

RISK FACTORS

An [REDACTED] in our H Shares involves various risks. You should carefully consider all of the information in this document and, in particular, the risks and uncertainties described below, before making an [REDACTED] in our H Shares. The risks described below are not exhaustive. Additional risks currently unknown or deemed immaterial may also adversely affect us or our [REDACTED]. If any of these possible events occurs, our business, results of operations, financial condition and growth prospects could be materially and adversely affected. The [REDACTED] of our H Shares could decline owing to any of these risks, and you may lose all or part of your [REDACTED].

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

The development process of innovative drugs is typically lengthy and costly and the outcome is uncertain. If the development and commercialization processes of new pharmaceutical products are unsuccessful or prolonged, our financial performance and business prospects could be adversely affected.

Our long-term competitiveness depends on our ability to enhance golidocitinib and develop and commercialize new drugs for unmet medical needs. As of the Latest Practicable Date, we had one out-licensed product ZEGFROVY®, one marketed product golidocitinib, and multiple clinical-stage drug candidates in our pipeline. See “Business — Our Product Portfolio” for details. The development process of innovative drugs, our key growth driver, is particularly time-consuming, costly, and inherently uncertain. Notably, regulatory approvals for ZEGFROVY® and golidocitinib were obtained in an average of six years from project initiation to regulatory approval, surpassing the industry average of ten years. There can be no assurance that our R&D activities will deliver the expected results and we will be able to develop drug candidates that are potentially first-in-class or best-in-class on a global basis. Our drug candidates, given their novelty and differentiated features, may carry inherent risks that could result in delays, cost overruns, or even program suspension. We cannot predict whether our drug candidates will prove effective and safe for humans or will receive regulatory approval and failure can occur at any time during the clinical development process, even after significant investment. Any inability to achieve the anticipated development, regulatory and commercial milestones could adversely affect our business. In addition, early-stage and interim results do not guarantee later success, and data is often susceptible to varying interpretations and analyses. Consequently, even drug candidates that have shown promising results in early trials may ultimately fail to obtain regulatory approval or reach the market for several reasons, including: (i) failure to identify suitable patients; (ii) inability to obtain authorization from regulators or IRBs; (iii) insufficient enrollment or high participant dropout rates; (iv) trial suspension or termination due to non-compliance or safety risks; (v) third-party contractor failures regarding compliance or contractual obligations; (vi) unexpected cost increases or regulatory changes; (vii) inadequate supply or quality of materials; (viii) failure to demonstrate satisfactory safety or efficacy; (ix) negative or inconclusive results requiring additional trials or program abandonment; and (x) delays or failures in obtaining regulatory approvals for intended indications.

Furthermore, early research decisions of a drug candidate can affect the marketing strategy once approved. We cannot guarantee that a proper balance of research study efficiency and quality will be achieved for each drug candidate, nor can we ensure that decisions in this area would not adversely affect our results of operations. If competitors advance similar products ahead of us, our commercialization ability and future profits could be significantly impaired, which in turn could affect our competitive position, business, financial condition and results of operations. Furthermore, even if we successfully develop and market new products or make enhancements to golidocitinib, they may be quickly rendered obsolete by changing clinical preferences, evolving industry standards, or innovation from our competitors. For risks relating to the commercialization of golidocitinib and drug candidates approved in the future, see “— Golidocitinib and drug candidates approved in the future may fail to achieve or maintain the degree of market acceptance by physicians, medical institutions, pharmacies, patients, and others in the medical community necessary for commercial success, and the actual market size of these products and drug candidates could be smaller than expected.”

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Our revenue may experience fluctuations that could affect our results of operations.

During the Track Record Period, we derived all of our revenue from sales of ZEGFROVY[®] and golidocitinib. Specifically, revenue from sales of ZEGFROVY[®] accounted for 100.0%, 86.4%, 71.9%, 73.9% and 70.5% of our total revenue for the years ended December 31, 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively, and revenue from sales of golidocitinib accounted for nil, 13.6%, 28.1%, 26.1% and 29.5% of our total revenue for the same periods, respectively. Following the effectiveness of the AstraZeneca Agreement, ZEGFROVY[®] is out-licensed to AstraZeneca globally and our revenue may include license fee income under the AstraZeneca Agreement, including upfront, development and sales milestone payments and royalties. The receipt and timing of development and sales milestone payments and royalties are subject to, among other things, the achievement of specified development, regulatory and net sales milestones and the commercialization and net sales of Licensed Products. There can be no assurance that we will receive any or all of the anticipated license fee income or that such income will be received when expected. Revenue from sales of golidocitinib may also fluctuate depending on our ability to maintain sales volumes, pricing levels and profit margins. We may be particularly susceptible to factors adversely affecting golidocitinib, including: (i) exclusion from, or reduction in, government insurance coverage; (ii) pricing regulations; (iii) competition from substitute products or alternative therapies; (iv) interruptions in raw material supply or associated cost increases; (v) issues with product quality or side effects; (vi) intellectual property disputes; (vii) adverse distribution network changes; and (viii) unfavorable policy or regulatory changes. Many of these factors are outside of our control, and any resulting adverse impact, or any failure to receive license fee income under the AstraZeneca Agreement as anticipated, could hinder our ability to invest in and develop new products, thereby affecting our long-term growth prospects.

We have entered into a licensing agreement with AstraZeneca for the global development, manufacturing and commercialization of ZEGFROVY[®], and may not realize the expected benefits of the AstraZeneca Agreement.

On July 14, 2026, we entered into the AstraZeneca Agreement with AstraZeneca, pursuant to which we granted AstraZeneca an exclusive license, with the right to develop and commercialise Licensed Compounds and Licensed Products, including ZEGFROVY[®] globally. AstraZeneca has the sole right, at its sole cost and expense, to develop, obtain and maintain regulatory approvals for, commercialize and manufacture Licensed Compounds and Licensed Products, subject to our obligations to perform certain development, regulatory, manufacturing technology transfer, transitional supply and other activities. We may be entitled to license fee income under the AstraZeneca Agreement, including an upfront payment, development and sales milestone payments and tiered royalties on global sales of Licensed Products.

The AstraZeneca Agreement exposes us to risks, including: (i) AstraZeneca may delay, underfund or discontinue development or commercialization activities, fail to obtain or maintain regulatory approvals, or fail to generate expected sales or market acceptance; (ii) development, regulatory and sales milestones may not be achieved and we may not receive any or all of the potential milestone payments or royalties; (iii) AstraZeneca may terminate the AstraZeneca Agreement, including for safety or efficacy concerns or for any or no reason upon prior written notice, and upon termination all licenses granted under the AstraZeneca Agreement would terminate; (iv) we may fail to perform our obligations under the AstraZeneca Agreement, including timely transfer of regulatory documentation, know-how and other information and completion of ongoing development activities, manufacturing technology transfer and transitional supply obligations; (v) disputes may arise regarding our obligations, intellectual property rights, regulatory documentation, data, royalties or other terms, which could result in litigation, loss of rights or economic benefits, or reputational harm.

Although we may request that the parties negotiate a non-exclusive, royalty-bearing license from AstraZeneca following termination, there can be no assurance that such a license would be agreed on acceptable terms or that we could resume development, manufacturing or commercialization activities promptly. Any of the foregoing could adversely affect our revenue, business, financial condition, results of operations and prospects.

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Decreases in the sales volume and price levels of ZEGFROVY®, golidocitinib or drug candidates approved in the future, and changes in our cost structures may adversely affect our revenue and financial performance.

Sales volume and price levels of pharmaceutical products may be affected by a variety of factors, including the size of the relevant patient population, market acceptance, inclusion in or exclusion from the NRDL or other government-sponsored medical insurance programs, pricing regulations, competition from substitute products or alternative therapies, changes in treatment guidelines or physician preferences, product safety, efficacy or quality issues, loss of patent or regulatory exclusivity, and unfavorable policy or regulatory changes. ZEGFROVY® is indicated for the treatment of locally advanced or metastatic NSCLC harboring EGFR exon 20 insertion mutations. Golidocitinib is indicated for the treatment of relapsed or refractory peripheral T-cell lymphoma, which is a rare sub-type of non-Hodgkin lymphoma with a limited number of diagnosed patients. Following the effectiveness of the AstraZeneca Agreement, ZEGFROVY® will be out-licensed to AstraZeneca globally, and decreases in the sales volume or price levels of ZEGFROVY® could adversely affect our license fee income, including royalties. In addition, our cost structure may increase due to costs associated with the development, manufacturing, commercialization and regulatory compliance of golidocitinib and our drug candidates. If we are unable to maintain sales volumes and pricing levels or manage our cost structure effectively, our revenue and financial performance could be materially and adversely affected.

Our out-licensed product ZEGFROVY® and commercialized product golidocitinib address niche indications with limited patient populations, which may constrain our revenue potential.

