	(834)
Remeasurement of redemption liabilities	(50,887)	(66,293)	(31,233)	(37,115)
Loss before taxation	(145,395)	(209,184)	(105,439)	(90,776)
Income tax	—	(84)	(15)	(17)
Loss for the year/period	(145,395)	(209,268)	(105,454)	(90,793)

In 2024, 2025 and the six months ended June 30, 2025 and 2026, we recorded revenue of nil, RMB5.3 million, nil and RMB2.5 million, respectively. During the Track Record Period, our revenue was primarily generated from sales of pharmaceutical products, namely sebaloxavir marboxil tablets. To a lesser extent, we also generated revenue from drug registration assistance service pursuant to the MENA License and Distribution Agreement, including assistance to Cigalah Medpharm to obtain regulatory approval in the Territory. For details, please see “Business — Commercialization — Overseas Markets — MENA License and Distribution Agreement with Cigalah Medpharm for Sebaloxavir Marboxil Oral Formulations.” As sales of our sebaloxavir marboxil tablets ramp up, we expect revenue to increase significantly.

Our loss for the year/period increased from RMB145.4 million in 2024 to RMB209.3 million in 2025, primarily attributable to (i) a decrease of RMB26.3 million in other income, mainly because we received a larger amount of one-off government grants in 2024 that we had previously applied for to support the R&D of our drug and drug candidates, (ii) an increase of RMB15.4 million in the remeasurement of redemption liabilities, in relation to our Series D and D+ financing in 2025, (iii) an increase of RMB12.1 million in research and development costs, primarily driven by trial and testing expenses for our phase 3 clinical trial of sebaloxavir marboxil for suspension in children aged 2–11 years for influenza treatment, and (iv) an increase of RMB12.0 million in administrative and other operating expenses, primarily associated with our proposed [REDACTED]. Our loss for the year were offset by an increase of RMB5.3 million in our revenue primarily from sales of our Core Product. Our loss for the year/period decreased from RMB105.5 million in the six months ended June 30, 2025 to RMB90.8 million in the six months ended June 30, 2026, primarily due to (i) a decrease of RMB21.5 million in research and development costs, mainly as trial and testing expenses for sebaloxavir marboxil tablets were substantially wound down following the completion of Phase III clinical trial of sebaloxavir marboxil tablets in adolescents in 2025, (ii) an increase of RMB13.3 million in other income, primarily attributable to one-off government grants that we received to

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support the R&D progress of our drug and drug candidates, and (iii) that we recorded revenue of RMB2.5 million from the sales of our sebaloxavir marboxil tablets. These were partially offset by (i) an increase of RMB13.9 million in administrative and other operating expenses, primarily associated with [REDACTED] expenses in connection with our proposed [REDACTED], (ii) an increase of RMB5.9 million in remeasurement of redemption liabilities in relation to our Series D + +, D + + + financing in 2026, and (iii) an increase of RMB2.3 million in selling expenses in line with the commercialization of our Core Product.

For details, please see “Financial Information — Description of Selected Components of the Consolidated Statements of Profit or Loss” and “— Key Factors Affecting Our Results of Operations.”

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
	<i>(RMB in thousands)</i>		
Total non-current assets	2,151	16,106	16,904
Total current assets.	125,926	244,140	265,978
Total current liabilities	886,605	1,218,344	1,338,177
Net current liabilities	(760,679)	(974,204)	(1,072,199)
Total assets less current liabilities.	(758,528)	(958,098)	(1,055,295)
Total non-current liabilities	47,170	62,282	50,126
Net liabilities	(805,698)	(1,020,380)	(1,105,421)

Our net current liabilities increased from RMB760.7 million as of December 31, 2024 to RMB974.2 million as of December 31, 2025, primarily due to an increase of RMB331.7 million in our current liabilities, as a result of (i) an increase of RMB329.5 million in redemption liabilities related to our Pre-[REDACTED] investors, (ii) an increase of RMB9.4 million in other payables and accruals, resulted from payables for [REDACTED] expenses associated with our proposed [REDACTED] and payables for acquisition of property, plant and equipment, mainly associated with the renovation of our Hangzhou R&D center, and (iii) an increase of RMB6.0 million in trade payables, primarily due to longer credit period from certain of our suppliers in line with our business growth. This is partially offset by an increase of RMB118.2 million in our current assets, primarily because (i) an increase of RMB85.7 million in financial assets measured at fair value through profit or loss (“FVPL”), mainly because we purchased more structured deposits to improve the utilization of our cash on hand on a short-term basis, (ii) an increase of RMB20.7 million in cash and cash equivalents and an increase of RMB10.1 million in time deposits, as we received proceeds from our Series D and D + financing, (iii) we recorded trade receivables of RMB5.0 million from sales of our sebaloxavir marboxil tablets following its commercial launch in October 2025, and (iv) an increase of RMB1.8 million in inventories, primarily attributable to the stock preparation for the commercialization of sebaloxavir marboxil tablets, partially adjusted by a decrease of RMB5.0 million in prepayments, deposits and other receivables, mainly resulted from our payment schedule to trial sites.