Our out-licensed product ZEGFROVY® and commercialized product golidocitinib are each approved for the treatment of specific sub-sets of diseases rather than the broader categories of lung cancer or lymphoma. ZEGFROVY® is indicated for the treatment of locally advanced or metastatic NSCLC harboring EGFR exon 20 insertion mutations, which represent a small proportion of the overall NSCLC patient population. Golidocitinib is indicated for the treatment of relapsed or refractory peripheral T-cell lymphoma, which is a rare sub-type of non-Hodgkin lymphoma with a limited number of diagnosed patients. For additional information, see “Industry Overview.” As a result, the total addressable patient populations for our currently marketed products are relatively small compared to those of drugs targeting more prevalent cancers or broader disease indications. This limited patient pool may restrict our ability to generate significant revenue from these two products alone, and our future revenue growth will depend in part on the successful development and commercialization of our pipeline drug candidates in additional, potentially larger indications, such as first-line treatment settings, PACC NSCLC, classical EGFR-mutant NSCLC, and other hematological malignancies. There can be no assurance that we will be able to expand the approved indications for our existing products or successfully develop our pipeline candidates, and our business, financial condition, and results of operations could be materially and adversely affected if we are unable to do so.

If golidocitinib or other products and drug candidates fail to be timely included in, or are removed or excluded from, national, provincial or other government-sponsored medical insurance programs, our revenue and financial performance could be adversely affected.

Insurance coverage is a critical factor in a patient’s ability to afford treatments. If a pharmaceutical product is covered by medical insurance, whether provided by the government or a commercial insurer, patients may receive reimbursement for all or a portion of the cost. The inclusion or exclusion of a pharmaceutical product in or from government-sponsored medical insurance programs, or any limitation on their coverage could significantly affect patient demand for pharmaceutical products. Any delay in inclusion of golidocitinib or other products and drug candidates in the NRDL or other government-sponsored medical insurance programs may adversely affect their market adoption and sales growth. ZEGFROVY® and golidocitinib were included in the NRDL in 2024 with the coverage effective in January 2025. The selection of pharmaceutical products for listing in medical insurance catalogs is based on a variety of factors, including efficacy, safety and price. If we fail to have golidocitinib or other products and drug candidates included or maintained in the NRDL, golidocitinib or such other products and drug candidates may become less attractive due to reliance on patient self-payment, and patients may choose alternatives with lower price which have been included in the NRDL. Even if the government authorities were to accept our application for the inclusion of golidocitinib or other products and drug candidates in the catalog, our potential revenue from the sales of golidocitinib or such other products and drug candidates could still decline over time, as we may be required to significantly lower their prices to secure such inclusion. See “Business — Pricing — NRDL” for more details on the NRDL.

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We operate in a highly competitive environment, and we may not be able to compete effectively against current and future competitors, which could adversely affect our financial performance.

We are an innovation-driven pharmaceutical company dedicated to the development and commercialization of novel drugs. For details, see “Business — Our Product Portfolio.” The development and commercialization of pharmaceutical products is highly competitive. For instance, for the targeted indications of golidocitinib, there are currently six approved competing therapies globally. In addition, for ZEGFROVY®, there are seven competing drug candidates in Phase 2 clinical trials globally for the same indication. For details, please see “Industry Overview.” As a result, our ability to sustain and grow our business depends on the strength of our product portfolio and our growth potential. We may not be able to compete effectively against current and future competitors on the basis of efficacy, safety, price or general market acceptance. The pharmaceutical industry in which we operate is highly competitive and rapidly evolving, driven by continuous technological innovation and evolving treatment paradigms. Disruptive technologies and medical breakthroughs could render our current drug candidates or underlying technologies obsolete or significantly less competitive.

Our commercial opportunities could be significantly reduced or even eliminated if our competitors develop and commercialize drugs that are safer, more effective, more convenient, or less expensive. Competitors may also gain wider market acceptance. They may render our drug candidates obsolete or non-competitive before we can recover expenses of developing and commercializing any of our drug candidates. Furthermore, there may also be consolidation in the pharmaceutical industry among our competitors, or alliances among competitors that may rapidly acquire significant market share. If we fail to effectively compete with our competitors or adjust to structural changes in the pharmaceutical industry, our revenue and financial performance may be materially and adversely affected.

Golidocitinib and drug candidates approved in the future may fail to achieve or maintain the degree of market acceptance by physicians, medical institutions, pharmacies, patients, and others in the medical community necessary for commercial success, and the actual market size of these products and drug candidates could be smaller than expected.

The commercial success of golidocitinib and our drug candidates approved in the future is highly dependent on their continued market acceptance among physicians, medical institutions, pharmacies, patients, and others in the medical community necessary for commercial success. We believe that the market acceptance of golidocitinib and our drug candidates depends on many factors, including: (i) perceived advantages and availability over competing products; (ii) safety and efficacy; (iii) pricing and cost-effectiveness; (iv) the effectiveness of sales and marketing efforts; (v) publicity; and (vi) our ability to respond to changing needs of healthcare practitioners and patients.

Market acceptance of a product is also affected by whether it is included in the NRDL or other government-sponsored medical insurance programs. In addition, golidocitinib is currently indicated for a specific disease subset with an inherently limited patient population, which exposes us to significant market, commercial, and operational risks. The addressable market for such an indication might be small, potentially limiting our ability to generate significant revenue and achieve profitability. Meanwhile, other companies may develop therapies targeting the same or similar indications, potentially capturing market share and exerting downward pricing pressure if their products demonstrate promising efficacy, safety, or broader payer acceptance. Furthermore, the actual market size of our drug candidates may not be as large as we anticipate, influenced by various factors such as market acceptance, pricing, and patient availability. Any of these unfavorable developments could adversely affect our business, financial condition and results of operations.

We may not be able to accurately predict the safety profile of golidocitinib and our drug candidates, including when used in combination with other drugs. If these products cause, or are perceived to cause, severe side effects, our operations, results of operations and business prospects could be adversely affected.

We may experience unexpected safety issues emerging in new patient populations or new indications. For instance, the same drug could have different effects on patients with different physical conditions or on other medications, and the corresponding reactions could be unpredictable. In addition, we may not be able to accurately predict how golidocitinib or our drug

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candidates will interact with other drugs. Safety issues associated with golidocitinib or our drug candidates could lead to product liability claims, increased regulatory scrutiny and additional requirements such as revised labeling, product withdrawals, or fines and penalties. Any of the foregoing may result in liabilities, loss of revenue, material write-offs of inventory, and other adverse impacts on our business, financial condition and results of operations.

We rely on our distribution network to sell and distribute our products, and if we fail to maintain, manage and expand our distribution network, our business could be adversely affected.

Our ability to maintain and grow our sales depends on our ability to manage, expand and optimize distribution channels. During the Track Record Period, we generated all of our revenue through distributors in Chinese Mainland, all of whom were Independent Third Parties. In line with industry practice in China, we typically enter into distribution agreements for a prescribed term. See “Business — Commercialization Strategies and Sales Model — Our Distribution Model” for details. Our distributors may elect not to renew their distribution agreements, cease or reduce their purchases of our products, or otherwise terminate their business relationships with us for various reasons. In addition, we may not be able to establish business relationships with new distributors to support the continued growth of our business. During the Track Record Period, we complied with the two-invoice system for our pharmaceutical products sold to public hospitals and other public medical institutions in Chinese Mainland. Non-compliance by any of our distributors or sub-distributors under applicable regulations may adversely affect the sales and distribution of our products. Nor can we guarantee their continuous compliance with our sales policies or prevent potential competition among them for market share of our products. Failure by these distributors to sell our products efficiently, manage inventory appropriately, or adhere to applicable regulations as well as our pricing and marketing strategies could result in the erosion of our goodwill, expose us to liabilities, disrupt our distribution network and create an unfavorable public perception about the quality of our products.

If we are unable to maintain a qualified sales force or effectively promote our products, our business and results of operations could be adversely affected.

Successful sales and marketing efforts are crucial for us. Any failure to maintain an effective sales force could limit our ability to achieve targeted sales volumes, expand hospital coverage, or grow market share as planned. Our sales and marketing force must possess adequate technical knowledge, up-to-date understanding of industry trends, necessary expertise in the relevant therapeutic areas and products, as well as sufficient promotion and communication skills. If we are unable to effectively train and develop our in-house sales force, our sales and marketing may be less successful than desired. See “Business — Commercialization Strategies and Sales Model” for details.

Negative results from off-label use of golidocitinib and products approved in the future could harm our business reputation, product brand and financial condition and expose us to liability.

Golidocitinib and products approved in the future may be subject to off-label drug use and may be prescribed in a patient population, dosage or dosage form that has not been approved by competent authorities. Any of these occurrences can create negative publicity and materially and adversely affect our reputation, product brand, operations and financial conditions. These occurrences may also expose us to liability, negatively affect the sales of golidocitinib and future approved products, or result in a delay in our clinical trials or failure to obtain regulatory approval for our drug candidates.

RISKS RELATING TO THE DEVELOPMENT OF OUR DRUG CANDIDATES

If we encounter delays or difficulties enrolling participants in our clinical trials, our clinical development progress 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 in a timely manner. Inadequate enrollment or delays in enrollment could result in significant delays in our clinical trials, prolonging timelines for data readouts or regulatory submissions, and increasing overall development costs. Participant enrollment for our clinical trials may be affected by a variety of factors, including but not limited to: (i) the size and nature of the patient population and disease severity; (ii) trial eligibility criteria and study design; (iii) the availability and competence of clinical sites and investigators; (iv) patient

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consent and perceptions of the drug versus other therapies; (v) physician referral practices; and (vi) external disruptions such as health epidemics or natural disasters. These factors significantly complicate participant recruitment and retention, which could potentially hinder the overall clinical trial progress. Any delays or difficulties encountered during the enrollment process could adversely impact our clinical development progress, resulting in increased costs, obstacles to trial completion, and disrupted timelines for planned trials, all of which would hinder our ability to advance 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.

Adverse events (“AEs”) and undesirable side effects caused by our drug candidates could cause us or regulatory authorities to interrupt or halt clinical trials. In such an event, trials could be suspended or terminated by the NMPA, the FDA or other comparable regulatory authorities, who could also deny approval of our drug candidates for any or all targeted indications. AEs related to our drug candidates may also affect participant recruitment or the ability of enrolled participants to complete the trial. Additionally, if we or others identify undesirable side effects caused by golidocitinib or our drug candidates after they receive regulatory approval, it may lead to potentially significant negative consequences, including (i) withdrawal of approvals, license revocation, or marketing suspension; (ii) additional label warnings, restrictions, or the imposition of risk mitigation strategies; (iii) stricter inspections, changes to administration methods, or mandatory post-marketing studies; (iv) litigation and liability for patient harm; and (v) reputational damage. Further, combination therapy involving golidocitinib or our drug candidates and third-party agents may give rise to AEs, some of which could be exacerbated compared with AEs from monotherapy. Any of these events could prevent us from achieving or maintaining market acceptance of any approved drug candidate and could significantly harm our business, financial condition, results of operations and prospects.

Interim, top-line and preliminary data from our clinical trials that we announce or publish from time to time are subject to change.

The top-line or preliminary results may differ from the future results, or additional data and full evaluations may lead to different interpretations or modify earlier conclusions. Furthermore, top-line data also remain subject to audit and verification procedures that may result in material differences. Adverse discrepancies between preliminary or interim data and final data could significantly harm our business prospects. Moreover, the disclosure of interim data by us or our competitors could lead to volatility in the price of our Shares after the [REDACTED]. In addition, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses, or may interpret or weigh the importance of data differently, which could impact the perceived value, likelihood for approval, and commercial potential of our drug candidates.

We may not be able to identify or discover new drug candidates, or to expand the therapeutic opportunities for golidocitinib or our drug candidates.

Our business depends in part upon our ability to identify or discover new drug candidates and explore additional therapeutic opportunities for golidocitinib and our drug candidates. We may direct our efforts and resources on programs or drug candidates that ultimately prove to be unsuccessful for a number of reasons, including but not limited to: (i) the research methodology may not be effective in identifying potential indications; (ii) candidates may be shown to have adverse effects or lack therapeutic benefits; or (iii) the potential commercial value may not justify the significant resources required, thereby limiting our ability to diversify and expand our pipeline.

The data and information we utilize or otherwise rely on in our research and development process could be inaccurate or incomplete, which could harm our trial results, reputation and prospects.

We generate, process and analyze data and information from various drug development stages. We also engage in the procurement of regulatory approvals necessary for the development and commercialization of our drug candidates under development. These processes and submissions are governed by complex data processing and validation policies and regulations. We may be exposed to liability to a customer, court or governmental authority that concludes that our storage, handling, submission, delivery, or display of health information or other data is wrongful or erroneous. In

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addition, we rely on certain third parties, such as CROs, to handle and process data for some of the ongoing preclinical and clinical programs and control only certain aspects of their activities. Any inaccuracies, mistakes or incompleteness caused by these third parties could negatively impact our clinical development activities and drug approval processes. For details, see “— Risks Relating to Dependence on Third Parties — We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the 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 affected.”

If we are unable to obtain or maintain approval from the NMPA and FDA and other comparable regulatory authorities for our drug candidates to be eligible for an expedited registration pathway, the time and cost we incur to obtain regulatory approvals may increase.

The NMPA, the FDA and the comparable regulatory authorities have implemented expedited review programs. As of the Latest Practicable Date, ZEGFROVY[®] was the first drug to receive Breakthrough Therapy Designations in both the United States and China for lung cancer, and golidocitinib received FDA Fast Track Designation for relapsed or refractory (“r/r”) peripheral T-cell lymphoma (“PTCL”). There can be no assurance that our drug candidates will qualify for these programs, or that we will pursue or submit any applications for them. In addition, approvals granted under expedited registration pathways may be subject to certain conditions related to use restrictions for certain patient populations, warnings, precautions or contraindications, or may be subject to burdensome post-approval study or risk management requirements. Any failure to obtain such approvals and/or any future changes to current policies and approvals with respect to the expedited registration pathways could delay our commercialization, increase development expenses and adversely affect our competitive position.

If we fail to achieve our expected product development milestones, it could adversely affect our business prospects.

The successful achievement of development milestones is subject to significant uncertainties and contingencies. The actual timing could vary significantly from our expectations due to factors outside our control, including delays or failures in our preclinical or clinical trials, challenges in establishing or maintaining relationships with our business partners, uncertainties in the regulatory approval process for new pharmaceutical products, and delays in manufacturing or marketing arrangements. If we fail to achieve one or more of these milestones as expected, we may need to incur additional expenses, which could adversely affect our business prospects.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

We have incurred net losses during the Track Record Period and may not be able to achieve or subsequently maintain profitability in the near future.

We have experienced significant revenue growth during the Track Record Period, and we recorded revenue of RMB91.3 million, RMB359.9 million, RMB801.1 million, RMB355.0 million and RMB522.7 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. However, we incurred net losses of RMB1,107.7 million, RMB939.7 million, RMB768.5 million, RMB379.0 million and RMB213.1 million during the corresponding periods, primarily due to our substantial investments in research and development activities, continued expansion of our research pipeline and commercialization capabilities. For additional information about our business sustainability, see “Business — Path to Profitability.” Our revenue, expenses and operating results may be subject to period-to-period fluctuations and may not be indicative of our future performance. Projecting or estimating future financial performance based solely on past data carries inherent risk, as it reflects conditions that may no longer apply. The continued growth of our business depends on our ability to effectively manage and scale our operations while maintaining operational efficiency and financial stability.

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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.

We incurred research and development expenses of RMB805.6 million, RMB723.7 million, RMB855.6 million, RMB408.3 million and RMB402.0 million for the years ended December 31, 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. We may not be able to successfully develop or commercialize new drug candidates or golidocitinib with expanded indications in a timely or cost-effective manner, or secure adequate intellectual property protection. We prioritize research programs and drug candidates targeting selected indications. We may in turn forgo or delay other indications that may later prove to have greater commercial potential or a greater likelihood of success. If our current pipeline priorities do not yield the anticipated outcomes, we may need to adjust our strategy. Furthermore, if we inaccurately evaluate the commercial potential or target market for a particular drug candidate, we could relinquish valuable rights through collaboration or license arrangements where retaining sole development and commercialization rights would have been more advantageous. Conversely, we may allocate internal resources to a drug candidate where collaboration would have been preferable. Either scenario could adversely affect our future growth and prospects.

We had incurred net operating cash outflow during the Track Record Period and there can be no assurance that we will not have net operating cash outflow in the future.

We recorded net cash used in operating activities of RMB973.0 million, RMB654.2 million, RMB589.2 million, RMB263.0 million and RMB275.9 million in each period during the Track Record Period, respectively. See “Financial Information — Liquidity and Capital Resources — Cash Flows” for further details. We cannot guarantee that we will not experience net operating cash outflows in the future, whether as a result of our business expansion, intensified market competition, unfavorable changes in the macroeconomic environment or other factors beyond our control. If we are unable to generate sufficient operating cash inflows on a sustained basis, we may not have adequate working capital to fund our operations, which could adversely affect our business, financial condition, results of operations and prospects.

Our results of operations, financial condition and prospects may be adversely affected by fair value changes in our financial assets at fair value through profit or loss.