Our net current liabilities further increased to RMB1,072.2 million as of June 30, 2026, primarily due to an increase of RMB119.8 million in our current liabilities, as a result of (i) an increase of RMB127.1 million in redemption liabilities related to our Pre-[REDACTED] investors, and (ii) an increase of RMB3.7 million in trade payables, reflecting our revenue growth, partially offset by (i) a decrease of RMB5.9 million in other payables and accruals resulted from payables for [REDACTED] expenses associated with our proposed [REDACTED], staff costs reflecting half-year bonus accruals as compared to a full-year accrual as of December 31, 2025, other payables associated with the accrued service fees payable to a tax consultancy firm and payables for

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acquisition of property, plant and equipment related to the renovation of our Hangzhou R&D center, and (ii) a decrease of RMB5.2 million in bank loans, primarily attributable to the scheduled repayment of bank borrowings. This is partially offset by an increase of RMB21.8 million in our current assets, primarily due to (i) an increase of RMB64.7 million in cash and cash equivalents due to the proceeds received from our Series D++ and D+++ financing and the redemption of certain structured deposits and wealth management products in the first half of 2026, (ii) an increase of RMB6.1 million in inventories, primarily due to we maintain a higher level of inventory in line with the growing demand of sebaloxavir marboxil tablets, and (iii) an increase of RMB5.5 million in prepayments, deposits and other receivables, mainly in relation to VAT recoverable relating to increasing of our R&D expenses and [REDACTED] expenses and other deposits and receivables related to our capitalized [REDACTED] expenses, partially offset by a decrease of RMB36.6 million in financial assets measured at FVPL, primarily due to the redemption of certain structured deposits and wealth management products.

Our net liabilities increased from RMB805.7 million as of December 31, 2024 to RMB1,020.4 million as of December 31, 2025, primarily attributable to (i) loss for the year of RMB209.3 million, and (ii) recognition of redemption liabilities of RMB263.2 million in connection with our Series D and D+ financing in 2025, partially offset by capital contributions by investors with special rights, net of issuance costs of RMB257.4 million. Our net liabilities further increased from RMB1,020.4 million as of December 31, 2025 to RMB1,105.4 million as of June 30, 2026, primarily due to (i) loss for the period of RMB90.8 million, and (ii) recognition of redemption liabilities of RMB90.0 million in connection with our Series D++ and D+++ financing in the first half of 2026, partially offset by capital contributions by investors with special rights, net of issuance costs of RMB88.2 million. See consolidated statements of changes in equity in the Accountants’ Report set out in Appendix I of this document for details. Upon [REDACTED], the redemption liabilities of RMB1,237.3 million as of June 30, 2026 will be re-designated from financial liabilities to equity upon the automatic termination of the Pre-[REDACTED] Investors’ special rights, and as a result, our net liabilities position is expected to turn into a net assets position.

Summary of Consolidated Cash Flow Statements

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

	<u>For the year ended December 31,</u>		<u>For the six months ended June 30,</u>	
	<u>2024</u>	<u>2025</u>	<u>2025</u>	<u>2026</u>
	<i>(RMB in thousands)</i>			
	<i>(unaudited)</i>			
Net cash used in operating activities	(106,049)	(129,837)	(67,643)	(52,563)
Net cash generated from/(used in) investing activities	18,294	(95,112)	(100,768)	47,951
Net cash generated from financing activities	<u>42,249</u>	<u>245,624</u>	<u>213,547</u>	<u>69,360</u>
Net (decrease)/increase in cash and cash equivalents	(45,506)	20,675	45,136	64,748
Cash and cash equivalents at beginning of year/period. . .	55,551	10,063	10,063	30,714
Effect of foreign exchange rate changes	<u>18</u>	<u>(24)</u>	<u>(4)</u>	<u>(35)</u>
Cash and cash equivalents at end of year/period	<u>10,063</u>	<u>30,714</u>	<u>55,195</u>	<u>95,427</u>

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During the Track Record Period, we incurred negative cash flows from our operations and our operating cash outflows mainly resulted from our research and development costs. Our net cash used in operating activities amounted to RMB106.0 million, RMB129.8 million, RMB67.6 million and RMB52.6 million in 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. We expect to generate more cash inflow from our operating activities, through income from sales of our Core Product, sebaloxavir marboxil tablets, advancing the development and eventually commercializing other pipeline products and enhancing our cost containment capacity and operating efficiency. In order to bring to fruition our research and development objectives, we will ultimately need additional funding sources and there can be no assurances that they will be made available. For details, see “Financial Information — Liquidity and Capital Resources — Cash Flows — Net Cash Flows Used in Operating Activities.”