During the Track Record Period, we had certain financial assets at fair value through profit or loss, which mainly included investments in wealth management products. As of December 31, 2023, 2024, 2025 and June 30, 2026, our financial assets at FVPL amounted to RMB674.0 million, RMB589.8 million, RMB1,644.8 million and RMB1,556.9 million, respectively. See “Financial Information — Discussion of Selected Items from Consolidated Statements of Financial Position — Financial Assets at FVPL” for details. We may continue to make such instruments as part of our cash management and treasury measures, thereby exposing us to fair value fluctuations in these FVPL financial assets. We cannot assure you that we will not recognize fair value losses, which would adversely affect our result of operations for future periods. In addition, the valuation of financial assets at FVPL, which relies to a certain extent on subjective assumptions and unobservable inputs, is subject to estimation uncertainties, potentially leading to fluctuations in periodic profits or losses.

Share-based payments may impact our financial performance and cause shareholding dilution to our existing Shareholders.

To remunerate our core employees, Directors and senior management for their services, and to incentivize and reward those eligible persons who have contributed to our Company’s success, we have adopted share incentive schemes. For details, see “Appendix VI — Statutory and General Information — 2022 Share Incentive Scheme.” In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, we incurred share-based payment expenses of RMB196.6 million, RMB132.8 million, RMB73.6 million, RMB34.3 million and RMB8.3 million, respectively. As share-based compensation is critical for retaining key personnel and employees, we may continue to grant awards in the future, potentially increasing related expenses and affecting our financial condition and results of operations. We may re-evaluate key terms applicable to the grants under our currently effective employee incentive plan from time to time, which could result in material fluctuations in

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our share-based payments in the reporting periods following this [REDACTED]. Moreover, the issuance of additional Shares with respect to such share-based payments could also dilute the shareholding of our existing Shareholders.

If we determine our intangible assets to be impaired, our results of operations and financial condition may be adversely affected.

During the Track Record Period, our intangible assets primarily consist of intellectual property and software use rights. As of December 31, 2023, 2024, 2025 and June 30, 2026, we had intangible assets of RMB423.5 million, RMB389.2 million, RMB354.9 million and RMB338.3 million, respectively. The value of our intangible assets is based on a number of assumptions made by the management. See Note 14 to the Accountants’ Report in Appendix I to this document for details. If any of these assumptions fail to materialize, or if the performance of our business deviates from such assumptions, we may be required to have a significant write-off of our intangible assets and record a significant impairment loss. Furthermore, subsequent to initial recognition, we assess whether these intangible assets are impaired at the end of each reporting period when events or changes in circumstance indicate that the carrying amount of these assets may exceed their recoverable amount. Should the carrying amount exceed its recoverable amount, our intangible assets could be deemed impaired. Any such impairment could have an adverse effect on our business, financial condition and results of operations.

We are subject to credit risk in respect of our trade receivables. Any payment delays or defaults from our customers may adversely affect our liquidity and financial condition.

We are exposed to credit risk related to delays in payment and defaults of our customers. As of December 31, 2023, 2024, 2025 and June 30, 2026, our trade receivables were RMB48.0 million, RMB27.5 million, RMB143.4 million and RMB210.7 million, respectively. In 2023, 2024, 2025 and the six months ended June 30, 2026, our trade receivables turnover days were 96 days, 38 days, 39 days and 61 days, respectively. See “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade Receivables.” Our customers may not be able to make timely payment, due to their adverse operating conditions or financial conditions and their inability to pay as a result of the delays in payment from end customers. In addition, as our business continues to develop, our trade receivables may continue to grow and would increase our credit risk. If our customers delay or default on their payments to us, we may need to make impairment provisions and write off the relevant receivables. This would have a negative impact on our liquidity and financial condition.

Failure to manage our inventory effectively could adversely affect our results of operations and financial condition.

Our inventories primarily consist of raw materials, work-in-progress and finished goods. As of December 31, 2023, 2024, 2025 and June 30, 2026, we had inventories of RMB23.5 million, RMB44.1 million, RMB36.9 million and RMB42.9 million, respectively. In 2023, 2024, 2025 and the six months ended June 30, 2026, our inventory turnover days were 1,620 days, 1,324 days, 432 days and 344 days, respectively. For additional information about our inventories, see “Financial information — Discussion of Selected Items from Consolidated Statements of Financial Position — Inventories.” To operate our business successfully and meet our customers’ demands and expectations, we must manage our inventory effectively to ensure immediate delivery when required. For details, see “Business — Quality Management — Inventory Management.” We cannot assure you that we will avoid overstocking or understocking. Further, demand for products could change significantly between order and delivery. Excess inventory levels may increase our inventory holding costs, obsolescence risks or potential impairment losses. Conversely, underestimating demand may cause stock shortages and we may lose sales and market share to our competitors.

We may be exposed to liquidity risks as a result of a long cash conversion cycle.

We had recorded high average inventory turnover days during the Track Record Period, which may cause delays in the conversion of our revenue into cash flows. Our cash conversion cycle, which is a metric to measure how efficiently we manage our working capital by tracking the number of days it takes to convert our investments in inventory and other resources into cash flows from sales was 887 days, 733 days, 271 days and 212 days for the years ended December 31, 2023, 2024, 2025 and for the six months ended June 30, 2026, respectively. The cash conversion cycle is

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calculated based on the sum of inventory turnover days and trade receivables turnover days, less trade payables turnover days. Our cash conversion cycle was relatively prolonged during the Track Record Period, primarily driven by our higher inventory turnover days, which was in turn mainly attributable to the fact that ZEGFROVY® and golidocitinib were recently commercialized, with revenue remaining in the ramp-up stage with correspondingly lower cost of sales. See “Financial Information — Discussion of Selected Items from Consolidated Statements of Financial Position — Cash Conversion Cycle” for details. There can be no assurance that our long cash conversion cycle can be improved in the future and a long cash conversion cycle may increase our reliance on working capital and/or external financing. If we are unable to manage our inventory levels efficiently or to secure adequate financing on acceptable terms, our liquidity position may be adversely impacted.

We benefit from certain government grants and preferential tax treatments, the discontinuation of or changes to which could adversely affect our financial condition.

We recorded government grants amounting to RMB31.6 million, RMB41.1 million, RMB62.5 million, RMB34.9 million and RMB10.9 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. These government grants primarily represent subsidies received from the local governments for expenses arising from research and development activities. We also enjoyed preferential tax treatment during the Track Record Period. See “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Other Gains/(Losses), Net” and “— Income Tax Expense” for details. The government grants and preferential tax treatments we receive are discretionary and subject to reduction or elimination, which may cause future fluctuations in our net income. Consequently, the discontinuation or changes of such financial incentives currently available to us could have an adverse effect on our financial condition, results of operations, cash flows and prospects.

We may need to obtain additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates.

During the Track Record Period, we funded our operations and other capital requirements primarily through cash generated from our financing activities, bank borrowings and sales of ZEGFROVY® and golidocitinib. We expect to continue incurring significant costs and expenses to drive our R&D activities, manufacturing, marketing, sales and distribution of our products. Going forward, we expect to primarily fund our future working capital and other cash requirements with cash generated from sales of golidocitinib, license fee income under the AstraZeneca Agreement, anticipated sales of our drug candidates upon their approval, the [REDACTED] from the [REDACTED], and bank borrowings and other financing activities. Should we fail to generate sufficient cash flow for our operations or secure adequate external funds, our liquidity and financial health could deteriorate, constraining business expansion. In addition, any alternative financing may involve higher costs, uncertain availability, or unfavorable terms. Such limitations may heighten our vulnerability to adverse economic and industry conditions, which could adversely affect our financial condition and results of operations.

Our potential engagement in acquisitions or strategic partnerships in the future may increase our capital requirements, cause dilution for our Shareholders, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

From time to time, we may evaluate various acquisitions and strategic collaborations, including acquiring complementary products, intellectual property rights, technologies or businesses, as we may deem appropriate to carry out our business plan. Any potential acquisition or strategic collaboration may entail numerous risks, including, but not limited to: (i) valuation risks associated with the acquired targets; (ii) increased operating expenses and cash requirements; (iii) assumption of indebtedness or liabilities; (iv) shareholder dilution; (v) diversion of management attention; (vi) loss of key personnel and business relationships; (vii) integration risks relating to acquired businesses, brands, operations, culture, intellectual property, and products; (viii) counterparty risks, including prospects of their products and regulatory approvals; (ix) inability to generate revenue sufficient to offset costs; (x) accounting principle impacts, such as significant future amortization expenses related to acquired intangible assets; and (xi) failure to achieve the anticipated synergies, cost savings or revenues, enhancing opportunities resulting from the acquisition of new businesses and operating those businesses at a level of profitability acceptable

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to us. Moreover, we may not be able to locate suitable acquisition opportunities, and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

RISKS RELATING TO DEPENDENCE ON THIRD PARTIES

We engage third parties to conduct the manufacturing of golidocitinib and our drug candidates during the Track Record Period, and any disruption, quality issue or capacity constraint at such third parties could adversely affect our business, financial condition and results of operations.

We have engaged third-party CDMOs to outsource our manufacturing processes. If these parties, whom we cannot fully control, do not successfully carry out their contractual duties or regulatory obligations, or choose not to continue their relationship with us, our development and commercialization efforts could be delayed, suspended or terminated. Additional risks that we are exposed to include, but not limited to: (i) our inability to identify suitable manufacturers; (ii) CDMO's limited capacity affecting timelines; (iii) their failure to timely produce required quantity and quality; (iv) failure to execute manufacturing procedures; (v) performance failures, insufficient resources, or business discontinuation; (vi) failure to comply with relevant regulations and requirements; (vii) agreement breach or termination; (viii) raw material unavailability or defects; (ix) customs delays or charges; (x) disaster-related disruptions; and (xi) inconsistent quality rates and yields. Each of these risks could delay or prevent the completion of our clinical trials or the approval of any of our drug candidates by the NMPA, the FDA or other comparable regulatory authorities, result in higher costs or adversely impact the commercialization of our drug candidates.

We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the 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 affected.

We rely on third parties, such as CROs, to assist in the execution of our preclinical studies and clinical trials. We control only certain aspects of their activities and cannot ensure that they will adequately and timely perform all obligations. If we or any of our CROs or clinical investigators fail to comply with GCP, which are regulations and guidelines enforced by the NMPA, the FDA and other comparable regulatory authorities, the clinical data generated in our clinical trials may be deemed unreliable and the regulatory authorities may require us to repeat or perform additional clinical trials, which would delay the regulatory approval process. If CROs fail to carry out their contractual duties or regulatory obligations, or if the quality or accuracy of the clinical data they or our clinical investigators obtain is compromised, our clinical trials and commercialization may be extended, delayed or terminated. As a result, our results of operations and the commercial prospects for our drug candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed. If any of our relationships with these CROs terminates, we may not be able to find alternative CROs on commercially reasonable terms. Switching or adding additional CROs involves additional costs and delays, which can materially influence our ability to meet our desired clinical development timelines. There can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have an adverse effect on our business, financial condition and prospects.

If we cannot maintain or develop our relationships with principal investigators, physicians and other industry experts, our results of operations and prospects could be adversely affected.

Our professional relationships with principal investigators, physicians and other industry experts play an important role in our research and development and marketing activities. These industry participants may leave their roles, change their business or practice focus, or choose to no longer cooperate with us and cooperate with our competitors instead. Should they continue to cooperate with us, their market insights and perceptions, which we factor into our research and development process, may be inaccurate and lead us to develop products with limited market potential. Even if their insights and perceptions are correct, we may fail to develop commercially viable products. If we are unable to develop and maintain our relationships with industry participants as anticipated, our business, financial condition and results of operations may be adversely affected.

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The potential loss of major customers or any of our large contracts could materially affect our business, financial condition and results of operations.

Our revenue in each period during the Track Record Period generated from our five largest customers accounted for 90.8%, 89.6%, 81.5% and 82.9% of our revenue in each period, respectively, and revenue generated from our largest customer accounted for 39.3%, 38.8%, 41.8% and 42.9% of our revenue in each period, respectively. For more information about our top five customers, see “Business — Our Customers.” We cannot assure you that we will be able to maintain or strengthen our relationships with our major customers, or that they will continue to transact with us. If there is any significant reduction in spending on our products by our major customers due to industry consolidation, deterioration of their financial conditions, budget cuts, pending regulatory approvals or other reasons, and we are unable to obtain suitable contracts or purchase orders of a comparable size and terms in substitution, our business, financial condition and results of operations may be materially affected. In addition, any deterioration on our key customers’ ability to settle their trade receivables in a timely manner will have a material effect on our results of operations.

Delivery delays and poor handling by third-party logistics service providers may adversely affect our business, financial condition and results of operations.

Delivery delays by third-party logistics service providers may occur for various reasons beyond our control, including poor handling by our logistics service providers, labor disputes or strikes, natural disasters, and health epidemics, and could lead to delayed or lost deliveries. We cannot guarantee that our insurance coverage is sufficient to compensate for actual losses suffered or incurred. If products are not delivered on time or are delivered in a damaged state, our customers may refuse to accept products and claim refund from us, and may have less confidence in our services. Poor handling of our products could also result in product contamination or damage, which may in turn lead to product recalls, product returns or exchanges, product liability, increased costs and reputation damage, thereby adversely affect our business, financial condition and results of operations.

RISKS RELATING TO INTELLECTUAL PROPERTY RIGHTS

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

Our commercial success depends, to a certain extent, on our ability to protect our proprietary technology, products and drug candidates from competition by obtaining, maintaining, defending and enforcing our intellectual property rights, including patent rights. We cannot guarantee that our current and future patent applications will result in issued patents or that our issued patents will provide sufficient scope of protection to prevent third parties from commercializing competitive technologies. Undiscovered relevant prior art or material defects in patent preparation may invalidate our patent rights or prevent our patent applications from being issued. Our patent portfolio may not provide us with sufficient rights to exclude others from commercializing technology and products similar or identical to ours. Our competitors may also be able to circumvent our patent issuance by developing similar or alternative technologies or products in a non-infringing manner. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own drugs and further, may export otherwise infringing drugs to certain jurisdictions where enforcement rights are not as strong as those in certain other countries.

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.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees for patents and patent applications are due to be paid to the China National Intellectual Property Administration (the “CNIPA”), the United States Patent and Trademark Office (the “USPTO”) and other applicable patent authorities in several stages over the lifetime of a patent. The CNIPA, the

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USPTO and other applicable patent authorities require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. Non-compliance events, such as failure to respond to official actions or non-payment of fees within prescribed time limits, could result in abandonment or lapse of a patent or patent application, leading to loss of rights. In any such event, our competitors might be able to enter the market, which would have an adverse effect on our business.

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, generally 20 years from the date of filing. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such drug candidates might expire before or shortly after such drug candidates are commercialized. While we believe that we are eligible for certain patent term extensions under laws such as the Hatch-Waxman Amendments in the U.S. or amended PRC Patent Laws, there can be no assurance that the applicable authorities will agree with our assessment or grant extensions to our patents. If we are unable to obtain a patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business could be harmed.

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

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 in all the necessary or desirable jurisdictions and categories in which we intend to sell our future products or provide our future services. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. We may authorize our business partners to utilize our trademarks and trade names under certain circumstances. The relevant agreements that set out guidelines for the use of our trademarks and trade names may not fully prevent breaches or misuse by our licensees. Over the long term, these risks could undermine our ability to establish meaningful name recognition through our trademarks and trade names. In the absence of such recognition, we may be unable to compete effectively, and our business could be adversely affected.

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

In addition to our issued patents and pending patent applications, we rely on trade secrets and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. Despite non-disclosure, confidentiality and similar agreements with parties that have access to our trade secrets and confidential information, any of these parties may breach their obligations and we may not be able to obtain adequate remedies. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using such technology or information to compete against us. We may also be subject to claims that we or our employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of their former employer.

Intellectual property and other laws and regulations are subject to change, which could diminish the value of our intellectual property in general, thereby impairing our ability to protect our current and any future drug candidates.

Obtaining and enforcing patents in the pharmaceutical industry involve a high degree of technological and legal complexity. Therefore, obtaining and enforcing pharmaceutical patents is costly, time-consuming and inherently uncertain. Changes in either the patent laws or their interpretations may diminish the value of our intellectual property, while increasing the

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uncertainties and costs involved in prosecuting patent applications, enforcing issued patents, and defending against challenges to such patents. Legislative changes could weaken our ability to obtain new patents or to enforce our current and future owned and licensed patents.

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.

Litigation relating to patents and other intellectual property rights in the pharmaceutical industry is common, and could be expensive and time-consuming. Third parties could assert claims of patent infringement against us. If we are found to be infringing, we may be forced to modify or cease business operations, seek a license which may not be available on acceptable terms, or pay substantial damages, including enhanced damages for willful infringement. We may also fail to identify relevant third-party patents that cover our products due to the lag in publication of the scientific or patent literature. Our intellectual property rights could be challenged or invalidated. To counter infringement, we may be required to file infringement claims, the outcomes of which are unpredictable and could provoke counterclaims that may invalidate our patents or interpret them narrowly. Even if we establish infringement, a court may decide not to grant an injunction against further infringing activity and instead award only monetary damages. Furthermore, disclosure of adverse litigation developments or even the perception of uncertainty could have a substantial adverse effect on the price of our Shares.

RISKS RELATING TO GOVERNMENT REGULATIONS

We may be subject to additional regulatory requirements under new laws and regulations on overseas securities offering and listing issued by the PRC government authorities for our future offerings.