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our business operations and mitigate the effects of fluctuations in cash flows. Our Directors are of the opinion that, taking into account the financial resources available, including cash and cash equivalents and unutilized bank facilities and the estimated [REDACTED] from the [REDACTED], as well as our cash burn rate, we have sufficient working capital to cover at least 125% of our costs, including research and development costs, selling expenses and administrative and other operating expenses for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of cash used in operating activities, capital expenditures and lease payments. We had cash and cash equivalents of RMB95.4 million, time deposits of nil and financial assets measured at FVPL of RMB138.2 million as of June 30, 2026. 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 [REDACTED] time the level in the six months ended June 30, 2026, we estimate that (i) our cash and cash equivalents time deposits and financial assets measured at FVPL will be able to maintain our financial viability for [REDACTED] months, or, (ii) if we take into account all estimated [REDACTED] from the [REDACTED], [REDACTED] months. Our Directors and management team will continue to monitor our working capital, cash flows, and our business development progress. We expect to raise our next round of financing no earlier than 12 months after the completion of the [REDACTED].

Key Financial Ratio

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

	As of December 31,		As of June 30,
	2024	2025	2026
Current ratio ⁽¹⁾	0.1	0.2	0.2

Note:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

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SUMMARY OF MATERIAL RISK FACTORS

Our business faces risks including those set out in the section headed “Risk Factors.” As different [REDACTED] may have different interpretations and criteria when determining the significance of a risk, you should read the “Risk Factors” section in its entirety before you decide to [REDACTED] in our Company. Some of the major risks that we face include: (i) our business and financial prospects depend substantially on the successful development, approval and commercialization of our drug candidates, as well as the expansion of indications of our current drug product. If we are unable to successfully complete clinical development, obtain regulatory approval and commercialize our drug candidates or new indication, including our Core Product, or experience delays in doing so, our business prospects could be adversely affected; (ii) clinical drug development involves a lengthy and expensive process with uncertain outcomes and results of earlier studies and trials may not be predictive of future trial results; (iii) we may face intense competition and rapid technological change and the possibility that our competitors may develop drugs and 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; (iv) if our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our drug candidates; (v) if we encounter delays or difficulties enrolling patients in our clinical trials, clinical development of our drug candidates could be delayed or otherwise adversely affected; (vi) the data and information that we gather or rely on in our research and development process could be inaccurate or incomplete; (vii) we may not be able to identify, discover or develop new drug candidates, or to identify additional therapeutic opportunities for our drug candidates to maintain or expand our drug pipeline; (viii) adverse events (“AEs”) or undesirable side effects caused, or are perceived to be 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; (ix) we may allocate our limited resources to the development of a specific drug candidate or indication, potentially overlooking other drug candidates and indications that may later demonstrate greater commercial potential or a higher probability of success; and (x) our sales are subject to seasonality, which could cause our results of operations to fluctuate.

ACTING IN CONCERT AND OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Pursuant to the Concert Party Agreements, Dr. Yang, Dr. Hao and Zhengxiang Jiwan are parties acting in concert until 36 months after the [REDACTED]. Additionally, Dr. Yang is the general partner of Zhengxiang Jiwan. As of the date of this document, Dr. Yang, Dr. Hao and Zhengxiang Jiwan are collectively entitled to exercise approximately 22.14% of the voting rights in our Company. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Dr. Yang, Dr. Hao and Zhengxiang Jiwan will be collectively entitled to exercise approximately [REDACTED]% of the voting rights in our Company. Therefore, Dr. Yang, Dr. Hao and Zhengxiang Jiwan constitute the Single Largest Group of Shareholders and our Company will not have any controlling shareholder as defined under the Listing Rules.

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PRE-[REDACTED] INVESTORS

Since the establishment of our Company, we have received nine rounds of equity financing totaling approximately RMB942.20 million from our Pre-[REDACTED] Investors. Our Pre-[REDACTED] Investors include two Sophisticated Investors, Ennovation Ventures and FIIF II, who have made meaningful investment in the Company at least six months before the [REDACTED]. Ennovation Ventures and FIIF II will hold approximately [REDACTED]% and [REDACTED]%, respectively, of the total issued Shares immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised). We utilized the proceeds from the Pre-[REDACTED] Investments to finance our R&D development activities of pipeline products and fund our daily operations.

Pursuant to the applicable PRC laws, within the 12 months following the [REDACTED], all existing Shareholders (including the Pre-[REDACTED] Investors) of our Company could not dispose of any of the Shares held by them.

For further details of the identity and background of our Sophisticated Investors and other Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, please see “History and Corporate Structure — Pre-[REDACTED] Investments.”

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 have any dividend policy to declare or pay any dividends in the foreseeable future. The declaration and payment of any dividends in the future will be subject to the approval of our Shareholders in a shareholder’s meeting, our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our drug candidates as well as our earnings, capital requirements, overall financial condition and contractual restrictions. There is no assurance that dividends of any amount will be declared or distributed in any year. Currently, we do not have and do not intend to adopt a formal dividend policy or a fixed dividend distribution ratio following the [REDACTED]. As confirmed by our PRC Legal Advisors, any future net profit that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for, and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above. 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]

SUMMARY

[REDACTED]

[REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED] commissions, fees and estimated expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this document and that the [REDACTED] is not exercised. We intend to use our [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED], is expected to be used to fund the clinical advancement, commercialization and indication expansion for sebaloxavir marboxil across different formulations; (ii) approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED], is expected to be used to fund the clinical development of ZX-8177 across different indications; (iii) approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED], is expected to fund the clinical development of ZX-12042B; and (iv) approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED], is expected to be used for working capital and general corporate purposes.

For details, please see “Future Plans and [REDACTED].”

[REDACTED] EXPENSES

[REDACTED] expenses 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] expenses consist of (i) [REDACTED]-related expenses, including [REDACTED] commission, 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]. During the Track Record Period, the [REDACTED] expenses charged to our consolidated statements of profit or loss were RMB[REDACTED], and the issue costs, which was recognized as prepayments and are expected to be deducted from equity upon the [REDACTED], were HK\$[REDACTED]. After the Track Record Period, approximately HK\$[REDACTED] is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$[REDACTED] is expected to be accounted for as a deduction from equity upon the [REDACTED].

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RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Recent Development

Since the end of the Track Record Period, we have continued to develop our business and advance our pipeline, and our business operations and financial results have continued to grow. We completed the pre-NDA submission for sebaloxavir marboxil for suspension in children aged 2–11 years for influenza treatment in March 2026. Such submission was supported by our clinical and regulatory progress, including the relevant PK study and phase 1 PK bridging study, the CDE’s confirmation in July 2025 that it had no objection to our proceeding with the phase 3 pivotal clinical trial, and the latest progress of such trial, for which the clinical trial was completed. We held a pre-NDA meeting with the CDE in June 2026, during which the CDE agreed that we may submit the NDA for sebaloxavir marboxil for suspension based on the then available clinical data. Accordingly, we submitted the NDA application for sebaloxavir marboxil for suspension to the NMPA in June 2026, which was accepted by the NMPA in July 2026.

Subsequent to the Latest Practicable Date, we submitted the IND application to the NMPA for ZX-8177 for the treatment of HPP in August 2026.

We have completed subject enrollment for the first three dose cohorts in the monotherapy dose-escalation portion of the phase 1 dose-escalation clinical trial of ZX-8177. We have also been actively broadening our sales and distribution network by engaging new distributors in 2026. This enables us to tap in new region, such as Guangdong, Guangxi and Hunan province. Driven by our strengthened sales and marketing capabilities, the sales volume and revenue generated from our marketed products, sebaloxavir marboxil tablets, have achieved continuous and sustainable growth. In addition, we are actively communicating with National Healthcare Security Administration (“NHSA”) regarding the inclusion of our Core Product in National Reimbursement Drug List (“NRDL”).

We have submitted the application material for the inclusion of our Core Product in the NRDL to the NHSA in June 2026, which is currently under review. We expect to enter the NRDL negotiation in September 2026. NRDL inclusion represents both an opportunity for enhanced market access and a commitment to pricing frameworks that support broad patient accessibility within China’s healthcare insurance system. While NRDL inclusion provides substantial market advantages through enhanced patient accessibility and reduced out-of-pocket costs, it may also result in price adjustments through negotiated pricing mechanisms designed to balance patient access with healthcare system sustainability.

We expect our loss to increase in 2026 compared to 2025, primarily because we expect to record an increase in (i) research and development expenses, mainly driven by the initiation of the combined phase 3 clinical trials for indication expansion to post-exposure prophylaxis with both sebaloxavir marboxil tablets and sebaloxavir marboxil for suspension; and (ii) our selling and distribution expenses as a result of anticipated expansion of our sales and marketing team and enhanced marketing efforts following the commercialization of our Core Product in 2025.

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 there has been no material adverse change in our business, financial condition and results of operations since June 30, 2026, being the latest balance sheet date of our consolidated financial statements in the Accountants’ Report set out in Appendix I to this document, and up to the date of this document.