While we have completed the CSRC filings for the [REDACTED] and the [REDACTED] of our H Shares, we may be subject to additional PRC regulations for our future offerings. On July 6, 2021, the Opinion on Severely Punishing Illegal Activities in Securities Market (《關於依法從嚴打擊證券違法活動的意見》) was published, which calls for the enhanced administration and supervision of overseas-listed PRC-based companies, proposes to revise the relevant regulation governing the overseas issuance and listing of shares by such companies and clarifies the responsibilities of competent domestic industry regulators and government authorities. In addition, 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》) (the “**Overseas Listing Trial Measures**”) and five supporting guidelines, which took effect on March 31, 2023, we are required to submit subsequent reports to the CSRC on relevant information or material events, such as change of control or voluntary or forced delisting. As the Overseas Listing Trial Measures are relatively new, their interpretation, application, and enforcement are evolving. Any failure or delay in completing filings for our future offerings or submitting such subsequent reports could subject us to sanctions by the CSRC or other PRC regulatory authorities, including rectification orders, warnings, or fines and penalties, potentially adversely affecting our business, financial condition, results of operations, and prospects, as well as the trading price of our H Shares.

All material aspects of the research, development, manufacturing and commercialization of pharmaceutical products are heavily regulated. Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects.

All jurisdictions in which we operate or intend to operate our business, including China and the U.S., regulate the research, development, manufacturing and commercialization of pharmaceutical products in great depth and detail. Evolutions and differences in these regulatory regimes could increase our compliance burden. Obtaining and maintaining necessary licenses requires substantial resources. If any regulatory authority considers that we have failed to comply with applicable regulations in a timely manner, it may have the discretion to levy fines, confiscate our income, revoke our business licenses, require us to discontinue our relevant business or impose restrictions on the affected portion of our business, among other actions. In particular, we may also be subjected to administrative or judicial sanctions. Furthermore, in China, the U.S. and other markets, the relevant regulatory authorities impose strict standards for clinical trial and marketing approval, such as requiring clearance to begin trials and filing NDAs. Any failure to comply could

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result in punitive actions, the termination of ongoing research, disqualification of data, or a ban on the future sales of our drugs, each of which could have a material adverse impact on our reputation, business, financial condition, results of operations and prospects. Even unsuccessful claims against us could incur significant legal expenses and divert our management's attention.

The regulatory approval processes of the NMPA, the FDA and other comparable regulatory authorities are time-consuming and uncertain. If we are unable to obtain timely regulatory approvals for our drug candidates in the target markets, our business may be subject to actual or perceived harm.

The regulatory approval process is time-consuming, inherently uncertain, and subject to discretion. Additional time, effort and expense may be required to bring our drug candidates, upon regulatory approval, to the international markets in compliance with different regulatory processes. We may fail to receive the regulatory approvals for our drug candidates due to a number of reasons, including: (i) disagreements over clinical trial design or implementation; (ii) failure to demonstrate safety and efficacy or meet statistical significance; (iii) insufficient data or procedural errors; (iv) failure to pass GCP inspections or data audits; (v) unexpected changes in regulations or approval policies; or (vi) manufacturing deficiencies, including failure to pass GMP inspections.

Regulatory authorities may require more information to support approval, which may result in delays in regulatory approval and commercialization plans or denial of regulatory approval. If any of our drug candidates fails to demonstrate safety and efficacy to the satisfaction of regulatory authorities or does not otherwise produce positive results in future clinical trials, we may not be able to realize any revenue from such drug candidate despite the significant amount of resources we would have spent on its development, which could adversely affect our business, financial condition, results of operations and prospects.

Golidocitinib and drug candidates approved in the future are subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expenses. We may face penalties and other negative consequences if we fail to comply with these regulatory requirements or experience unanticipated problems with golidocitinib or our drug candidates.

Golidocitinib and drug candidates approved in the future are subject to extensive ongoing regulatory obligations and continued regulatory review, covering R&D, manufacturing, and marketing. These include CMC adherence, continuous compliance with current cGMPs, GCPs and potential post-approval studies for the purposes of license renewal. Furthermore, regulatory approvals may be limited to specific indications or conditioned on costly post-marketing studies, such as Phase 4 trials to monitor the safety and efficacy. Even after approval, the subsequent discovery of previously unknown problems with the drug, or issues related to manufacturing or regulatory compliance, could lead to severe consequences, including: (i) restrictions on marketing or manufacturing, product withdrawals, or recalls; (ii) fines, warning letters, or suspension of clinical trials; (iii) refusal to approve pending applications or supplements, or suspension or revocation of licenses; (iv) refusal to accept new INDs, NDAs or similar applications; (v) drug seizure, detention, or import/export restrictions; and (vi) injunctions or the imposition of civil, administrative, or criminal penalties. Any government investigation of alleged violations of law could require us to expend significant time and resources and could generate negative publicity. Moreover, regulatory policies may change or additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are not able to maintain regulatory compliance, we may lose the regulatory approvals that we have already obtained, which in turn could significantly harm our business, financial condition and prospects.

If we or any of our business partners fail to comply with environmental, health and safety laws and regulations, we could be subject to fines or penalties and other negative consequences that could have an adverse effect on the success of our business.

We and certain third parties we work with, such as our CROs, CDMOs and business partners, are subject to environmental, health and safety laws and regulations, including those governing laboratory procedures and hazardous materials and wastes. We generally contract with third parties for the disposal of solid waste and wastewater, and we cannot guarantee their continuous compliance. We cannot eliminate the risk of contamination or injury from these materials. We do not maintain insurance for environmental liability or toxic tort claims, and our coverage for employee injuries may be inadequate. In addition, we may be required to incur substantial costs to

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comply with current or future environmental, health and safety laws and regulations, which could impair our research, development or production efforts. Failure to comply with these laws and regulations may also result in substantial fines, penalties or other sanctions.

We may be directly or indirectly subject to applicable anti-kickback, false claims laws, doctor payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations, which could expose us to administrative sanctions, criminal sanctions, civil penalties, contractual damages, reputational damage and diminished profits and future earnings.

Healthcare providers, doctors and others play a primary role in the recommendation and prescription of our products. Our operations are subject to various PRC anti-fraud and abuse laws, including the applicable provisions in 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》). These laws may impact, among others, our proposed sales, marketing and education programs. Regulatory authorities could conclude that our business practices may not comply with current or future fraud, abuse or other healthcare laws or regulations. If any actions are instituted against us, those actions could result in the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in governmental healthcare programs, contractual damages, reputational damage, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our business and results of operations.

Furthermore, we are subject to anti-bribery laws. See “Regulatory Overview — Overview of Laws and Regulations in the PRC — Laws and Regulations in Relation to Anti-Bribery” for details. In addition, we are subject to the Foreign Corrupt Practices Act of the United States and other laws with extraterritorial reach, which generally prohibits us from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Failure to comply with anti-bribery laws could disrupt our business and lead to severe criminal and civil penalties. See also “— Risks Relating to Our Operations — We may be unable to detect, deter and prevent all instances of bribery, fraud or other misconduct committed by our employees or third parties.” As we expand our operations globally, we may also become subject to similar laws and regulations from other jurisdictions. There are ambiguities as to what is required to comply with any of these laws and regulations, and if we fail to comply with such requirements, we could be subject to penalties and other negative consequences. If any of the physicians or other third parties with whom we do business are found to be not in compliance with the applicable laws and regulations, they may be subject to criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs, which may also adversely affect our business.

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 and treatment records of participants enrolled in our clinical trials, but do not collect the personal information irrelevant to our trials or our enrolled participants. In recent years, the PRC authorities have promulgated certain laws and regulations in respect of information security, data collection and privacy, which have imposed stricter requirements on the protection of personal information. See “Regulatory Overview — Overview of Laws and Regulations in the PRC — Regulations in Relation to Information Security and Data Privacy” for details.

Regulatory requirements on data privacy, data protection and information security are constantly evolving and subject to varying interpretations, resulting in uncertainties about the scope of our responsibilities in that regard. We may also be subject to additional or new laws and regulations regarding the protection of personal information and privacy related matters in connection with our methods for data collection, analysis, storage and use. The personal information of patients or participants 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. Our security policies and measures to protect our proprietary data and patients’ privacy might not satisfy all the requirements in every respect under the applicable laws and regulations. Any failure or perceived failure by us to prevent information security breaches or to comply with data/privacy policies or data/privacy-related legal obligations, or any compromise of information security that results in the unauthorized release or transfer of personal information or other patient data, could cause our customers to lose trust in us and could expose us to legal claims.

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We may be restricted from transferring our scientific data abroad.

We may be required to obtain government approval or undergo security assessments to transfer data abroad, particularly if it involves state secrets or government-funded research. See “Regulatory Overview — Overview of Laws and Regulations in the PRC — Regulations in Relation to Information Security and Data Privacy” for details. Failure to comply with relevant requirements, such as obtaining authorization from subjects, transferring and retrieving of personal information, and adopting measures to ensure data safety, may lead to restrictions on the cross-border transfer of our data. In addition, under the Regulations of PRC on the Administration of Human Genetic Resources (《中華人民共和國人類遺傳資源管理條例》), the PRC Biosecurity Law (《中華人民共和國生物安全法》), and other relevant laws and regulations, entities are restricted from directly collecting human genetic resources and must cooperate with local institutions, subject to specific approvals or filings. For details, see “Regulatory Overview — Laws and Regulations in Relation to New Drugs — Gathering, Collection and Filing of Human Genetic Resources.” Failure of compliance may expose us fines and other administrative penalties and our R&D of drug candidates may be hindered.

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

The pharmaceutical industry and healthcare system in China, the U.S. and other jurisdictions have witnessed a series of legislative and regulatory changes, including measures that may reduce or limit coverage and reimbursement and affect our ability to profitably sell our products. See also “Regulatory Overview” and “— Risks Relating to Our Business and Industry — If golidocitinib or other products and drug candidates fail to be timely included in, or are removed or excluded from, national, provincial or other government-sponsored medical insurance programs, our revenue and financial performance could be adversely affected.” Such new regulations may lead to stricter standards for our business and operations, increasing our compliance burden and operating expenses. Moreover, these laws and regulations are subject to updates, and their application may evolve over time. This may result in continuing uncertainty and additional costs necessitated by ongoing revisions to our disclosure and governance practices. Failure to comply may lead to penalties and our business may be harmed.

The increasing awareness of environmental, social and governance issues may lead to the adoption of more stringent laws and regulations and increase our compliance costs.

With the rising awareness of ESG issues, including greenhouse gas emissions and environmental protection, regulatory changes may affect our business operations. Accordingly, we may need to devote significant resources to ensure our compliance with such laws or regulations. We acknowledge the potential environmental impact associated with our R&D activities. In addition, the manufacturing process of our CDMOs also consumes a substantial amount of energy and exerts pressure on environmental protection efforts. As a result, we have implemented, and plan to continue implementing, a number of measures to mitigate environmental impacts and ensure our compliance. For details, please see “Business — Environmental, Social and Governance Matters.” This commitment may entail incurring substantial additional costs and potentially impact our financial performance. Besides, we cannot assure you that these measures can effectively mitigate the relevant risks and ensure constant compliance under relevant laws and regulations. Regulatory changes may increase our compliance costs, and failure to comply may adversely affect our business and financial performance.

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.

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; however, we cannot guarantee the extent to which our business operations will be able to benefit from such measures, if at all. 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 an adverse effect on our business, financial condition, results of operations and prospects.

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RISKS RELATING TO OUR OPERATIONS

Our future success depends in part on our ability to attract, retain and motivate senior management, key personnel, and other qualified professionals.

We are highly dependent on the expertise of our senior management, key personnel, and other qualified professionals. We believe that there is, and will continue to be, intense competition for skilled management, technical, sales and other personnel with experience in our industry. 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.

If we fail to effectively manage our anticipated growth or execute on our growth strategies, our business, financial condition, results of operations and prospects could suffer.

Our future performance will also depend, in part, on our ability to effectively manage our growth, and our management may have to divert a disproportionate amount of its attention away from day-to-day activities in order to implement our long-term development strategies. For details, see “Business — Our Strategies.” In addition, managing our growth and executing on our growth strategies will require continuous innovation and the ability to identify and develop promising drug candidates. We may also need to effectively develop new facilities and teams, recruit and train talent, and maintain financial, management, and quality controls. All of these endeavors will require substantial management attention and efforts, as well as significant additional expenditures. We cannot assure you that we will be able to execute our business strategies and manage any future growth effectively and efficiently, and any failure to do so may adversely affect our ability to capitalize on new business opportunities, which in turn may have an adverse effect on our business, financial condition, results of operations, and prospects.

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 inspections, 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 business partners, such as our suppliers, 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 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, are crucial to the success of our business. However, our reputation is vulnerable to potential threats that can be difficult or impossible to control, and costly or impossible to remediate. We may fail to promote our brands effectively to remain competitive. In addition, we may engage various third parties, such as distributors and third-party promoters, to expand our sales and distribution network and increase market access for our drugs, which can make it increasingly difficult to effectively manage our brand reputation, as we have relatively limited control over these third parties. Any regulatory inquiries or investigations or other actions against our management,

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any perceived misconduct by us, our business partners or our affiliates, could harm our reputation and adversely affect our business. Regardless of the merits or final outcome of such regulatory inquiries, investigations or actions, our reputation may be substantially damaged, which may impede our ability to attract and retain talent and business partners and grow our business.

Increased labor costs could slow our growth and adversely affect our operations and financial performance.

Our operations depend in part on the skills and know-how of our employees. 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. We cannot assure you that there will be no further increase in labor cost, which may adversely affect our operations and financial condition. In addition, share-based compensation granted under our existing or future share-based incentive arrangements and scheme could adversely affect our costs and our results of operations. See also “— Risks Relating to Our Financial Position and Need for Additional Capital — Share-based payments may impact our financial performance and cause shareholding dilution to our existing Shareholders.”

Changes in international trade policies and political tensions 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. Rising trade and political tensions could reduce levels of trades, investments, technological exchanges and other economic activities between China and other countries and regions, which would have an adverse effect on global economic conditions, the stability of global financial markets, and international trade policies. For example, on February 21, 2025, U.S. President Donald J. Trump issued a memo entitled the “America First Investment Policy” (the “**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. 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.

The BIOSECURE Act was signed by President Trump on December 18, 2025, as part of the FY2026 National Defense Authorization Act, which aims at prohibiting the U.S. government from procuring biotechnology equipment or services from designated “biotechnology companies of concern,” or providing government contracts, loans and grants to any entity that uses biotechnology equipment or services from a designated “biotechnology company of concern.” On September 9, 2024, the U.S. House of Representatives voted in favor of an earlier version of the BIOSECURE Act, which named five specific Chinese companies as “biotechnology companies of concern,” namely BGI Group, MGI Tech Co., Ltd., Complete Genomics, Inc., WuXi AppTec Co., Ltd. (“**WuXi AppTec**”), and WuXi Biologics (Cayman) Inc. (“WuXi Biologics”), and any of their subsidiary, parent, affiliate, or successor. However, the final enacted version of the BIOSECURE Act does not name specific entities. Instead, the 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 to be designated through a process headed by the Office of Management and Budget (the “**OMB**”), which is required to supplement the list of biotechnology companies of concern within one year of enactment, and to review and update such list on an annual basis thereafter. Prohibitions under 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. If our suppliers or business partners were to be listed as “biotechnology 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.

During the Track Record Period, we primarily engaged industry-recognized CDMOs for our commercial production and clinical manufacturing and all of our revenue was generated from Chinese Mainland. During the same period, certain subsidiaries of WuXi AppTec served as our suppliers of CDMO services. The BIOSECURE Act did not, however, have any material impact on

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our business and operations during the Track Record Period, given that (i) none of WuXi AppTec, WuXi Biologics, or any of their affiliates with whom we had business relationships are listed as “biotechnology companies of concern” in the current version of the BIOSECURE Act, and (ii) we did not have business relationships with any entity included on the 1260H List, in light of the preliminary injunction pausing the enforcement of the designation of WuXi AppTec. We will continue to closely monitor and evaluate the potential impact of the BIOSECURE Act on our business and operations, including the release of forthcoming guidance and regulations from the OMB and any updates to the list of designated “biotechnology companies of concern,” while maintaining strong business relationships with all our existing suppliers and a list of qualified alternative suppliers capable of providing equivalent services.

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 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 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. If we, our customers, suppliers or other business partners become subject to these measures, our business, financial condition, and results of operations could be adversely affected.

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 principal insurance policies include medical insurance for our employees, clinical trial insurance, directors’ and officers’ liability insurance, and product liability insurance as a marketing authorization holder. In line with general market practice, we have elected not to maintain certain types of insurance, such as business interruption insurance or key personnel life insurance. We believe our existing insurance coverage is adequate for our present operations and in line with the industry practice in the PRC. Nevertheless, this coverage 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. 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.

We face certain risks relating to our leased properties, which may disrupt our operations and incur additional costs.

We have leased certain properties in China primarily used as our R&D facilities, office premises, or factories. See “Business — Properties” for details. 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, five of our lease agreements were not registered. Failure to register does not in itself invalidate the leases, but we may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. Besides, Lease termination or unenforceability due to third-party challenges would necessitate relocation, resulting in costs and operational disruptions. Additionally, we may fail to renew expiring leases on acceptable terms. Inability to secure or renew leases could materially and adversely affect our business, results of operations or financial condition.

Failure to comply with relevant regulations relating to social insurance and housing provident fund may subject us to penalties and adversely affect our business, financial condition, results of operations and prospects.

According to applicable PRC regulations, we are required to participate in the employee social welfare plan administered by local governments. See “Regulatory Overview — Overview of Laws and Regulations in the PRC — Regulations in relation to Employment and Social Securities” for details. Such plan consists of pension insurance, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance. The housing provident fund is also included in the employee welfare plan, though under relevant regulations, it is generally not applicable to foreign employees. During the Track Record Period, we engaged third-party human resource

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agencies to make contributions to social insurance and housing provident funds for certain employees. Such arrangement is not in strict compliance with relevant PRC laws and regulations. In the event that the government authorities do not recognize such arrangement, we may be deemed to have failed to fully contribute for such employees in our own name. We cannot guarantee that we will not be ordered to rectify such practice or be subject to penalties imposed by the local social insurance authorities or the local housing provident fund management centers for failing to make social insurance and housing provident fund contributions for the employees in our own name. Such actions may have an adverse impact on our financial position and results of operation.

If we or our business partners fail to obtain, maintain or renew necessary licenses and permits for the development, production, promotion, and sale of our products, our ability to conduct our business could be materially impaired and our revenue and financial performance could be adversely affected.

We and our business partners, such as suppliers, distributors, and other third-party contractors, are required to obtain, maintain and renew various licenses and permits to develop, produce, promote, and sell our pharmaceutical products. For details, see “Business — Permits and Licenses.” We and our business partners may be subject to regulatory inspections, and an adverse outcome may result in the loss or non-renewal of the relevant permits, licenses and certificates. Moreover, the criteria for reviews and renewals may change from time to time, and we or parties on whom we rely may fail to meet new standards. Additionally, changes in regulations or interpretations may require additional licenses, permits or certificates that were previously not required to operate our business. There can be no assurance that we or parties upon whom we rely will successfully obtain such permits, licenses or certificates. Failure to obtain, maintain or renew material licenses could materially impair our business, increase costs and adversely affect our financial performance.

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 may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of: (i) natural disasters such as floods, earthquakes, or fires; (ii) widespread health epidemics; (iii) power, water, or fuel shortages; (iv) information system malfunctions or unexpected technical problems; and (v) wars or terrorist attacks. The occurrence of a disaster or a prolonged outbreak of an epidemic illness or other adverse public health developments in the regions where we operate could materially disrupt our business and operations, resulting in, among other things, adverse effects on the economy, potential delays of our ongoing and future clinical trials, and disruptions to the operations of our business partners.

RISKS RELATING TO THE [REDACTED]

Our A Shares are listed on the Shanghai Stock Exchange. The characteristics of the A Share and H Share markets may differ. We will be concurrently subject to listing and regulatory requirements of the Chinese Mainland and Hong Kong.

The A Shares of our Company have been listed on the Shanghai Stock Exchange STAR Market (stock code: 688192) since December 2021. Following the [REDACTED], our A Shares will continue to be traded on the Shanghai Stock Exchange and our H Shares will be [REDACTED] on the Stock Exchange. The H Share and A Share markets have different trading characteristics, trading volumes, liquidity and investor bases, as well as different levels of retail and institutional investor participation. As a result, the trading performance of our H Shares and A Shares may not be comparable, and the historical prices of our A Shares may not be indicative of the prices of our H Shares. Nonetheless, fluctuation in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. As we are listed on the Shanghai Stock Exchange and expect to be [REDACTED] on the Main Board of the Stock Exchange, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available. Accordingly, we may incur additional costs and resources in continuously complying with all applicable regulatory regimes.

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There has been no prior public market for our H Shares, and their liquidity and [REDACTED] may be volatile, which could lead to substantial losses to [REDACTED].

Prior to the completion of the [REDACTED], there has been no public market for our H Shares. The [REDACTED] for our H Shares to the public will be the result of negotiations between us and the [REDACTED] (for themselves and on behalf of the [REDACTED]), and the [REDACTED] may differ significantly from the post-offering [REDACTED]. We have applied to the Stock Exchange for the [REDACTED] of, and permission to [REDACTED], the H Shares. We cannot assure you that a public market for our H Shares with adequate liquidity and trading volume will develop and be sustained, or that the [REDACTED] will not decline following the [REDACTED]. The price and trading volume of our H Shares may be volatile due to a number of factors, including: (i) variations in our financial results; (ii) new [REDACTED], collaborations or acquisitions; (iii) unexpected business interruptions; (iv) changes in management and key personnel; (v) regulatory or competitive issues; (vi) political, economic and social developments; and (vii) fluctuations in [REDACTED] for our products or raw materials. Moreover, pharmaceutical stocks have experienced significant price volatility unrelated to corporate performance in the past, and our H Shares may be similarly affected.

Future sales or perceived sales of substantial amounts of our Shares in the public market could have an adverse effect on the prevailing [REDACTED] of our H Shares and our ability to raise additional capital in the future.

The [REDACTED] of our H Shares could decline as a result of future sales of a substantial number of our Shares or other securities relating to our H Shares in the public market, the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our securities, including any future [REDACTED], could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares.

As the [REDACTED] of our H Shares is higher than our consolidated net tangible asset per Share, purchasers of our H Shares in the [REDACTED] may experience immediate dilution upon such purchases.

As the [REDACTED] of our H Shares is higher than the consolidated net tangible assets per Share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] may experience an immediate dilution. Our existing Shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per Share of their Shares. In addition, holders of our H Shares may experience further dilution of their interest if we issue additional H Shares in the future to raise additional capital.

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

Most of our assets are situated in the PRC and most of our directors and officers reside in the PRC. Additionally, as the PRC does not have treaties providing for the reciprocal recognition and enforcement of civil case judgments of courts with many countries, you may experience difficulties in enforcing foreign judgments against us or our management in the PRC. On January 29, 2024, 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》) came into effect, which stipulates that 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, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the PRC, as they remain subject to a case-by-case examination by the relevant courts.

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will declare and pay dividends in the future.

No dividend has been paid or declared by our Company during the Track Record Period. Under the applicable PRC laws and regulations, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business

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Enterprises may differ in certain respects from the calculation under the IFRS. As a result, we may not be able to pay a dividend in a given year even if we were profitable as determined under IFRS. Our Board may declare dividends in the future after taking into account our financial condition, results of operations, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the PRC laws and regulations, and will require approval at our Shareholders’ meeting. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. If we fail to obtain sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders. Further, we cannot assure you that new regulations will not be promulgated in the future that could affect the remittance of Renminbi into or out of China.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the Shanghai Stock Exchange.

As our A Shares are listed on the Shanghai Stock Exchange STAR Market, we publicly release information relating to us based on PRC requirements on the Shanghai Stock Exchange or other media outlets designated by the CSRC. However, these standards may differ from those applicable to the [REDACTED], and previously disclosed financial and operational information may not be directly comparable to this document. Therefore, prospective [REDACTED] in our H Shares should rely only on the financial, operating and other information included in this document. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this document and any formal announcements made by us in Hong Kong with respect to the [REDACTED].

Certain facts, forecast and other statistics in this document that were derived from official publications may not be fully reliable.

Certain facts, forecast and other statistics in this document were derived from official publications, including government and official resources. We believe that the sources are appropriate and have taken reasonable care in extracting and reproducing such information. Nevertheless, information from government and official sources has not been independently verified by us, the Joint Sponsors, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of the [REDACTED], any of their respective directors and advisors, or any other persons or parties involved in the [REDACTED] and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our [REDACTED] that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our [REDACTED] should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

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

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as “aim,” “anticipate,” “believe,” “could,” “predict,” “going forward,” “intend,” “plan,” “project,” “seek,” “expect,” “may,” “should,” “would” or “will” and the negative of these terms as well as similar expressions. Reliance on any forward-looking statements involves risks and uncertainties and assumptions could prove inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. These statements should not be regarded as representations or warranties by us that our plans will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the Listing Rules, we do not intend publicly to update or otherwise revise these forward-looking statements. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

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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 sources regarding us or the [REDACTED].

We may be subject to press and media coverage prior to the completion of the [REDACTED]. This coverage may include certain financial information, industry comparisons, profit forecasts and other information about us that does not appear in this document. We do not accept any responsibility for the accuracy or completeness of such media reports, nor the fairness or appropriateness of any forecasts or views expressed. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information. Accordingly, prospective [REDACTED] should not rely on any such information, reports or publications in making their [REDACTED] decisions regarding the [REDACTED]. You should rely only on the financial, operational and other information included in this document, the [REDACTED] and any formal announcements made by us in Hong Kong. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this document, the [REDACTED] and any formal announcements made by us in Hong Kong.